

TWELFTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE
ON
PUBLIC ACCOUNTS
(2006-2008)**

FIFTY FIFTH REPORT

(Presented on 17th March, 2008)



SECRETARIAT OF THE KERALA LEGISLATURE
THIRUVANANTHAPURAM
2008

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On

**Action taken by Government on the Recommendations
contained in the Hundred and Nineth Report
of the Committee on Public
Accounts (1998-2000)**

312/2008.

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INTRODUCTION

I, Chairman, Committee on Public Accounts having been authorised by the Committee to present this Report on their behalf, present the Fifty Fifth Report on Action taken by Government on the Recommendations contained in the Hundred and Ninth Report of the Committee on Public Accounts (1998-2000).

The Committee considered and finalised this Report at the meeting held on 11-3-2008.

Thiruvananthapuram,
17th March, 2008.

ARYADAN MUHAMMED,
Chairman,
Committee on Public Accounts.

REPORT

This Report deals with the action taken by Government on the recommendations contained in the 109th Report of the Committee on Public Accounts (1998-2000).

The 109th Report of the Committee on Public Accounts (1998-2000) was presented to the House on December 18, 2000 and it contained fifteen recommendations relating to Public Works Department. Government were addressed on 20th January, 2001 to furnish the Statement of Action Taken on the recommendations contained in the Report and the final replies were received from Government on 5-11-2003.

The Committee examined the statements at its meetings held on 2-12-2003 and took evidence on 17-12-2003. The Committee was not satisfied with the action taken by Government on recommendations Nos. 13 and 15 (Para Nos. 34 and 36) and decided to pursue it further. Such recommendations replies and the further recommendations of the Committee are included in Chapter 1 of this Report.

The Committee decided not to pursue further action on the remaining recommendations in the light of the replies furnished by Government. These recommendations and their replies are incorporated in Chapter II of this Report.

CHAPTER 1

RECOMMENDATIONS IN RESPECT OF WHICH THE ACTION TAKEN BY
GOVERNMENT IS NOT SATISFACTORY AND WHICH REQUIRES
REITERATION**Public Works Department***Recommendation**(Sl. No. 13 Para No. 34)*

1.1 The Committee are distressed to note that the non acceptance of the original offer for the work "NH 47-RP 1991-92" providing mix seal surfacing from Km.373/0 to Km.374/0 and the failure on the part of Superintending Engineer in forwarding the same with specific recommendations resulted in an extra expenditure of Rs.1.03 lakhs to the Department. The Committee were amazed at the version that the files related to this work were missing. The Committee opine that responsibilities for the loss of files should be fixed and action taken against persons concerned.

Action taken

1.2 Superintending Engineer, NH (S) Circle, Thiruvananthapuram recommended the tender and submitted to the office of the CE on 19-5-1992. But it was returned to the Superintending Engineer, NH, Thiruvananthapuram on 1-7-1992 only i.e., after the expiry of the firm period on 20-6-1992. The contractor backed out from the bid and work was arranged after revising the estimate at the rate prevailing at that time. Hence it is evident that the delay occurred in the office of the CE which resulted in the excess expenditure due to re-arrangement of work. Shri B. Ravindran Nair, 1st Grade Draughtsman was then dealing in Drawing Branch as he was the Draughtsman who handled the work under NH Division, Alappuzha during that period. Shri. P. Sreekumar was the then Assistant Executive Engineer in his office who was in-charge of the works under NH Division, Alappuzha during that period. Shri P. Sivaraman Nair, Head Draughtsman who was the supervisory officer retired from service on superannuation on the A.N. of 30-4-1993. Action is being taken against these responsible officers.

Further Recommendation

1.3 The Committee wants to be informed of the present stage of the action taken against the erring officials.

*Recommendation**(Sl. No. 15 Para No. 36)*

1.4 The Committee also desire to be furnished with the details regarding the number of works completed for which payments are withheld by Government of India due to non-submission of completion reports.

Action Taken

1.5 No payments are withheld by Government of India due to the non-submission of completion reports. An amount of Rs. 63.49 crore was withheld by Government of India for want of sanction of revised estimate on land acquisition. Over 30 crore have since been released by the Ministry. Necessary directions in this regard have been given to the divisions to take prompt action by submitting estimates correctly and in time to get the amount due to the State reimbursed as early as possible.

Further Recommendation

1.6 The Committee desires to know whether the balance amount due to the State had been reimbursed.

CHAPTER II

RECOMMENDATIONS WHICH THE COMMITTEE DOES NOT DESIRE TO
PURSUE IN THE LIGHT OF REPLIES FURNISHED BY GOVERNMENT**Public Works Department***Recommendation**(Sl.No. 1 Para No. 22)*

2.1 The examination of Audit paragraph on National Highways revealed that though the construction and maintenance of National Highways rest with the Central Government, the expenditure thereon had to be met initially by the State Government and later get it reimbursed from the Central Government. The Committee observe that this procedure often put the State Government into much financial crisis, because, the allocation of funds seldom matches the actual expenditure and the State Government has to struggle a lot to get the amount reimbursed from the Central Government. The Committee observe that the major impediments faced by the Department in carrying out the works were, inadequate allocation of funds from the Government of India, the financial constraints of State Government, delay in land acquisition process and the high percentage of escalation of costs etc.

Action Taken

2.2 The State Government, Central Government as well as Honourable Court have directed that the N.H. road should be maintained properly or otherwise the officers concerned will be held responsible. At the same time, the allotment being received for each financial year is much below the actual requirement for the year.

2.3 Most of the expenditure incurred was for payment of L.A charges. Any delay in making payment of L.A. charges would lead to additional liability to Government by way of interest.

2.4 In the case of N.H., original works and major works are being arranged under FIDC conditions (International Contract Conditions), which, stipulate that payment shall be made within 56 days on receipt of the bills.

2.5 However, Chief Engineer, N.H. is making earnest attempts to get sufficient funds allocated from the MORTH. Strict financial control is also maintained to limit the expenditure within the allotment of funds. Sufficient allocation of funds for various major works are also expected from the Central Government. From 1-4-2003 onwards direct payment system has been adopted in respect of NH works in the State.

Recommendation

(Sl.No. 2 Para No. 23)

2.6 The Committee believe that the existing road networks in the State is quite inadequate both in terms of quantum and quality resulting in heavy congestion on roads, high vehicle operating costs, very high road maintenance cost as well as and paving way to numerous fatal accidents. To meet the present demand on road transport, the Committee recommend that the road capacity should be enhanced to meet the increased volume of traffic. The Committee, further firmly recommend that in addition to the four National Highways in the State, a four line National Highway connecting Kasaragode and Kanyakumari should be built for the smooth flow of traffic and to make good the present inadequacy in roadways experienced by the State.

Action Taken

2.7 Considering the present demand on road transport, necessary proposals have already been submitted to MORTH for increasing the road capacity of Kerala State. Much improvement has already been made in the road traffic system by increasing the standard quality and quantity of the NH. system in Kerala. Now we have 8 numbers of National Highways with a total length of

1590 Km. Construction of an Express way connecting Kasaragode and Thiruvananthapuram with 4 lane facility is under the consideration of Government and feasibility study is being conducted for the 2nd phase of the project i.e., from Pachapoika in Kannur District to Kunnamangalam in Kozhikkode District.

Recommendation

(Sl. No. 3 Para No. 24)

2.8 The Committee find that though the Department was put in a perturbing situation to keep the expenditure within the limits of allotments, it could neither take effective steps nor secure adequate funds from the Government of India. The Committee wants to know whether the expenditure amounting to Rs. 76.67 crores incurred in excess during 1989-90 to 1995-96 had fully been reimbursed by Government of India. The Committee also desire to know whether Rs. 13.44 crores withheld upto 1994-95 for want of vouchers, payee's receipt etc. had since been released.

Action Taken

2.9 The Department had already preferred claims for reimbursement of the amount on monthly basis. Those amounts are being reimbursed subject to finalisation of revised estimate and on production of original payee's receipt, 'D' Form cheque as the case may be. The huge pendency has since been cleared to a large extent. The delay is due to the payment procedure being followed by MORTH. As the claims are taken through the Accountant General of Kerala each and every claims will be reimbursed subject to earmarking of funds/allotment of funds for clearing the reimbursement.

Recommendation

(Sl. No. 4 Para No.25)

2.10 The Committee urge that the Department should convince the Government of India for the frequent repairs/maintenance required for the National highways in the State due to the heavy monsoon rains/floods. The Committee opine that in view of the special circumstances prevailing in the State, the funds for resurfacing received once in five years from Government of India is quite inadequate. The Committee suggest that immediate steps should be taken to secure sufficient funds from the Government of India for resurfacing in shorter intervals by revising the norms in this regard, if necessary.

Action Taken

2.11 Government of India is being apprised of the heavy monsoon rains/floods for getting sufficient allotment under Periodical Repairs and Flood Damage works. To avoid damages to a great extent, the Ministry of Road Transport and Highways has since introduced BM & AC instead of Periodical Repairs. It would also improve riding quality and ensure long life of surface and that would reduce flood damages to a great extent. The programme will be extended to the entire reaches of NH 17 and NH 47 this year.

Recommendation

(Sl. No. 5 Para No. 26)

2.12 The committee desires to know whether the proposals for Kannur-Mahe bypass, Angamaly-Thiruvananthapuram (via MC Road) Kozhikkode-Thalassery and Perumpilavu-Nilambur-Gudallur-Bangalore road etc. have been approved by the Central Government. If not, the present stage of action may be informed to the Committee.

Action Taken

2.13 The project report of Kannur-Mahe bypass, Angamally-Thiruvananthapuram (via M.C. Road), Kozhikkode-Thalassery and Perumpilavu-Nilambur-Gudallur-Bangalore road etc. are under preparation.

Present position

- | | | |
|---------------------------------------|---|---|
| 1. Thalassery-Mahe | - | L.A in progress. |
| 2. Aluva-Thiruvananthapuram (MC Road) | - | taken up for improvement by KSTP (World Bank aided). |
| 3. Kozhikkode bypass | - | L.A completed. 1st phase completed (7 km) including Arapuzha Bridge
3rd phase – Estimate forwarded to MORTH. |

Further clarification

2.14 While considering the Statement of Action Taken on para No.26 at its meeting held on 2-12-2003 the Committee decided to take evidence from the concerned officials on the following points (i) Reason for the delay in the National Highway Land Acquisition (ii) Present stages of National Highway Works, and (iii) Delay in implementing the Kerala Highway Protection Bill, 1999 (Act 6 of 2000). At the meeting held in 17-12-2003 the Committee was informed

that the rules to the Kerala Highway Protection Act have been framed and published. It was also informed that the final decision on the ribbon development or road side development authority had to be settled and that the department was of the view that the ribbon development should be controlled by the Highway Protection Authority itself. The proposal was being prepared. The Department had initiated an extensive study for a thorough revision of Public Works Code. The Committee was also informed that the land acquisition for the development of the roads mentioned were in progress. The committee accepted the explanation of the Government and decided not to pursue the recommendation further.

Recommendation

(Sl. No. 6 Para No. 27)

2.15 The Committee stress the need to evolve a fool proof financial management system in the department to put an end to the drawal of funds in advance by Land Acquisition officers and keeping with them the unspent balances and the resultant mismanagement of money etc.

Action Taken

2.16 Placement of funds in advance to the L.A Authorities is being made based on their request as per G. O. (Rt) No. 387/90/PW&T dated, 12-3-1990. The funds so placed at the disposal of the L.A. officers will immediately be credited to the deposit for payment of compensation to L.A. charges. Usually they cannot spend the entire amount during the financial year itself. It was a regular practice that the LA authorities send their requests for funds only at the fag end of the year. Anyway the amount actually spent will be reimbursed from MORTH. Placement of fund is only an adjustment for meeting the actual expenditure and to avoid the stoppage of land acquisition works.

Recommendation

(Sl. No. 7 Para No. 28)

2.17 The defective investigation and fixing of high flood level arbitrarily without any scientific basis in a work resulted in an additional expenditure of Rs. 23.33 lakhs to Government, on cutting and filling up of earth in isolated reaches. The Committee deplores this irresponsible action and opines that those who determined the High Flood Level arbitrarily without any criteria should be held responsible for the loss suffered by Government.

Action Taken

2.18 The High Flood Level was fixed after recording the maximum water level during monsoons and after careful study of the flood pattern. The over topping phenomena of the adjacent roads were also studied. The H.F.L. was fixed considering all aspects and not determined arbitrarily. It may be seen that there is no loss to Government, C.E NH has, however, issued a circular to all concerned to abide by the guidelines issued by Ministry while fixing H.F.L. However, as opined by the P.A.C further action is being initiated to assess whether any technical flaw occurred and if so established, action will be taken against the officer(s) concerned.

Recommendation

(Sl. No. 8 Para No. 29)

2.19 The Committee find that though the Department had spent an amount of Rs. 24.41 lakhs for the construction of 'Cherupalam Bridge' the failure in making approach road and carrying out construction of Cholakadavu, Kattathuruthy and Moothakunnam Bridges simultaneously resulted in idle investment to that extent and defeated the very purpose of the scheme. The Committee urges that immediate steps should be taken to complete the construction of the Moothakunnam, Cholakkadvau and Kattathuruthy bridges along with approach road and the road should be opened for vehicular traffic, without any further delay. The Committee recommend that in order to speed up the construction activities and to complete the works within the targeted time, all the bridges and approach roads should be included in the Annual Plan hereafter.

Action Taken

2.20 Though proposals were forwarded to Ministry to include all the remaining reaches in the stretch under reference in the 8th plan, it could not be admitted as the Plan outlay was only 227 crores to the State. Subsequently, proposal to include this in the 9th Plan was made. Sanction for Cholakkadavu and Kattathuruthy bridges are awaited.

Recommendation

(Sl. No. 9 Para No. 30)

2.21 The Committee recommend that the Department should issue specific guidelines in respect of the mix design works related to the Railway Over Bridges, approaches, viaducts etc. In order to take firm decisions while coming

across with the work of pre-stressed girders, deck slab and RCC beams etc. and to avoid any more wasteful expenditure as happened in the constructions of Railway Over Bridges, approaches and viaducts at Kuttippuram in NH 47 to the tune of Rs. 1.19 lakhs towards the cost of excess cement used.

Action Taken

2.22 More designs are done on all major works including major and minor bridge works as well as BM and AC works in NH now. Proper Quality Control measures are also being taken in National Highway work.

Recommendation

(Sl. No. 10 Para No. 31)

2.23 When asked about the adoption of pre-stressed girders in the construction of bridges, viaducts etc, it was deposed before the Committee that up to a length of 35 meters RCC beams would be suitable and beyond that pre-stressed girders would be good. The Committee urges that the department should issue necessary guidelines for the adoption of pre-stressed girders and RCC beams in the work of bridges etc.

Action Taken

2.24 The designs of bridges are based on several factors and a design is finalised considering the latest techniques and specifications. Pre-stressing can be done for small bridges also if found necessary with reference to the particular site condition.

Recommendation

(Sl. No. 11 Para No. 32)

2.25 The Committee were alarmed at the finding that due to the failure in shifting electric posts and high-tension installations in time, the work of Panampuzha Bridge in NH-17 was delayed over a period of three years leading to avoidable extra expenditure of Rs.65.41 lakhs.

Action Taken

2.26 Ministry has also issued instructions to prepare estimate taking into account shifting charges of utility services. Accordingly, instructions have been issued to all concerned for submitting detailed estimate for shifting of utilities. Special attention will be taken to get all the service lines shifted before taking up a development work of NH.

*Recommendation**(Sl. No. 12 Para No. 33)*

2.27 The reason for the delay, which lead to exorbitant increase in cost, was noticed by the Committee as lack of co-ordination between PWD and KSEB. The Committee urges that in order to avoid such delays, necessary provisions should be included in the estimates itself for shifting utilities of KSEB, Water Authority, Telecommunications etc. Further, District Level Co-Ordination Committee consisting of higher-level officers of PWD, Water Authority, KSEB and Telecommunications Department should be constituted to speed up things and to avoid wasteful expenditure and to put an end to the inconveniences caused to the public by keeping the road surface in poor and dilapidated conditions. The Committee recommends that if the poor condition of a road leads to an accident, the exact cause should be ascertained and responsibility should be fixed upon the Department concerned which failed to carryout the rectification/repairs as per norms.

Action Taken

2.28 District level and State level Co-ordination Committee met whenever required to solve issues of inter-departmental nature. Reviews at the level of Government Secretary are also being made.

*Recommendation**(Sl.No. 14 Para No.35)*

2.29 The Committee find that due to the non-observance of the specification of Indian Roads Congress and by over excavating rock to a depth of 0.8 metre, the Department had incurred a wasteful expenditure of Rs.4.40 lakhs. The Committee desires to know the need for laying sand soil mix to the extent of 44.5 cm over the hard rock surface and reason for excess excavation to the extent of 1.5 metre to 12.25 metre beyond the approved width while constructing of approaches to Railway Over Bridge at Kuttippuram.

Action Taken

2.30 Due attention was maintained for the quality and quantity of the work ensuring specific constructional standards and technical nature. The rate of

expenditure of each work was based on the standard specifications and its nature. However, for ensuring good quality of the work such expenditure could not be avoided.

Thiruvananthapuram,
17th March, 2008.

ARYADAN MUJAMMED,
Chairman,
Committee on Public Accounts.

APPENDIX 1

SUMMARY OF MAIN CONCLUSIONS/RECOMMENDATIONS

<i>Sl. No.</i>	<i>Para No.</i>	<i>Department Concerned</i>	<i>Conclusions/ Recommendations</i>
(1)	(2)	(3)	(4)
1.	1.3	Public Works	The Committee wants to be informed of the present stage of the action taken against the erring officials.
2.	1.6	„	The Committee desires to know whether the balance amount due to the State had been reimbursed.