

TWELFTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE
ON
PUBLIC ACCOUNTS
(2008-2011)**

NINETY THIRD REPORT

(Presented on 29th June, 2009)



SECRETARIAT OF THE KERALA LEGISLATURE
THIRUVANANTHAPURAM
2009

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On

**Action taken by Government on Recommendations Contained
in the Fourteenth Report of the Committee on
Public Accounts 1996-1998**

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INTRODUCTION

I, the Chairman, Committee on Public Accounts, having been authorised by the Committee to present this Report on their behalf, present the Ninety Third Report on Action Taken by Government on the Recommendations contained in the Fourteenth Report of the Committee on Public Accounts 1996-1998

The Committee considered and finalised this Report at the meeting held on 10th June, 2009.

Thiruvananthapuram,
29th June, 2009.

ARYADAN MUHAMMED,
Chairman,
Committee on Public Accounts.

REPORT

This Report deals with the action taken by Government on the recommendations contained in the 14th Report of the Committee on Public Accounts (1996-98)

The 14th Report of the Committee on Public Accounts (1996-98) was Presented to the House on April 8th 1997. The Report contained six recommendations relating to Water Resources Department. Government were addressed to furnish the statement of action taken on the recommendations contained in the Report on 28th April 1997, and the final replies were received on March 16, 2007.

The Committee examined the action taken statements at its meeting held on 10-10-2007 and was not satisfied with the statements of action taken on the recommendation Nos. 1,2 & 6 (Para Nos.14, 15 & 19) and decided to pursue them further. Those recommendations, replies and the further recommendations are included in Chapter I of this Report.

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

CHAPTER I

Recommendations in Respect of Which Action Taken by Government are not Satisfactory and Which Requires Reiteration

WATER RESOURCES DEPARTMENT

Recommendation

(Sl.No.I Para No.14)

1.1 The Committee observe that though the contracts for construction of a lock-cum-regulator-cum-bridge at Koottayi across-Tirur-Ponnanipuzha in Malappuram District were awarded in 1979 and 1981 respectively, the department was forced to terminate the contract in December 1981 and June 1984 after completing 14 out of the 25 spans, since the department could not supply the cement and other materials and funds in time. The departmental delays in making available the money and materials not only delayed the work for about 15 years but also led to an abnormal increase in estimate from Rs. 86.5 lakh in 1977 to Rs. 330 lakh in 1995-96.

Action Taken

1.2 Government as per G.O (MS)139/77/W&T dated, 23-12-77 accorded Administrative sanction for an amount of Rs. 86.50 lakh for the work, construction of a lock-cum-regulator-cum-bridge at Koottayi across Tirur-Ponnanipuzha in Malappuram District as per the 1979 schedule of rates and technical sanction was given as per order No. 6/CE/1/1978 dated 01.08.1978. The original proposal was for construction of 24 spans and a lock chamber. Out of the above 24 spans, 14 spans were completed. The work was held up due to various technical reasons and many audit objections were raised by the Accountant General. The fixing of shutters for the completed spans could not be arranged due to various factors. The above work was proposed twenty years back and at that time no other projects were executed and water was not stored in the upstream portions of Bharathapuzha. Later a number of projects such as Chulliyar, Meenkara, Pothundy, Kanjirappuzha, Mangalam etc were executed in addition to the major project, Malampuzha. Hence the discharge of water in the river basin has been considerably reduced. Moreover the Koottayi regulator was designed considering the flood of 1924, which was the peak flood. Since 1924 no such flood had occurred and even if such a flood could occur the above mentioned projects could absorb a major portion of the flood. Hence after considering all the above facts the Chief Engineer, Irrigation and Administration and Chief Engineer IDRB jointly decided to reduce 4 spans from the original proposal of 24 spans. The Chief Engineer (Irrigation & Administration) and IDRB had conducted a joint inspection on 12.04.1991. Government as per G.O (Rt) No. 126/88/IRD) dated 28.04.1988 and G.O.(Rt)No.651/95/IRD. dated 23.06.1995 approved revised estimates amounting to Rs.213 lakhs (1986 Schedule of Rates) and for Rs. 330/- lakhs (1992 schedule of rates) respectively. The G.O dated 23.06.1995 was subject to the condition that the work will be continued only after adequate provision is made in the budget that is not less than 25% of the estimate amount. There was no sufficient fund provided in the subsequent years budget to proceed with the work.

1.3 In the meantime the estimate was again revised for the balance work as per the 1996 schedule of rates which comes to Rs.433 lakh and which was again revised on from the 1999 schedule of rates for an amount of Rs.500 lakh. As per G.O(Rt)No.672/2001/IRD dated 6-7-2001, administrative sanction was accorded for the work for Rs.500 lakh. Based on the above Government Order the tendering of the work was proceeded with and necessary orders were issued in G.O(Rt)201/03/WRD. dated 19-2-2003.

1.4 The original work was started on 7-5-1979 Administrative Sanction for the original work was accorded by the Government for an estimate amount of Rs.86.50 lakh as per G.O(MS)139/77/W&T dated 2-12-1977 and Technical Sanction was issued by the Chief Engineer vide order No.6/CE/I/78. dated 1-8-1978.

1.5 The civil work of 14 spans has been completed. The work of formation of approach road and fixing of embedded parts has been partially completed. These works were arranged as per different agreements and the total amount spent for these works come to Rs. 97,98,142.

1.6 For arranging and completing the entire civil and mechanical works simultaneously, an estimate was prepared and administrative sanction was accorded by Government vide G.O(Rt)No.672/01/IRD dated 6-7-2001 for Rs. 500 lakh. Technical sanction for the balance work was issued vide order No.23/CE/I&A/2001-02 dated 01.02.2002 for Rs.367 lakh as per 1999 schedule of rates and the work was arranged vide Agreement No.SE(1)24/02-03 dated 31.03.2003 for a contract of PAC of Rs. 5,26,42,870 (Rs.1,30,29,651 for Mechanical works and Rs.3,96,13,219 for civil works).

1.7 The estimate is revised as per present site condition during execution and hence revised estimate was prepared for Rs.490 lakh and it was directed to proceed with the work as per the revised estimate vide letter No.W3-14968/94 (1) dated 25-11-2006. The amount of contract PAC of the work including the amount of work already executed by the previous contractors after affecting tender variation probably will come to Rs. 824.85 lakh. So far an amount of Rs. 2,86,61,861 has been spent for the balance of work and an overall 50% of the work has been completed so far. The total expenditure for the whole work comes to Rs. 3,84,60,003.

Further Recommendation

1.8 The Committee opines that the department has to examine whether the remaining construction work of span is to be completed and decision has to be taken urgently.

Recommendation

(Sl.No.2 Para No.15)

1.9 The Committee note with serious concern that defective investigation and absence of feasibility study and project report had led the work to a standstill for the last 18 years. Original estimated cost of the work was Rs. 86.5 lakhs, in 1977. This was revised to Rs.330 lakh in 1995-96 and according to

present schedule of rates the estimate is likely to rise up to Rs.5 crore. During the visit to the site the Committee could understand that the proposal of the Chief Engineer (IDRB) for providing 20 spans for the regulator, a lock chamber and an earthen embankment instead of the balance 4 spans at the Koottayi side, was not feasible due to the depth of the river. Moreover lack of planning in awarding works in the initial stages of execution was the basic reason for the expenditure incurred so far becoming infructuous. Therefore, the Committee recommend that severe and deterrent action should be taken against the officers responsible for their lapses.

Action Taken

1.10 The work was initially arranged in five parts. The works were awarded and arranged during the incumbency period of the following officers:

Name of work & agreement No.	Name of officer whoexecuted the agreement	Incumbencyperiod
(1)	(2)	(3)
1. Constructing a lock-cum-regulator-cum-bridge across Tirur Ponnani in Malappuram District (Part of Work) Agreement No.SE(1)5/7980 dated 7-5-1979	Shri N. A. Padmanabhan, Supt. Engineer	9-11-1978 to 10-11-1980 A.N
2. Constructing a lock-cum-regulator-cum-bridge at Koottayi across Tirur-Ponnani in Malappuram District (Part of Work II). Agreement No. SE(1) 9/81-82 dated 16-5-81	Shri K. A. Jossie,Supt. Engineer	10-11-1980 A.N to 31-5-81 A.N
3. Constructing a lock-cum-regulator-cum-bridge at Koottayi across Tirur Ponnani in Malappuram District	Shri M. Narayana Pillai,Supt. Engineer.	29-6-1981 A.N to 30-4-1983 A.N

(1)	(2)	(3)
constructing Deck Slip for 14 spans -Agt. No. SE (1) 22/82-83 dated 10-11-1982.		
4. Constructing a lock-cum-regulator-cum-bridge at Koottayi across Tirur Ponnani in Malappuram District Constructing RCC piles-Agt.No.SE (1) 3/85-86 dated 27-7-85.	Shri V. Surendran Pillai Supt. Engineer	30-7-1984 F.N to 19-12-1985 F.N
5. supplying and erection of shutters to the lock - cum-regulator cum bridge at Koottayi across Tirur Ponnani in Malappuram District 14 sets of shutters suit the ventway of 6.10 wide and 2.75m high in single tire. Agt.No.SE(1)12/86-87 dated 17-3-1987	Shri P. R. Balakrishnan Supt. Engineer.	19-12-1985 F.N. to 4-5-1988 A.N

1.11 Action against the above officers responsible for their lapses was taken in the Vigilance Wing in the Office of the CE (I&A). Since all officers had retired from service before the bifurcation of PWD, all the Chief Engineers of PWD and Irrigation Department have been addressed to furnish the details regarding present whereabouts of the pensioners, if available.

1.1 The defective investigation, absence of feasibility study and project report and paucity of fund, led the work to a standstill. Besides the hydrological condition was also not positive to execute the work as scheduled. However, earnest attempts were made to initiate disciplinary action against the officers in charge. But due to distance of time the authorities could not find out the whereabouts of the concerned officers who retired from service more than 15 years and so.

Further Recommendation

1.13 The Committee expressed displeasure on the reply from the department. The Committee opines that this reply was given to save the concerned officers who had retired from service. The Committee recommends that the department has the right to take disciplinary action against the defaulted officers even though they had retired from service.

Recommendation

(Sl. No. 6 Para No.19)

1.14 The Committee feel that had the work of approach roads been executed in the first stage the cost of construction would have been reduced considerably as it would have been helpful to the contractors to transport materials. The Committee note that the proposals for the construction of earthen bunds over the remaining length of 11 spans is not feasible on account of the depth of the river and its navigational facilities. The Committee seriously view that the Engineering officials of the department who are supposed to look into such matters more deeply have failed in discharging their duties, properly. The Committee recommend that the formation of approach roads should be given top priority and the remaining works should be executed by without further delay of constructing the remaining spans.

Action Taken

1.15 The approach road at Mangalam side has been completed except metalling and tarring. The approach road at Koottayi is partially completed.

Further Recommendation

1.16 The Committee wants to know the present position of the formation of approach roads and the remaining works.

CHAPTER II

Recommendations Which the Committee Does Not Desire to Pursue in the Light of the Replies Furnished by Government

WATER RESOURCES DEPARTMENT

Recommendation

(Sl. No.3, Para No.16)

2.1 The Committee observe that only a meagre provision of Rs. 2,15,000 on the work had been made in the budget for the year 1995-96

against a revised estimate of 330 lakh. The Committee also understand that the direction contained in G.O(Rt)651/95/IRD dated 23.6.1995 restricted the department from re-arranging the work for want of adequate provision of not less than 25% of the revised estimate in the budget. The Committee notice that the delay in providing funds due to lack of co-ordination between the scheme implementing department and Finance Department had not only delayed the work but also have other ramifications like exorbitant rise in cost of work and resulted in huge loss to Government. Therefore, the Committee recommend that the Government should find out a viable solution to this problem by bringing effective liaison between the implementing department and Finance Department so as to ensure budget provision above 25% of the estimated cost for the partially completed works in future. The Committee also strongly recommend to the Government to give specific exemption to the work of the construction of lock –cum-regulator-cum-bridge at Koottayi from the requirement of provision in the budget of 25% of the funds of the revised estimated cost for re-arranging the work which has been at standstill since 1990.

Action Taken

2.2 work could not be re-arranged due to inadequate budget provision every year eventhough it was adequately proposed from the department while preparing the budget proposals and in the action plan every year. There was a stipulation in the administrative sanction issued in 1995 for Rs. 330 lakhs (G.O(Rt)No.651/95/IRD dated, 23-6-1995) that the work can be tendered only when there is 25% provision in the budget. This condition was never satisfied till 2000-01 and hence the work was not tendered so far. These were the circumstances under which the work could not be arranged from 1993 onwards. Based on the Administrative Sanction accorded as per G.O(Rt)No.672/01/IRD. dated 6-7-2001 and on the recommendations of the Government Tender Committee, Government issued orders as per G.O(Rt)No.201/03/WRD. dated 19-2-2003 selecting the tenderer for the work.

2.3 As the work in question is tendered as per G.O(Rt)No.201/03/WRD. dated 19-2-2003, the giving of exemption from the requirement of Budget Provision as recommended by the PAC does not arise.

Recommendation

(Sl. No. 4, Para No.17)

2.4 The Committee are surprised to learn that no time limit has been laid down for completing such major works. The Committee are also distressed to note that estimates of the expenditure are likely to go up owing to the delay in completion of the work. The Committee would, therefore, urge that specific target and time schedule should be laid down for all such construction works in

future and suitable mechanism should be evolved to ensure strict adherence of the time schedule. It has come to the notice of the Committee that only a meagre amount is provided in this year's budget. The Committee do not want the Government to drag on the completion of the bridge any further and desire that sufficient funds should be allotted for the remaining work of lock-cum-regulator-cum-bridge in this year itself and a time bound programme should be evolved to complete the work in 2 years so as to fulfill the dreams of the inhabitants of Mangalam and Koottayi areas.

Action Taken

2.5 The agreement itself has the time schedule during which the contractor is expected to complete the work. During the Budget proposal for 2001-02, the amount proposed was for Rs.150 lakh whereas the actual provision was Rs.45 lakh. The low budgetary provision is due to resource constraints of the State Government in general.

Recommendation

(Sl. No. 5, Para No.18)

2.6 The Committee are convinced by a visit to the site that removal of sand from the surrounding area of Lock-cum-Regulator-cum-Bridge at Koottayi has adversely affected the life of the bridge which was only partially completed. The Committee, therefore, urge the Government to take immediate steps to impose prohibition on the removal of sand from the vicinity of lock-cum-regulator-cum-bridge.

Action Taken

2.7 Notice Board showing the prohibitory order against sand removal has been exhibited at the site. Frequent inspection is being conducted by the field officers to ensure that sand is not removed from nearby areas of Regulator site. Also the Exe. Engineer, Irrigation Division, Malappuram had been directed to inform the Revenue and Police authorities about the removal of sand and to request them to take necessary action against sand removal.

2.8 Date of imposing prohibitory orders against removal of sand was on 3-11-1997. No cases were filed after imposing prohibitory orders as per the office records.

Thiruvananthapuram,
29th June, 2009.

ARYADAN MUHAMMED,
Chairman,
Committee on Public Accounts.

APPENDIX I

SUMMARY OF MAIN CONCLUSIONS/RECOMMENDATIONS

Sl. No.	Para No.	Department Concerned	Conclusions/Recommendations
1.	1.8	Water Resources	The Committee opines that the department has to examine whether the remaining construction work of span is to be completed and decision has to be taken urgently.
2	1.13	„	The Committee expressed displeasure on the reply from the department. The Comiittee opines that this reply was given to save the concerned officers who had retired from service. The Committee recommends that the department has the right to take disciplinary action against the defaulted officers eventhough they has retired from service.
3	1.16	„	The Committee wants to know the present position of the formation of approach roads and the remaining works.