



Report of the Comptroller and Auditor General of India

on

Social, General and Economic (Non-PSUs) Sectors for the year ended 31 March 2013

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Government of Assam
Report No. 7 of 2013

**REPORT OF THE
COMPTROLLER AND AUDITOR
GENERAL OF INDIA**

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Social, General and Economic (Non-PSUs) Sectors

FOR THE YEAR ENDED 31 MARCH 2013

**GOVERNMENT OF ASSAM
(Report No. 7 of 2013)**

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PREFACE

Preface

1. This Report of the Comptroller and Auditor General of India has been prepared for submission to the Governor under Article 151 of the Constitution of India.
2. This Report presents the results of the audit of the Departments of the Government of Assam under Social, General and Economic (Non-PSUs) Sectors.
3. The cases mentioned in this Report are those, which came to notice in the course of test audit during the year 2012-13 as well as those, which came to notice in earlier years, but could not be dealt with in the previous Reports; matters relating to the period subsequent to 2012-13 have also been included, wherever necessary.
4. The audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.

EXECUTIVE SUMMARY

Executive Summary

This Report contains 28 paragraphs (Social Sector: 14, Economic Sector: 7 and General Sector: 7 including 3 general paragraphs) and 2 performance audit reports under Economic Sector. The draft audit paragraphs and draft performance audit reports were sent to the Commissioner/Secretary of the Departments concerned with a request to furnish replies within six weeks. However, in respect of 14 paragraphs included in the Report, no replies were received. The audit findings relating to the draft performance reviews were discussed with the Commissioners/Secretaries to the State Government and the views of the Government were incorporated wherever appropriate. A synopsis of the important findings contained in the Report is presented below.

SOCIAL SECTOR

Compliance Audit

Secretary, Srimanta Sankardeva Kalakshetra Society and Government of Assam could not complete the construction of auditorium complex despite elapse of more than seven years from the stipulated date of completion rendering the expenditure of ₹17.72 crore unproductive.

(Paragraph 1.2.1)

Axom Sarba Siksha Abhijan Mission incurred wasteful expenditure of ₹1.68 crore towards printing of 15 unapproved books in large numbers.

(Paragraph 1.2.2)

Mission Director, NRHM , Guwahati and GoA made deviation in the revised estimate from the approved estimate without obtaining approval from Government of India, which resulted the expenditure of ₹46.50 crore incurred on incomplete Super Specialty Hospital unfruitful.

(Paragraph 1.2.3)

Joint Director of Health Services, Morigaon neither revived the functioning of the 'Auxiliary Nurse Midwife' training school nor utilised the services of the 13 employees gainfully. This resulted in the expenditure of ₹1.25 crore incurred on their salaries unfruitful.

(Paragraph 1.2.4)

Deputy Director (Hills), Panchayat and Rural Development, Karbi Anglong showed an amount of ₹16.50 lakh as disbursed to three Block Development Officers, which was suspected to be misappropriated as receipt and utilization of the funds by the blocks were not available on record.

(Paragraph 1.2.5)

Director, Social Welfare, Assam incurred an extra expenditure of ₹1.93 crore towards procurement of stationery items and utensils at a higher rate without inviting open tender in violation of the laid down provision, which was avoidable.

(Paragraph 1.2.6)

Director of Social Welfare, Assam incurred excess expenditure of ₹13.55 crore towards purchase of different stationery items at rates exorbitantly higher than the corresponding Maximum Retail Price.

(Paragraph 1.2.7)

Directorate of Social Welfare, Assam failed to effect requisite deduction of 12.5 *per cent* towards shrinkage from the total quantity of approved soil used for raising low land around the Anganwadi Centres, which resulted in excess payment of ₹1.19 crore to the contractors.

(Paragraph 1.2.8)

Directorate of Social Welfare, Assam procured items for pre-school education kits in violation of scheme guidelines, which resulted in irregular expenditure of ₹3.02 crore besides defeating the primary objective of providing non-formal education through age-specific teaching and learning materials.

(Paragraph 1.2.9)

Director of Social Welfare, Assam procured food stuffs by injudicious fixation of rates, which resulted in undue financial benefit of ₹2.28 crore to NGOs/SHGs. Further, absence of basic records and procurement of food stuffs in excess of the requirement rendered the expenditure doubtful and excessive.

(Paragraph 1.2.10)

Secretary General, National Games Secretariat (NGS), Guwahati failed to levy interest on the advances paid to the contractor, which resulted in loss to Government to the tune of ₹2.95 crore.

{{(Paragraph 1.2.11 (A))}

Empowered Committee, NGS failed to avail lowest rate for the creation of infrastructure for the National Games 2005, which resulted in a loss of ₹1.62 crore to the State Government.

{{(Paragraph 1.2.11 (B))}

Secretary General, NGS, Guwahati failed to recover the cost of laying Bituminous Macadam done through another contractor from the contract value of original contractor, which resulted in loss of ₹96.38 lakh. Besides, redoing the first layer of BM, which was already done by the first contractor resulted in excess expenditure of ₹53.82 lakh.

{(Paragraph 1.2.11 (C))}

Director, Welfare of Tea and Ex-Tea Garden Tribes, Assam incurred extra expenditure of ₹60.13 lakh towards procurement of power tillers at rates higher than the approved rate of Agriculture Department in violation of the directives of State Special Schemes under FOIGS, which was avoidable.

(Paragraph 1.2.12)

Director of Char Areas Development, Assam incurred an extra expenditure of ₹51.70 lakh towards purchase of auto vans at a higher rate, which was avoidable.

(Paragraph 1.2.13)

ECONOMIC SECTOR

Performance Audit

1. Performance Audit of “Accelerated Irrigation Benefits Programme”

Accelerated Irrigation Benefits Programme (AIBP) was launched (1996-97) with the main objective of accelerating the completion of ongoing irrigation/ multipurpose projects on which substantial investment had already been made and were beyond the resource capability of the State Governments. Subsequently Minor Irrigation Projects (MIPs) were included for implementation under AIBP in 1999-2000. Eleven major/medium and 1,383 MIPs were included under AIBP in the State (up to 2012-13) of which, seven major/medium (64 per cent) and 712 minor irrigation projects (51 per cent) were completed up to March 2013. Against the targeted potential of 1,344.70 thousand hectare, irrigation potential of 380.77 thousand hectare (28 per cent) could only be created (March 2013) since inception of the scheme in the State.

During 2008-13, irrigation potential of 258.45 thousand Ha (26 per cent) was achieved against the target of 985.47 thousand Ha. Implementation of the programme suffered due to lack of proper survey and investigation before selection of the projects, non-release/delay in release of funds, land acquisition problems, taking up of new projects without completing the ongoing projects etc.

(Paragraph 2.2)

2. Performance Audit of “Construction of Roads and Bridges funded by North Eastern Council and Non Lapsable Central Pool of Resources”

Government of India (GoI) established North Eastern Council (NEC) in 1972 for balanced development of North Eastern States. One of the objectives of setting of NEC was to develop infrastructure, specially construction of roads and bridges with inter-State connectivity. Subsequently, GoI created (1998) Non-lapsable Central Pool of Resources (NLCPR) for funding specific programmes for socio-economic upliftment of North Eastern States ensuring speeding up the execution of infrastructure projects.

Performance audit of construction of roads and bridges funded by NEC and NLCPR revealed that the projects were taken up without adequate planning and prioritization and the work management was deficient. Most of the works were spilled over beyond stipulated dates of completion. During audit period (2008-13), 32 projects under NEC and 122 projects under NLCPR were taken up for execution of which, 21 and 58 projects under NEC and NLCPR respectively could be completed. Of the remaining incomplete projects, five NEC project were due for completion prior to April 2008 and five NEC and 30 NLCPR projects were due for completion within March 2013.

Since the State had not carried out a gap analysis, the extent of achievement of the objective of reducing the gap between the required and available infrastructure of roads and bridges in the State and its impact on the economy and social upliftment of the inhabitants of the State could not be assured.

(Paragraph 2.3)

Compliance Audit

General Manager, District Industries and Commerce Centre, Guwahati incurred an expenditure of ₹90.28 lakh towards setting up of Model Common Facility Centre for Brass & Bell Metal Cluster at Hajo, which proved unproductive as the facility could not be put to use due to non-execution of tripartite agreement.

(Paragraph 2.4.1)

Executive Engineer, Sibsagar State Road Division's injudicious decision to construct the bridge proper without any provision to construct approaches led to an expenditure of ₹1.09 crore incurred on bridge proper being infructuous.

(Paragraph 2.4.2)

Executive Engineer, Guwahati NH Division extended mobilization advance of ₹3.37 crore to a contractor unauthorisedly. Besides, a loss of ₹64.68 lakh was sustained by providing interest free advance without safeguarding the Government interest.

(Paragraph 2.4.3)

Executive Engineers of NH Division Guwahati and Kampur NEC Division, PWD extended undue financial aid of ₹3.90 crore to contractors by granting irregular equipment advance.

(Paragraph 2.4.4)

Executive Engineer, Nagaon State Road Division incurred an expenditure of ₹62.88 lakh towards a bridge project, which remained incomplete for more than five years and thus proved unproductive.

(Paragraph 2.4.5)

Executive Engineer of Guwahati City Division-I incurred expenditure of ₹78.59 lakh on “Special Repair to M.G. Road”, which was rendered wasteful due to execution of another work in the same chainage within the same month of execution.

(Paragraph 2.4.6)

Executive Engineer, Karimganj Rural Road Division incurred expenditure of ₹62.05 lakh in construction of an RCC bridge, which remained incomplete even after elapse of eight years since commencement, rendering the expenditure wasteful.

(Paragraph 2.4.7)

GENERAL SECTOR

Compliance Audit

Director General of Police, Assam made excess payment of ₹60.19 lakh towards procurement of Light Weight Bullet Proof Jacket.

(Paragraph 3.2.1)

DC, Sonitpur's delayed action in finalization of land acquisition process led to an extra expenditure of ₹61.63 lakh towards acquisition of the same land after 26 years, which was avoidable.

(Paragraph 3.2.2)

Seven Circle Officers under DC, Kamrup failed to furnish the essential records in support of actual utilization of 3,090 quintal summer paddy seeds valued ₹82.19 lakh resulting the veracity of distribution of the same to the beneficiaries doubtful.

(Paragraph 3.2.3)

Deputy Commissioner, Goalpara incurred an expenditure of ₹2.68 crore on protection of erosion works by diverting Calamity Relief Fund (State Disaster Response Fund).

(Paragraph 3.2.4)

CHAPTER-I

SOCIAL SECTOR

COMPLIANCE AUDIT

CHAPTER-I

SOCIAL SECTOR

1.1 Introduction

The findings based on audit of State Government units under Social Sector feature in this chapter.

During 2012-13, against total budget provision of ₹18,467.05 crore, total expenditure of ₹13,379.73 crore was incurred by 16 departments inclusive of Bodoland Territorial Council (BTC) covered under Welfare of Plain Tribes and Backward Classes (WPT&BC) under Social Sector. Department-wise details of budget provision and expenditure incurred thereagainst are shown in *Appendix – 1.1*. Hill Areas department incurred expenditure of ₹995.31 crore (6.92 per cent of the total expenditure – Social Sector including Hill Areas department) during 2012-13 mainly for sixth schedule areas (NCHAC and KAAC) against budget provision of ₹1,414.63 crore (*Appendix – 1.2*) under the Sector.

Besides, the Central Government had transferred a sizeable amount of funds directly to the implementing agencies of the State Government for implementation of flagship programmes of the Central Government. During 2012-13, out of total major releases¹ of ₹13,255.49 crore, ₹5,902.92 crore were directly released to different implementing agencies under Social Sector. Details are shown in *Appendix – 1.3*.

1.1.1 Planning and conduct of Audit

Compliance audit is conducted in accordance with annual audit plan. The units are selected on the basis of risk assessment. Areas taken up are selected on the basis of topicality, financial significance, social relevance, internal control system of the units, occurrence of defalcation/misappropriation/embezzlement as well as findings of previous Audit Reports. Apart from the above parameters, all departmental important directorates and district level units are audited annually.

Inspection Reports are issued to the heads of unit as well as heads of departments after completion of audit. Based on the replies received, audit observations are either settled or further action for compliance is advised. Important audit findings are processed for inclusion in the Audit Report of C&AG of India.

The audits were conducted during 2012-13 involving expenditure of ₹19,947.35 crore (including expenditure of earlier years) of the State Government under Social Sector. This chapter contains 14 Compliance Audit Paragraphs.

The major observations made in audit during the year 2012-13 are discussed in succeeding paragraphs.

¹ Release worth ₹one crore and above.

1.2 COMPLIANCE AUDIT

Cultural Affairs Department

1.2.1 Unproductive expenditure

Secretary, Srimanta Sankardeva Kalakshetra Society and Government of Assam could not complete the construction of auditorium complex despite elapse of more than seven years from the stipulated date of completion rendering the expenditure of ₹17.72 crore unproductive.

With a view to establish Srimanta Sankardeva Kalakshetra as a major centre of culture and intellectual activities of the Country, Srimanta Sankardeva Kalakshetra Society (SSKS), Guwahati submitted (1999) a project report to Planning Commission, Government of India (GoI) through Planning and Development Department, Government of Assam (GoA) for the construction of “Srimanta Sankardeva International Convention Center and Auditorium Complex” at a cost of ₹27.91 crore. The project report envisaged construction of three auditoriums of seating capacity 300, 800 and 1,250 respectively with estimated provision of ₹22.47 crore and other ancillary works worth ₹5.44 crore². According to the project proposal, Central Government and the State Government were to bear the costs of auditoriums (₹22.47 crore) and ancillary works (₹5.44 crore) respectively. The estimate was also approved (June 2001) by Chief Engineer, PWD (Building), Assam.

The Planning Commission, however, sanctioned (March 2001) ₹20 crore only under Non-Lapsable Central Pool of Resources (NLCPR) *inter-alia* mentioning that instead of thinning away resources over three auditoriums initially, these need to be restricted to two auditoriums with seating capacity of 300 and 1,250 respectively and also indicated that no further funds would be made available for the project. Further, subject to availability of funds after completion of the work of these two auditoriums, within the provision of ₹20 crore, the work of third auditorium of 800 seating capacity (estimated at ₹8.31 crore) could be taken up.

Scrutiny (July and August 2012) of the records of Secretary, SSKS, Guwahati, however, revealed that, disregarding the directives of Planning Commission, GoI, it was decided, in a meeting (July 2002) chaired by the Minister of State, Planning and Development Department, GoA, to construct the auditorium complex as per the original project report as mentioned above. The availability of balance fund of ₹7.91 crore, to be contributed by the State Government was, however, not ensured. The work was awarded (May 2003) to M/s Larsen and Toubro Limited (L&T) at the

² Public toilets and restaurant (₹32.24 lakh), parking for 500 cars and central plaza (₹196 lakh), water body cum fire-fighting reservoirs (₹131 lakh) and residential accommodation for key personnel (₹184 lakh).

lowest bid price of ₹27.98 crore with the stipulation to complete the work within 30 months *i.e.*, by December 2005.

Scrutiny further revealed that the contractor stopped the work during March 2006 due to non-availability of funds after completing only the auditorium with 300 seating capacity, which was opened to public in January 2006. The physical progress of the remaining two auditoriums could be achieved up to 38.35 and 85 *per cent* respectively when the contractor stopped the work in March 2006. As of May 2009, the contractor was paid ₹19.92 crore³ including ₹2.20 crore paid for the completed auditorium of 300 seating capacity.

Meanwhile, reminders for release of funds by the society were issued to Director, Cultural Affairs and GoA from time to time. Finally in December 2009, after a lapse of more than six years from the date of issue of formal work order (May 2003), Secretary, SSKS requested Minister, Cultural Affairs Department, GoA and Chairman, Executive Council, SSKS for the sanction of ₹9.40 crore for the completion of the remaining work. In response, Cultural Affairs Department, GoA sanctioned (March 2011) ₹9.04 crore under Chief Minister's Special Scheme 2010-11 and released (July 2011) ₹4.52 crore to SSKS for completion of the remaining work of the two incomplete auditoriums. However, till the date of audit (August 2012), no further progress was achieved on the work despite availability of funds. Secretary, SSKS stated (August 2012) that selection of new contractor for execution of the balance work would be done after terminating the contract formally with the original contractor.

Further, Principal Secretary, Cultural Affairs Department, GoA, in reply stated (May 2013) that construction work of all the three auditoriums was started together as the project was conceived as a complete complimentary project and would serve the intended purpose only when all the three auditoriums are completed together. It was further added that State PWD would complete the remaining work out of the state share released in July 2011.

The reply was not acceptable as injudicious decision of Secretary, SSKS and the Government of Assam to proceed with construction of all the auditoriums

3

(₹ in crore)				
Sl. No.	Constructions	Tendered cost	Payment made	Physical progress (In per cent)
1.	Auditorium 1,250 capacity	11.77	8.94	85
2.	Auditorium 800 capacity	8.31	2.57	38.35
3.	Auditorium 300 capacity	2.39	2.20	100
4.	Public toilets and restaurant	0.33	0.07	-
5.	Parking place	1.96	0.19	97.05
6.	Water body cum fire-fighting reservoirs	1.31	0.77	87.70
7.	Residential accommodation	1.84	0.29	60
8.	Extra work	-	4.07	-
9.	Consultancy	-	0.82	-
Total		27.91	19.92	

Source: Departmental records.

simultaneously without ensuring availability of funds and disregarding the directives of Planning Commission, GoI, led to non-completion of the project despite elapse of more than seven years from the stipulated date of completion. Besides, the expenditure of ₹17.72 crore incurred on the incomplete construction works proved unproductive. As of June 2013, the work could not be restarted due to non-settlement of claims submitted by L&T.

Elementary Education Department

1.2.2 Wasteful expenditure

Axom Sarba Siksha Abhijan Mission incurred wasteful expenditure of ₹1.68 crore towards printing of 15 unapproved books in large numbers.

For providing text books free of cost to the students of 'Ka-Shreni' to class VIII of Hindi medium, the Axom Sarba Siksha Abhijan Mission (ASSAM) entered (September 2009) into an agreement with Asom Rastrabhasa Prachar Samiti (ARPS) for printing and supply of the books centrally. Number of such books to be printed was to be assessed on the basis of enrolment of students and also keeping in view the number of undistributed books of previous years. The decision of the State Level Empowered Committee (SLEC) on the whole process of printing and distribution of the text books would be binding on both the parties. The agreement *inter alia* included the following provisions:

- The ASSAM would assess requirement of text books for next year and place preliminary order for printing and supply of the books to ARPS on or before 31 May of each year.
- The ARPS, within 15 days of receipt of work order, would prepare an estimate of the fund required for carrying out the printing and supply of the text books, including cost of text and cover paper, printing, storage and distribution and submit the same to ASSAM for approval by SLEC.
- The ARPS would also arrange papers from Assam State Text Book Publication and Production Corporation (ASTPPC) Limited and supply the books as per estimate, specification and design approved by the SLEC.
- The actual expenditure incurred by ARPS on printing including cost of paper, transportation and storage would be reimbursed by the ASSAM in phased manner on submission of bills by ARPS.

Scrutiny (January and February 2013) of records of Mission Director, ASSAM revealed that in its first meeting of 9 June 2011, SLEC decided that printing of the Free Text Books (FTBs) for the academic year 2012 should be completed by 15 October 2011 and directed State Council of Educational Research and Training (SCERT), the nodal academic authority, to submit the manuscript and list of FTBs to

ARPS within 20 June 2011. SCERT, however, failed to submit the list of FTBs to ARPS within the stipulated date. Meanwhile, work order for printing was issued to ARPS by ASSAM on 8 July 2011 based on the list of previous year before receiving the approved list of FTBs from SCERT who submitted the list for the academic year 2012 to ASSAM only on 9 September 2011. While sending the approved list to ASSAM, SCERT reduced the number of FTBs to be printed to 35 from the existing list of 51. ASSAM, however, did not communicate this fact immediately to ARPS. ARPS received the approved list of 35 books only in the month of November 2011. By that time, all the 50⁴ Hindi medium FTBs were printed, which included 15 discarded FTBs also.

Thus, lack of coordination among ASSAM and SCERT as well as ASSAM and ARPS led to unnecessary printing of books declared obsolete by SCERT. Altogether 19,36,000 copies of the 15 obsolete FTBs valuing ₹1.68 crore were printed by ARPS and the same were lying in its godown. As of February 2013, ARPS was paid ₹one crore (part payment) by ASSAM against the final bill of ₹6.08 crore (including printing of copies of 15 obsolete books worth ₹1.68 crore). In addition to above, 37 Hindi text books (34,392 copies) worth ₹4.02 lakh pertaining to the year 2010 and 2011 had also become obsolete due to change in the list of books to be distributed as FTBs.

On this being pointed out, ASSAM/GoA in reply stated (September 2013) that copies of the 15 obsolete FTBs will be used by the students as reference books. The fact, however, remains that the printing of these books was not required as the same had been discarded for distribution as FTBs. This was reiterated by the decision taken in the meeting dated 27 November 2011, chaired by the Hon'ble Minister, Education, GoA that text books approved by SCERT only will be printed. Had there been an effective co-ordination among the authorities concerned, necessity of distribution of the discarded copies as reference books to the students, as planned by the department, would not have arisen.

Thus, Axom Sarba Siksha Abhijan Mission (ASSAM) incurred wasteful expenditure of ₹1.68 crore towards printing of 15 unapproved books in large numbers.

Health and Family Welfare Department

1.2.3 Unfruitful expenditure on incomplete Hospital

Mission Director, NRHM , Guwahati and GoA made deviation in the revised estimate from the approved estimate without obtaining approval from Government of India, which resulted the expenditure of ₹46.50 crore incurred on incomplete Super Specialty Hospital unfruitful.

Project proposal for construction of Super Specialty Hospital at Guwahati Medical College (GMC) was approved by the Government of India (GoI), Ministry of Health

⁴ “Ka Barg Ka Karyakram (For teachers)” was not printed as per the list of printed FTBs for the year 2012.

and Family Welfare (N E Division) in December 2007 at an estimated cost of ₹88.75 crore (civil work: ₹56.82 crore and equipment: ₹31.93 crore). The approval was *inter-alia* subject to the following conditions:

- The cost approved was one time financial assistance in the form of Grant-in-Aid.
- The recurring cost would be borne by the Government of Assam (GoA) through enhanced budgetary support to GMC and through internal revenue generation from the hospital.
- The project would be completed within a timeframe of 36 months from the date of sanction *i.e.*, by December 2010.
- The project implementation would be supervised by a Project Management Committee (PMC) headed by the Chief Secretary, Assam. The committee would be responsible for the finalization of specification, selection of project consultant, finalization of architectural designs, selection of construction agency, procurement of medical equipment and monitoring the implementation of the project.
- The PMC would be assisted and advised on all aspects of the project by a Project Consultant to ensure that the project constraints are addressed in preventing time and cost overrun.

The Government of India (GoI) released ₹56.82 crore during March 2009 (₹30 crore) and March 2012 (₹26.82 crore) respectively. The PMC headed by the Chief Secretary, GoA was constituted in May 2008 and the project consultant⁵ was appointed by the PMC in June 2009 *i.e.*, after 17 months from the date of sanction of the project. Subsequently, due to unsatisfactory services *viz.*, submission of inappropriate design, submission of part estimates without due analysis and lack of timely response in submitting clarification etc., the Chief Engineer, PWD (Building), Guwahati had rescinded the contract with the consultant in June 2010. Against the agreed amount of ₹131.82 lakh payable for entire consultancy work including structural and architectural drawing, the consultant was paid ₹22.68 lakh for the partial work done by him. Balance work of the consultant was stated (December 2010) to be executed by the Engineers of PWD. The PWD commenced the work from January 2011, *i.e.*, after the due date of completion (December 2010) of the project according to GoI sanction, which was to be completed by 5 January 2013. The delay was attributable to (i) indecision on the part of the PMC in selecting the design; and (ii) delayed appointment of project consultant.

Audit scrutiny (June 2012) of records of Mission Director (MD), National Rural Health Mission (NRHM), Guwahati revealed that in anticipation of revised approval and sanction of additional fund of ₹38.94 crore (₹95.76 crore - ₹56.82 crore) by GoI,

⁵ M/s Hospitech Management Consultant Pvt. Limited, New Delhi.

PWD (Building), Guwahati framed (June 2010) a revised estimate (civil work) of ₹95.76 crore for the construction of the Super Specialty Hospital. The revision was however, not in order as the approval from GoI was not obtained. The cost of the work was substantially (68.53 *per cent*) enhanced (June 2010) from the amount originally sanctioned (₹56.82 crore) by GoI due to deviation in the scope of work, delay in execution and resultant revision of rates as per Schedule of Rates (SOR) 2010-11. MD, NRHM, in pursuance to the approval received from GoA, Health and Family Welfare Department, accorded (November 2010) administrative approval to the revised estimate with the condition that work must be restricted to the released amount of ₹56.82 crore till revised approval from GoI, Ministry of Health and Family Welfare is obtained. Accordingly, the Chief Engineer (CE), PWD (Building) awarded (January 2011) the work to the lowest bidder⁶ at a bid value of ₹78.85 crore. While awarding the contract, the CE entered into an agreement with the contractor that the work worth ₹55.45 crore only be undertaken by reducing the scope of work. This in turn had an adverse effect on the functionality of the Super Specialty Hospital as only 59 *per cent* of the construction could be completed with the available amount as per the revised estimate.

Audit scrutiny further revealed that, as of March 2013, financial progress to the extent of ₹46.50 crore towards completion of 83 *per cent* of entrusted work could be achieved. As regards allocation of ₹31.93 crore for procurement of equipment, the status of expenditure incurred till February 2013 submitted by NRHM disclosed that no expenditure was incurred for procurement of equipments. Besides, both NRHM and PWD (Building) were unable to provide information relating to approval of GoI for the revised proposed estimates including sanction and release of additional funds of ₹38.94 crore.

Thus, the construction of Super Specialty Hospital was characterised by avoidable delay in selection of design and engagement of project consultant which subsequently delayed the commencement of work and escalated the cost of the work. Further, the action of the MD, NRHM in embarking upon a project without assessing the complete scope of work and also without obtaining the revised approval and additional funds from GoI, was not only indicative of the casual approach of the Department in planning the project but also raised doubt about the completion of the project. Besides, as per terms and conditions of GoI sanction, the grant was one time financial assistance and therefore, in the present scenario, there seems to be no scope for the grant of additional funds from GoI and consequently, ₹46.50 crore already incurred towards construction of incomplete Super Specialty Hospital project remained unfruitful.

The matter was reported to Government in May 2013; their reply had not been received (November 2013).

⁶ M/s Brahmaputra Infrastructure Limited, New Delhi.

1.2.4 Unfruitful expenditure

Joint Director of Health Services, Morigaon neither revived the functioning of the 'Auxiliary Nurse Midwife' training school nor utilised the services of the 13 employees gainfully. This resulted in the expenditure of ₹1.25 crore incurred on their salaries unfruitful.

Auxiliary Nurse Midwife (ANM) training school, Morigaon, established in May 1984, has been functioning under Joint Director of Health Service (Jt. DHS), Morigaon with the objective of imparting training to ANMs and enabling them to function at community/village level with specific skills to fulfill the health needs of the community. According to the terms of sanction order, staffs of the ANM training schools are to be engaged on temporary basis and their retention for the job is to be obtained from GoA subject to continuation of the scheme for training of ANM under Family Welfare (FW) programme.

Test-check (November 2012) of records of the Joint Director of Health Services, Morigaon revealed that training was imparted up to 2007-08 in ANM training school, Morigaon and thereafter no training was conducted due to non-selection of candidates by the Government. However, retention of the 13 temporary posts of the ANM training school was obtained every year for training of ANM under FW programme though no training was imparted to ANM under FW programme since 2008-09. Consequently, the staffs of the training schools had been sitting idle since 2008-09 resulting in unfruitful expenditure of ₹1.25 crore incurred during 2008-13 (position as on May 2013) towards disbursement of pay and allowances of these idle staff.

In reply to an audit query, Joint DHS, Morigaon stated (August 2013) that (i) the idle staffs were engaged at Morigaon Civil Hospital; and (ii) the training school had been re-opened this year and the process of admission of students is in progress.

The reply of the Joint DHS is not acceptable being the engagement of the staffs, meant for imparting training in ANM training school, at Civil Hospital without specific demand/requirement and Government approval was not in order. Further, non-selection of candidates and non-implementation of the training programme for a period of five years (2008-09 to 2012-13) despite retaining the 13 temporary posts continuously without work frustrated the very objective of the Scheme. Moreover, the aspirant candidates were deprived of becoming ANM and getting employment opportunity in State run/private hospitals.

Thus, failure of the department to revive the function of the ANM training school and to utilise the services of the 13 idle employees gainfully resulted in unfruitful expenditure of ₹1.25 crore towards disbursement of their salaries.

The matter was reported to Government in June 2013; their reply had not been received (November 2013).

Panchayat and Rural Development Department

1.2.5 Suspected misappropriation

Deputy Director (Hills), Panchayat and Rural Development, Karbi Anglong showed an amount of ₹16.50 lakh as disbursed to three⁷ Block Development Officers, which was suspected to be misappropriated as receipt and utilization of the funds by the blocks were not available on record.

Rule 95 of Assam Financial Rules provides that Drawing and Disbursing Officer (DDO) is personally responsible for the accounting of all money received, disbursed and for the safe custody of cash. Further, according to the procedure followed in Government Departments, on receipt of cheques/drafts/banker's cheque etc., details are recorded in 'Register of Valuables' before making entries in departmental cash book as soon as any transaction is made.

Scrutiny (October 2012 to January 2013) of the records of Deputy Director (Hills), Panchayat and Rural Development (P&RD), Karbi Anglong revealed the following irregularities:

(A) During January 2011, the Deputy Director drew two self cheques (cheque No. 643040 and 644362 dated 31 January 2011) amounting to ₹11 lakh. The entire amount was shown as disbursed (January 2011) to Lumbajong and Rangkhong Development blocks (₹5.50 lakh each) for the construction of market sheds under the award of Twelfth Finance Commission (TFC). The bank statement for the period 19 December 2010 to 26 October 2011 received from the concerned bank also indicated about the withdrawal (January 2011) of ₹11 lakh by the Deputy Director which was, however, not received by the concerned blocks as per their cash book, bank accounts and annual accounts. As whereabouts of the funds remained untraceable, the possibilities of misappropriation of ₹11 lakh could not be ruled out.

(B) Similarly, the Deputy Director drew (March 2011) self cheque bearing No. 644367 dated 2 March 2011 for ₹49.18 lakh on United Bank of India, Diphu for disbursement to nine⁸ Block Development Officers (BDOs) of Karbi Anglong district

⁷ BDOs, Nilip, Rangkhong and Lumbajong.

⁸

Sl. No.	Name of the DDO	Cheque No. and date	Amount (₹)
1.	BDO, Ronkhang	592780 dtd.5.03.2011	493500
2.	BDO, Samelangso	592781 dtd.5.03.2011	493500
3.	BDO, Langsomepi	592782 dtd.5.03.2011	493500
4.	BDO, Bokajan	592783 dtd.5.03.2011	550000
5.	BDO, Nilip	592784 dtd.5.03.2011	550000
6.	BDO, Rongmongwe	592785 dtd.5.03.2011	962500
7.	BDO, Socheng	592786 dtd.5.03.2011	550000
8.	BDO, Chinthang	592787 dtd.5.03.2011	412500
9.	BDO, Amri	5927878 dtd.5.03.2011	412500
Total			49,18,000

Source: Departmental records.

for construction of market sheds under the award of TFC. Of this, the Deputy Director showed disbursement (5 March 2011) of ₹5.50 lakh through cheque No. 592784 dated 5 March 2011 to Nilip Development Block. Cross examination of the relevant records (Cheque and draft receipt register and bank statement) maintained by BDO, Nilip Development Block, however, disclosed that the cheque in question was not received by the block though as per the statement of the bank account operated by the Deputy Director as DDO with United Bank of India, Diphu, entire ₹49.18 lakh was withdrawn on 5 March 2011 itself. The Block concerned also denied receipt of ₹5.50 lakh as shown disbursed by the Deputy Director to the Block. Such instances were, however, not noticed in other eight development blocks. Thus, the amount of ₹5.50 lakh shown to have been paid to Nilip Development Block by the Deputy Director (Hills), Panchayat and Rural Development (P&RD), Karbi Anglong was suspected to be misappropriated. This was facilitated due to failure of internal control system of periodical reconciliation between the cheques issued by the Deputy Director with that of the cheques received by the blocks.

Thus, ₹16.50 lakh (₹11 lakh + ₹5.50 lakh) shown as having been disbursed by the Deputy Director (Hills), Panchayat and Rural Development (P&RD), Karbi Anglong to three BDOs was suspected to be misappropriated as both receipt and subsequent utilization of the funds by the concerned blocks were neither acknowledged nor available on record.

The matter was reported to Government in June 2013; their reply had not been received (November 2013).

Social Welfare Department

1.2.6 Avoidable extra expenditure

Director, Social Welfare, Assam incurred an extra expenditure of ₹1.93 crore towards procurement of stationery items and utensils at a higher rate without inviting open tender in violation of the laid down provision.

Government of Assam (GoA), Finance Department order (August 2010) stipulates that open tenders are required to be invited for purchase involving public funds of ₹50,000 and above where agencies like AGMC/AMTRON/ARTFED⁹ may also participate. Further, it also envisages that the practice of issuing supply orders based on single quotation violates the statutory provisions contained in section 7(2) of Assam Fiscal Responsibility and Budget Management Act, 2005.

(A) Scrutiny (July to September 2012) of the records of Director of Social Welfare (DSW), Assam revealed that the DSW collected (November 2009) approved

⁹ Assam Government Marketing Corporation (AGMC)/Assam Electronics Development Corporation (AMTRON) /Assam Apex Weavers' and Artisans Co-operative Federation Limited (ARTFED).

price list from AGMC Limited and ASIDC¹⁰ Limited for the procurement of Anganwadi items viz., stationery, utensils etc., for Additional New Anganwadi Centers (AWCs) under Integrated Child Development Services (ICDS) scheme 2009-10. The rates of utensils per AWC quoted by AGMC and ASIDC were ₹4,389 and ₹4,458 respectively and the rate offered by AGMC was accepted (December 2009) by the State Level Purchase Committee being the lowest without market survey and analysis. The DSW also did not initiate any action to assess competitiveness of rates through open tendering, which was a gross violation of laid down provisions.

Based on the proposal submitted (December 2009) by the DSW, GoA sanctioned (December 2009) ₹8.36 crore for the procurement of utensils of different types¹¹ for 16,491 additional new AWCs at ₹5,069 per AWC (including VAT¹² of 13.5 per cent and service charge of two per cent). The DSW placed (December 2009) orders on AGMC Limited for supply of the utensils to the Child Development Project Officers (CDPOs) concerned by March 2010. The AGMC Limited supplied utensils for 16,337 AWCs to different CDPOs of the State during December 2009 to September 2010 and was paid ₹8.28 crore between April 2010 and January 2011 (@ ₹5,069 per AWC).

Scrutiny further revealed that the rate (₹4,389 per AWC) quoted by AGMC Limited was exclusive of VAT (@13.5 per cent) and service charge (@ two per cent) whereas tax components (VAT & Service charge) were included in the rate offered by ASIDC (₹4,458 per AWC) for utensils of the same specifications. Thus, the cost of utensils per AWC worked out to ₹5,069 with VAT and service charge as per the rate offered by AGMC Limited, which was higher than the rate offered by ASIDC Limited. It is thus, evident that the purchase committee erroneously accepted the rate offered by AGMC Limited as lowest, without adding the tax components. This has resulted in extra expenditure of ₹99.82 lakh {(₹5,069¹³ – ₹4,458) X 16,337}.

(B) Similarly, during 2009-10 and 2010-11, DSW also procured 35,82,900 numbers of lead pencils and 50,96,210 drawing papers at a total cost of ₹5.80 crore from AGMC Limited @ ₹3.75 per pencil and ₹8 per sheet respectively. Scrutiny, however, revealed that the rates of pencil (₹2.75 per piece) and drawing paper (₹7 per sheet) offered by ASIDC Limited were lower than those quoted by AGMC Limited. None of the agencies mentioned brand names of the items in their quotations, which is

¹⁰ Assam Small Industries Development Corporation.

¹¹ (i) Iron Kerahi (made of Iron sheet size-25" dia Weight-14Kg), (ii) Khanti/Dabu (made of iron big), (iii) G.I. Bucket (made of MP Tata size-14" (20 ltr. Capacity), (iv) Mug (made of steel – 1 ltr. Capacity) and (v) Saucepan (made of Aluminum size-22" dia Weight-8.00 Kg).

¹² Value added tax.

¹³

<i>(In ₹)</i>	
Rate quoted by AGMC Limited excluding tax components	4,389.00
Add VAT of 13.5 per cent	592.51
Add service charge of two per cent	87.78
Grand total	5,069.29
Rates allowed	5,069.00

Source: Departmental records.

a result of faulty tendering system from the part of DSW. However, the purchase committee accepted (December 2009) the higher rates quoted by AGMC Limited for reasons not on records. This has resulted in avoidable extra expenditure of ₹92.87 lakh incurred on this count, as detailed in the Table below:

Table - 1

(In ₹)

Name of items	Rates quoted by AGMC* (per piece/sheet)	Rates quoted by ASIDC* (per piece/sheet)	Difference {(2) – (3)}	Total quantity procured	Extra expenditure {(4) X (5)}
1	2	3	4	5	6
Lead pencil	3.75	2.75	1.00	35,82,900	35,82,900
Drawing paper	8.00	7.00	1.00	50,96,210	50,96,210
				Total	86,79,110
				Add: VAT and agency charges @ 7 per cent	6,07,538
				Grand Total :	₹92,86,648

*Rates quoted were exclusive of VAT of five per cent and agency charge of two per cent

Source: Departmental records.

Thus, DSW incurred an extra expenditure of ₹1.93 crore (₹99.82 lakh + ₹92.87 lakh), towards the procurement of stationery items and utensils at higher rates without inviting open tenders in violation of the laid down provision, which was avoidable.

On this being pointed out, GoA, in reply, stated (April 2013) that due to time constraint and to boost the conditions of some of the sick units of GoA, materials are some times procured from Government undertakings like AGMC Limited. The reply was not acceptable as rates were obtained from ASIDC and AGMC and both of them were Government undertakings and the department accepted the higher rate offered by AGMC, which resulted in extra expenditure of ₹1.93 crore. GoA, however, accepted the audit observation and stated that necessary formalities as pointed out in audit would be observed in subsequent procurements.

1.2.7 Excess expenditure

Director of Social Welfare, Assam incurred excess expenditure of ₹13.55 crore towards purchase of different stationery items at rates exorbitantly higher than the corresponding Maximum Retail Price.

Government of Assam, Finance Department's order (August 2010) stipulates that open tenders are to be invited by the Government Departments for purchase of any item or stores involving public funds and in case of any doubt about the reasonableness of the rates of such items, the purchasing authority may confirm the actual market price from the Commissioner of Taxes, or from the local Superintendent of Taxes.

Test-check (July to September 2012) of the records of Director of Social Welfare (DSW), Assam revealed that during 2010-11 and 2011-12, the DSW purchased different stationery articles for Anganwadi Centres (AWCs) under Integrated Child Development Service (ICDS) Scheme at the rates approved by the purchase

committee headed by the DSW, which met on 20 December, 2010. Comparative study of Maximum Retail Price (MRP) *vis-à-vis* the rates at which the materials were procured revealed that the DSW procured the materials/articles at rates excessively higher (17 to 575 per cent) than the corresponding MRPs. This resulted in an excess expenditure of ₹13.55 crore. Details are shown in Table below:

Table - 2

(In ₹)

Sl. No.	Articles	Name of the Supplier	Purchase rate including 5 per cent VAT	MRPs inclusive of all Taxes	Difference (3-4)	Quantity procured	Excess expenditure (5 x 6)	Percentage of purchase rate over MRP
1.	Note Book (Brand Anand, size: 19 cm × 15 cm)	Genius Paper Converter, Guwahati	47.25	7	40.25	1422980	57274945	575
2.	Pencil Eraser (White Plasto, Brand: Natraj/ Perfect)	Kaveri Enterprise, Guwahati	3.94	1	2.94	867625	2550817	294
3.	Wax Crayon, 12 Pcs, size 75 mm x 57 mm, 8 set or 12 set (Brand-Perfect, Sticker)	M. D. Associates, Nalbari	33.60	10	23.60	1557950	36767620	236
4.	Colour Pencil, 12 sets, 85 mm (Brand-Nataraj/ Millenium/cricketer)	S. B. Enterprise, Guwahati	62.00	20	42.00	779050	32720100	210
5.	Plastic Unbreakable scale (size 12", Brand-Camlin/Camelon)	S. B. Enterprise, Guwahati	11.34	7	4.34	735000	3189900	62
6.	Lead Pencil HB (Brand Commet/Ashoka/ Perfect) Size 170 mm	Kaveri Enterprise, Guwahati	3.94	3	0.94	867625	815567	31.33
7.	Pencil Sharpener (Brand: Camlin/Perfect/Nataraj)	Kaveri Enterprise, Guwahati	3.94	3	0.94	867625	815567	31.33
8.	Dot Pen, Red & Blue both side (Brand-Flora, Renco, Linc)	Shiva Enterprise, Guwahati	21.00	18	3.00	463841	1391523	16.67
Total							135526039	

Source: Departmental records.

Generally bulk purchase is made to get an item at rate cheaper than the MRP. Contrary to that the rates accepted in respect of all the items as mentioned in the Table above were even higher than the MRP. Before accepting the rates quoted by the suppliers, the DSW made no attempt to ascertain the prevailing market rate of those items.

Thus, Director of Social Welfare, Assam incurred excess expenditure of ₹13.55 crore towards purchase of different stationery items at rates exorbitantly higher than the corresponding maximum retail price.

The matter was reported to Government in March 2013; their reply had not been received (November 2013).

1.2.8 Excess payment

Directorate of Social Welfare, Assam failed to effect requisite deduction of 12.5 per cent towards shrinkage from the total quantity of approved soil used for raising low land around the Anganwadi Centres, which resulted in excess payment of ₹1.19 crore to the contractors.

Assam Public Works Department (APWD) Schedule of Rates (SOR) 2004-05 provides that deduction of 12.5 per cent towards shrinkage is to be made from the total quantity of approved soil obtained from outside by truck carriage for raising low land around the building.

Scrutiny (July to September 2012) of the records of Director of Social Welfare (DSW), Assam revealed that the DSW approved (2001-02) a model estimate of ₹1.25 lakh for the construction of Anganwadi Centers (AWCs) in different Blocks of Assam. The estimated cost was subsequently enhanced (2005-06) to ₹1.75 lakh incorporating certain additional item of works¹⁴ including 'Raising low site around the building with approved soil to be obtained from outside by truck carriage including breaking clods, dressing etc.' The revised estimate was prepared by Project Engineer, Directorate of Social Welfare, Assam based on APWD (SOR) 2004-05 and was approved by the DSW. During 2005-06, 2006-07 and 2010-11, DSW constructed 18,622 AWCs at a total cost of ₹325.88 crore¹⁵ at the revised rate of ₹1.75 lakh per AWC.

Scrutiny further revealed that while executing the construction work, 19.50 cum approved soil per AWC at ₹261.90 per cum was used for raising low land around the building. However, at the time of measurement, requisite deduction of 12.5 per cent towards shrinkage from the total quantity of approved soil as envisaged in APWD (SOR) 2004-05 was not made. This has resulted in an excess payment of ₹1.19 crore¹⁶ to contractors and loss to Government to that extent.

On this being pointed out, the DSW in reply stated (August 2013) that the requisite deduction towards shrinkage could not be made due to mistake which will be taken care of/avoided in future while making such payments. The fact, thus, remains that GoA had to sustain a loss of ₹1.19 crore for not effecting the requisite deduction in

¹⁴ Raising low land site by earth filling, painting of wall by approved paint, sanitary work including construction of septic tank of required users etc.

¹⁵

(₹ in lakh)

Year	No. of AWCs constructed	Total Payment made
2005-06	11,259	19,703.25
2006-07	6,659	11,653.25
2010-11	704	1,232.00
Total	18,622	32,588.50

Source: Departmental records.

¹⁶ [(19.50 cum X 12.5/100) X 18,622 AWCs] X ₹261.90].

accordance with the relevant provision of APWD (SOR) 2004-05 while making payment to the contractors.

The matter was reported to Government in May 2013; their reply had not been received (November 2013).

1.2.9 Irregular expenditure

Directorate of Social Welfare, Assam procured items for pre-school education kits in violation of scheme guidelines, which resulted in irregular expenditure of ₹3.02 crore besides defeating the primary objective of providing non-formal education through age-specific teaching and learning materials.

Integrated Child Development Service (ICDS) Scheme was introduced in 1975 with the objective of holistic development of children up to six years of age, adolescent girls and pregnant and lactating mothers. Pre-school education (PSE), a crucial component under ICDS, aims at imparting non-formal pre-school education to children between three to six years of age in Anganwadi Centres (AWCs) to develop positive learning attitudes and emotional and mental preparedness before primary education is imparted to them in regular schools.

The ICDS guidelines *inter-alia* envisaged:

- Pre-school kits should be provided for all operational AWCs in the State @ ₹1,000 per AWC per annum.
- The items in the kit may be multiple in terms of possible play activities and concepts, culturally and environmentally relevant, cost effective and conducive to creativity and problem solving.
- Illustrative list of items in the kit included - flash card for storytelling, models on pictures, picture books of animals/fruits/vegetables, parts of body, stuffed toys, matching cards of numbers and alphabets, tower parts for stacking, balls, simple puzzles etc.
- The list of items may be finalised after consultation with experts of Early Childhood Education, State Council of Educational Research and Training (SCERT).

Test-check (July to September 2012) of the records of Director of Social Welfare (DSW), Assam revealed that based on the rate approved (October 2008) by the purchase committee, DSW submitted (May 2009) a proposal to GoA requesting sanction of ₹3.09 crore (@ ₹998 per AWC) for providing PSE kit to 31,006 AWCs during 2009-10 under ICDS scheme. Details of items proposed for PSE kit per AWC are shown in the Table.

Table 3

Sl. No.	Items	Quantity per AWC	Approved Rate (₹)	Total Amount (₹)
1.	Counting frame with tin slate (plastic border, size 10" X 8.5")	40 nos.	18	720
2.	Clay Pencil (Brand-Target/Balak)	10 Pkt.	9	90
3.	Plastic unbreakable scale – 12" (Brand Camlin)	10 nos.	9	90
Total				900
Add : VAT (8.8 per cent) and AGMC charge (2 per cent)				98
Grand total				998

Source: Departmental records.

In turn, GoA, Social Welfare Department sanctioned (May 2009) ₹3.09 crore towards procurement and distribution of PSE kits. The DSW placed (June 2009) supply order on AGMC Limited with the instructions to deliver the kits to respective Child Development Project Officers (CDPOs) of the district. The firm supplied PSE kits for 30,237 AWCs and was paid ₹3.02 crore between January and February 2010.

In this regard, audit observed that though the guidelines envisaged procurement of playing items for PSE kits to provide pre-school non-formal education in AWCs by creating joyful learning atmosphere through age-specific teaching and learning materials (TLMs), the Director, disregarding the schematic provisions, purchased only conventional teaching items viz., slate, clay pencils, scale etc., worth ₹3.02 crore foiling the very concept of joyful learning through appropriate kits, thereby rendering the expenditure irregular.

On this being pointed out in audit, Programme Officer-I, Directorate of Social Welfare, Assam, in reply stated (August 2012) that before procurement of these items of Kits, the concerned agencies like SSA, NIPCCD, UNICEF etc., were consulted in pursuance of Government Notification dated 25 April 2012.

The reply of the Programme Officer was not acceptable as the procurement of PSE kits and payment of ₹3.02 crore thereon was made between January and February 2010 i.e., more than two years earlier than the Notification referred above. Further, DSW failed to furnish any documentary evidence in support of consultation stated to have been made with SSA, NIPCCD, UNICEF etc., before procurement of PSE kits, despite specific requisition placed (January 2013) by audit.

It would thus, reveal that DSW purchased only conventional teaching items viz., slate, clay pencils, scale etc., in violation of scheme guidelines frustrating the very objective of creating joyful learning atmosphere through age-specific TLMs.

Hence, procurement of items for pre-school education (PSE) kits in violation of scheme guidelines resulted in irregular expenditure of ₹3.02 crore.

The matter was reported to Government in May 2013; their reply had not been received (November 2013).

1.2.10 Undue financial benefit, doubtful and excess expenditure

Director of Social Welfare, Assam procured food stuffs by injudicious fixation of rates, which resulted in undue financial benefit of ₹2.28 crore to NGOs/SHGs. Further, absence of basic records and procurement of food stuffs in excess of the requirement rendered the expenditure doubtful and excessive.

With the objective of improving the health and nutritional status of children (in age group of 6-72 months), pregnant women and lactating mothers, the Supplementary Nutrition Programme (SNP) was included as one of the components of the Integrated Child Development Service (ICDS) Scheme. The Financial and supplementary nutrition norms (revised) for different category of beneficiaries under SNP are as under:

Table 4

Sl. No.	Category	Revised Calorie norm effective from 24.02.2009 (K Cal)	Revised Protein norm effective from 24.02.2009 (g)	Revised rates effective from 07.11.2008 (per beneficiary per day)
1.	Children (6-72 months)	500	12-15	₹ 4.00
2.	Severely malnourished children (6-72 months)	800	20-25	₹ 6.00
3.	Pregnant women and Nursing mothers	600	18-20	₹ 5.00

Source: Departmental records.

Audit scrutiny (July to September 2012) of the records of Director of Social Welfare (DSW), Assam revealed the following:

(A) Based on the proposal submitted (April 2009) by the DSW, Government of Assam (GoA), Social Welfare Department sanctioned (May 2009) ₹34.49 crore for implementation of SNP during 2009-10. The fund was drawn (March 2010) by DSW, Assam for providing food stuff to 27,76,800 beneficiaries¹⁷ for 28.49 feeding days¹⁸ through 52 Non-Governmental Organizations (NGOs)/Self Help Groups (SHGs) under 184 ICDS projects.

As of July 2010, 44 NGOs/SHGs supplied food stuffs to 104 ICDS Projects and DSW issued (August 2010) revised supply order for remaining 80 ICDS Projects with the stipulation to complete the supply by September 2010. The revised supply order (August 2010) envisaged rate and quantity of food items to be supplied to the Children in the age group of three to six years and six months to three years under the programme. The details have been shown in Table 5.

¹⁷ @ 100 beneficiaries each of 27,768 Anganwadi centres including three severely malnourished children per centre.

¹⁸ ₹34,49,24,100 (Funds available)/{27,768 (Total AWCs) X ₹436 (Funds per AWC)}.

Table 5

Sl. No.	Category of beneficiary	Food items	Quantity (in grams)	Protein (g)	Calorie (K Cal)	Unit cost per beneficiary per day (including ₹0.60 meant for fuel, transportation and cost of banana)
1.	3-6 years children	Rice Common	40	2.80	138.13	₹4
		<i>Matar</i>	14	3.51	48.16	
		Cooking Oil	4		36.00	
		Banana (Ripe)	3 pcs	3.66	375.00	
		Total		9.97	597.29	
2.	6 months to 3 years children	Rice Common	75	5.25	259	₹4
		<i>Matar</i>	25	5.28	86	
		Cooking Oil	4		36	
		Banana (Ripe)	3 pcs	3.66	375	
		Total		15.19	756	

Source: Departmental records.

From the Table above and also from the revised supply orders and payment vouchers, it transpired that the NGO/SHGs were paid @ ₹3.40 (unit cost: ₹4 minus ₹0.60 for transportation, cooking oil and banana etc.) for supply of rice and *matar* per beneficiary per day. For the children of two different age groups viz., six months to three years and three to six years, though there was significant difference in quantity of rice (75 gm and 40 gm) and *matar* (25 gm and 14 gm) supplied to the children of these two age groups, the rates were the same. For supplying lesser quantity of rice (40 gm) and *matar* (14 gm) to the beneficiaries of age group three to six years, payment should have been proportionately reduced. As per proportion, it should have been ₹1.84¹⁹ (instead of ₹3.40 fixed for supply of 100 gm quantity of rice and *matar*) per beneficiary per day. This led to extension of undue financial benefits to the NGOs/SHGs to the tune of ₹1.56 (₹3.40 – ₹1.84) per beneficiary per day. Meanwhile, 11,905 AWCs comprising of 43 beneficiaries (in the age group of 3-6 years) per AWC were provided food stuff (Rice-40 grams and *Matar* - 14 grams) for 28.49 days and payment of ₹4.96 crore (11,905 AWCs X 43 beneficiary X 28.49 days X ₹3.40) was made to 44 NGOs/SHGs at the rate ₹3.40 (₹4 – ₹0.60) per beneficiary per day. Consequently, the suppliers were extended undue financial benefit of ₹2.28 crore (11,905 X 43 X 28.49 X ₹1.56) due to erroneous fixation of rate of food stuffs resulting in loss to the Government.

(B) Scrutiny of utilization certificate and statement of expenditure disclosed that during 2009-10, an expenditure of ₹299.21 crore was incurred under SNP for providing food to 36,45,200 beneficiaries for 185 days. Audit, however, observed that as per SNP norms, the expenditure for feeding the above beneficiaries for 185 days should have been ₹293.28 crore instead of ₹299.21 crore (as shown by the department) as per following details:

¹⁹ ₹1.84 = $\frac{₹3.40 \times (40 \text{ gm} + 14 \text{ gm})}{(75 \text{ gm} + 25 \text{ gm})}$

Table 6

Category	No. of beneficiaries	Unit cost per beneficiary per day (as per SNP norms) (In ₹)	Number of days nutritious food provided to beneficiaries	Fund required (Col. 2 X 3 X 4) (in ₹)
1	2	3	4	5
Children 6 to 72 months (not severely malnourished)	2484494	4	185	1838525560
Children 6 to 72 months (severely malnourished)	111246	6	185	123483060
Pregnant women and nursing mothers	1049460	5	185	970750500
Total	3645200			2932759120

Source: Departmental records.

Thus, there was an excess expenditure of ₹5.93 crore (₹299.21 crore - ₹293.28 crore) incurred under SNP during 2009-10. On this being pointed out (February 2012) in audit, Deputy Director, Social Welfare stated (February 2012) that the excess expenditure was due to distribution of foods to the children belonging to the flood affected families who took shelter in the AWCs during 2009-10. However, no records like number of refugee children (district-wise and project-wise) to whom foods were provided, approval of higher authority for incurring such expenditure, report of the concerned authority declaring areas affected by flood during 2009-10, vouchers, actual payees' receipts (APRs) etc., were made available to audit, though called (July 2012) for. In the absence of supporting records, the bonafides of excess expenditure of ₹5.94 crore incurred beyond the norms of cost ceiling, remained doubtful.

(C) During 2010-11 and 2011-12, the District Social Welfare Officer (DSWO), Kamrup released ₹4.46 crore to nine Child Development Project Officers (CDPOs) for implementation of SNP. The concerned CDPOs utilized the entire amount for providing food to beneficiaries of 1,496 AWCs. Audit also noticed that during the same period, apart from receiving ₹4.46 crore, these nine CDPOs had also received food stuffs (rice: 3,876.56 quintal and *mator*: 1,462.22 quintal) worth ₹2.08 crore from NGOs for the same purpose. The food stuffs so received were shown utilised for providing foods to the beneficiaries of the above AWCs during the same period. Thus, the beneficiaries of the AWCs under above nine CDPOs were provided foods from both the means for the same period *i.e.*, by incurring expenditure from the fund released by DSWO as well as by utilizing food stuffs received from NGOs. This overlapping illustrated inadequate monitoring and lack of co-ordination between the Directorate and field level offices of the department, which led to excess expenditure of ₹2.08 crore on procurement of food stuff.

In reply to the observation made in (A) above, the DSW stated (August 2013) that full quantity of food items and protein was provided to children of age group six months to three years, as these groups are more vulnerable to malnutrition related disease. However, some adjustment in quantity of food and protein for the age group of 3 - 6

years was made to keep the cost within the budget provision and funds released. The gap in protein content was, however, to be made up through community contribution.

The reply was not tenable as there was nothing on record to show that any community contribution was received and utilized to make up the gap in protein content nor any document was furnished by the DSW in support of the reply. Further, the reply was silent with regard to the procurement of food stuffs by injudicious fixation of rates, which resulted in extension of undue financial benefit to NGOs/SHGs.

Thus, procurement of food stuffs by injudicious fixation of rates by DSW, Assam resulted in extension of undue financial benefit of ₹2.28 crore to NGOs/SHGs and absence of basic records pointed towards doubtful expenditure of ₹5.93 crore. Besides, procurement of food stuffs in excess of requirement led to excess expenditure of ₹2.08 crore.

The matter was reported to Government in April 2013; their reply had not been received (November 2013).

Sports and Youth Welfare Department

1.2.11 National Games Secretariat

The National Games Secretariat (NGS) was constituted by Government of Assam (GoA) to act as the Apex Nodal Agency for conducting National Games 2005 (held in February 2007) in Assam. NGS is a Society registered (July 2003) under Societies Registration Act 1860. As per byelaws, NGS is to function according to the directives/recommendations of Government of Assam as well as Government of India. As such, the provisions of Assam Public Works Department Manual (APWDM)/Central Public Works Department Manual (CPWDM) and the instruction of Central Vigilance Commission (Central Body) are also applicable to the society. The Games were conducted between 9 and 18 February 2007. According to paragraph 9 (i) of “Rules of Business” of NGS, the society is to cause its accounts audited annually by the Accountant General, Assam. However, the society failed to furnish the annual accounts in time. Further, accounts for the years 2003-04 to 2008-09 were received only in October 2012 and audit under Section 14 of CAG’s (DPC) Act, 1971 was conducted during January to April 2013. Some of the significant irregularities noticed during the course of audit are highlighted below:

(A) Loss due to granting of interest free advances to Contractor

Secretary General, National Games Secretariat (NGS), Guwahati failed to levy interest on the advances paid to the contractor, which resulted in loss to Government to the tune of ₹2.95 crore.

Provisions stipulated in different Manuals/Guidelines (applicable to NGS as per byelaws) regarding grant of Mobilization Advance (MA) are as follows –

- APWDM does not provide for payment of MA to contractor;
- Para 31.5 of CPWD Manual, 2007 provides that MA to contractor is admissible in respect of certain specialized and capital intensive works valuing not less than ₹two crore limited to a maximum of 10 *per cent* of the estimated cost put to tender at 10 *per cent* simple interest against production of bank guarantee for the advance.
- Central Vigilance Commission (CVC) instructed (October 1997 and April 2007) that adequate steps might be taken for ensuring grant of MA for only selected works and it should be interest bearing to preclude undue benefit to the contractor. It should be granted by a Board (with concurrence of Finance) in the organization constituted for the purpose. Interest-free MA is not to be encouraged but if the management feels it necessary in specific cases, it is to be clearly stipulated in the tender document and its recovery is to be time bound and not linked to the progress of work. Part 'Bank Guarantees' (BGs) against the MA should be taken in as many numbers as the proposed recovery installments and should be equivalent to the amount of each installment. This is to ensure recovery of advances by encashing the BGs.

Scrutiny (January to April 2013) of records revealed that L&T was paid interest free MA amounting to ₹20,91,85,041 (₹5,35,00,000 on 22 March 2004 and ₹15,56,85,041 on 21 May 2004) by the NGS in violation of the codal provisions mentioned above. In addition to the above, interest free equipment advance (EA) of ₹3,33,94,928 was also paid to the contractor between December 2004 to February 2005. These advances were paid to the contractor as per terms of tender document, which were framed without safeguarding Government interest. There was nothing on record to justify non-levy of applicable interest @ 10 *per cent* on the total advance of ₹24,25,79,969 (MA: ₹20,91,85,041+ EA: ₹3,33,94,928) in accordance with the relevant codal provisions. Non-levy of interest from the contractor, thus, resulted in a loss of ₹2,94,86,762 (*Appendix – 1.4*) to the Government exchequer.

(B) Loss due to non-acceptance of lowest rate

Empowered Committee, NGS failed to avail lowest rate for the creation of infrastructure for the National Games 2005, which resulted in a loss of ₹1.62 crore to the State Government.

Test-check (January to April 2013) of the records of Secretary General (SG), National Games Secretariat (NGS), Guwahati revealed that the SG invited (October 2003) Pre-qualification bid from construction agencies for creation of infrastructure (Package - I and II) for the National Games 2005. In response to the tender notice, 12 Engineering firms submitted bid documents, of which, two bidders *viz.*, (i) M/s Larsen & Toubro Limited, Chennai (L&T); and (ii) M/s Nagarjuna Construction Company (NCC), Hyderabad were selected (December 2003) for submission of technical and financial

bids. Financial bids of ₹252.29 crore and ₹251.20 crore were submitted by L&T and NCC respectively in January 2004.

Test-check further revealed that Technical Sub-committee (TSC), on evaluation, found the rates abnormally high over the estimated cost (₹105 crore) and advised both the firms to revise the bid value. Though the firms reduced their bid value (L&T: ₹173 crore and NCC: ₹173.50 crore), the same were still much higher than the estimated cost. Despite negotiation with the firms, the rates of ₹145.98 crore (L&T) and ₹152.60 crore (NCC) offered at subsequent stage were not acceptable as per the evaluation made by the TSC which recommended cancellation of bids and retendering. This prompted the Governing body, headed by the Chief Minister, Government of Assam (GoA) to constitute (28 January 2004) an Empowered Committee (EC) under the chairmanship of Minister of Industries and Commerce, GoA for further negotiation with the firms so that the rates offered should not exceed ₹125 crore (all inclusive of taxes etc.). The EC met (29 January 2004) the firms separately and requested them to submit final bid which should not be more than 22 *per cent* above estimated cost.

In response, L&T submitted (31 January 2004) the lowest financial bid of ₹137.83 crore for the work, which was, however, not accepted. Instead, on the basis of recommendation of the TCS, the SG offered the contract to L&T at a cost of ₹133.35 crore *i.e.*, 27 *per cent* above the estimated cost of ₹105 crore. Records, however, revealed that L&T, instead of accepting the offer, submitted (10 February 2004) revised financial bid of ₹139.46 crore for the work which was higher than its earlier offer (31 January 2004) of ₹137.83 crore made just 10 days before. This time, the financial bid of ₹139.46 crore was accepted by the EC and the work was allotted (March 2004) to the firm. Based on the decision of the EC, the Secretary General accorded administrative approval of the work (March 2004) for ₹139.46 crore and the work was completed in June 2007. The contractor was paid (April 2007) up to date payment of ₹139.45 crore.

Further, it was observed that the basis of acceptance of the higher cost of ₹139.46 crore without considering the available lowest cost of ₹137.83 crore was neither on record nor furnished, though called (February 2013) for in audit. Moreover, there was nothing on record to show that efforts were made through negotiations with the firm to execute the work at the lowest cost of ₹137.83 crore offered by it only 10 days ago.

Thus, non-acceptance of available lowest rate for creation of infrastructure for the National Games 2005 by the EC had resulted in loss to Government to the extent of ₹1.62 crore (₹139.45 crore - ₹137.83 crore).

(C) Loss to Government

Secretary General, NGS, Guwahati failed to recover the cost of laying Bituminous Macadam done through another contractor from the contract value of original contractor, which resulted in loss of ₹96.38 lakh. Besides, redoing the first layer of BM, which was already done by the first contractor resulted in excess expenditure of ₹53.82 lakh.

Construction of various sports complexes at different locations in and around Guwahati for the National Games 2005 was awarded (March 2004) to M/s Larsen & Toubro Limited, Chennai (L&T) at a cost of ₹139.46 crore. The work 'laying of Bituminous Macadam (BM)' over Hockey field of Bhetapara Sports Complex was included in the overall contract with the contractor. The estimated provision of this work *inter-alia* included application of 'Tack coat' and laying of BM for the first and second layers.

Scrutiny (January to April 2013) of records disclosed that after execution (March 2006) of 19,159.67 m² of tack coat and 957.983 cum BM first layer (Hockey and practice field), the subsequent item of work i.e. 'BM second layer' was not done by L&T. After several reminders the said work was withdrawn (31 October 2006) from the contractor as per provision of clause 29.2(a) & (f) of the contract and the same was got executed (30 December 2006 to 7 January 2007) through another contractor at the risk and cost of L&T at a cost of ₹99.69 lakh²⁰. Of this, ₹3.31 lakh was the cost of new item of work *viz.*, RCC beam to be laid all along the boundary of both the fields, not included in the original estimates and therefore, did not fall under the purview of risk and cost factor. The balance amount of ₹96.38 lakh²¹ being the cost of items of work like tack coat and BM was included in the original estimates and therefore, covered by risk and cost factor attributable to L&T. It was, however, seen that the amount of ₹96.38 lakh was not recovered from L&T and up to date payment of ₹139.45 crore was released to the firm out of the full contract value of ₹139.46 crore.

This resulted in a loss of ₹96.38 lakh being the payment made to the second contractor over and above the full contract value of ₹139.46 crore paid to L&T.

²⁰

Sl. No.	Item of work	Quantity	Rate	Amount
1.	Construction of periphery beam	--	--	₹3.31 lakh
2.	Tack coat first layer (main field and practice field)	18,830.72 m ²	₹7/ m ²	₹1.33 lakh
3.	BM first layer Main Field BM first layer Practice field	669.70 cum 312.62 cum	₹5,412/cum	₹53.16 lakh
4.	BM second layer main field BM second layer Practice field	502.27 cum 271.84 cum	₹5,412/cum	₹41.89 lakh
Total				₹99.69 lakh

Source: Departmental records.

²¹ Tack coat of 18,830.45 m² @ ₹7

= ₹1,31,815

Bituminous Macadam of 1,756.43 cum @ ₹5,412 = ₹95,05,799

₹96,37,614

Further, two items of works viz., (i) Tack coat first layer (main field and practice field); and (ii) BM first layer (main field and practice field) were already completed by L&T. Redoing the same at a cost of ₹53.82 lakh by the second contractor resulted in excess expenditure to that extent which was avoidable.

(D) Undue financial benefit to the contractor

Non-deduction of 12.5 per cent towards shrinkage from the total quantity of approved soil used for raising low site resulted in extension of undue financial benefit of ₹73.20 lakh to the contractor.

As per Assam Public Works Department (APWD) Schedule of Rates (SOR) (Building) 2001-02, deduction of 12.5 per cent towards shrinkage is to be made from the total quantity of approved soil obtained from borrowed pits after taking profile measurement for execution of the item of work “Raising low site areas”.

Test-check of records revealed that payment of ₹5.86 crore was made (April 2007) to L&T for execution of 2,32,369.661 cum earth work in filling @ ₹252 per cum. However, at the time of measurement, requisite deduction of 12.5 per cent towards shrinkage from the total quantity of approved soil was not done in terms of the relevant provision of APWD SOR (Building) 2001-02. The lapse on the part of the Department to effect the requisite deduction resulted in extension of extra financial benefit of ₹73.20 lakh $\{(2,32,369.661 \text{ cum} \times 12.5/100) \times ₹252 \text{ per cum}\}$ to the contractor.

The matter was reported to Government in June 2013; their reply had not been received (November 2013).

Tea Tribes Welfare Department

1.2.12 Avoidable extra expenditure

Director, Welfare of Tea and Ex-Tea Garden Tribes, Assam incurred extra expenditure of ₹60.13 lakh towards procurement of power tillers at rates higher than the approved rate of Agriculture Department in violation of the directives of State Special Schemes under FOIGS, which was avoidable.

GoI decision (i) below rule 6 of General Financial Rules (GFR) provides that “Every officer is expected to exercise the same vigilance in respect of expenditure incurred from public money as a person of ordinary prudence would exercise in respect of expenditure of his own money”.

For generating self employment in agriculture sector, Government of India introduced (2007-08) ‘Family Oriented Income Generating (FOIG) (special project) Scheme. Under the scheme, power tillers were to be distributed to Self Help Groups (SHGs) consisting of atleast seven members belonging to Tea and Ex-Tea Garden community. According to the directives of State Special Schemes under FOIGS, procurement of

power tillers were to be made as per rate and specification approved by Government Departments/Organisations viz., Director of Agriculture, Assam; Panchayat and Rural Development Department, Government of Assam, or State Institute of Rural Development, Assam. Incidentally, it may be pointed out that the rate of power tiller approved by the Director of Agriculture (DOA) for the years 2010-11 and 2011-12 was ₹1.35 lakh each for Kranti DI-1515 14 HP model. The brand, model and rate of power tillers were finalized by a high level committee of technical persons and officials of Finance department headed by Agriculture Production Commissioner, Government of Assam (GoA) through technical and commercial evaluation.

Scrutiny (November – December 2012) of records of the Director, Welfare of Tea Tribe and Ex-Tea Garden Tribes, Assam revealed that the Director obtained the rate fixed by DOA twice in October 2010 and September 2011. However, while making the purchase the Director did not consider the approved rate of DOA and finalized his own rates in October 2010 (₹1.45 lakh each for VST Shakti 130 DI 13 HP without trailer) and in December 2011 (₹1.41 lakh each for SHRACHI SF 15DI without trailer) by inviting fresh tender and procured 473 VST Shakti and 213 SHRACHI SF power tillers during 2010-11 and 2011-12 at a cost of ₹6.85 crore and ₹3 crore respectively.

As a result of procurement of power tillers at a higher rate, without considering the rate, model and specification approved by DOA, the Director, Welfare of Tea and Ex-Tea Garden Tribes incurred excess expenditure of ₹60.13 lakh²² during 2010-11 and 2011-12 respectively. It was however, noticed that during 2012-13 the Director purchased 234 Kranti DI – 1515 14 HP model power tillers at ₹1.20 lakh each, which was even cheaper than the approved rate of DOA.

In reply, the Commissioner and Secretary, Tea Tribes Welfare Department, GoA stated (June 2013) that the power tillers were purchased at the rate arrived at after observing the due procedure of competitive bidding and as such, there was no scope of extra expenditure.

The reply, however, did not indicate the reason as to why the approved model and approved rate, as per the directives of State Special Schemes under FOIGS, was not considered while procuring the power tillers during 2010-11 and 2011-12, unlike the procurement of 2012-13, when the same approved model was duly considered while making such procurement.

Thus, Director, Welfare of Tea and Ex-Tea Garden Tribes, Assam incurred extra expenditure of ₹60.13 lakh towards procurement of power tiller at rates higher than the approved rates of Agriculture Department, which was avoidable. Had the

²² {(₹1,44,900 - ₹1,34,955) X 473} + {(₹1,41,100 - ₹1,34,955) X 213} = ₹60,12,870.

procurement been made at the approved rate, 44²³ more beneficiaries could have been accommodated with the extra expenditure.

Welfare of Minorities and Development Department

1.2.13 Avoidable extra expenditure

Director of Char Areas Development, Assam incurred an extra expenditure of ₹51.70 lakh towards purchase of auto vans at a higher rate, which was avoidable.

Director of Char Areas Development (DCAD), Assam submitted (June 2010) a proposal to Minorities Welfare and Development Department, Government of Assam (GoA) for sanction of ₹8.35 crore under Chief Minister's Special Employment Generation Programme for the distribution of 500 Auto Vans (three wheeler) to unemployed youths of Char areas during 2010-11. The programme was to be implemented in thirteen²⁴ districts of the State through DCAD, Assam.

Scrutiny (July 2012) of the records of DCAD, Assam revealed that, while submitting proposal to GoA for the sanction of fund, the DCAD furnished a tentative rate of ₹1.67 lakh per auto van (three wheeler) without assessing prevailing market rates. Instead of asking DCAD to float tender, GoA directed (July 2010) DCAD to collect quotations from different companies/approved dealers in order to select the suitable van. The DCAD, accordingly collected (July 2010) the rates of auto van from four reputed manufacturers and forwarded the same (August 2010) to GoA for selection. A comparative study of the rates quoted by the four dealers/manufacturers revealed that the lowest rate was ₹1.56 lakh (including Taxes and accessories) per auto van (Atul Cargo Three Wheeler) offered by two firms (including the authorised representative of the brand) which was lesser than the rate of ₹1.67 lakh shown by DCAD in the proposal submitted to GoA. Consequently, in view of the rate variation, GoA directed (October 2010) DCAD to float the tender and observe the required formalities.

In October 2010, DCAD invited tenders indicating the estimated cost of ₹8.35 crore (₹1.67 lakh per van) in the Notice Inviting Tender (NIT). Consequently, the lowest rate was quoted at ₹1.67 lakh by the supplier²⁵ even though the same supplier had offered the lowest rate of ₹1.56 lakh for the same brand "Atul Cargo Three Wheeler" in August 2010. However, there was nothing on record to show that DCAD negotiated with the supplier to procure the auto vans at the rate offered by it in August 2010. The lowest rate of ₹1.67 lakh was accepted (October 2010) by the purchase committee headed by the DCAD. Welfare of Minorities and Development Department, GoA sanctioned (January 2011) and released (February 2011)

²³ ₹60.13 lakh/₹1.35 lakh.

²⁴ Barpeta, Bongaigaon, Darrang, Dhemaji, Dhubri, Goalpara, Jorhat, Kamrup, Lakhimpur, Morigaon, Nagaon, Nalbari, Sonitpur.

²⁵ M/s Bhagyashree, Panbazar, Guwahati.

₹8.35 crore for the purchase of 500 auto van (three wheeler) at ₹1.67 lakh per van. DCAD, Assam placed (January 2011) order with the supplier for delivery of the auto vans. As of July 2012, 470 auto vans were distributed to selected beneficiaries and payment of ₹7.84 crore was made between May 2011 and June 2012. 30 auto vans (500-470) were yet to be distributed due to non-receipt of beneficiaries list from five²⁶ development blocks.

Thus, Director of Char Areas Development (DCAD), Assam procured auto vans in October 2010 by fixing the estimated cost per van at ₹1.67 lakh which was higher than the rate of ₹1.56 lakh offered by the supplier in August 2010. Consequently, the lowest rate of ₹1.67 lakh was accepted without any further negotiation which resulted in avoidable extra expenditure of ₹51.70 lakh {(₹1.67 lakh - ₹1.56 lakh)}.

The matter was reported to Government in February 2013; their reply had not been received (November 2013).

Welfare of Plain Tribes and Backward Classes Department

1.2.14 Irregular retention and blocking of funds

The Director, Welfare of Plain Tribes and Backward Classes, Assam retained huge unspent balances in Revenue Deposit disregarding the recommendation of Public Accounts Committee.

Assam Treasury Rule 16 read with Supplementary Order 50 stipulates that money should not be drawn from treasury unless it is required for immediate disbursement. The rule *ibid*, also prohibits drawal of money just to avoid lapse of budget grant.

Audit Scrutiny (February and March 2013) of the records of Director, Welfare of Plain Tribes and Backward Classes (WPT&BC), Assam revealed that based on eight different sanctions accorded by WPT&BC Department, Government of Assam (GoA), the Director drew ₹104.15 crore during 2008-09 to 2011-12 for disbursement of grants-in-aid to three Autonomous Councils for implementation of schemes under Article 275 (1) of the Constitution of India, Tribal Sub Plan (TSP), Chief Minister's Self Employment Generation Programme (CM's SEGP), Family Oriented Income Generating Scheme (FOIGS) and construction of two hostels under Central Sector Scheme. The entire amount of ₹104.15 crore was deposited in Revenue Deposit (RD) as per instruction contained in the sanction orders.

Out of the aforesaid amount, the Director on the basis of release order issued by the Finance Department, withdrew ₹11.80 crore from the RD account and the balance amount of ₹92.35 crore is still retained in RD account as of August 2013. The details of funds deposited in RD account have been shown in the Table.

²⁶ Lawkhowa, Pub Kaliabor, Goroimori, Swalkuchi and Markongselek.

Table 7

Sl. No.	Year	Purpose of sanction	Funds drawn and deposited in RD (₹)	Funds withdrawn subsequently (₹)	Balance (₹)
1.	2011-12	Grants to Mising Autonomous Council	41,35,00,000	0	41,35,00,000
2.		Grants to Tiwa Autonomous Council	28,21,00,000	0	28,21,00,000
3.	2010-11	CM's special programme for OBC	4,96,99,000	0	4,96,99,000
4.		FOIGS for OBC	11,39,99,000	1,25,55,000	10,14,44,000
5.	2009-10	Grants to Deori Autonomous Council	11,12,000	0	11,12,000
6.		Additional State Plan for implementation of 8 schemes for ST (P)	1,00,00,000	11,25,000	88,75,000
7.	2009-10	Grants under Article 275 (1) during 2008-09	3,74,46,000	10,43,48,000	5,71,75,000
		Grants under Article 275 (1) during 2009-10	12,40,77,000		
		Sub-total	16,15,23,000		
8.	2008-09	Construction of two hostels at Gopinath Nagar, Guwahati	95,56,612	0	95,56,612
Total			104,14,89,612	11,80,28,000	92,34,61,612

Source: Information furnished by the department.

The Public Accounts Committee (PAC) viewed seriously the cases of retention of funds in RD (Public) Account subsequent to their drawal from consolidated fund by the departments during the course of examination of such cases mentioned in earlier Audit Reports. The PAC in their Seventy Third Report (Para 2.13) placed before the Legislature in May 1998, recommended for early release of all diverted funds by Finance Department for utilization by the respective departments on intended purposes.

Thus, Finance Department had grossly ignored the PAC recommendations by not releasing ₹92.35 crore to WPT&BC for utilization or for refund to the Government exchequer. The Director, WPT&BC also flouted the fiscal discipline by not depositing the entire unutilised amount to the Consolidated fund of the Government by withdrawing the amount from the Public Account/RD. In the process, huge funds had been parked outside the Consolidated fund of the State for periods ranging from one to four years which had also adversely affected the implementation of the respective schemes for which the funds were sanctioned.

Director, WPT&BC while admitting (March 2013) the audit observation stated that the funds were kept in Revenue Deposit as per the instructions of the Finance Department. However, keeping the funds in Revenue Deposit by WPT&BC was not in consonance with PAC's recommendations.

The matter was reported to Government in June 2013; their reply had not been received (November 2013).

CHAPTER-II

ECONOMIC SECTOR

Performance Audit of “Accelerated Irrigation Benefits Programme”

Performance Audit of “Construction of Roads and Bridges funded by North Eastern Council and Non Lapsable Central Pool of Resources”

COMPLIANCE AUDIT

CHAPTER-II

ECONOMIC SECTOR

2.1 Introduction

The findings based on audit of State Government units under Economic Sector feature in this chapter.

During 2012-13, against total budget provision of ₹17,429.74 crore, total expenditure of ₹10,722.01 crore was incurred by 18 departments under Economic Sector. Department-wise details of budget provision and expenditure incurred thereagainst are shown in *Appendix – 2.1*.

Besides, the Central Government has been transferring a sizeable amount of funds directly to the implementing agencies of the State Government for implementation of flagship programmes of the Central Government. During 2012-13, out of total major releases¹ of ₹13,255.49 crore, ₹7,017.49 crore were directly released to different implementing agencies under Economic Sector. Details are shown in *Appendix – 2.2*.

2.1.1 Planning and conduct of Audit

The audits were conducted during 2012-13 involving expenditure of ₹4,684.34 crore of the State Government under Economic Sector. This chapter contains two Performance Audit Reports on “Accelerated Irrigation Benefits Programme” and “Construction of Roads and Bridges funded by North Eastern Council and Non Lapsable Central Pool of Resources” and seven Compliance Audit Paragraphs.

The major observations detected in audit during the year 2012-13 are given below.

PERFORMANCE AUDIT

Irrigation Department

2.2 Performance Audit of “Accelerated Irrigation Benefits Programme”

Accelerated Irrigation Benefits Programme (AIBP) was launched (1996-97) with the main objective of accelerating the completion of ongoing irrigation/multipurpose projects on which substantial investment had already been made and were beyond the resource capability of the State Governments. Subsequently Minor

¹ Release worth ₹one crore and above.

Irrigation Projects (MIPs) were included for implementation under AIBP in 1999-2000. Eleven major²/medium³ and 1,383 MIPs⁴ were included under AIBP in the State (up to 2012-13) of which, seven major/medium (64 per cent) and 712 minor irrigation projects (51 per cent) were completed up to March 2013. Against the targeted potential of 1,344.70 thousand hectare, irrigation potential of 380.77 thousand hectare (28 per cent) could only be created (March 2013) since inception of the scheme in the State.

During 2008-13, irrigation potential of 258.45 thousand Ha (26 per cent) was achieved against the target of 985.47 thousand Ha. Implementation of the programme suffered due to lack of proper survey and investigation before selection of the projects, non-release/delay in release of funds, land acquisition problems, taking up of new projects without completing the ongoing projects etc.

Highlights

Not a single major/medium project was completed within the stipulated period. The projects remained incomplete for 33 to 38 years since inception of the scheme/projects.

(Paragraph-2.2.8.1)

Without completing the ongoing schemes, new Minor Irrigation Schemes (MIS) were taken up without financial sanction from Ministry of Water Resources (MoWR), Government of India (GoI).

{Paragraph-2.2.8.2 (d)}

Delay in completion of selected MI schemes ranged from 12 to 36 months due to irregular flow of funds and issues relating to land acquisitions.

{(Paragraph-2.2.10.3 (a))}

Water charges of ₹0.14 crore (1.96 per cent) only was realised against the demand of ₹7.08 crore during 2008-13 in the State.

{Paragraph-2.2.10.3 (m)}

During 2008-13, irrigation potential of 258.45 thousand hectare (26 per cent) only was achieved against the target of 985.47 thousand hectare.

(Paragraph-2.2.11)

2.2.1 Introduction

Due to financial constraints faced by different State Governments, a large number of irrigation projects had spilled over from one plan period to subsequent plan periods. Consequently, it increased the gap between the target and achievement of irrigation

² Major irrigation projects have a Culturable Command Area of more than 10,000 hectares.

³ Medium irrigation projects have a Culturable Command Area of 2,000 -10,000 hectares.

⁴ Minor irrigation projects have a Culturable Command Area up to 2,000 hectares.

potential in the States. To reduce the gap, the Government of India (GoI) introduced Accelerated Irrigation Benefits Programme (AIBP) in 1996 aimed at providing financial assistance to the States for accelerating completion of major and medium irrigation projects costing ₹1,000 crore and above which were in advanced stage of completion. Subsequently, minor irrigation project (MIP) with irrigation potential of more than 20 Hectare (Ha) but less than 2,000 Ha were included for implementation under AIBP in 1999-2000. Extension, Renovation and Modernization (ERM) of irrigation projects were included from November 2006.

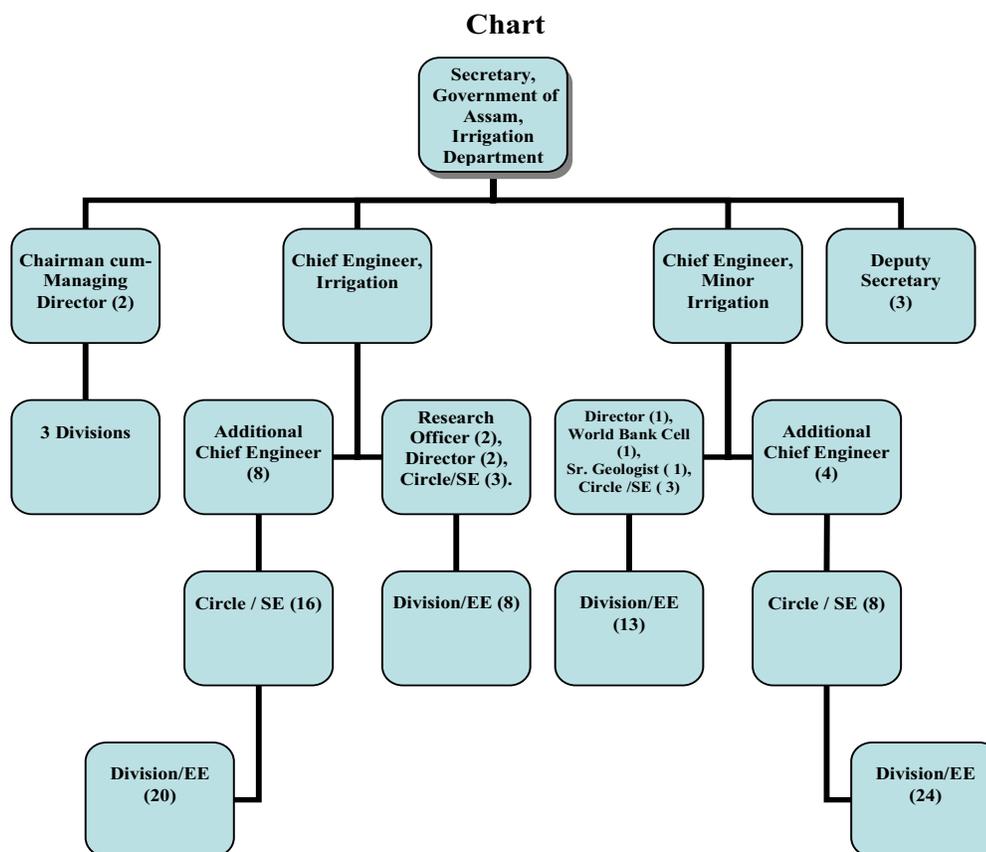
The State of Assam with a geographical area of 78.44 thousand Sq. Km has crop area of 39 lakh Ha, out of which the ultimate irrigation potential has been assessed at 27 lakh Ha. Of the 27 lakh Ha irrigation potential, 17 lakh Ha was proposed to be irrigated through Minor Irrigation Schemes (MIS) which consisted 10 lakh Ha was proposed to be covered from ground water sources and seven lakh Ha from surface water sources. The remaining 10 lakh Ha was planned to be covered by Major and Medium (M&M) projects from surface water sources. Till March 2013, 11 M&M and 1,383 MIS were approved under AIBP.

As of March 2008, against targeted potential of 359.23 thousand Ha, the actual potential achieved was 122.32 thousand Ha. In this context, it is stated that in the earlier performance audit on AIBP (included in C&AG's Civil Audit Report 2007-08) covering the period 2003-08, number of deficiencies in planning, execution and monitoring were pointed out and specific recommendations were made so that the department could take remedial measures to address the issues. However, this Report is yet to be discussed by the Public Accounts Committee.

Despite being pointed out in the earlier Report, it was however, observed during the course of current (2008-13) performance audit that some deficiencies like improper selection of MI projects, non-release of funds in timely manner, non-acquisition of land prior to commencement of work, inadequate monitoring etc., persisted underlying the fact that remedial action on the recommendations made in the earlier Report to overcome the deficiencies was not taken. This was also reflected by the performance of the Department in creation of irrigation potential in the State being during 2008-13, the irrigation potential created was to the extent of 258.45 thousand Ha (26 *per cent*) against the target of 985.47 thousand Ha.

2.2.2 Organizational set up

The Irrigation Department, Government of Assam, headed by the Secretary, is primarily responsible for selection of projects and implementation of the programme. The organizational structure of the Department is given in the Chart.



Source: Information furnished by CE (Irrigation), GoA.

2.2.3 Programme Objectives

The objectives of AIBP are:

- To accelerate implementation of Major/Medium and Minor irrigation projects which are beyond the resource capability of the State Government.
- Expeditious completion of the projects which were in advanced stage of completion.
- To derive bulk benefits from completed irrigation projects.

2.2.4 Scope of Audit

The performance audit of AIBP was carried out during April–June 2013 and covered the implementation of the programme during 2008-13. Records in the offices of the Chief Engineer (Irrigation), Irrigation Department, Finance Department, Directorate and District Agriculture Offices, Central Water Commission, Guwahati were test-

checked. Further, 19⁵ out of 64 executing divisions, two⁶ out of four ongoing major/medium projects and 110 minor irrigation schemes (out of the 522 completed and 665 ongoing during 2008-13) (*Appendix-2.3*) were selected for the detailed scrutiny through Simple Random Sampling Without Replacement (SRSWOR) method.

During the course of audit, the Department/Divisions failed to produce number of records as mentioned in succeeding paragraphs indicating deficiencies in systematic record keeping and lack of documentation both at the controlling as well as field level units. As such, attempt on the part of Audit to examine the relevant records was constrained to that extent and therefore, audit is unable to provide any assurance regarding the assertions made by the authorities regarding achievement of the objectives envisaged as per the Scheme.

2.2.5 Audit Objectives

The main objectives of the performance audit were to ascertain:

- Whether planning process leading to approval of DPR was done in a systematic manner;
- Whether planning for prioritization of projects including funding for the ongoing projects was adequate, efficient and was done in an effective and systematic manner;
- Whether adequate funds were released on time and utilized properly;
- Whether projects were executed in economic, efficient and effective manner;
- Whether the monitoring, internal control and evaluation mechanism was adequate and effective;

2.2.6 Audit Criteria

The audit findings were benchmarked against the following sources of criteria:

- AIBP guidelines;
- Guidelines issued by Central Water Commission (CWC) for preparation of Detailed Project Reports (DPRs);
- District Development Programme;
- Detailed Project Reports of selected projects;
- Other circulars/instructions issued by State Government, Ministry of Water

⁵ (1) Borolia Irri Divn, (2) Dhansiri Project weir Divn, (3) Dhansiri Canal-I Divn. (4) Dhansiri Canal-II Divn., (5) Dhakuakhana, (6) Dhemaji (7) Diphu, (8) Guwahati, (9) Jorhat, (10) Kokrajhar, (11) Mangaldoi, (12) Mankachar, (13) Morigaon, (14) Nalbari, (15) Nagaon, (16) Rangiya, (17) Silchar, (18) Sivsagar and (19) Sukla Irri Division.

⁶ (1) Borolia Irri Divn, Tamulpur and (2) Dhansiri Irrigation Project in Udalguri district.

Resources (MoWR) and CWC;

- Guidelines for monitoring and evaluation;
- Delegation of Financial Power Rules, 1999.

2.2.7 Audit Methodology

The performance audit commenced with an entry conference on 21 March 2013 with the Under Secretary, Irrigation Department and Under Secretary, Finance Department, Government of Assam along with CE (Irrigation) and other officials wherein the audit methodology, scope of audit, audit objectives and criteria were explained. Information and documents available in test-checked divisions and response to audit questionnaires were analysed. Photographic evidence and physical verification were also taken into consideration to substantiate the audit observations.

The Exit Conference with the Secretary, Under Secretary and CE of Irrigation Department along with other officials were held on 10 October 2013 wherein audit findings were discussed and the report was finalized after taking into account the views of the department duly incorporating the same at appropriate places.

Audit findings

2.2.8 Planning

Planning is an integral part of programme implementation. The Department had not prepared any perspective plan. Moreover, no Annual Plan for implementation of AIBP in the State could also be produced, though called for (June 2013).

2.2.8.1 Major and Medium projects

The guidelines and subsequent instructions issued by GoI envisaged that major and medium project can be included under AIBP keeping in view the following main criteria:

- Projects on which considerable investment (75 per cent or more) had been made and which are in the advance stage of completion (75 per cent);
- Projects (major/medium) which can be completed within next four years.
- No new projects can be included under AIBP, if the current projects are incomplete.

Of the eleven projects included under AIBP between 1996-97 and 2001-02, seven⁷ had been completed between 2001-02 and 2007-08 *i.e.*, prior to the period covered by this audit. Against the target of creating irrigation potential of 160.69 thousand Ha in

⁷ 2001-02: 1, 2004-05: 1, 2005-06:1, 2006-07: 2, 2007-08: 2.

eleven major and medium projects under AIBP, actual potential created was only 51.98 thousand Ha till March 2008. During 2008-13, the potential created was only 20.38 thousand Ha. Particulars of the four ongoing major and medium projects are given below:

Table-8

Name of the project	Estimated Cost		Actual year of commencement of work	Expenditure prior to AIBP (percentage) (₹ in crore)	Year of inclusion in AIBP	Percentage of physical progress at the time of take over	Physical progress likely to be achieved in creation of potential (In thousand hectare)	Expenditure ⁸ as on 31 March 2013 (₹ in crore)	Present physical status of the project (In per cent)	Due date of completion
	Original	Last Revised								
1	2	3	4	5	6	7	8	9	10	11
Dhansiri (Major)	15.83	374.96	1975-76	103.56 (28)	1996-97	80	21.2580	230.49	83	2000-01
Borolia (Medium)	6.77	84.97	1980-81	28.80 (34)	1996-97	37	2.1500	57.25	70	2000-01
Buridihing (Medium)	1.14	27.39	1980-81	7.55 (28)	1996-97	42	1.91	10.21	85	2000-01
Champamati (Major)	15.32	138.63	1980-81	35.28 (25)	1996-97	50	9.5750	142.64	80	2000-01

Source: Information furnished by CE (Irrigation).

It would reveal from the above Table that:

- In none of the four ongoing projects the selection criteria of financial progress of 75 per cent was achieved before its inclusion in AIBP.

So far as physical progress is concerned, only one project *viz.*, ‘Dhansiri’ was shown to have achieved 80 per cent physical progress before its inclusion under AIBP. The financial progress (28 per cent) and physical progress (80 per cent) of Dhansiri project were, however, not compatible to each other and seems improbable in view of the fact that ₹126.93 crore spent on the project after inclusion under AIBP during 1996-2013 had enhanced physical progress of only three per cent (83 per cent as of March 2013) during AIBP period. Inflated physical achievement during the time of inclusion was exhibited to facilitate selection under AIBP. This also indicates that all the four projects were taken up under AIBP despite not having fulfilled the selection criterion. This including other factors, *e.g.*, inadequate funding, land acquisition problem etc., are the primary reasons for non-completion of these projects in last 33 to 38 years since inception resulting in both time and cost overrun.

- As per clause (4) and (6) of AIBP guidelines, State Governments should create targeted irrigation potential in four financial years for major/medium projects and in the event of failure to comply with the agreed date of completion, the grant component released will be treated as loan and recovered as per usual terms of recovery of Central Loan. Thus, there was the risk of conversion of the grant of ₹195.55 crore to loan component to be payable by the State.

⁸ Expenditure includes central loan, central grants and State share.

In reply, the Department stated (October 2013) that proposals for extension of time were forwarded to GoI from time to time and as GoI was releasing grants from time to time question of conversion of grant to loan component does not arise. The reply is not tenable because against scheduled time of four years for completion, the projects were continuing for more than 17 years under AIBP indicating serious lapses in all aspects of project formulation and execution and thus, chances of conversion of grant as loan cannot be ruled out.

2.2.8.2 Minor Irrigation projects (MIS)

The guidelines and subsequent instructions issued by GoI envisaged that Minor Irrigation project can be included under AIBP on the following main criteria:

Surface Minor Irrigation (MI) schemes which are approved by State Technical Advisory Committee (TAC)/ State Planning Department will be eligible for assistance under the programme provided that-

- Individual schemes should create irrigation potential between 20 and 2000 ha;
- Proposed MI schemes have benefit cost ratio of more than one;
- The development cost of these schemes per ha is less than ₹one lakh;
- State Government will be required to enter into a Memorandum of Understanding (MoU) with the MoWR which *inter alia* includes year-wise phasing of project with target of completion within two years.

Till 31 March 2013, total 1,383 MIS were approved under AIBP of which 712 were completed (190 up to March 2008 and 522 during 2008-13) and 665 were under progress and ongoing. Six projects were not commenced. The details are as under:

Table-9

Year	No of ongoing Scheme in the beginning of the year	Approved	Total	Number of Projects		
				Completed	Ongoing	Not started
Up to March 2008		289	289	190	93	6
2008-09	99	320	419	104	309	6
2009-10	315	505	820	204	610	6
2010-11	616	Nil	616	36	574	6
2011-12	580	Nil	580	99	475	6
2012-13	481	269	750	79	665	6
Total	-	1,383	-	712		

Source: Records of (i) CE (Irrigation), Assam, (ii) Addl. CE (Zone-IV), Irrigation, Diphu, (iii) Addl. CE (Zone-VI), Irrigation, Haflong & (iv) Head of Irrigation Department, BTC.

The Additional CE, N.C. Hills proposed to drop the six projects under hill areas as these projects did not take off. Present status was, however, not available on record.

(a) Irregularities noticed in selection/approval of MIS

AIBP guidelines envisaged that irrigation proposals should be prepared after survey and investigation with an assessment of hydrological, meteorological and ecological

aspects of the project. A DPR is to be prepared for every project identifying the source of water, seasonal discharges of water and after factoring in the conjunctive use of surface water in consultation with Agriculture Department. Issues relating to environmental and forest clearance, detailed cost estimates, calculation of BC Ratio and other economic parameters such as Culturable Command Area (CCA), Annual Irrigation and intensity of irrigation are also required to be considered while conceiving the project.

However, in all the cases of selected MIS, the basic and supporting records were not found regarding:

- Identification of MIS through Investigation & Survey,
- Consideration of 25 years data on occurrence of flood,
- Records showing consultation with the Agriculture Department.

In approved estimates of all the MIS, the Ground water potential, its present stage of utilization and future prospect were not discussed. More over in none of the cases, Environment and Forest Clearance Certificates were obtained from the concerned department.

In reply, the Department stated (October 2013) that after approval of the projects by GoI based on concept paper submitted, detailed survey and investigation were conducted and DPRs were prepared. However, details of records of survey and investigation and collection of other data could not be furnished during audit.

Further, out of 110 selected projects/schemes, the following basic records/documents in respect of parameters considered in the estimates, could not be made available to Audit:

- In 94 cases, records relating to hydrology, meteorological aspects and soil surveys etc;
- Records with reference to the specific IS Code in connection with preparation of estimates, drawings and specifications in 72 cases;
- In 95 selected projects, records in respect of the length of main canals and types of canals etc., in Canal System of the projects; and
- In 44 cases records relating to target and achievement schedule/fund flow schedule.

Thus, it is evident that while formulating planning for these projects, essential inputs were not taken into consideration.

(b) Approval of MI schemes without clearance of State TAC

As per guidelines of AIBP, the MI Schemes to be included under AIBP require clearance of State TAC constituted for this purpose. The State TAC in Assam was

formed only in April 2011 and thus, 1,114 MI schemes approved upto April 2011 were not cleared by State TAC. This violated a significant provision of the guidelines.

(c) Non-execution of individual MoU and non-production of MoU

The State Government was required to enter into an MoU with the MoWR for each individual project under the programme indicating cost, potential, year-wise phasing of expenditure towards creation of targeted irrigation potential along with target date of completion, so that achievement of an individual project can be properly monitored. Instead of signing the MoUs for each individual project separately, these were signed in lots clustering together a number of projects at a time except in one case (Kaloo Flow Irrigation Scheme) as shown in *Appendix-2.4*. As a result of signing the MoUs in lots, achievement of an individual project as per utilization certificate could not be verified with the concerned MoU. Thus, signing of MoUs for efficient implementation of the projects had not served the intended purpose.

(d) Execution of MIS under AIBP without Financial Sanction from the MoWR

During the period from July 2010 to February 2011, total 100 Minor Irrigation Schemes were administratively approved by the GoA under AIBP. Subsequently, Technical Sanction was also accorded and in 39 cases work orders were also issued during December 2010 to March 2011. MoWR justifiably deferred (June 2011) approval of these 100 projects on the grounds that TAC had not cleared the projects and priority was to complete the ongoing projects first, before approval of new projects. However, in May 2012 MoWR accorded its approval in respect of 36 out of 100 projects without adhering to the guidelines.

The CE (MI) could furnish (July 2013) details of administrative approval in respect of only 68 out of the 100 projects. The information furnished, disclosed that in case of the 68 projects administrative approval of ₹271.51 crore was accorded (between February 2010 and February 2011) by GoA, against which considerable physical progress ranging from one *per cent* to 84 *per cent* were achieved in respect of 34 projects till March 2013. Information furnished also indicated that out of these 34 projects, 26 projects had not been approved by MoWR till March 2013 and as a result, no funds could be disbursed to the contractors though physical progress ranging from one to 40 *per cent* had been achieved against these projects. Execution of projects without GoI's approval and without any planning for the provision of funds indicated serious lapses in planning process.

In fact, the chronology of planning process *i.e.*, (i) completion of ongoing projects, (ii) conceiving new projects, (iii) approval by TAC and GoI, and (iv) execution of the projects as per the relevant MoU was totally disregarded.

(e) Anomalies in Technical Sanctions

In accordance with the Delegation of Financial Power Rules, 1999 (DFP Rules), the power to accord technical sanction is vested with the Chief Engineer, Additional

Chief Engineer, Superintending Engineer and Executive Engineer as per prescribed financial limits amended from time to time. DFP Rules do not confer any power to the Officer on Special Duty (OSD) to accord TS. A retired CE of the Irrigation Department was reemployed as OSD with delegation (18 March 2009) of power equivalent to CE for a period of two years with effect from April 2009 to March 2011⁹. During audit of 15 selected divisions, it was noticed that during his tenure out of 110 selected MIS, 55 Technical Sanctions aggregating ₹252.12 crore were accorded. In the absence of any provision in Delegation of Financial Powers Rules, the TS accorded by the OSD were thus, irregular, especially in view of the fact that there was an existing CE (MI), exclusively for the execution of MI projects.

Scrutiny of records in test-checked divisions revealed that 46 items of works worth ₹12.25 crore in respect of 25 irrigation schemes, though included in the approved estimates, were not considered in the concerned Technical Sanctions. This was due to non-conduct/poor conduct of survey and investigation before preparation of the estimates. Provisions of significant items like hydraulic structure, canal system, distributaries, land acquisition, guide bundh etc., were removed from the estimates while according TS. It was further noticed that in 26 irrigation schemes, 47 technically sanctioned items worth ₹3.94 crore were not at all included in the AA. Items like RCC bridge, land acquisition, aqueduct, cross drainage, staff quarters, rest houses, repair of SE's quarter etc., were included afresh in TS without their provision in the AA. It was also observed that 19 out of these 26 schemes were approved by the OSD.

Removal of items of work from the estimates administratively approved by the GoI/GoA and incorporation of fresh items in TS, which were not included in the AA, indicated lapses in preparation of plan and estimates of the schemes. This happened as a result of conceiving the schemes without due survey and investigation.

2.2.9 Financial Management

2.2.9.1 Funding Pattern

With effect from December 2006, 90 *per cent* of the cost of the projects was to be borne by the GoI as Grants and the remaining 10 *per cent* was to be borne by the State Government. The Grants received from the GoI was to be released to the implementing department within 15 days of its receipt.

2.2.9.2 Release and expenditure

Year-wise break up of funds released by the GoI and subsequent releases of Central Share and State Share by the State Government for major/medium projects and expenditure thereagainst during the period 2008-13 are shown in the Table.

⁹ Vide Notifications dated 23 February 2009 and 01 April 2010.

Table-10
Funds released for the major/medium Irrigation Projects

(₹ in crore)

Year	Fund released by the GoI*	Funds released by State Government to implementing department under			Expenditure incurred	Central Grants retained by the GoA
		Central Share	State Share	Total		
2008-09	83.25	36.94	22.41	59.35	59.35	46.31
2009-10	12.00	63.81	15.87	79.68	79.68	(-) 51.81
2010-11	0.00	0.00	10.72	10.72	10.72	0.00
2011-12	96.46	52.76	6.11	58.87	58.87	43.70
2012-13	46.96	46.96	4.50	51.46	51.46	0.00
Total	238.67	200.47	59.61	260.08	260.08	38.20

Source: Information furnished by CE (Irrigation).

*GoI fund of ₹15.96 crore released prior to 2008-09 was not released by the State Government.

- As reflected in the Report of C&AG for the period ended 31 March 2008, there was an unreleased Central Share of ₹15.96 crore till 2007-08 by the State. The accumulation of unreleased Central Share with the State Government thus, amounted to ₹54.16 crore (earlier balance ₹15.96 crore + current balance ₹38.20 crore).

Non-release of funds was one of the main reasons for the projects remaining incomplete over three decades and thereby depriving the beneficiaries of the intended benefits.

In respect of Minor irrigation projects, year-wise details of funds released and expenditure there against are indicated in the Table:

Table-11
Details of funds released against the minor Irrigation Projects

(₹ in crore)

Area of operation	Year	Fund released by GoI (MoWR data)	Fund released by the GoA to CE/ Autonomous Council		Funds released by CE /Autonomous Council to implementing units		Expenditure incurred	
			Central Share	State Share	Central Share	State Share	Central Share	State Share
General	2008-13	1371.06	1217.38	84.57	1217.38	84.57	1217.38	84.57
KAAC¹⁰	2008-13	198.18	162.64	Nil	162.64	Nil	162.64	Nil
BTC	2008-13	459.10	358.32	39.81	315.12	39.81	315.12	39.81
DHAC	2008-13	21.04	NIL	NIL	NIL	NIL	NIL	NIL
Total		2049.38	1738.34	124.38	1695.14	124.38	1695.14	124.38
Sub-total			1,862.72		1,819.52		1,819.52	

Source: Records of (i) CE (MI), Irrigation, Assam, (ii) Addnl. CE (Zone-IV), Irrigation, Diphu, (iii) Addnl. CE (Zone-VI), Irrigation, Haflong, (iv) Head of Irrigation, BTC.

Details of funds released by GoI for Minor Irrigation Projects during the period 2008-13 could not be furnished by the Finance Department, GoA, though called for. However, details of GoI releases were taken from MoWR website. In the absence of

¹⁰ KAAC: Karbi Anglong Autonomous Council; BTC: Boroland Territorial Council; DHAC: Dima Hasao Autonomous Council.

detailed particulars about receipt of funds from GoI, the quantum of delay in release of funds could not be worked out in audit. The above Table indicates that:

- Against release of Central Share of ₹2,049.38 crore by GoI during 2008-13, GoA released ₹1,738.34 crore to the implementing units, retaining ₹311.04 crore, although as per guidelines the entire fund ought to be released to the implementing units within 15 days of receipt from GoI. Non-release of funds in a time bound manner retarded the pace of implementation as stated by the department in the Exit Conference (October 2013).
- Against release of ₹358.32 crore to BTC by the State, the Council released ₹315.12 crore to the implementing divisions, retaining ₹43.20 crore in council fund. Reasons for non-release of funds were not furnished.
- GoI released ₹21.04 crore for implementation of 30 MI Schemes in DHAC area during 2012-13. Neither the Central share nor any portion of the State share was, however, released to the Council/implementing division by GoA, although execution of all the schemes had already commenced.

(a) Short release of State Share

Against releasable State share of ₹227.70 crore with respect to Central share of ₹2,049.38 crore released by GoI during 2008-13 the State had released only ₹124.38 crore during the corresponding period. Thus, ₹103.32 crore being the balance State share was not available for programme implementation. In the Exit Conference (October 2013), the Under Secretary from Finance Department had not offered any comment on the matter.

(b) Admissible quantum of Central share not released

In accordance with the provision of the guidelines, the central share is required to be released in two installments (1st installment: 90 *per cent* and 2nd installment: 10 *per cent*). Second installment would require to be released on receipt of intimation of incurring 70 *per cent* expenditure of the approved outlay. However, it was noticed that during 2008-13, total 571 minor irrigation schemes were approved for an amount of ₹2,402.49 crore in respect of general area, and Central Assistance released amounted to ₹1,217.38 crore (62.56 *per cent*) only as against due release of ₹1,946.02 crore (81 *per cent* of the approved amount). Short release of GoI share of funds naturally delayed the completion, which was also admitted by the department in the Exit Conference (October 2013).

(c) Irregular submission of Utilization Certificates (UCs)

In accordance with the guidelines, the UCs must contain progress of physical achievement of irrigation potential as agreed to in the MoU. In case, the physical achievement in a particular year was less than that agreed to as per MoU, further grant would be released only on achieving the prescribed physical target. The final target date of completion would, however, not be changed as mentioned in the MoU. It was, therefore, necessary to furnish individual UCs in respect of each project so that the

quantum of progress achieved in each project can be ascertained from the UCs and accordingly the release of funds can be regulated effectively, commensurate to the achievement.

Scrutiny, however, revealed that UCs were issued in a composite manner showing achievement of number of schemes at a time, instead of showing individual project-wise achievement of irrigation potential. Thus, the UCs submitted were irregular and did not serve the purpose as envisaged in the scheme guidelines.

(d) Non-submission of Statements of Expenditure (SoE)

The Department was required to submit audited Statements of Expenditure incurred on the various component of the AIBP project within nine months of completion of the financial year. The release of central assistance in the following years would not be considered by the GoI if audited statement of expenditure was not furnished. Scrutiny, however, revealed that the State continued to receive AIBP funds although audited SoEs were never forwarded to GoI rendering the expenditure incurred susceptible to the risk of misutilisation etc., as the requirements prescribed in the guidelines were not observed.

(e) Non-maintenance of Register of Works and Assets Register

The Register of Works provides a watch on the progress of works and helps in controlling excess expenditure/ inadmissible expenditure. Scrutiny in this regard revealed that except a few test-checked divisions, Register of Works has not been maintained by most of the divisions. As a result, item-wise expenditure as approved could not be verified in audit.

In none of the selected divisions 'Assets Register' had been maintained. Consequently, value of assets created and actual value of assets under the division could not be ascertained.

(f) Rush of Expenditure

In 15 test-checked Minor Irrigation Divisions, as much as 41.35 *per cent* of total expenditure (₹766.74 crore) was incurred in the month of March alone during 2008-13. In seven divisions it was noticed that in 12 cases, entire expenditure of the respective years was incurred only in the months of February or March whereas, in other 12 cases noticed in nine Divisions, entire expenditure incurred under the scheme was registered in two different months of the year during the period under review. Details are indicated in *Appendix-2.5 A, B, C*.

The position of expenditure in March *vis-a-vis* total expenditure during 2008-13 in 15 test-checked divisions is mentioned in the Table.

Table-12
Rush of expenditure in the month of March in test-checked divisions
(₹ in crore)

Year	Total expenditure	Expenditure in March	Percentage
2008-09	120.96	61.66	50.97
2009-10	226.53	101.59	44.85
2010-11	150.82	64.62	42.84
2011-12	136.24	79.39	58.27
2012-13	132.19	9.78	7.40
Total	766.74	317.04	41.35

Source: Information furnished by respective divisions.

AIBP guidelines envisaged release of funds to the implementing divisions within 15 days of its receipt. The Department, however, did not adhere to the provision of the guidelines as about 50 per cent of the grants were released at the fag end of the year leading to rush of expenditure.

(g) Project remaining incomplete due to non-release of funds

A significant example of non-completion of work due to non-release of funds came to notice in Majuli under Jorhat Division. The work “Lift Irrigation Scheme from river Tuni in Kamargaon area” at Majuli approved in 2009-10, was awarded (February 2011) to 22 contractors at the total tendered value of ₹89.97 lakh with due date of completion in March 2012. After completion of 75 per cent of the work valued at ₹65.48 lakh, the contractors were paid only ₹14.92 lakh and the aggrieved contractors stopped (December 2011) the work. Joint physical verification conducted (15 June 2013) by audit with departmental staff disclosed incomplete pump house without electric connection and non-completion of the ancillary works. Thus, due to non-release of funds by the Finance Department, the work remained incomplete and the intended benefits could not be extended to the farmers.



Incomplete pump house of LIS from River Tuni in Komargaon Area, Majuli (15-06-2013)

(h) Non-provision/non-deduction of Labour Welfare Cess

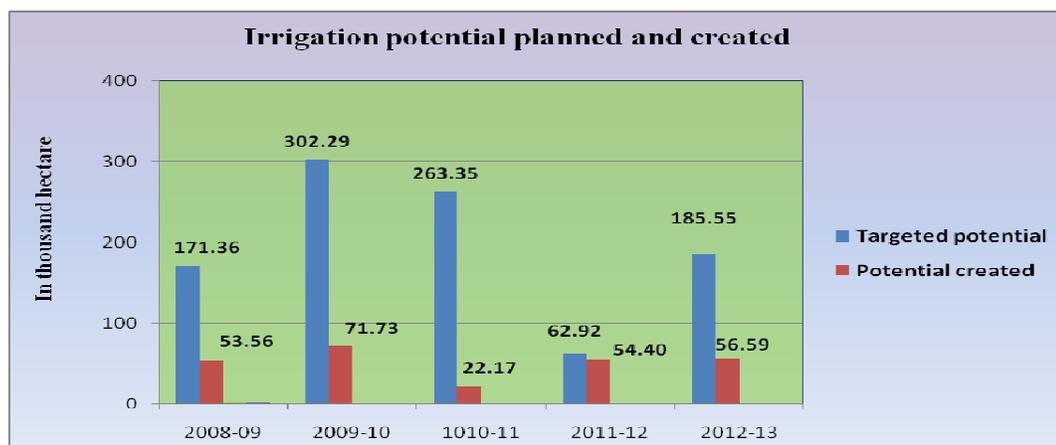
In accordance with the Buildings and other Construction Works Act, 1996 one per cent of the total estimated value of work, in respect of works valuing ₹10 lakh and above is required to be deducted at source and to be deposited to the account of Assam Building and other Construction Workers Welfare Board, Guwahati. It was noticed in 15 test-checked Minor Irrigation Divisions that in spite of having provisions in the estimates, Cess amounting to ₹1.78 lakh was not recovered from the contractors’ bills in one Division. In six other Divisions, in 42 approved estimates aggregating ₹159.41 crore, provision of Labour Welfare Cess was not included and ₹1.59 crore was not deducted from the contractors’ bills (details in *Appendix -2.6*).

Thus, despite stipulation, statutory deduction of ₹1.61 crore was neither effected at source from the contractors bills nor deposited to the Board's account.

Programme Implementation

During 2008-13, against the target of creating irrigation potential of 985.47 thousand Ha, the department could create potential of only 258.45 thousand Ha constituting 26 per cent of the targeted potential during this five years.

A graphic representation of the irrigation potential targeted and created during 2008-13 is given in the chart below:



Source: Departmental records.

Till 31 March 2013, 11 major/medium projects and 1,383 minor projects were included under AIBP, of which seven major/medium and 712 minor projects were completed and six minor projects were yet to commence. Four major/medium and 665 minor projects were ongoing as of March 2013. The details are discussed in succeeding paragraphs:

2.2.10 Major and Medium Irrigation Projects

Eleven major and medium projects were approved for execution in the State under AIBP, of which seven were completed between 2001-02 and 2007-08. The status of the four ongoing projects is detailed below:

Table-13

Name of Irrigation project	Original Estimated cost	Expenditure March 2008	Expenditure March 2013	Actual year of commencement	Year of inclusion in AIBP	Expected date of completion	(₹ in crore)	
							Time since inception Before AIBP After AIBP (March 2013)	Cost overrun with reference to original Estimated cost
Dhansiri (Major)	15.83	195.36	230.49	1975-76	1996-97	December 2013	38 years 17 years	214.66
Borolia (Medium)	6.77	64.53	57.25	1980-81	1996-97	March 2015	33 years 17 years	50.48
Buridihing (Medium)	1.14	17.42	10.21	1980-81	1996-97	NA	33 years 17 years	9.07
Champamati (Major)	15.32	72.94	142.64	1980-81	1996-97	NA	33 years 17 years	127.32
Total	39.06	350.25	440.59	--	--	--	--	401.53

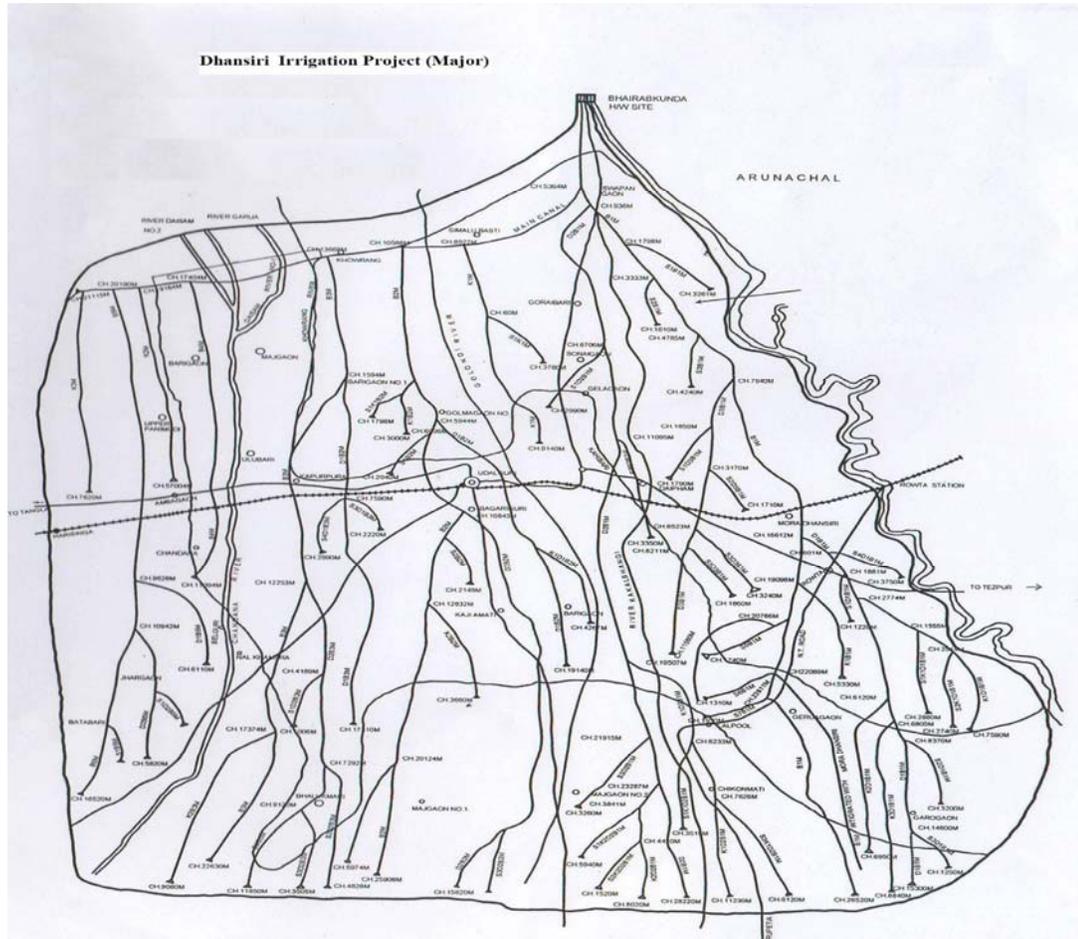
Source: Information furnished by the CE (Irrigation).

Of the above four ongoing projects (two Major and two medium projects), two projects viz; Dhansiri (Major) and Borolia (Medium) were selected for detailed scrutiny in audit.

Major Irrigation Project

2.2.10.1 Dhansiri Irrigation Project

Dhansiri Irrigation Scheme, a major irrigation project of Assam is located in the district of Udalguri. The head work of the project is located at Bhairabkunda at the



Source: Irrigation Department, Assam.

foothills of the Himalaya where the rivers Bhairabi and Jampani meet. The project was administratively approved (September 1975) by the State Government for ₹15.83 crore with the target date of completion in 1981. The project was included under AIBP during 1996-97. Due to initial delay of four years on model test and preparation of plan and design and subsequent delays for land acquisition, frequent bandh calls, poor fund allocation, court cases etc., the estimated provisions undergone series of revisions, 1st in November 1993 (₹158.32 crore) second in August 2007 (₹371.46 crore) with target date of completion in March 2010. The Department failed to complete the project even in the extended time and third revision was proposed for ₹496.89 crore during 2012-13 with probable date of completion in December 2013.

Thus, till March 2013, time and cost overrun were 32 years and ₹481.06 crore respectively and the project was not completed even after 38 years of its commencement. The project was located in a place where ethnic violence, frequent bandh calls and other law and order problems were common. Besides there were delays in investment clearance, poor budgetary allocation and consequent inadequate allotment retarded the pace of implementation.

According to the original sanction, proposed Culturable Command Area was 41,683 Ha and generation of irrigation potential was 83,366 Ha at 200 *per cent* intensity of irrigation. The cost per Ha of annual irrigation increased from ₹1,899 per Ha to ₹59,604 per Ha due to the time overrun.

So far as financial progress is concerned, expenditure aggregating to ₹334.05 crore (Up to March 2008: ₹103.56 crore + during 2008-13: ₹230.49 crore) was incurred against the project since its inception. Instances of injudicious, irregular, inadmissible expenditure including diversion of project funds were noticed during the course of audit as detailed below:

(a) Unfruitful expenditure on silt ejector

With the objective of supplying silt free water to the farmers' fields and also for generation of hydel power, which require silt free water, two silt ejectors were proposed to be constructed in the main canal. There was, however, no report of deposition of silt in the farmers' fields and volumetric analysis of the water to ascertain the quantum of silt was found on record. Against technical sanction of ₹6.84 crore (September 2003), the work was awarded (November 2003) to a contractor at tendered value of ₹5.86 crore to construct the ejector at Ch. 80 M of main canal to be completed within May 2006. Subsequently, tendered value was increased (March 2009) to ₹16.05 crore through supplementary tender agreement for increase in the scope of work. Records disclosed that the work remained suspended since 2003-04 to 2006-07 due to non-sanction of revised proposal of the project by TAC, CWC, New Delhi. Meanwhile, the contractor was allowed time extension up to December 2007 and thereafter up to April 2009. Till April 2013, against physical progress of 80 *per cent*, the contractor was paid ₹12.97 crore. The contractor stopped the work before its completion on the ground of poor payments.

The incomplete ejector served no purpose. The work of second ejector was not even considered and commenced. Thus, the expenditure of ₹12.97 crore incurred towards the construction of incomplete ejector remained unfruitful. In reply, the Government stated (October 2013) that the work was resumed by the contractor and expected to be completed by March 2014. The fact, however, remains that the work could not be completed even after more than seven years from the due date of completion (March 2006) for lapses attributable to the department.

(b) Inadmissible Expenditure

The main objectives of AIBP were to accelerate the completion of ongoing major and medium projects. Test-check, however, disclosed that during 2008-2013, ₹25.29 crore was spent by the department for clearance of debris and silt from canals (₹3.94 crore),

restoration of damaged canals (₹20.97 crore) and repair of staff quarters (₹0.38 crore) etc., which could legitimately not be spent from AIBP funds being the same is meant for new construction and completion of the ongoing projects.

(c) AIBP funds utilised for clearance of past liabilities

Before inclusion of the Dhansiri irrigation project under AIBP, it was being financed from the state plan. It was however, observed that bill value amounting to ₹24.10 lakh was paid for the work orders issued during 1993-94 to 1995-96 from the AIBP funds by the department. Thus, AIBP funds were utilised for clearance of past liabilities related to the project, which was irregular, unauthorised and inadmissible (*Appendix-2.7*).

(d) Avoidable expenditure on interest payment

Interest payments for delayed payment were noticed in two cases. In both the cases, due to long pendency of bills preferred, contractors had approached the High Court, and as per instruction of the High Court huge payments being the interest on principal amounts were made to the contractors. Particulars of the aforesaid payments are given in Table below:

Table-14 (₹ in lakh)

Sl. No.	Contractor	Principal Amount	Period of interest claimed	Ref. of payment voucher	Amount of interest paid
1.	'X'	Principal: 688.81	4.2.2000 to 24.3.2007 w.e.f March 1990	1&2 of November 2008	486.68
		Security Deposit: 6.81		4 of June 2009	13.56
2.	'Y'	Principal: 2.57	September 1994 to March 2007	1 of March 2009	2.13
Total					502.37

Source: Information furnished by the division.

Thus, funds to the extent of ₹5.02 crore spent towards discharge of liability on account of interest payment was extra and avoidable and the funds to the extent were not available for regular execution of works under the scheme.

(e) Physical infrastructure

The physical infrastructure of the project consists mainly of headwork and canal system. The headwork comprise of construction of barrage on the path of the river to head-up and regulate flow of water with sluice gates. The head regulator, which is also part of the head work is constructed in the mouth of the main canal to regulate the flow of water in the canal system. The details of provision of construction and actual execution are indicated in Tables below:

Table -15

Sl. No.	Particulars		Provision as per original estimate	Provision as per latest revised estimate
1.	Barrage	i) Length	418.17 M	160.00 M
		ii) River sluice.	26 bays of 12.191M	4 bays of 16.00 M
		iii) Under sluice.	5 bays of 10.06M	2 bays of 16.00 M
		iv) Spillway.	-	3 bays of 16.00 M
		v) Divide wall	-	2 Nos of 2.00 M each
2.	Head Regulator	i) Length	21.33M	37.05M
		ii) No of bays	5 No of 3.05M each	6 No of 5.00M each
		iii) Design capacity	57.08cumecs	68.00cumecs
3.	Canal system	i) Length of RB canal(Lined)	20 km	21.20 km
		ii) Design discharge	-	-
		iii) No of Branch Canal	52.70 cumecs	56.63 cumecs
		iv) Length of Distributaries, Minors & Sub-Minors.	5 Nos 415.615 km	5 Nos 414.41 km
4.		B.C. Ratio	5.10	1.11
5.		Cost per Ha of Annual Irrigation	₹1,899 per Ha	₹59,604 per Ha

Source: Information furnished by the division.

Table-16

Sl. No.	Component	Physical progress achieved	
		Prior to inclusion under AIBP	Position upto March 2013
1.	Head Works	100 per cent	100 per cent
2.	Appartinent works of Head Works	20 per cent	81 per cent
3.	Main and Branch Canals	78 per cent	91 per cent
4.	Distributaries system upto check outlay	70 per cent	83 per cent
		Financial progress achieved	
		₹89.34 crore	₹334.05 crore

Source: Information furnished by the division.

However, as per consolidated statement of provision, execution and actual workable canal length under the project as on 31 March 2013 are as under:

Table -17

Sl. No.	Type of Canal	No. of Canals	Design Length of Canals (In Km)	Length of Canals executed (in Km)	Usable length of Canals as on 31 March 2013	Loss of executed length of canals Col. 5-6 (In Km)	Loss of executed length of canals (In per cent)
1.	Main Canal	1	021.20	021.20	018.50	2.70	12.73
2.	Branch Canal	5	102.67	85.63	058.05	27.58	32.20
3.	Distributaries, Minors and Sub-minors	51	414.41	377.81	178.68	199.13	52.71
Total		57	538.28	484.64	255.23	229.41	47.34

Source: Information furnished by the division.

It could be seen from the above that out of canal length of 484.64 km executed so far, 229.41 km canal length has already become inoperable. On this being pointed out in audit, the division stated that the canals and the structures were constructed long ago and some of these canals and structures were not in operable condition. As a result, out of created potential of 45,258 Ha, potential to the extent of 18,773 Ha had already been lost which includes loss due to urbanisation also.

(f) Head Water Discharge

Original Design capacity of the Head Regulator was 57.08 cumecs, which was enhanced (August 2007) to 68 cumecs. It was, however, seen from the records that the discharges of water through Head Regulator were much lesser than the designed capacity.



Head Regulator at up stream



Head Regulator at down stream

(4 April 2013)

Month-wise details of water discharged through Head Regulator during the period from 2008-09 to 2012-13 are given in Table 18:

Table-18*(In Cubic meter per second)*

Year	2008-09	2009-10	2010-11	2011-12	2012-13
Month					
April	4.37	5.29	3.97	4.24	9.82
May	5.87	4.91	5.33	5.17	8.31
June	6.18	8.92	5.32	5.29	7.48
July	6.11	8.26	5.81	5.52	10.20
August	5.75	5.82	4.84	7.57	9.74
September	6.34	6.38	5.25	6.37	6.56
October	5.75	4.44	5.51	5.45	7.05
November	3.16	4.13	3.98	4.67	4.98
December	3.05	3.91	3.97	3.74	4.87
January	2.66	3.28	5.24	3.58	4.36
February	2.30	3.14	3.97	3.73	4.88
March	2.99	2.92	4.07	4.47	4.91

Source: Information furnished by the division.

It was seen from the above Table that during the last five years, Head Water Discharge ranged between 2.30 to 10.20 cumecs (3.38 to 15 per cent) against designed capacity of 68 cumecs. Under-utilisation of the Head water discharge was due to the following reasons:

- Out of 484.64 Km of canal system so far constructed since inception (1975 onwards) of the scheme, 229.41 Km length of canal had already been damaged in intermittent portions reducing the carrying capacity of canals.
- Siltation of existing canals.
- Less demand of water in Rabi crop season.

(g) Creation and Utilisation of Potential and collection of water charge

The position of creation and utilisation of irrigation potential under the project is given in the Table:

Table – 19*(₹ in lakh)*

Year	Potential created (AIA ¹¹) in Ha	Potential utilised (AIA) in Ha		Recoverable water charges	Water charges recovered	Short realisation
		Crop	Area			
Upto 03/2008	26100					
2008-09	5000	Kharif	3700	10.39	0.14	10.25
2009-10	5158	Kharif	5800	16.30	0.11	16.19
2010-11	5000	Kharif	6500	18.27	0.06	18.21
2011-12	4000	Kharif	7500	21.09	0.27	20.82
		Ahu/ Early Ahu	1200	9.00	nil	9.00
2012-13	Nil	Kharif	8300	23.34	0.29	23.05
		Ahu/Early Ahu	1500	11.25	0.06	11.19
Total	45,258	--	34,500	109.64	0.93	108.71

Source: Information furnished by the division.

¹¹ Annual Irrigated Area.

The Table indicates that there was gap between the potential created and potential utilized. The Department stated that due to non-maintenance of canal structure, utilizable potential gradually dwindled. Besides, there was less demand of water for Rabi Crops as most of the farmers do not follow multiple cropping pattern in the State. Regarding non-realisation of water charges, the Department stated (October 2013) that there was a general tendency of beneficiaries to get free water from Government irrigation schemes. The efforts on the part of the department to realize water charges, however, were not very satisfactory.

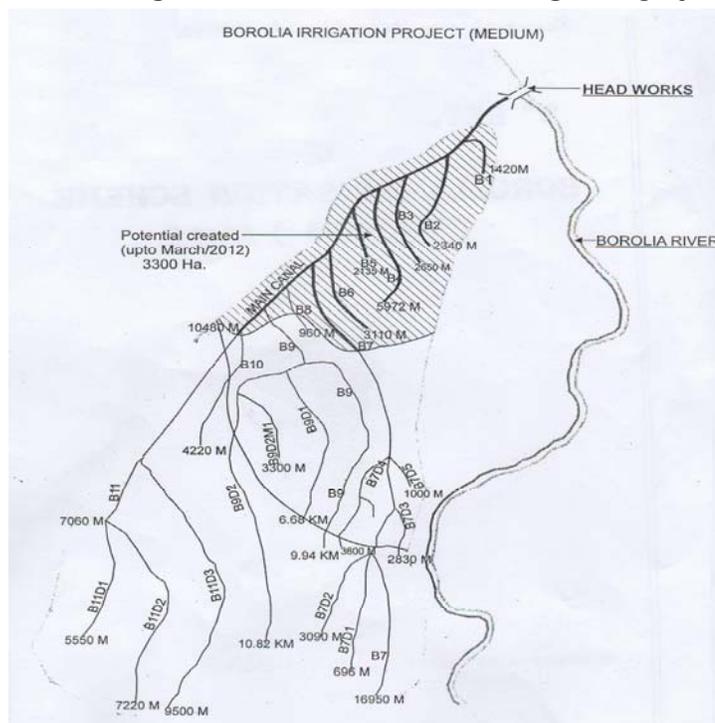
Against targeted potential of 41.68 thousand hectare, the achievement was shown as 22.63 thousand hectare against which utilization of potential was 13.24 thousand hectare. Against the projected head water discharge of 68 cumecs, actual discharge ranged between 2.30 (three per cent) and 10.20 (15 per cent) cumecs during 2008-13 indicating poor supply of water. Further, study conducted through remote sensing satellite indicated achievement of potential of 14.20 thousand hectare against departmental claim of 26.37 thousand hectare in 2007 under Dhansiri project.

Thus, it can be inferred that the achievement claimed by the Department was inflated and water supplied to the command area was inadequate.

Medium Irrigation Project

2.2.10.2 Borolia Irrigation Project

Borolia Irrigation Scheme, a medium irrigation project is located in Baksa and Kamrup districts of Assam on the northern bank of the river Brahmaputra. The water source of the project is Borolia river which is perennial one originating from the foothills of Bhutan. The canal system was provided only on the right bank of the river Borolia.



Source: Irrigation Department, Assam.

₹33.37 crore followed by second time revision in December 2005 for an amount of ₹84.97 crore. Third revision proposed in 2012-13 at ₹150.47 crore was yet to be approved. Commencing from 1980-81, the project continued for 33 years with cost overrun of ₹143.70 crore (considering 3rd revision).

Since inception, an expenditure of ₹64.62 crore was incurred up to 2007-08 and during the period of 2008-13 expenditure to the extent of ₹19.78 crore was incurred on the project. Instances of unfruitful/unproductive expenditure, incomplete works including poor discharge of water at the Head Regulator were noticed during the course of audit as detailed below:

(a) Unfruitful expenditure on incomplete Aqueduct

The work construction of aqueduct on river Ghogra at Ch. 9,180 M of Branch Canal No.7 was awarded (June 2008) to a contractor at ₹226.15 lakh to be completed within three months (September, 2008). The tender value of the work was enhanced to ₹281.95 lakh due to inclusion of two supplementary tender agreements. Scrutiny revealed that the construction could not be completed even after a lapse of more than four years from the proposed date of completion. Total value of work done by the contractor was ₹165.09 lakh (31 March 2013) and payment of ₹155.01 lakh was already made their against by the department.



Aqueduct' on river Ghogra at Ch 9,180 of Branch Canal-7 (9 May 2013)

Construction of this aqueduct had no justification because the branch canal was completed up to 4,350 M where as the aqueduct was to be constructed at Ch. 9,180 M. Thus, without completion of the branch canal No. 7 from 4,350 to 9,180 M, the aqueduct would serve no purpose. Physical verification on 9 May 2013 confirmed the above position. Thus, expenditure of ₹1.55 crore became unfruitful due to bad planning by the

Department. The Department also admitted (October 2013) this defect in execution.

(b) Unproductive expenditure

The main canal of Borolia Irrigation Project was constructed during 1990-93. Due to non-utilisation and maintenance for a prolonged period, the canal was damaged and was not in the designed shape. With a view to creating potential of 6,951 Ha during pre-kharif and kharif crop season, the work of “Re-shaping of main canal from Ch 5,160 m to 10,120 m” was taken up and completed during 2008-09. For actual creation of potential of 6,951 Ha, construction of Branch canals B-7 to B-11 on the same chainage of the main canal was essential. Scrutiny of divisional records, however, revealed that the Branch canals were not constructed due to non-settlement of Land Acquisition cases. Thus, the very purpose of re-shaping the main canal was frustrated leading to the expenditure of ₹17 lakh incurred on re-shaping, unproductive.

(c) Statutory deductions not effected

Scrutiny revealed that the obligatory deductions as per details given in the Table were

not made from the corresponding bills/vouchers while making payment to the contractor by the department.

Table-20

Sl. No.	Particulars of deduction	Amount to be recovered
1.	Labour cess @ 1 per cent on paid amount of ₹155.01 lakh	₹1,55,010
2.	Forest royalty as per utilisation statement	₹2,56,452
3.	Security deposit @ 8 per cent of paid amount	₹12,40,080
Total		₹16,51,542

Source: Information furnished by the division.

Thus, contractors were extended undue financial benefit of ₹16.52 lakh which was otherwise required to be recovered from the contractors.

(d) Physical Infrastructure

According to the project proposal, the potential to be created under the scheme was as under:

- a) Gross Command Area (GCA): 12,712 Ha;
- b) Cultivable Command Area (CCA): 9,717 Ha;
- c) Net Irrigated Area (NIA): 8,907 Ha;
- d) Annual Irrigated Area (AIA): 13,562 Ha; and
- e) Intensity of Irrigation: 152.26 per cent.

The physical infrastructure created under the project till March 2013 was as under:

Table-21

Sl. No.	Name of work	Estimated Qty	Percentage of progress
1.	Barrage	1 number	100
2.	Main Canal	10.480 Km	100
3.	Branch Canal	57.759 Km	39
4.	Minor & Sub-minor	59.796 Km	NIL
5.	Canal Structure	575 number	a) 304 number: 100 b) 3 number: 80 c) 268 number: to be taken up

Source: Information furnished by the division.

The main reason for non-creation of requisite physical infrastructure and eventual creation of potential was inability to acquire land for the creation of distribution network.

- Status of pending Land Acquisition under the project as on 31 March 2013 is given below:

Table-22

Sl. No.	Land Acquisition required for the items	Estimated length (In Km)	Area of land required (in Bigha)	Estimated value (₹ in lakh)	Value assessed by the district authority	Amount deposited to the district authority
1.	Branch Canal No B7	12.630	285.24	111.19	NIL	NIL
2.	Branch Canal No B10	4.220	63.09	24.59	NIL	NIL
3.	Branch Canal No B11	7.060	158.32	61.71	NIL	NIL
Sub-total:		23.910				
4.	Distributaries & Minors/Sub-minors	59.796	837.50	326.46	NIL	NIL
5.	Water Courses	-	165.70	64.59	NIL	NIL
Total		83.706	1,509.85	588.54		

Source: Information furnished by the division.

Due to non-acquisition of land, the work related to 23.910 km of branch canal and 59.796 Km of Minor & Sub-minor canal could not be executed. As a result benefit of water supply was totally denied to the targeted beneficiaries. For transmission of irrigation water from head regulator to the field of the farmers, it is required to be channelized through main canal to the branch canal and then to minor and sub-minor canals for ultimate supply to farmers field. Any breach in this chainage of canals would disrupt the water supply chain.

(e) Discharges of water through Head Regulator



Head regulator u/s side



Main canal regulator at Ch 6,960 m
(8 May 2013)



Head regulator of branch canal no 7

- **Poor discharge of water at the Head Regulator**

During the period 2008-13, only in the years 2010-11 and 2011-12 in the months of June, July and August, Head Water Discharge ranged between 25.70 to 51.14 Cusec against the designed discharge of 401.88 Cusec (Cubic feet per second) which was 6.39 to 12.72 *per cent* of the required quantity. This indicated poor supply of water to the field as compared to the projected potential.

- **Operation of canals**

Register containing information regarding Canal-wise daily Operation has not been maintained by the project authority. On this being pointed out, the project authority stated that canals were in operation only in the months of June to August during the years 2010-11 and 2011-12 for a total 66 days in each year. The Department also stated (October 2013) that the farmers go for kharif crop only and in other seasons there was no demand for irrigation water. The reply was, however, not tenable for the reason that there is in fact, no necessity of water for irrigation in Kharif season due to adequate monsoon rain in Assam unless there is draught situation in a particular year. Therefore, the supply of water in monsoon season raises question mark on actual supply of water.

(f) Status of Outlet for water distribution

Designed provision of outlets for irrigation could not be furnished to Audit. It was however, stated (7 May 2013) that 258 numbers of temporary Hume pipe outlets were provided to Main Canal and Branch Canals B-1 to B-7. Of these 37 outlets were in damaged condition and as a result, flow of water was affected in these canals.

(g) Lifting of water

There are three lift points at Branch Canal B-1, B-2 and B-3 constructed in 2011, where five pump sets of 20 HP were installed in each of the pump house. It was stated that all the three lift points were in operation since July 2011 and runs only in the month of July and August. Average discharges during these two months were Lift-1: 0.03 cusec, Lift-2: 0.12 cusec and Lift-3: 0.17 cusec respectively. Reasons for non-functioning of the lift points during the remaining months were not on record.



Discharge point of lift point 1



*Discharge point of lift point 2
(9 May 2013)*



Discharge point of lift point 3

Lifting of water only in monsoon season had no practical necessity as due to adequate rainfall, the fields in Assam are naturally saturated with rain water during the period.

(h) Collection of Water Charges

The Division had not maintained any record relating to the beneficiaries as required under the Assam Irrigation Act. Regarding operation of canals, a few records for the month of June, July and August during the years 2010-11 and 2011-12 were only maintained. As per those records, no Water Charges were collected from the beneficiaries. Particulars of potential created and water charges recovered are given below:

Table-23

Year	Cumulative potential created (in Ha)	Potential utilized (in Ha)	Water charges realized (in Ha)
Up to March 2008	1700	Could not be furnished	NIL
2008-09	3000		
2009-10	3300		
2010-11	3300		
2011-12	3000		
2012-13	3300		

Source: Information furnished by the division.

Due to non-availability of records in connection with supply and utilisation of water, outstanding amount of water charges could not be worked out in audit. However, as per departmental projection, water charges amounting to ₹49.32 lakh were to be recovered till March 2013.

(i) Gap between Irrigation Potential and Utilization

Against the targeted potential of 8,907 (NIA) Ha as contemplated in the DPR, the Department could create 3,300 (37.05 *per cent*) Ha only till March 2013 without any utilisation.

The main reasons behind the non-completion of the designed irrigation potential have been cited by the department as (i) Problem in land acquisition, (ii) Very poor fund flow; and (iii) Law and order problem in the district.

Against targeted irrigation potential of 8.91 thousand hectare, the achievement in creation was 3.30 thousand hectare only. During test-check, it was found that the project was delayed due to land acquisition problem since its inception. Regarding utilization of potential, the Department also could not furnish the data which was vital for assessing the performance of a project.

2.2.10.3 Minor Irrigation Projects**(a) Status of Minor Irrigation (MI) Projects**

Records disclosed that up to the end of March 2013, 1,383 MI Projects (prior to 2008-09: 289 and during 2008-13: 1,094) were approved by GoI, of which 712 projects (sanctioned prior to 2008-09: 190 and during 2008-13: 522) were completed and 671 projects (sanctioned prior to 2008-09: 99 and during 2008-13: 572) remained incomplete.

Of the 110 test-checked projects approved for execution at the cost of ₹382.41 crore, 68 projects were completed during 2008-13 incurring expenditure of ₹144.94 crore (approved outlay ₹170.26 crore) and the remaining 42 projects (approved outlay: ₹212.15 crore) remained incomplete at various stages of execution after incurring an expenditure of ₹101.13 crore mainly due to non-release of funds and issues relating to land acquisition.

In respect of 9 completed and 12 incomplete projects, time over-run ranged between 12 and 36 months.

(b) Inclusion of inadmissible items in estimate leading to violation of AIBP norms

AIBP was conceived with the objective of speedy execution of both ongoing and new scheme and to generate bulk irrigation potential. The estimate under AIBP was required to be prepared including the items which are directly connected with enhancement of irrigation potential. Scrutiny, however, revealed that estimates relating to the scheme were approved including items such as purchase of vehicles, construction of office and residential buildings, construction of Inspection bungalows, approach roads, meeting old liabilities etc., which were not directly connected towards enhancement of irrigation potential. Out of 110 projects test-checked, in 39

projects expenditure on the in-admissible items aggregating ₹3.92 crore was incurred (Details in *Appendix – 2.8*). The funds to that extent were thus not available for execution of works meant for the enhancement of irrigation potential which resulted in non-completion of regular projects.

(c) Unproductive expenditure

According to AIBP guidelines, land acquisition process should be completed before commencement of the execution of the scheme. Contrary to the above provision, in 14 test-checked projects with total approved estimates of ₹100.56 crore, land acquisition process of the projects sites was not completed, though physical progress ranging from 29 to 90 *per cent* were achieved after incurring expenditure ₹62.72 crore. This led to non-completion of the projects besides unproductive expenditure of ₹62.72 crore (*Appendix-2.9*). Few such examples are cited in the succeeding paragraphs-

- The project Bullut kanwarpur LIS under Guwahati Irrigation Division was approved for ₹4.95 crore in March 2010 with stipulation to complete the project by March 2014 with a target for creation of irrigation potential of 350 hectares. The Division constructed pump house on a plot of Government land which was under encroachment by



Bullut kanwarpur LIS (28 May 2013)

a villager. The department entered into an agreement with the villager to vacate the land against payment of ₹0.50 lakh. Till March 2013, expenditure of ₹2.49 crore was incurred on the project with physical progress of 79 *per cent*. However, neither the land could be vacated nor the pumps could be installed (June 2013) leading to unproductive expenditure of ₹2.49 crore spent so far without creating any irrigation potential.

- The work of project “Balupara FIS” under Mangaldoi Irrigation Division approved in 2009-10 at an estimated cost of ₹27.96 crore commenced in March 2010 with due date of completion in March 2012. Till the date of audit (May 2013), only 80 *per cent* of Head work was completed at a cost of ₹ 16.85 crore. In the Administrative Approval, canal works were approved for an amount of ₹2.54 crore (9.09 *per cent* of cost). However, in re-casted TS, canal work was reduced to ₹72.43 lakh (2.59 *per cent* of total cost) without any recorded justification. This canal work with reduced scope also could not be executed due to land acquisition issue rendering the expenditure incurred so far (₹16.85 crore) under the project unproductive.



*Dilapidated temporary shed at "Balupara FIS" site
(21 May 2013)*

Besides, an expenditure of ₹5.20 lakh was incurred by the Department for construction of a temporary shed at the project site. During physical verification (21 May 2013), a dilapidated shed of *Torja wall*¹² with GCI sheet roof of about 150 square feet could be found at the site, which would hardly be costing about ₹0.50 lakh. This had *prima-facie* resulted in fictitious expenditure of ₹4.70 lakh on the construction of temporary shed.

(d) Construction of head work without canal system

For creating irrigation potential, water is required to reach the farmers' fields through canal system from the headwork. Projects approved for the construction of head work alone without canal system would thus, lead to unproductive expenditure.

- Laboc Flow Irrigation Scheme (FIS) under Silchar Irrigation Division was approved for ₹4.50 crore in December 2009 with the stipulation to complete the work by March 2012 to create irrigation potential of 320 hectare. Scrutiny of estimates however, revealed that the work involved the construction of headwork alone without any canal system. Till the date of audit (June 2013), physical progress of 94 *per cent* was achieved after incurring an expenditure of ₹4.26 crore without creating any irrigation potential.



Laboc Flow Irrigation Scheme (4 June 2013)

- Mantakata FIS being also a headwork under Guwahati Irrigation Division was approved for an amount of ₹9.90 crore in December 2009 to create irrigation potential of 720 Ha. The work was completed at a cost of ₹8.31 crore without creating any irrigation potential.



(28 May 2013)

Thus, the projects were ill conceived by the Department without creation of irrigation potential leading to unproductive expenditure of ₹12.57 crore incurred against the head works alone. The Department stated (October 2013) that the canal system would be constructed through a separate phase of work by obtaining the separate sanction. The reply was not tenable as there is no guarantee that the canal system would be completed within a reasonable period.

¹² Wall made of bamboo.

(e) Construction of delinked canal system



ELIS Janji Lahing (17 June 2013)

Improvement of the work “Electric Lift Irrigation Scheme (ELIS) Janji Lahing” under Jorhat Irrigation Division was taken up (December 2010) at an

approved cost of ₹235.89 lakh with the stipulation to complete the work by March 2012. Against estimated main canal length of 1,540 M the work was done up to 870 M and against the estimated branch canal length of 700 M on both right and left sides, actual execution of work was done up to 620 M on each side. Total bill value of the work done was ₹1.46 crore against which payment of ₹14.18 lakh was made with committed liability of ₹1.32 crore. Physical verification (17 June 2013) of the work disclosed that the branch canal was completed with intermittent gaps in the canal systems rendering the canal non-functional. Thus, the entire expenditure of ₹1.46 crore including the committed liability proved to be unproductive as the canal remained non-functional.

(f) Fictitious expenditure

• **Fictitious expenditure on non-existent canal and unproductive expenditure on aqueduct**

Aqueducts are constructed in canal system to cross over rivulets, streams, drains etc., on the path of the canal. Remodeling of Sonaijuli Flow Irrigation Scheme (FIS) under Mangaldoi Irrigation Division had estimated provisions of ₹4.75 crore. The right main canal length of the FIS was 3,880 M with two aqueducts at Ch 720 M and 960 M respectively. The project was shown as completed in March 2013 and irrigation potential of 1,800 Ha Net Irrigated Area (NIA) was stated to have been achieved. Till the date of audit (May 2013), payment of ₹4.52 crore was made with committed liability of ₹23 lakh.

Joint physical verification of the completed project on 21 May 2013 revealed that in the right canal system there was no canal beyond the syphonic aqueduct at Ch 720 M.



Siphoned aqueduct at Ch 720 M of MC (R) (21 May 2013)

Further, an isolated aqueduct at 960 M could be seen without any canal system to carry the water beyond the point. From the available audit evidence and joint physical

verification it is evident that the remaining 3,160 M (3,880 M–720 M) of canal length was not completed. Thus, the claim of the department that 3,880 M of canal length had been completed was not true and hence the corresponding expenditure of ₹52.80 lakh¹³ was fictitious. Further, the expenditure incurred on the two aqueducts constructed at a cost of ₹27.82 lakh remained unproductive besides non-creation of targeted irrigation potential.

Superintending Engineer, Mangaldoi circle in his reply stated (forwarded by Government in October 2013) that the inspection of the site was conducted on 22 October 2013 and found the position of right canal system as under:

Table 24

Chainage	Position found during inspection by SE
Ch 0 to 720 M	Constructed with concrete lining as found by audit
Ch 720 to 960 M	Heavy jungle covering on the canal area
Ch 960 to 1,200 M	Earthen canal was found
Ch 1,200 to 1,440 M	Heavy jungle covering on the canal area
Ch 1,440 to 1,800 M	Work of canal not carried out
Ch 1800 to 2,900 M	Earthen canal is discernable with intermittent jungle covering
Ch 2,900 to 3,880 M	Not inspected due to thick jungle

Source: Information furnished by the Department.

The Report of the inspection underlines the audit observation.

- **Less execution of canal**



Baharghat ELIS (19 April 2013)

“Baharghat ELIS” under Nalbari Irrigation Division was approved in 2008-09 for an estimated cost of ₹30.09 lakh to irrigate 180 Ha of cultivable land. As per plan and estimates, three canals aggregating 1,141 Running Metre (RM) (Canal 1: 614 RM, Canal 2: 320 RM and canal 3: 207 RM) were to be constructed. The work was shown as completed in January 2010. Payment of ₹29.70 lakh was made till March 2013 against the value of work done of ₹31.09 lakh (@ ₹5,063.99 per RM) in respect of Canal-1.

During joint physical verification (19 April 2013), it was found that canal No. 1 was constructed up to the length of 369 RM instead of 614 RM as was claimed resulting in fictitious expenditure of ₹ 12.41 lakh (245 x ₹5,063.99) being the cost of non-existent canal of length 245 RM (614 RM – 369 RM). On this being pointed out, EE stated (April 2013) that canal No. 1 could not be completed up to the estimated length due to public obstruction and the remaining length was adjusted by enhancing the length of canal No. 2 and 3 to that extent. Records in support of the assertion could not be furnished to Audit rendering the construction of additional length of 245 RM of canal Number 2 and 3 doubtful.

¹³ 1,670.77 per RM.

(g) Poor source of water

The primary requirement for conceiving an irrigation project is the availability of water for discharge through head regulator to the canal system for eventual distribution to the cultivable land of the beneficiaries. To achieve this objective, perennial source of water should be identified through survey and investigations followed by collection of hydrological data before confirming sustainability of the source. Test-check in this regard revealed that:

- Records showing conduct of survey and investigation in respect of none of the MI projects could be produced to Audit though called for;
- There were no records showing collection of hydrological data of the source; and
- No record regarding confirmation of sustainability of the source before formulation of the projects could be produced though called for in audit.

As a result of conceiving the projects without proper survey and investigations, there was dearth of water supply to make the projects viable. This fact was confirmed during physical verification (May/June 2013) of the site as would be evident from the following instances:

Table-25

Name of scheme	Name of the executing Division	Estimated cost (₹ in lakh)	Upto date Expenditure (₹ in lakh)	Targeted potential (In Ha)	Created potential (In Ha)	Audit observations on site verifications
Upper Sarlangchar FIS	Diphu Irrigation Division	295.19	122.22	198	123	No river was found in head work area
Bordong IS	Guwahati Irrigation Division	203.00	160.04	175	62	Water level at headwork was too low to pass through cross regulator.
Dakhin Patgaon FIS	Kokrajhar Irrigation Division	162.99	147.91	110	Nil	-do-
Baharghat ELIS	Nalbari Irrigation Division	95.00	66.43	176	80	Source of water not available due to diversion of river.
Korah ELIS	Dhemaji Irrigation Division	194.24	59.35	600	Nil	

Source: Information furnished by the respective divisions and result of physical verification.

The above MI Projects were non-functional for want of viable water source, rendering the expenditure of ₹5.56 crore incurred thereon unfruitful. Moreover, the claim of the Department for creation of potential of 265 Ha remained doubtful.

(h) Poor Quality/Polluted water

The water being supplied from irrigation projects through irrigation canals should be quality water. In the following two instances it was noticed that polluted water was being supplied through the projects.

- The project “FIS from Puthimari river at village Bagomati” under Sukla Irrigation Division, Goreswar was approved for ₹9.87 crore in 2008-09 with stipulation for completion in March 2011. The project was completed in March 2012 at a cost of ₹9.28 crore. During physical verification of the project (6 May 2013) it was noticed that blackish water was flowing through the canals. Audit collected sample of the water and got the same tested in PHE Laboratory. As per the test report, quality of the water was unsatisfactory. On this being pointed out in audit, the Division stated that they would get the quality of water tested and furnish the report, which was awaited.



FIS from Puthimari river at village Bagomati (6 May 2013)



Hazongbari FIS (Ph-I) (28 May 2013)

- In another instance, during the field visit of the project “Hazongbari FIS (Ph-I) under Guwahati Irrigation Division on 28 May 2013, it was noticed that the main canal at Ch 700 M to 750 M overlapped with a public drain and thereafter continues to branch canal for eventual distribution of water to fields, generating potential health hazards. The Division stated (June 2013) that the public drain in that area was not polluted, however this fact was not substantiated through any record in support.

(i) Idle expenditure

A project is deemed to have entirely completed when all the components *i.e.*, civil, mechanical and electrical part of works are completed. If any part of a project remains incomplete then the entire project can not become functional and the expenditure incurred would be unfruitful. It was, however, noticed in some test-checked divisions that projects remained incomplete for non-completion of one or the other part of the project. Particulars of such cases are given in the Table:

Table-26

Sl. No.	Name of the scheme/division	Target date of completion of the scheme	Percentage of physical progress/date of completion of civil work	Percentage of physical progress of Mechanical works	Percentage of physical progress of Electrical works	Expenditure incurred for the completed part (₹ in lakh)
1.	Kanyamoti ELIS/Mankachar	31/03/2011	3/2011	Nil	Nil	16.83
2.	Hatirhar ELIS/Cachar	31/03/2010	3/2010	Nil	Nil	16.02
3.	Laipulia ELIS/Dhemaji	31/03/2012	3/2013	--	Nil	159.80
4.	Banskandi ELIS/Dhemaji	31/03/2013	3/2013	--	Nil	147.74
Total						340.39

Source: Information furnished by the respective divisions.

The four projects as mentioned in the Table above remained non-functional due to non-completion of Mechanical and Electrical works though the major part of the projects *i.e.*, Civil works were already completed. Thus, the expenditure of ₹340.39 lakh incurred on the Civil works remained idle. Besides, the targeted beneficiaries were deprived of getting the irrigated water.

(j) Workmanships quality/defects

• Unfruitful expenditure due to defective construction of gate at Headwork

Godhapara FIS under Sukla irrigation Division, Goreswar was approved for an amount of ₹360 lakh in March 2010. The FIS was completed in March 2013 against the due date of March 2012. Till the date of audit (March 2013), expenditure incurred was ₹3.60 crore with creation of irrigation potential of 250 Ha. During physical verification



*Fully closed Cross Regulator of the Headwork Head Regulator at the Headwork
(6 May 2013)*

of the scheme, it was noticed that there was huge loss of water due to leakages at the Cross Regulator for defective workmanship. As a result, sufficient water could not pass through the Head Regulator though it was open. Further, the Distributaries, Minors and Sub-minors were not created for proper distribution of water, which indicates deficiency in the planning of the project.

During discussion, the divisional officers admitted the fact and assured to undertake necessary rectification.

- **Non-specified execution of work**

As per the approved plan and estimate of Kakojan FIS, Jorhat Irrigation Division, Earthen Afflux Bund was to be constructed in upper section of the river from Ch 100 m to 680 m of both left and right bank by obtaining earth from private land through Truck carriage. The quantity of earth required for the Earthen Afflux Bund was 32,565.37 cum and involvement of cost was ₹46.62 lakh. The specified height of the Bund was 2.90 m. The work was completed in March 2013 and payment of ₹46.62 lakh was made to the contractor on the basis of measurement entered in MBs.

During joint physical verification (17 June 2013) of the site, it was noticed that the height of the Afflux bund was only two feet instead of 2.90 m rendering the entries made in MBs fictitious. Thus, the Earthen Afflux Bund executed at a cost of ₹46.62 lakh was not as per specification.

In reply (October 2013), the Department cited instances of flood for loss of height of the bundh, which was however, not tenable in the absence of official records of occurrence of flood during this period in the region.

(k) Poor distribution of water due to non-availability of distributaries, Minors and Sub-Minors

Distributaries, Minors and Sub-Minors are required for easy transportation of water from outlet to each individual field. Non-existence of these distributaries, Minors and Sub-Minors lead to poor transportation of water. Thus, an efficient canal communication system with distributaries, Minors and Sub-Minors is required for optimum utilization of water.



24 April 2013

In the course of audit, it was noticed that in none of the 15 selected divisions (in respect of 110 Minor Irrigation Projects) there was any provision of distributaries, Minors and Sub-Minors. Records of the department/division revealed that 26.194 thousand Ha of potential was created under the 15 test-checked divisions. However, in the absence of distributaries, Minors and

Sub-Minors, the irrigation potential stated to be created could not be utilised by the farmers.

It was also noticed that in most of the selected divisions, water was being supplied only in kharif season which lies between July and October when south-west monsoon causes medium to heavy rainfall in Assam. To ascertain the requirement of irrigation water during the kharif season over and above the monsoon rains, if any, no post evaluation assessment was carried out by the division.

(I) Maintenance of projects

For the assured and quality service of supply of irrigation water, proper maintenance of assets is required. The Government however, could not provide the necessary funds to the implementing authority for proper maintenance of created assets. A few such cases of improper maintenance of assets are discussed below:

- **Wooden structure in place of iron gate at Cross Regulator**

The Upper Langkantang FIS under the Karbi Anglong Irrigation Division, Diphu was approved for ₹255.67 lakh in January 2010 with stipulation of completion by March 2014. Till the date of audit (March 2010), after incurring the expenditure of ₹66.70 lakh, physical progress to the extent of 50 *per cent* could be achieved with creation of 93 Ha irrigation potential. It was, however, noticed during physical verification (27 June 2013) that none of the two spill way iron gates provided in the estimates, were constructed in the Head work and instead, temporary wooden gates were provided (Photograph below).



Head work of Upper Langkantang FIS



Wooden gate at cross regulator of the U.L.FIS

(27 June 2013)

In reply to an audit query, the concerned sub-division stated that the iron gates were stolen by the miscreants. It would be in the interest of the beneficiaries to replace the temporary wooden gates by iron gates.

- **Damaged and Idle Canals Samuguri LIS**

The Samuguri Lift Irrigation Scheme under Nagaon Irrigation Division was administratively approved for an amount of ₹108.96 lakh in June 2009 and completed in February 2012 incurring an expenditure of ₹104.86 lakh with a liability of ₹4.10 lakh. As per departmental records, the scheme created irrigation potential of 230 Ha. However, during field visit in June 2013, it was noticed that major portion of the Main canal and Branch canals of the project within the radius of two km of the Head Work were either in damaged condition or were not in a position to carry water for the irrigation purpose. This would be evident from the photographs.



*Damaged and Idle Main as well as Branch Canals under the schemes
(18 June 2013)*

Thus, the expenditure of ₹104.86 lakh incurred on the project remained unfruitful.

- **Shapeless canals**

Scrutiny of records revealed that under three Minor Irrigation schemes viz., Banskandi Anua ELIS (civil work completed in March 2013), Algapur ELIS (civil work in progress 90 per cent) and Binnakandi FIS, (civil work in progress 95 per cent) earthen canals were prepared during the period from January 2009 to March 2013 by incurring an expenditure of ₹88.16 lakh by the Silchar Irrigation Division. However, during physical verification carried out in May/June 2013, it was noticed that all the constructed earthen canals were either dilapidated, silted or damaged and were not in workable condition as depicted in the photographs below:



Banskandi Anua ELIS



*Algapur ELIS.
(4 June 2013)*



Binnakandi FIS

There was no scope for future utilization also without re-construction of the same. Thus, consideration of non-durable and purely temporary items in plan and the estimates by the Division led to damage of all canals even prior to functioning of the schemes in certain cases, which resulted in wasteful expenditure of ₹88.16 lakh.

(m) Outstanding revenue

Test-check of 15 Minor Irrigation Divisions disclosed that there were huge outstanding amount of water charges due for recovery during the period of 2008-13 as given in the Table.

Table -27

Particulars	Realizable amount (₹in lakh)	Amount realized (₹in lakh)	Amount outstanding (₹in lakh)	Percentage of realisation
Position of the State	708.17	13.90	694.27	1.96
Position of 15 Test- checked Division	508.23	5.93	502.30	1.17

Source: Information furnished by the Department.

It may be seen that against the total demand of ₹5.08 crore in the test-checked divisions towards water charges, the amount realized was ₹5.93 lakh only (1.17 per cent) during 2008-13 whereas in the State as a whole, only 1.96 per cent of the outstanding water charges, could be recovered during the period.

On this being pointed out, the Department/Divisions, failed to furnish the list of users against whom the water charges were outstanding. Thus, the basis on which the demands for water charges were raised, remained doubtful.

• ***Non-availability of Beneficiaries list and irregular collection procedure***

In all the project reports, good returns were projected and satisfactory BC Ratio¹⁴ was also worked out by the respective division. However, in none of the selected divisions there was any list of beneficiaries as required to be maintained under Assam Irrigation Act, 1983. As per available records, after creation and corresponding utilization of potential, a very nominal payment of 'Water Charge' was levied on the unrecorded beneficiaries. Due to non-maintenance of records as per prescribed Rules, Audit could not ascertain the actual number of beneficiaries, area of land benefitted, crops grown etc. Audit observed that 12 divisions could not collect "Water charges" for the supply of irrigation water due to non-maintenance of relevant records. However, these divisions explained that majority of the beneficiaries were poor and reluctant to pay the water charges. In case of Mangaldoi, Morigaon and Nagaon Irrigation Division, it was noticed that without maintaining the mandatory basic records, "Water Charges" were collected from the beneficiaries, which was susceptible to pilferage. Particulars of realizable, already realized and outstanding amount of "Water Charges" in respect of these divisions are given below:

Table -28

(₹ in lakh)

Sl. No.	Name of Division	Water Rate for 2008-09 to 2012-13		
		To be collected	Actually Collected	Outstanding amount
1.	Mangaldoi Irrigation Division	52.02	1.77	50.25
2.	Morigaon Irrigation Division	29.35	4.35	25.00
3.	Nagaon Irrigation Division	21.81	0.32	21.49
Total		103.18	6.44	96.74

Source: Information furnished by the respective divisions.

List of beneficiaries against whom the above mentioned amount of water charges (₹96.74 lakh) were outstanding, could not be produced to Audit.

¹⁴ Benefit cost ratio.

Of the 110 MI projects test-checked in audit, 68 were completed and 42 were ongoing as on March 2013 generating potential of 26.20 thousand hectare against projected target of 44.58 thousand hectare. During test-check, it was found that certain projects shown as completed were not actually completed for the reasons of missing canal link, construction of only head work without canal network, non-completion of mechanical and electrical works, non-construction of distributaries carrying water to the farmers' fields etc., rendering the claim of creation of irrigation potential doubtful.

2.2.11 Target and achievement of Irrigation schemes and its Potential

The targets set for creation of irrigation potential under AIBP in the State and in the test-checked projects *vis-a-vis* achievements made there against are shown in the following two Tables.

Table-29

Target and Achievement of Irrigation Potential (overall position)

(In thousand Ha)

Year	No of Major/Medium projects		No of Minor projects		Targeted Irrigation Potential	Irrigation Potential created
	Taken up	Completed	Taken up	Completed		
Up to March 2008	11	7	289	190	359.23	122.32
March 2008 to March 2013	Nil	Nil	1,094	522	985.47	258.45
Total as on 31 March 2013	11	7	1,383	712	1344.70	380.77

Source: Departmental records.

Table-30

Target and Achievement of selected Irrigation Projects

(In thousand hectare)

Type of irrigation project	No of projects selected	Status of project as on 31 March 2013		Targeted Irrigation Potential	Irrigation Potential created
		Completed	Ongoing		
Major	1	-	1	41.68	22.63
Medium	1	-	1	8.91	3.30
Minor	110	68	42	44.58	26.20
Total	112	68	44	95.17	52.13

Source: Departmental records.

Table 29 shows that since inception till March 2013, against the targeted potential of 1,344.70 thousand hectare, the achievement was only 380.77 thousand hectare (28 per cent) whereas in the test-checked projects (Table 30), 52.13 thousand hectare (54.78 per cent) irrigation potential was created against the target of 95.17 thousand hectare. Therefore, performance of the projects included under AIBP in creating irrigation potential has not reached the desired level due to abnormal delay in completion of the projects.

2.2.12 Participatory Irrigation Management (PIM)

AIBP guidelines recommend that Water Users Association (WUA) should be formed for each scheme and that ownership of the schemes should rest with these groups who would in turn be responsible for its day to day water management and maintenance along with minor repairs.

Test-check of records and information furnished by the CE disclosed formation of WUA in respect of selected projects as under:

- Dhansiri: There were four WUAs formed without any visible activity;
- Borolia: No WUA was formed in this project;
- Selected 110 MIS: WUA was formed only in case of four MIS without any visible activity.

The above position indicates that Participatory Irrigation Management is currently in a nascent stage in Assam. In most of the projects, WUAs were not formed and wherever formed there were no visible activities. Thus, a significant aspect of the guidelines was not observed leading to absence of any arrangement for day to day running of the irrigation schemes/projects after their completion.

2.2.13 Monitoring

As per AIBP Guidelines, a comprehensive periodical physical and financial monitoring of major/medium projects was required to be carried out by the Central Water Commission/Ministry of Water Resources and Ministry of Programme Implementation with emphasis on quality control. The status reports of monitoring visits to be carried out by the Central Water Commission was required to be submitted to MoWR at least twice a year for the period ending March and September. The release of subsequent installments as per the guidelines is based on physical and financial verification and the recommendations of Central Water Commission to the satisfaction of MoWR.

Monitoring of the minor irrigation schemes has to be done by the State Government themselves through agencies independent of construction agencies. These schemes would also be monitored periodically on sample basis by Central Water Commission and assessed against predetermined targets by the MoWR.

Out of four ongoing M&M Irrigation Schemes, only two were monitored during the period covered by audit (2008-13). Dhansiri Irrigation Project (March 2010 and March 2011) and Borolia Irrigation Project (February 2009 and March 2011) were monitored two times each during the last five years. No monitoring was, however, conducted for other two ongoing schemes by the Government. In case of minor irrigation schemes, only five MIS were monitored during 2008-13. Monitoring reports

of CWC pointed out insufficient flow of funds, delay in acquisition of land, law and order situation in the State. However, follow up action on the monitoring reports was not carried out by the Government/Department.

As regards monitoring by the State Government, the Monitoring Committee and Sub Committee of the Irrigation Department were constituted only in May 2011. Thus, efforts by the State for monitoring commenced only from May 2011. The Chief Engineer (MI), Assam stated (July 2013) that no MIS was monitored by the State Government through agencies independent of construction agencies.

The above position indicates that monitoring efforts both by the CWC and the State Government were inadequate.

2.2.14 Evaluation

During test-check of 15 Minor Irrigation divisions, it was noticed that no evaluation study after completion of a project was conducted till the date of audit. As a result, the authentication of the potential generated and its eventual utilisation towards the benefit of the farmers remained un-assessed. To ascertain the impact of irrigation potential created through 110 test-checked (68 Completed; 42 ongoing) MIS, the matter was taken up with concerned area District Agriculture Officers (DAOs). Response in this regard received from the concerned DAOs in respect of 50 selected completed MIS revealed that-

- No change in cropping pattern (in terms of increase in number of seasonal crops in a year) and productivity (in terms of increase in quantity produced) through 29 completed MIS was reported by the respective DAOs.
- 10 MIS were not functioning during winter season for Rabi Crop.
- Against created irrigation potential of 1689 Ha through eight MIS, potential to the extent of 287 Ha (17 *per cent*) could only be utilized due to their partial functioning.
- Three MIS though completed but stated to be non-functional without creating any irrigation potential.

2.2.15 Conclusion

The Department targeted for creation of 985.47 thousand hectares irrigation potential during 2008-13 under AIBP through two major, two medium and 1,193 minor projects. Against the target, irrigation potential to the extent of 258.45 thousand Ha (26 *per cent*) only could be created. Audit observed that the implementation of the programme suffered due to lack of proper survey and investigation before selection of the projects, non-release/delay in release of funds, land acquisition problems, taking up of new projects without completing the ongoing projects etc. This was coupled

with poor performance of the programme in the State at various stages of planning, execution and monitoring. Physical verification showed that a good number of schemes shown as completed were in fact either damaged/defective or incomplete. In many cases, the potential created could not be utilized to the fullest extent. Evaluation of AIBP scheme was not done to ascertain its success and utilisation of the irrigation potential created under the scheme.

2.2.16 Recommendations

- Planning process should be strengthened and all inputs collected through survey and investigation should be taken into consideration before selection of projects and finalization of DPR.
- Regular and timely flow of funds to the implementing divisions should be ensured for completion of the projects in a time bound manner.
- Infrastructure facilities created should be properly maintained and the data base of the assets created should be kept.
- The potential created should be optimally utilised to the benefit of the farmers.
- Monitoring of the projects/schemes should be effectively carried out periodically as per the provisions of the scheme guidelines.

Public Works Department

2.3 Performance Audit of “Construction of Roads and Bridges funded by North Eastern Council and Non Lapsable Central Pool of Resources”

Government of India (GoI) established North Eastern Council (NEC) in 1972 for balanced development of North Eastern States. One of the objectives of setting of NEC was to develop infrastructure, specially construction of roads and bridges with inter-State connectivity. Subsequently, GoI created (1998) Non-lapsable Central Pool of Resources (NLCPR) for funding specific programmes for socio-economic upliftment of North Eastern States ensuring speeding up the execution of infrastructure projects.

Performance audit of construction of roads and bridges funded by NEC and NLCPR revealed that the projects were taken up without adequate planning and prioritization and the work management was deficient. Most of the works were spilled over beyond stipulated dates of completion. During audit period (2008-13), 32 projects¹⁵ under NEC and 122 projects¹⁶ under NLCPR were taken up for execution of which, 21¹⁷ and 58 projects¹⁸ under NEC and NLCPR respectively could be completed. Of the remaining incomplete projects, five NEC projects were due for completion prior to April 2008 and five NEC and 30 NLCPR projects were due for completion within March 2013.

Since the State had not carried out a gap analysis, the extent of achievement of the objective of reducing the gap between the required and available infrastructure of roads and bridges in the State and its impact on the economy and social upliftment of the inhabitants of the State could not be assured.

Highlights

In the absence of Survey and Investigation, estimates proposed lacked accuracy and mostly inflated.

(Paragraph 2.3.6.1)

Perspective plan after carrying out infrastructural gap analysis was not prepared.

(Paragraph 2.3.6.2)

¹⁵ Road length: 781.50 Km and 142 bridges.

¹⁶ Road length: 310.816 Km and 199 bridges.

¹⁷ Road length: 441.70 Km and 65 bridges.

¹⁸ Road length: 118.555 Km and 77 bridges.

Central Share of ₹42.80 crore (including ₹27.23 crore pertaining to the years prior to April 2008) was not released by Government of Assam (GoA) which adversely affected the smooth implementation of the NLCPR projects.

{Paragraph 2.3.7.2 (i) (b)}

Extraordinary delay in rescinding the work without invoking penal provision of bid document and non-allotment of the work to new contractor contributed to delay in completion of the NLCPR projects for more than four years from the scheduled date of completion rendering the expenditure of ₹2.47 crore unproductive.

{Paragraph 2.3.8.4(a)}

Non-allotment of funds by GoA for maintenance and upkeep of projects led to damage of three road projects constructed under NEC.

(Paragraph 2.3.9)

Neither GoA nor any other independent agency undertook monitoring and evaluation of the implementation of the NEC/NLCPR funded projects through impact studies and social audit.

(Paragraph 2.3.10)

2.3.1 Introduction

North Eastern Region (NER), being in a remote corner with communication bottleneck is deficient in social and physical infrastructure and therefore, all the states included in NER are categorized as Special Category States (SCS) and their Development plans are centrally financed with 90 *per cent* grants and 10 *per cent* loans. With a view for speedy development of infrastructure in NER by increasing the flow of budgetary financing for new infrastructure projects/ schemes, first, North Eastern Council (NEC), a regional body was established (1972) to look after balanced development of NER. Subsequently, Non-lapsable Central Pool of Resources (NLCPR) was created (1998-99) by GoI for funding specific infrastructure projects.

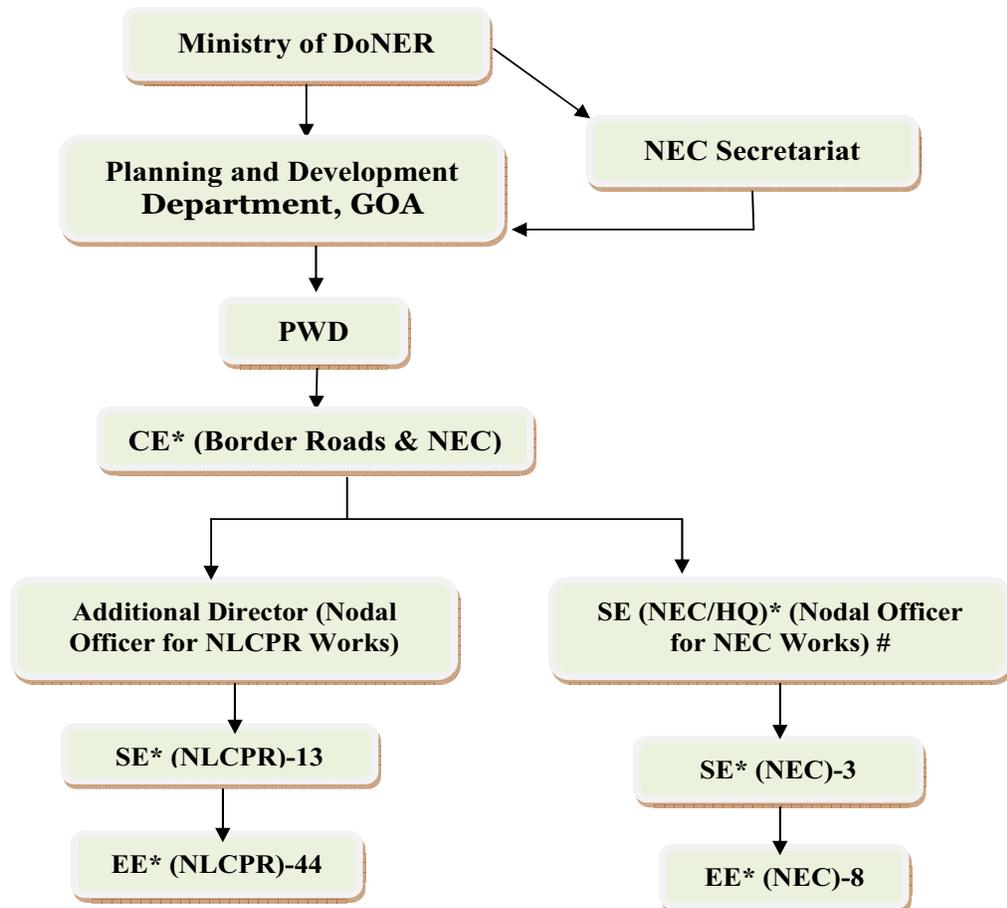
NEC, constituted in 1971 by an Act of the Parliament, is the nodal agency for socio-economic development of the NER. One of the objectives of NEC is to develop infrastructure, which includes construction of roads and bridges in NER with inter-state connectivity. The NEC, functioning as a regional planning body is responsible for scrutiny of schemes/ projects proposed by NE State Governments for inclusion in the regional plan for their approval by Planning Commission. Besides, sanction of estimates, release of funds and monitoring and evaluation of physical and financial performance are also included in the functions of NEC.

The GoI further created a Non-lapsable Central Pool of Resources (NLCPR) in the Union Budget from the year 1998-99 onwards in the public account titled "Central

Resource Pool for Development of NER” from 10 *per cent* unspent balances provided in the budget of Central Ministries/Departments for specific infrastructure projects in the North Eastern Region (NER). At the central level, the Ministry of Development of North Eastern Region (DoNER) took charge of NLCPR in August 2002.

2.3.2 Organisational set up

The organization structure for implementation of NLCPR/NEC funded projects on Roads and Bridges in Assam is as under:



* CE-Chief Engineer, SE-Superintending Engineer, EE-Executive Engineer.

Nodal Officers of both NLCPR and NEC functioned from the O/o the CE (Border Roads and NEC).

Source: Information collected from the department.

2.3.3 Audit Objectives

The objectives of the Performance review on roads and bridges funded by NLCPR & NEC were to assess whether:

- Projects were selected after critical assessment of gap between infrastructure urgently required and those which were available;

- The mechanism in place for approval of the projects was strictly adhered to and appropriate checks applied at each stage, prior to approval and after the release of funds;
- Adequate funds were released in a timely manner and utilised efficiently for specific purpose;
- Projects were executed efficiently and economically to achieve the intended objectives;
- There was a mechanism for adequate and effective monitoring and evaluation of projects.

2.3.4 Audit Criteria

The audit findings were benchmarked against the following sources of criteria:

- Guidelines of the Government of India in respect of NLCPR funded schemes, the North Eastern Council Act, 1971 and Amendment Act 2002;
- Detailed Project Reports;
- Conditions and norms for release of funds; and
- Prescribed monitoring mechanism and reports.

2.3.5 Audit Scope and Methodology

The Performance Audit commenced with an entry conference held in April 2013 wherein Deputy Secretary, PWD; Deputy Secretary, Finance and other departmental officials were present. The audit objectives, criteria and scope of the performance audit were explained and inputs of the departmental officers were obtained. Eight NEC projects (out of 32) and 16 NLCPR projects (out of 122) were selected for detailed scrutiny based on Probability Proportional to Size without Replacement (PPSWOR) method. Expenditure covered in audit amounted to ₹228.86 crore (eight Projects-*Appendix-2.10*) against total expenditure of ₹670.33 crore (32 projects) under NEC. Similarly expenditure covered in audit was ₹124.48 crore (16 projects-*Appendix-2.11*) against total expenditure of ₹337.21 crore (122 projects) under NLCPR. Information and documents available in test-checked divisions and responses to audit questionnaires were analysed. Photographic evidences and physical verification were also taken into consideration to substantiate the audit observations.

The Exit Conference was held on 5 September 2013 with the Under Secretary, PWD including CE (PWD), Nodal Officer and other officials wherein audit findings were discussed and the report was finalized after taking into account the views of the department and duly incorporating the same at appropriate places.

Audit Findings

2.3.6 Planning

2.3.6.1 Survey and Investigation (S&I)

Section 4(3)(d) of the NEC Act envisaged the need for conducting survey and investigation (S&I) before preparation and inclusion of new projects in the Regional Plan. S&I was also required in respect of NLCPR projects. Scrutiny, however, revealed that in none of the test-checked projects S&I was conducted by the Department. In the absence of S&I, proposed estimates lacked accuracy and were mostly inflated which was evident from the fact that most of the projects were completed with abnormal time over-run but without any corresponding cost over-run. Rather there were savings on the sanctioned cost. Out of eight NEC projects test-checked in audit, six were completed at a cost of ₹206.87 crore against sanctioned cost of ₹210.08 crore with time over-run ranging from 11 to 38 months. Similarly, out of 16 NLCPR projects test-checked, 11 were completed at a cost of ₹112.31 crore against sanctioned cost of ₹123.16 crore with time over-run in eight projects ranging from four to 38 months. The savings thus achieved were utilised unauthorisedly in repair, renovation, construction of Inspection Bungalow etc.

In reply, CE, PWD (Roads) in respect of NLCPR projects stated (September 2013) that there was no fund available for engaging consultants for S&I for the preparation of DPR and admitted that consultants with their modern survey instruments and sophisticated design software could do a better job of S&I. It was further stated that S&I was done by the Engineer in-charge of the project in-house with the limited resources.

Thus, planning and sanctioning process was affected due to the absence of scientific survey and investigation apart from violation of the relevant section of NEC Act.

2.3.6.2 Prioritisation of projects

Both NEC Act and NLCPR guidelines envisaged preparation of priority list for selection of projects for execution. In this connection, for the better selection of the schemes, inputs from the District Infrastructure Index (DII) data were required to be used. DII was however, not available in the State and priority list for NEC funded schemes was not prepared. It was intimated (July 2013) by CE, PWD that projects were selected mainly on the criteria of inter-State connectivity. Thus, the basis of selection and prioritisation of projects under NEC was not found on record.

NLCPR guidelines further prescribe that:

- (i) There should be an NLCPR Committee at the State level to prioritise the projects and to recommend them to the GoI (MoDONER) for approval and sanction of funds.
- (ii) The State Government is to prepare a Perspective Plan, after a thorough analysis of gaps in infrastructure projects in the State of for funding under NLCPR. Projects should be taken up for implementation strictly from the Perspective Plan according to the priority assigned in the Plan.

(iii) The State Government should also prepare the Annual Profile of Projects (APP) which should be comprehensive and contain “Gap Analysis” of all major sectors, shelf of projects and priority list and submit it to the GoI through Planning and Development Department (PDD) latest by 31 December for the next financial year.

(iv) Normally, the duration of project should not exceed a maximum 3-4 years (2-3 years prior to July 2004) and long gestation period was not to be encouraged.

Audit observed that there were no records showing approval of the projects by the NLCPR committee. Perspective plan after carrying out infrastructural gap analysis was also not prepared. Projects were approved and funds were released on the basis of proposals sent by PDD to GoI. Thus, prescribed planning process was not adhered to.

Additional Director (Design) stated (June 2013) that proposals/estimates of roads and bridges under NLCPR were framed by the concerned EEs of the implementing divisions mainly on the basis of importance of the project in improving the road network, number of people to be benefited, effect on socio-economic development etc. CE, PWD (Roads) also admitted (September 2013) that fair and justified method was necessary for prioritisation of the projects.

2.3.6.3 Sanction of Projects not in conformity with the NEC objective

As envisaged under Section 4(1)(b) of the NEC Act, the main objective of NEC was to create communication infrastructure having inter-state connectivity. Audit scrutiny however, revealed that three road projects¹⁹ were executed at a total cost of ₹112.03 crore without fulfilling the above criteria of inter-state connectivity.

Thus, selection of these NEC projects disregarding main criteria, indicates serious lapses in planning process.

2.3.6.4 Sanction of Projects not in conformity with the NLCPR guidelines

According to NLCPR guidelines, projects of less than ₹three crore were not to be generally funded. Each location specific project would be counted as one. The practice of clubbing many projects into one, to increase the size of the project to make the same admissible for funding under NLCPR Scheme is not permissible as per the Guidelines.

Audit scrutiny revealed that two road projects viz., (i) Improvement of roads in Jorhat Town (approved cost ₹2.50 crore) and (ii) Construction of three RCC Bridges on Jonai Silapathar Link Road (approved cost ₹1.90 crore) were completed at the cost of ₹2.27 crore and ₹1.85 crore respectively.

Although as per approved project report, eight town roads were to be improved. But while executing the projects, instead of improving eight town roads, 79 bye lanes within the town were constructed in violation of DPR and without GoI’s approval.

¹⁹ 1. Improvement of Pandit Hemchandra Goswami Path under Jorhat NEC Division (₹30.22 crore), 2. Improvement of Hajo Nalbari Sarthebari Road (₹ 65.41 crore), and 3. Improvement of Rampur Belsor Road under Guwahati NEC Division (₹16.40 crore).

Thus, apart from selection of projects below ₹three crore in violation of the provisions of the guidelines, deviation from the approved DPR was also observed.

2.3.7 Financial Management

2.3.7.1 Funding pattern and fund flow

Till 2004-05, funding pattern both for NEC and NLCPR projects was in the proportion of 90 *per cent* grant and 10 *per cent* loan from GoI. From 2005-06, on the recommendation of Twelfth Finance Commission (TFC), funding pattern for implementation of both NEC and NLCPR projects was changed to 90 *per cent* Central Share and 10 *per cent* State Share.

Funds are released by the North Eastern Council (NEC)/Ministry of Development of North Eastern Region (DONER), GoI to the Planning & Development Department (P&D)/Finance Department (FD), GoA. FD in turn releases Fixation of Ceiling (FOC) to the concerned executing divisions with intimation to CE, PWD (Border Roads), Assam who issues budget allocation to the executing divisions authorising the expenditure to be incurred.

2.3.7.2 Receipt and Utilisation of fund

The details of funds released by NEC/DONER, State Government and the expenditure incurred there against during the period from 2008-09 to 2012-13 are given below:

Table 31
NEC projects

(₹ in crore)

Year	Funds released by NEC	Funds to be released by State Finance Department (including 10 per cent State Share)	Funds released by State Finance Department			Expenditure incurred by the executing divisions	(-) shortfall/ (+) excess in utilisation of available fund by the executing divisions
			Central Share	State Share	Total		
2008-09	121.85	195.08*	130.81	1.15	131.96	131.96	NIL
2009-10	98.97	109.97	110.37	13.90	124.27	124.27	NIL
2010-11	63.05	70.05	79.36	8.97	88.33	88.33	NIL
2011-12	40.50	45.00	69.27	13.57	82.84	81.47	(-) 1.37
2012-13	47.85	53.16	51.22	7.08	58.30	58.30	NIL
Total	372.22	473.26	441.03	44.67	485.70	484.33	(-) 1.37

Source: Information furnished by CE PWD (Border Roads) and PWD Secretariat Budget Branch

*Include unspent Central Share (₹53.72 crore) pertaining prior to 2008-09.

Table 32
NLCPR projects

(₹ in crore)

Year	Fund released by DONER	Funds to be released by Finance Department, GoA (including 10 per cent State Share)	Funds released by State Finance Department			Expenditure incurred by the executing divisions	(-) shortfall/ (+) excess in utilisation of available fund by the executing divisions
			Central Share	State Share	Total		
2008-09	32.49	66.36*	51.94	2.43	54.37	54.37	NIL
2009-10	58.78	65.31	46.39	5.62	52.01	52.01	NIL
2010-11	93.90	104.33	41.98	2.57	44.55	44.55	NIL
2011-12	51.18	56.87	92.31	5.55	97.86	97.86	NIL
2012-13	79.62	88.47	67.78	11.03	78.81	78.81	NIL
Total	315.97	381.34	300.40	27.20	327.60	327.60	NIL

Source: Information furnished by CE PWD (Border Roads) and PWD Secretariat Budget Branch.

* Include unspent Central Share (₹27.23 crore) pertaining prior to 2008-09.

While availability of adequate fund was not a constraint for the progress/execution of the sanctioned projects, there were deficiencies noticed in financial management leading to excess/short release of Central/State share, delay in release of fund, discrepancy relating to fund received from GoI and release of fund by GoA.

(i) Excess/Short release of Central Share/State Share by the State Finance Department

(a) It would appear from Table 31 that during 2008-13, Finance Department (FD) was to release ₹473.26 crore (Central Share: ₹425.94 crore including unspent balance of ₹53.72 crore and State Share: ₹47.32 crore) for implementation of NEC projects. Against this, FD released ₹485.70 crore (Central Share: ₹441.03 crore and State Share: ₹44.67 crore) during the period resulting in excess release of ₹12.44 crore (excess Central Share: ₹15.09 crore and less State Share: ₹2.65 crore). Source from which the excess central fund was released was not on record.

(b) Similarly, Table 32 indicates that during 2008-13, FD was to release ₹381.34 crore (Central Share: ₹343.20 crore including unspent balance of ₹27.23 crore and State Share: ₹38.14 crore) for implementation of NLCPR projects. Against this, only ₹327.60 crore (Central Share: ₹300.40 crore and State Share: ₹27.20 crore) was released during the period resulting in short release of ₹53.74 crore (Central Share: ₹42.80 crore and State Share: ₹10.94 crore). It was further revealed that Central Share of ₹42.80 crore (including ₹27.23 crore pertaining to the years prior to April 2008) was not released by GoA and remained with state exchequer and thus, was not available for programme implementation, which adversely affected the smooth implementation of the scheme. The reason for the short release of fund was not on record.

(ii) Discrepancies between figures of Nodal and Finance Department

According to Nodal and the Finance Department, funds released by NEC during 2008-13 were ₹372.22 crore and ₹386.53 crore respectively showing a difference of ₹14.31 crore (*details in Appendix 2.12*). Besides, regarding release of central share, where FD had shown release of ₹364.56 crore, PWD had shown receipt of ₹441.03 crore leading to an unexplained excess of ₹76.47 crore received by the Public Works Divisions.

Similar difference of ₹9.92 crore was noticed regarding release of central share between Nodal (₹300.40 crore) and FD (₹290.48 crore) in NLCPR projects (*details in Appendix 2.13*). The differences were not reconciled. The differences highlight the deficiencies in record keeping by two main functionaries of the Government. In the Exit Conference (September 2013) FD did not offer any comment.

FD did not maintain any records showing release of State share separately for NEC and NLCPR projects as there was no sub-head wise budget provision during the years 2008-13.

(iii) Delay in release of funds

According to NLCPR guidelines funds released by GoI should reach the implementing divisions within 30 days of release by GoI and the Nodal Officer should issue a certificate to this effect to the Ministry of DONER.

Scrutiny of 16 NLCPR projects (test-checked) revealed that the State Government received ₹123.17 crore between July 2004 to March 2013 in respect of these projects but released ₹114.31 crore to the implementing divisions during November 2005 to March 2013 retaining the balance of ₹8.86 crore. In all the 16 projects, there were delays of one to 53 months in releasing funds from the date of release by the GoI (*Appendix 2.14*).

Similarly, State Government received ₹160.33 crore between February 2008 and July 2012 for implementation of eight NEC projects (test-checked) but released ₹157.59 crore to the implementing divisions during March 2008 to March 2013 leaving a balance of ₹2.74 crore with the State Government. In all the selected projects, there were delays of one to 26 months in releasing funds to the implementing agencies from the date of release by the GoI (*Appendix 2.15*).

Short and delayed release of funds affected the progress of work to some extent and thereby delayed the completion of the projects.

(iv) Locking up of funds in unadjusted advances

According to APWD Manual, an advance payment for work actually executed may be made on the certificate of an officer not below the rank of Sub-Divisional Officer to the effect that the quantity of work paid for has actually been done. The expenditure would be booked under the suspense head of account 'Miscellaneous Public Works Advance (MPWA)' for watching eventual recovery and adjustment within one month.

Scrutiny of records revealed the following:

(a) Guwahati NEC Division paid (July 2011 to December 2012) total advance payment of ₹3.44 crore on unmeasured works without obtaining requisite certificate in support of work actually done and expenditure charged to the project "Upgradation/Improvement of Mairang Ranigodown Azara Road" instead of MPW Advance. Out of the said advance, ₹2.28 crore was adjusted after a gap of six to eight months. Balance amount of ₹1.16 crore remained unadjusted as on May 2013. In the Exit Conference (September 2013) the EE stated that the balance of ₹1.16 crore was subsequently adjusted but record to that effect was not produced.

(b) Bongaigaon Rural Road Division paid (27 March 2008) an advance payment of ₹2.21 crore on un-measured item of work and booked as expenditure under the project "Construction of RCC Bridge on Jogighopa Chapar Road". Advance payment was adjusted on 10 February 2009, after a period of over 11 months. CE, PWD (Roads) stated (September 2013) that advance was given as per financial rules but did not offer any comment about booking the expenditure to work instead of under MPWA, which was an internal control lapse.

2.3.8 Execution of projects

2.3.8.1 NEC projects

The details of projects sanctioned, projects executed and projects remained incomplete prior to March 2008 and during 2008-13 are indicated in the Table below.

Table 33

Period	Opening Balance Incomplete projects		Projects sanctioned		Projects completed		Closing Balance Incomplete projects	
	No.	Road length and bridges	No.	Road length and bridges	No.	Road length and bridges	No.	Road length and bridges
1989-08	-	-	50	1038.99 Km 178 bridges	23	405.34 Km 45 bridges	27	633.65 Km 133 bridges
2008-13	27	633.65 Km 133 bridges	5	147.85 Km 9 bridges	21	441.70 Km 65 bridges	11	339.80 Km 77 bridges

Source: Information furnished by CE, PWD (Border Roads).

It would be revealed from above Table that:

- During 2008-13, five new projects were taken up for execution in addition to the 27 ongoing projects, of which, 21 projects (sanctioned prior to 31 March 2008) consisting of 12 roads creating 441.70 km of road and 65 bridges were completed as of March 2013 after incurring an expenditure of ₹376.30 crore (details in *Appendix-2.16*).
- Balance 11 projects (6 spilled over + 5 new) remained incomplete after incurring an expenditure of ₹294.02 crore against sanctioned cost of ₹508.48 crore, although five of these were due for completion prior to April 2008 and five during 2008-13 (details in *Appendix-2.17*).

Test-check of eight projects (out of 32) revealed that six of these were completed during 2008-13 after incurring an expenditure of ₹206.87 crore (sanctioned cost ₹210.08 crore) with time over-run ranging from 11 to 38 months (details in *Appendix-2.18*). The remaining two test-checked projects with due dates of completion in November 2011 and August 2012 respectively, were not completed after incurring an expenditure of ₹21.99 crore. The physical achievements of these two incomplete projects were 90 and 88 per cent, whereas financial progress were 67 and 55 per cent respectively (details in *Appendix-2.10*).

2.3.8.2 NLCPR projects

The details of projects sanctioned, projects executed and projects remained incomplete prior to March 2008 and during 2008-13 are indicated in the Table.

Table 34

Period	Opening Balance Incomplete projects		Projects sanctioned		Projects completed		Closing Balance Incomplete projects	
	No.	Road length and bridges	No.	Road length and bridges	No.	Road length and bridges	No.	Road length and bridges
1998-08	-	-	91	150.703 Km 160 bridges	24	41.04 Km 40 bridges	67	109.663 Km 120 bridges
2008-13	67	109.663 Km 120 bridges	55	201.153 Km 79 bridges	58	118.555 Km 77 bridges	64	192.261 Km 122 bridges

Source: Information furnished by CE, PWD (Border Roads).

It would be revealed from above Table that -

- During 2008-13, 55 new projects were taken up in addition to 67 ongoing projects, of which 58 projects (46 projects sanctioned prior to March 2008 and 12 projects sanctioned during 2008-13) were completed as of March 2013 after incurring an expenditure of ₹196.93 crore.
- Balance 64 projects (21 spilled over + 43 new) remained incomplete after incurring an expenditure of ₹151.28 crore against sanctioned cost of ₹436 crore, although three of these were due for completion prior to 2008 and 30 during 2008-13.

Test-check of 16 projects (out of 122) revealed that 11 of these were completed during 2008-13 after incurring an expenditure of ₹112.31 crore (sanctioned cost ₹123.16 crore) with time over-run ranging from four to 38 months in case of eight projects and three projects were completed before scheduled time. Of the remaining five test-checked projects, two were due for completion in July 2008 and January 2009. Physical achievements of these two incomplete projects were 59 and 75 per cent against the financial achievement of 47 and 69 per cent (details in *Appendix-2.11*). Reasons for delay in completion of the projects were slow progress of work and subsequent cancellation of work order by the division. CE, PWD (Roads) admitted (September 2013) the facts pointed out by audit and further added that time overrun occurred due to remoteness of site, natural calamities, bandh calls and shortage of quarry materials.

2.3.8.3 Unproductive expenditure (NEC projects)

(a) NEC accorded (February 2010) administrative approval of the project “Construction of Mankachar Mahendraganj Road” (Road length 8.20 Km) under Guwahati NEC division at an estimated cost of ₹12.12 crore with the stipulation to complete the work within two years (March 2011). The work was divided into two packages (I&II) and was awarded (May 2010) to one contractor at the total tendered cost of ₹10.03 crore²⁰. The work remained incomplete with the physical progress of

²⁰

Packages	Length of the road in Km	Name of contractor	Tendered cost (₹ in crore)	Payment made
G-11 th -1	1 st to 4 th Km	Sri Bimal kumar Agarwala	4.87	4.27
G-11 th -2	5 th to 8.20 Km	-do-	5.16	3.53
Total			10.03	7.80

Source: Divisional records.

90 per cent (package I) and 96 per cent (package II) due to land acquisition problem. The contractor was paid a total amount of ₹7.80 crore against work value of ₹8.16 crore as of May 2013.



*Mankachar Mahendraganj Road Ch 1,816 M Mankachar Mahendraganj Road Ch 4,576 M
(18 May 2013)*

Scrutiny also revealed that the process of land acquisition was started in October 1994, when value of the land was assessed as ₹7.79 lakh by Deputy Commissioner (DC), Dhubri and the Division was requested (29 June 2000) for placement of fund to DC. Subsequently, assessments were made in another two cases of land acquisition and the Division was requested (June 2003) for placement of the required fund of ₹8.21 lakh being the value of land. It was, however, not possible for the Division to make the payment as there was no provision of funds in respect of acquisition of land for the project, which was sanctioned only in February 2010. The State Government should have taken appropriate steps for making provision of the required fund in time.

Finance department belatedly released the amount of ₹16 lakh (₹15.95 lakh in March 2012 and ₹0.05 lakh in December 2012) as demanded by the Division after a lapse of more than 11 years from the date of placing demand for funds by the DC.

Further scrutiny revealed that the road work for a total road length of one kilometer (700 m in package I and 300 m in package II) could not be taken up for the reason that the land owners were not willing to vacate the land before getting the land compensation at current prices, which would naturally be much higher than the rates fixed earlier.

Thus, due to inordinate delay in payment of land compensation to the land owners, the project remained incomplete even after a lapse of more than two years from the stipulated date of completion rendering the entire expenditure of ₹7.80 crore incurred so far unproductive, besides depriving the users from the intended benefit of inter-state connectivity.

(b) NEC accorded (February 2007) administrative approval of the project “Construction of Wokha-Merapani Road” (Road length 28.778 km and three bridges) under Jorhat NEC Division for ₹34.83 crore. The road and bridge works were divided into five packages and awarded (August and November 2007) to five contractors at a

total bid price of ₹22.38 crore with the stipulation to complete the work within May 2009. Subsequently tender value was enhanced to ₹26.57 crore through supplementary tender agreement by deleting quantity of work valued at ₹1.83 crore and adding additional items of work, valued at ₹6.02 crore. Technical sanction for ₹34.83 crore was accorded by CE in June 2009.

Scrutiny revealed that construction of a stretch of the road measuring 2.013 Km (Ch. 26.765 Km to 28.788 Km) could not be taken up due to border dispute with Nagaland as of May 2013. This disputed portion was deleted from the scope of work and the project was shown as completed (February 2011) at a cost of ₹34.60 crore and handed over to Golaghat Rural Road Division (September 2012).

Non-completion of the project in its entirety due to border dispute indicated lapses in proper survey and investigation and overall planning by Government/ NEC. As a result of non-construction of remaining portion of road length, NEC's objective of providing inter-State connectivity was frustrated. In Exit Conference (September 2013), the EE stated that the Nagaland Government had constructed the remaining portion of the work in their part but documents confirming the fact was not furnished.

2.3.8.4 Unproductive expenditure (NLCPR projects)

(a) The NLCPR project “Construction of RCC Bridge No 1/1, 3/1 and 5/1 on Bahir Jonai Berachapari Road including approaches and protection work” under Dhemaji Rural Road division, Silapather was approved (February 2006) by GoI for ₹5.52 crore with the objective of providing inter-district/inter-state connectivity for the economic development of Dhemaji district. The Chief Engineer, PWD accorded (November 2006) technical sanction for the same amount. The project was allotted (March 2007) to a contractor being the lone bidder at the tendered value of ₹5.34 crore with the time schedule to complete the work within 24 months (March 2009) from the date of issue of the work order.



Bridge no 5/1 on Bahir Jonai Bera Chapori Road (5 June 2013)

Contractor commenced the work on 9 March 2007 but abandoned the work in February 2011 after executing work valued at ₹2.47 crore in spite of getting three time extensions up to December 2010 as requested by him. Audit observed that:

- Against GoI's release of ₹3.96 crore (₹1.74 crore in February 2006 and ₹2.22 crore in December 2010), GoA released ₹2.47 crore (June 2008 and March 2011) after delay of 28 to 32 months and retained ₹1.49 crore as of date (June 2013).

- Payment of Running bills of the contractor were delayed from three months to 11 months since submission of the bills.
- Drawings and designs of the projects were made available to the contractor in a phased manner with the fact that the last drawing was handed over after 14 months of work order.

The EE terminated (November 2012) the work order belatedly without forfeiting security deposit (₹19.77 lakh), which was deducted from bills and without invoking penal provision of the bid document for delay in execution of the project. Performance security of ₹10.67 lakh in the form of bank guarantee was also allowed to be expired on 4 May 2011.

Balance work (₹2.71 crore as per estimate) was not allotted to any other contractor though notice inviting tender was issued in March 2013. The contractor served (April 2013) notice for appointment of arbitrator for settlement of his claim of ₹1.02 crore, which included loss due to delayed payment (₹0.29 crore), the loss of profit (₹0.42 crore), security money (₹0.31 crore). The arbitrator was, however, not yet appointed.

The work remained incomplete till date of audit (June 2013) with the physical progress ranging from 40 to 100 *per cent* in respect of bridge proper only. In the absence of approaches to the bridge proper, which were already completed but could not be utilised. Therefore, the entire amount remained unproductive.

Thus, due to short release of funds by GoA and consequent delay in payment of contractor's bill, slackness in monitoring the progress of work, extraordinary delay in rescinding the work and non-allotment of the work to new contractor contributed to delay in completion of the project for more than four years from the scheduled date of completion (March 2009). Expenditure to the tune of ₹2.47 crore incurred so far on this project remained un-productive. Besides, non-forfeiture of security deposit (₹19.77 lakh) and performance security (₹10.67 lakh) led to a loss of ₹30.44 lakh due to lapses on the part of the department. Moreover, the desired objective of providing inter-district/inter-state connectivity for economic development of the district also remained unachieved.

CE, PWD (Roads), in reply stated (September 2013) that delay occurred due to remoteness and location of the site in flood prone area and hence, no penalty was imposed. The reply was, however, silent about the departmental inaction in management of the project.

(b) Administrative approval was accorded (May 2006) by GoI for the NLCPR project "Construction of RCC bridges 27/2, 28/2, 29/1, 30/2, 32/2, 35/1 and 45/1 including approaches on Dhubri-Kachugaon road under NLCPR in Kokrajhar district" for an amount of ₹5.16 crore with an objective of providing inter-district connectivity in an attempt to improve socio-economic condition of the local rural habitations.

Technical sanction was accorded (July 2006) by CE, PWD Border Roads for the same amount. The work was allotted (December 2006) to a contractor at a bid price of ₹5.16 crore with the stipulation to complete the work within June 2008. The contractor commenced the work on 27 December 2006 but the project remained incomplete with the overall physical progress of 75 per cent and financial progress of 69 per cent (₹3.57 crore) as of June 2013.

Scrutiny of records (June 2013) of the EE, Kokrajhar Rural Road division revealed that the contractor executed the work at a very slow pace and the physical progress of the work was 32 per cent even after a lapse of about one year from the stipulated date of completion. In view of the slow progress of work the division also served (May and July 2008) show cause notices to the contractor for delay in execution of work.

It was, however, not found on record whether the contractor had applied for any extension of time or the period up to which extension of time was granted by the



Bridge No. 30/2 on Dhubri Kachugaon Road
(13 June 2013)



Bridge No. 32/2 on Dhubri Kachugaon Road
(13 June 2013)

division. The contractor submitted (May 2012) work programme for the balance work (two bridge work and approaches to all the seven bridges) but did not execute the work. Ultimately, the work was rescinded (November 2012) by forfeiting security deposit (₹11.81 lakh) but without invoking the risk clause in the agreement to get the balance work done at the risk and cost of the defaulting contractor. Performance security of ₹10.33 lakh furnished by the contractor in the form of bank guarantee valid up to August 2008, was allowed to be expired by the department.

Scrutiny further revealed that tender was invited by CE (Border Roads) to complete the balance work, but the balance work could not be allotted to any other contractor being contractor's quoted rates exceeded by 44.5 per cent over the sanctioned amount. Technical sanction to the estimates of the balance work prepared (January 2013) by the division was not accorded by CE as of June 2013.

Thus, failure of the division to impose penalty as per agreement for delaying completion of the project and getting the balance work done at the risk and cost of the defaulting contractor led to unproductive expenditure of ₹3.57 crore, besides deprival of intended benefit of inter-district connectivity to the villagers.

CE, PWD (Roads), in reply stated (September 2013) that the balance work would be completed within one year.

2.3.8.5 Deficiency in work management

(a) NEC sanctioned (December 2006) Improvement of Na-Ali road (Road length 50.863 km and 11 bridges) under Jorhat NEC division for ₹52.80 crore. The road and bridge works were divided into 18 packages and allotted (June – September 2007) to 14 contractors for ₹41.08 crore with the stipulation to complete the works within May 2009. The project was technically sanctioned by CE, PWD, Border Road in June 2009. The work was completed in April 2012 at the total cost of ₹51.26 crore with a time overrun of three years.

Scrutiny revealed that in six packages of road work (tendered value: ₹16.82 crore) the contractors executed work value of ₹5.75 crore (34.19 *per cent*) till the stipulated date of completion (May 2009). The contracts were cancelled due to slow progress of work without invoking penal provision of contract agreement valued at ₹2.21 crore (20 *per cent* of balance work).

The balance works (₹11.07 crore) were allotted to six other contractors at the total tendered cost of ₹15.80 crore, which were completed at the cost of ₹15.37 crore.

Thus, due to poor monitoring of the progress of work and inaction on the part of the division to safeguard the interest of the Government by imposing penalty of 20 *per cent* of the balance work not completed by the contractors, the division had to incur an extra avoidable expenditure of ₹4.30 crore (up to date payment to the contractors ₹15.37 crore minus ₹11.07 crore).

Further scrutiny revealed execution of work beyond the scope of DPR and execution of sub-standard work as discussed in paragraph 2.3.8.6 and 2.3.8.7.

(b) Construction of bridge No. 63/1 on Hajo Nalbari Sarthebari Road under Guwahati NEC division was awarded (July 2006) to a contractor at the tendered cost of ₹2.55 crore, which was subsequently enhanced to ₹2.80 crore due to change in the scope of work.

Scrutiny revealed that the contractor executed the work worth ₹2.59 crore. The balance work valued ₹0.21 crore, which included load test of super structure, was left unattended. However, documents suggested that the bridge work was completed on 21 May 2011 and handed over to Barpeta Road division on 24 October 2011.

Thus, due to non-execution of work as per approved estimate and not testing the load bearing capacity of super structure of the bridge, sustainability of the bridge remained doubtful besides putting the commuters at risk.

(c) The NLCPR project “Construction of RCC bridge No. 1/1, 2/1 and 2/2 on Jonai Silapather Link road” under Dhemaji Rural Road division, Silapather was administratively approved (February 2005) by GoA for ₹1.90 crore. Work order was issued to a contractor (April 2005) at the tendered cost of ₹1.79 crore with the stipulation to complete the work within 18 months from the date of issue of work order (October 2006). During execution, a working estimate was prepared and the tendered amount was enhanced to ₹1.90 crore.

Scrutiny revealed that the contractor executed the work valued at ₹1.85 crore up to 3rd RA bill against the tendered amount of ₹1.90 crore but the project was shown to have been completed during 2008-09. Neither the final measurement was recorded in the measurement book in support of completion of the project nor was the final bill prepared. The contractor was paid (December 2008) the work value of ₹1.85 crore without recovery of security deposit of ₹14.80 lakh (eight *per cent* of ₹1.85 crore) in violation of contract agreement. Scrutiny of item-wise execution of works up to 3rd RA bill disclosed less execution (12 items), excess execution (three items) and non-execution (three items) of certain items of work even with reference to the working estimate.

Thus, failure on the part of the division to safeguard Government interest by deducting security money from the contractor as per tender agreement and slackness in monitoring the progress of work led to non-completion of the project. In reply, CE, PWD (Roads) stated (September 2013) that the work was already completed but did not offer any comment about the deviation from the working estimates and non-effecting legitimate deduction of security deposit to safeguard the Government interest.

2.3.8.6 Execution of work not in conformity with the DPR

The GoI approves the projects for funding under NEC/ NLCPR based on the DPRs submitted by the State Government for each project. In six (three NEC and three NLCPR) out of 24 (eight NEC and 16 NLCPR) projects test-checked in audit it was found that works were not executed as per DPRs. Various items of work, relating to these projects valued at ₹5.07 crore were not executed and extra items valued at ₹9.76 crore beyond the scope of approved DPR were executed without the approval of GoI. The details are shown in the Table below:

Table 35

Sl. No.	Name of work	Approved cost	Actual expenditure	Work executed less as per DPR	₹ in crore		Remarks
					Amount spent beyond DPR		
1.	Improvement of Na-Ali under Jorhat NEC Division	52.80	51.26	-	2.02		1) Enhancement of carriage way from 5.50 M to 7 M for 1 st Km extra cost ₹1.18 crore 2) Repair work done in a span of 11 Km ₹0.84 crore
2.	Improvement of Pandit Hemchandra Goswami Path under Jorhat NEC Division	30.68	30.22	-	1.01		Construction of two storied Inspection Bungalow at a cost of ₹2.53 crore beyond the scope of DPR.
3.	Improvement of Wokha Merapani road under Jorhat NEC Division	34.83	34.60	1.83	1.52		
4.	Improvement of road in Jorhat Town Road	2.50	2.27	-	2.27		Against approval of eight town roads, 79 bye lanes within town area were constructed without GoI approval
5.	Construction of RCC bridge No. 4/1 and 15/1 on Nagaon Buragaon Road	4.34	4.14	1.55	1.12		Design of the bridge changed from well foundation to pile foundation without GoI approval
6.	Construction of RCC bridge No. 2/1 on Kokrajhar Monakacha Road	9.91	9.81	1.69	1.82		Construction of additional items of work such as boulder Apron, boulder pitching and RCC Bridge No. 2/2 etc.
Total		135.06	132.30	5.07	9.76		

Source: Information obtained from the implementing division.

Subsequent to approval of the DPRs, funds were released by GoI in accordance with estimated provisions of approved DPR. Thus, execution of items of works beyond the scope of approved DPR was irregular and unauthorised without GoI's approval for

such deviations. As execution of works beyond the scope of DPR entails curtailment of essential items of works from the items of the approved work, this resulted in physical and financial mismanagement and pointed towards lack of proper survey and investigation before preparation of DPR. In reply, CE, PWD (Roads) stated (September 2013) that changes in design and items were done in the interest of the work without any change in overall cost but had not offered any comment about fresh approval of re-designed and re-casted estimates.

2.3.8.7 Sub-standard work

In the following two cases there was less execution of work as compared to the approved estimates-

(a) Scrutiny of final bills of package No. J-18, J-19 (balance work) and J-20 (original work) at the Ch. 24th to 35th Km of the project “Improvement of Na-Ali Road (Road length 50.863 km and 11 bridges under Jorhat NEC division)” (approved in December 2006) revealed shortfall in execution of all items of the road works as shown the Table below:

Table 36

Sl. No.	Name of item	Unit	Quantity as per DPR	Quantity executed	Less execution
(1)	(2)	(3)	(4)	(5)	(6) = (4)-(5)
1.	Construction of embankment	Cum	91461.33	54197.776	37263.554
2.	Construction of Sub grade earthen solder	Cum	53767.86	32750.166	21017.694
3.	Turfing with sods	Sqm	25560.00	11808.18	13751.82
4.	GSB	Cum	10038.44	3924.576	6113.864
5.	WBM Gr. II	Cum	10038.44	7721.958	2316.482
6.	WBM Gr. III	Cum	5019.22	4494.647	524.573
7.	PC	Sqm	66834.00	45630.225	21203.775
8.	Tack coat	Sqm	66834.50	58930.225	7904.275
9.	OGPS	Sqm	66923.00	58930.225	7992.775
10.	Seal coat	Sqm	66923.00	58930.225	7992.775

Source: Information obtained from the implementing division.

Construction of roads should conform to prescribed specifications. Shortfall in execution specially of WBM and premix carpeting which should be of standard thickness, results in unspecified/ sub-standard work. Less execution in all the items of road construction in the particular stretch of the road (24th to 35th Km) resulted in substandard work involving ₹8 crore²¹.

(b) The NLCPR project “Construction of RCC Bridge No. 4/1, 7/1 and 8/1 over field canal and 11/1 over river Sakati on Abhayapuri-Tulungia Road with approaches and protection work” under Bongaigaon Rural Road division was administratively approved (February 2009) for ₹3.38 crore (which included contingency charge of ₹0.03 crore) by GoA (Copy of GoI’s approval letter was not made available to audit). The project was awarded (October 2009) to a contractor at the tendered cost of ₹3.38

²¹ J-18: (₹1.05 crore + ₹1.81 crore), J-19: (₹1.26 crore + ₹1.54 crore) & J-20: (₹2.34 crore).

crore. The contractor commenced the work in October 2009 and the project was completed in September 2011 at the cost of ₹3.38 crore. The contractor was paid ₹2.70 crore leaving a balance of ₹68.70 lakh as of June 2013. Scrutiny of records revealed shortfall in execution of 16 components (out of 30) of the bridge work as shown in the Table below:

Table 37

Sl. No.	Name of item	Unit	Quantity as per DPR	Quantity executed	Less execution
1.	Excavation for structure	Cum	4200	3416.42	783.58
2.	Bored cast-in-situ M 35 grade RCC pile	Metre	943.44	930.48	12.96
3.	Cement concrete for reinforcement concrete in pile cap	Cum	655.2	428.28	226.92
4.	Supplying, fitting and placing un-coated TMT bar reinforcement in foundation	Tonne	98.49	17.964	80.526
5.	Supplying, fitting and placing mild uncoated steel reinforcement in foundation	Tonne	1.2	0	1.2
6.	Plain/reinforced cement concrete in sub-structure	Cum	179.26	108.56	70.7
7.	Supplying, fitting and placing TMR bar	Tonne	15.71	0	15.71
8.	Supplying, fitting and fixing in position true to line and level elastomeric bearing	Cubic centimetre	427680	203729.40	223951
9.	Providing and laying cement concrete wearing coat M 30 grade	Cum	38.29	32.14	6.15
10.	Drainage spouts complete	Each	48	28	20
11.	Strip seal expansion joint	Metre	58.96	56.40	2.56
12.	Back filling behind abutment, wing wall and return wall	Cum	800	0	800
13.	Reinforced cement concrete approach slab	Cum	75.04	0	75.04
14.	Providing and laying pitching on slopes	Cum	490.54	220.64	269.9
15.	Providing and laying filter material underneath pitching in slopes complete	Cum	177.91	110.30	67.61
16.	Providing, laying, spreading and compacting stone aggregates of specific sizes to water bound macadam	Cum	319.93	247.33	72.60

Source: Information obtained from the implementing division.

In support of the above deviations, the Division did not prepare any working estimates for getting them approved by the competent authority.

Shortfall in execution of items of work specially of fitting and placing TMT bar which should be of standard specification, resulted in unspecified/ sub-standard work amounting to ₹3.38 crore. In reply, CE, PWD (Roads) stated (September 2013) that the bridges are functioning satisfactorily which, however should not be the only criteria for compromising the quality.

2.3.9 Maintenance and upkeep of the projects

It is the sole responsibility of the State Government to maintain and upkeep the projects after completion, for which adequate fund provision under maintenance head would require to be ensured. Scrutiny revealed that GoA neither made any specific budget provision nor provided any fund for maintenance of work completed under NEC and NLCPR. Thus, absence of budgetary provisions for maintenance and upkeep of projects led to damaging of the three road projects under NEC (out of five

completed NEC project and one completed NLCPR road project) as found out during joint physical inspection.

Three damaged road projects under NEC



*Improvement of Na-ali Ch 10th km
(15 May 2013)*



*Hajo Nalbari Sarthebari Nagaon Road Ch.
5th Km (8 May 2013)*



*Rampur Belsor Bihampur Road 2nd km
(8 May 2013)*

Audit noticed that due to non-release of funds by GoA, Guwahati NEC division spent ₹3.07 crore on the maintenance of two such roads out of NEC fund without seeking approval from NEC as detailed below:

- Eight²² packages of road length of 40 Km (out of 15 packages) under the project “Upgradation/Improvement of Hajo Nalbari Sarthebari Road (length 64.29 Km)” were completed between October 2007 and December 2009 at a cost of ₹22.95 crore against the stipulated date of completion in September and October 2006. The division spent ₹2.88 crore between March 2010 and February 2011 towards repair work in these eight packages of work by making a separate estimate without NEC's approval.
- The project “Upgradation/ Improvement of Rampur Belsor Bihampur Road” was completed (February 2009) at a cost of ₹16.40 crore. The Division spent (August 2011 to February 2012) an amount of ₹0.19 crore towards repair of the entire road after 30 months of completion of the road without NECs approval.

On this being pointed out in audit, the concerned EE stated (May 2013) that due to non-availability of funds for repair and maintenance of roads, the division incurred the expenditure from the savings of funds from the respective projects to avoid further damage of the roads. Utilisation of savings in the original estimates towards repair and maintenance of roads by Guwahati NEC division was irregular and unauthorized.

²² G-14, G-15, G-16, G-17, G-18, G-19, G-20, G-21.

However, all the 37 bridges jointly inspected (out of 64 completed) were found in good condition except damage of approach road to one of the bridges constructed under NLCPR. Damages noticed were in the nature of removal of hard crust, blacktopping including intermittent pot holes as would be evident from the photograph taken during the joint inspection. In reply, CE, PWD (Roads) stated (September 2013) that the damages occurred after the liability period was over and there was no fund available for the maintenance and upkeep of the projects.



Approach Road to RCC Bridge on Silapathar Jonai Link Road (4 June 2013)

2.3.10 Quality control/monitoring and evaluation

Scrutiny of records revealed that separate fund for quality control was provided in the DPR/ estimate of the NEC projects but no such provision was made in the DPR/ estimate prepared in respect of NLCPR projects. In this context, CE (Border Roads) stated (May 2013) that the necessary quality control funds were included in the bid price and the quality control test were being regularly carried out under the supervision of the concerned EEs. The test-checked implementing divisions, however, failed to produce any quality control reports/registers in respect of 17 out of 19 projects (all the eight NEC projects and nine out of 11 NLCPR projects). Thus, in the absence of any records relating to quality control, audit could not ascertain that the standard of execution was maintained through proper quality control measures.

Inspection is an important part of monitoring and supervision. In this context, information furnished disclosed that out of 16 NLCPR projects test-checked in audit, only five projects were inspected by SE, two projects were inspected by CE and one project was inspected by Joint Secretary and Director, Ministry of DoNER. Similarly, out of eight NEC projects test-checked, three projects were inspected by SE and CE. No inspection was conducted in respect of the remaining 16 projects (11 NLCPR projects and five NEC projects). Reports of inspection were, however, not made available though called for in audit. This indicated that in majority of the cases even internal inspection was not conducted and in cases where it was done, details of follow up action taken, if any, were not available on record. Thus, the purpose of inspection and supervision of the projects was not completely fulfilled.

Monitoring and evaluation of the implementation of the NEC/NLCPR project was not undertaken through impact studies, social audit and evaluations by GoA or any other independent agency. No survey was conducted to ascertain the efficacy and effectiveness of the operation of created infrastructure to measure impact on the target population. Assessment study was also not conducted to evaluate the infrastructure created under various projects/schemes. In the Exit Conference (September 2013), the EE stated that an outside agency had recently been engaged to evaluate NEC projects and the evaluation reports were yet to be prepared.

2.3.11 Conclusion

During 2008-13, 21 projects under NEC and 58 projects under NLCPR creating 560.26 Kms of road and 142 bridges could be completed, out of 32 and 122 projects taken up under NEC and NLCPR for execution. The objectives of the NEC/NLCPR funding were not fulfilled as 32 *per cent*²³ of NEC projects and 38 *per cent*²⁴ of NLCPR projects due for completion during 2008-13 remained incomplete as of March 2013. Projects under execution during 2008-13 were not implemented effectively and economically. Works were not executed according to the sanctioned provisions. The major hurdles in the timely completion of projects were the absence of proper survey and investigation, systematic work plan, short release/delayed release of funds by GoA, delays in payment to contractors and lack of proper initiative by the executing divisions. The contract and works management was not satisfactory. Lack of proper maintenance of completed roads/bridges led to non-fulfillment of the objective of providing all weather road connectivity. Overall impact of the NEC/NLCPR funded road projects were not assessed either by GoA/GoI or by any other independent agency.

2.3.12 Recommendations

- District infrastructure index (DII) data should be prepared for prioritising schemes in the State so that well structured annual plan can be prepared for effective use of available resources on priority works.
- Timely release and optimum utilisation of funds by the State machinery should be ensured.
- The causes attributable to stoppage of works, works remaining incomplete and slow progress of work should be analysed and remedial measures taken in accordance with a time bound monitoring plan to arrest such a situation in future.
- The provisions of sanctioned estimate approved by GoI should be adhered to by the executing divisions.
- Maintenance and upkeep of completed road projects/infrastructure should be ensured by making specific budgetary provisions.
- Proper mechanism should be put in place to ensure effective quality control.

²³ 10 NEC projects remained incomplete out of 31 due for completion.

²⁴ 36 NLCPR projects remained incomplete out of 94 due for completion.

COMPLIANCE AUDIT

Industries and Commerce Department

2.4.1 Unproductive expenditure

General Manager, District Industries and Commerce Centre, Guwahati incurred an expenditure of ₹90.28 lakh towards setting up of Model Common Facility Centre for Brass & Bell Metal Cluster at Hajo, which proved unproductive as the facility could not be put to use due to non-execution of tripartite agreement.

With a view to improve the productivity and economic condition of the Brass & Bell Metal artisans of Assam by introducing mechanisation in the cluster, the Government of India (GoI) accorded (March 2008) approval for setting up of Model Common Facility Centre (MCFC) for Brass & Bell Metal Cluster at Hajo at a cost of ₹151.74 lakh. The cost was subsequently revised (September 2009) to ₹160.61²⁵ lakh due to increase in the scope of work with the stipulation to complete the set up by 01 October 2010. The overall responsibility of implementation of the project was vested with the General Manager (GM), District Industries and Commerce Centre, Kamrup.

The first installment of GoI share (₹81.66 lakh) was released to the Government of Assam (GoA) in October 2009 with a condition that the MCFC would have to start functioning within a period of one year. Moreover, a Special Purpose Vehicle (SPV) was to be set up for dealing with the day to day running of the MCFC and its maintenance. After commissioning of the facility, a tripartite agreement was to be signed by GoI, GoA and the SPV before handing over the MCFC to the SPV.

Scrutiny (April 2013) of records of GM, DICC, Kamrup revealed that an existing society by the name of “Brihattar Hajo Pragatishil Karikar Sangtha” registered (September 2007) under Societies Registration Act, XXI of 1860 was selected as the SPV. A departmental building constructed under Priority Scheme at Hajo, Kamrup was earmarked for setting up the proposed MCFC.

Further scrutiny revealed that as per approval of the purchase committee, constituted in August 2008 for the purpose, GM, DICC spent ₹90.28²⁶ lakh (GoI share: ₹81.66 lakh; State share: ₹8.62 lakh) between June 2010 and November 2011 towards procurement of machinery and equipment etc. Trial run of the machinery was conducted successfully in January 2012. However, the tripartite agreement as envisaged in the terms and condition of release of fund could not be executed as the registration of the SPV had expired (September 2010). Till the date of audit, the machinery and equipment were lying idle in a remote area without any insurance and their warranty period was already expired (September 2012).

²⁵ GoI share: ₹ one crore; GoA share including beneficiaries' contribution: ₹60.61 lakh.

²⁶ M & E: ₹80.29 lakh; Consultancy: ₹3.83 lakh; Contingency: ₹2.88 lakh and Power up-gradation: ₹3.28 lakh.

Thus, due to non-execution of the tripartite agreement, the facility at MCFC, though created belatedly, could not be put to use till date (August 2013). This resulted in an unproductive expenditure of ₹90.28 lakh besides frustrating the objectives of introducing mechanisation in the cluster to improve the productivity and economic condition of the poor artisans of Hajo. Moreover, possibilities of deterioration of the costly machinery and equipments due to their prolonged non-use could also not be ruled out.

The matter was reported to Government in June 2013; their reply had not been received (November 2013).

Public Works Department

2.4.2 Infertuous expenditure

Executive Engineer, Sibsagar State Road Division's injudicious decision to construct the bridge proper without any provision to construct approaches led to an expenditure of ₹1.09 crore incurred on bridge proper being infertuous.

State Government accorded (July 2002) Administrative Approval (AA) of ₹1.39 crore for the Construction of R.C.C Bridge No.127/1 over river Dorika on Dhodar Ali including approach and protection work. Technical sanction of the work, however, could not be furnished to audit. The work was awarded (April 2003) to a contractor at a tendered value of ₹1.47 crore with the stipulation to complete the work within 12 months from April 2003. Till the date of audit (November 2012), an expenditure of ₹1.09 crore was incurred on the incomplete work.

Scrutiny of records (November 2012) of the Executive Engineer, Sivasagar State Road Division, Nazira, revealed that the site was visited in November 2002 by the Superintending Engineer (SE) along with the Executive Engineer (EE). The report submitted (November 2002) by the SE to the Chief Engineer, disclosed that there was an existing Steel Bridge constructed by Oil and Natural Gas Corporation (ONGC) on the upstream side of the river, which was opened to traffic in January 2000 and was in good condition with sufficient load bearing capacity. In the existing site there was a stone bridge constructed during Ahom era, about 400 years ago, the foundation of which was damaged beyond repair. Since the ancient monument of some archaeological importance was not allowed to be dismantled by public and the steel bridge constructed by ONGC was serving the purpose, SE suggested (November 2002) to drop the construction of RCC bridge. CE however did not take into consideration SE's views and issued work order (April 2003) and formal agreement was entered into between the contractor and the Government. The bridge proper was constructed adjacent to the defunct stone bridge. The site plan of the bridge disclosed that due to retention of ancient stone bridge, the site was pushed adjacent to the

stream running parallel to the road Dhodar Ali which in turn necessitated construction of retention wall not contemplated in the original estimates.

Joint site visit with the JE of the Division during audit (November 2012) revealed that the bridge proper was completed (August 2005) without any approach road on either side of the bridge.



Bridge proper without any approach and protection work on Sonari side. (November 2012)



Incomplete earth work for bridge approach without any retaining wall and protection work on Simaluguri side. (November 2012)



Bridge proper without any approach and protection work on Simaluguri side. (November 2012)



Existing steel bridge constructed by ONGC on up stream of the bridge. (November 2012)

In reply to audit enquiry, the EE stated (November 2012) that although the work of the bridge proper was completed by the contractor, it became difficult to execute the earth work for bridge approaches on both Sonari side and Simaluguri side due to presence of a nearby stream flowing parallel to Dhodar Ali. It was felt that if approaches were done without any retaining wall or any protection work towards stream side it would result in blocking the stream threatening flood in the nearby areas and as such the work was left incomplete. A report regarding requirement of retaining wall was sent to the CE (February 2007). The approaches were not completed till date (August 2013). Absence of the provision of retaining wall in the original estimates denotes inadequate survey and investigation leading to defective planning and design by the Engineering authority.

Thus, injudicious decision of the Executive Engineer, Sibsagar State Road Division to construct the bridge proper without any provision to construct approaches resulted in infructuous expenditure of ₹1.09 crore on bridge proper.

The matter was reported to Government in May 2013; their reply had not been received (November 2013).

2.4.3 Irregular grant of advance

Executive Engineer, Guwahati NH Division extended mobilization advance of ₹3.37 crore to a contractor unauthorisedly. Besides, a loss of ₹64.68 lakh was sustained by providing interest free advance without safeguarding the Government interest.

The provisions as per CPWD Manual and also CVC guidelines/instructions are applicable on the matters where APWM does not cater any provision. APWM is silent regarding payment of Mobilisation Advance (MA) to contractors. Provisions regarding grant of MA stipulated in CPWD Manual and as per CVC guidelines/instructions are as follows –

- Para 31.5 of CPWD Manual, 2007 provides that MA to contractor is admissible in respect of certain specialized and capital intensive works valuing not less than ₹two crore limited to a maximum of 10 *per cent* of the estimated cost put to tender at 10 *per cent* simple interest against production of bank guarantee for the advance.
- Central Vigilance Commission (CVC) instructed (October 1997 and April 2007) that adequate steps may be taken for ensuring grant of MA for only selected works and it should be interest bearing to preclude undue benefit to the contractor. It should be granted by a Board (with concurrence of Finance) in the organization constituted for the purpose. Interest-free MA is not to be encouraged but if the management feels it necessary in specific cases, it is to be clearly stipulated in the tender document and its recovery is to be time bound and not linked to the progress of work. Part ‘Bank Guarantees’ (BGs) against the MA should be taken in as many numbers as the proposed recovery installments and should be equivalent to the amount of each installment. This is to ensure recovery of advances by encashing the BGs.

Scrutiny of records (April 2013) of the Executive Engineer (EE), NH Division, Guwahati revealed that Government of India (GoI) accorded (October 2008) Administrative Approval (AA) for an amount of ₹4,616 lakh to the work ‘Construction of 4-lane on existing NH-37 from 134 km to 140 km’ including construction of Flyover at Lokapriya Gopinath Bordoloi International (LGBI) Airport Junction. Technical Sanction (TS) was accorded (July 2009) for the same amount by the Chief Engineer (CE), PWD, NH Works. The work was allotted (May 2009) to a contractor at a tendered value of ₹3,368.63 lakh with the stipulation to complete the work within June 2011. The estimate was further revised to ₹5,557.58 lakh due to enhancement of the scope of work, which was administratively approved by GoI in September 2011. Accordingly, the tender was enhanced (December 2011) to ₹4,902.09 lakh due to change in scope of work. Till the date of audit (April 2013), an expenditure of ₹4,583.15 lakh was incurred on the completed work.

A further scrutiny of records of the EE in this regard and information furnished (May 2013) by the division revealed that, the division paid (July 2009) interest-free MA of ₹3.37 crore to the contractor as per the terms of the agreement. While entering into agreement CVC instructions ibid were however, not observed.

On this being pointed out, the Government in reply stated (October 2013) that interest element on MA was not included in the agreement for the reason that the instructions from the Ministry (MoRT&H) in this regard were received only in April 2011.

The reply was not tenable as CVC's instructions in this regard were issued way back in October 1997 and further in April 2007 whereas the work order in the instant case was issued in May 2009.

Thus, irregular MA of ₹3.37 crore was granted to the contractor without observing CVC's instructions. Besides, due to non-inclusion of provision of interest in the agreement towards safeguarding Government interest loss of ₹64.68 lakh as detailed in *Appendix 2.19* was also sustained by the Government.

2.4.4 Undue financial aid

Executive Engineers of NH Division Guwahati and Kampur NEC Division, PWD extended undue financial aid of ₹3.90 crore to contractors by granting irregular equipment advance.

(A)(i) Government of India (GoI) accorded (October 2008) Administrative Approval (AA) of ₹46.16 crore for 'construction of four lane on existing NH-37 from 134 km to 140 km including construction of Flyover at Lokapriya Gopinath Bordoloi International (LGBI) Airport Junction'. Technical Sanction (TS) was accorded (July 2009) for the same amount by the Chief Engineer (CE), PWD, NH Works. The work was allotted (May 2009) to a contractor at a tendered value of ₹33.69 crore with the stipulation to complete the work within June 2011. The AA was however, revised (September 2011) to ₹55.58 crore by GoI. As a result, tender was also subsequently enhanced (December 2011) to ₹49.02 crore due to change in the scope of work. Till the date of audit (April 2013), an expenditure of ₹45.83 crore was incurred on the completed (March 2013) work.

(ii) GoI accorded (July 2010) AA of ₹32.93 crore to another work 'Strengthening of pavement from 6.160 km to 32 km of NH 37' under Guwahati NH Division. TS was accorded (February 2011) for the same amount. The work was awarded (December 2010) to a contractor at a tendered value of ₹30.37 crore with the stipulation to complete the work within January 2013. Till the date of audit (April 2013), an expenditure of ₹29.53 crore was incurred on the completed work.

Scrutiny of records (April 2013) of the Executive Engineer, Guwahati NH Division, Guwahati revealed that one of the pre-requisites for consideration as a bidder was to

provide the evidence of ownership of key equipments²⁷ and also to demonstrate the availability of the equipments for the construction work. Thus, the provision for equipment advance in the tender agreement was obviously meant for the purchase of equipments other than the key equipments. Also as per terms of the contract, the contractor was to furnish proof that advance payment had been used to pay for the purchase of equipments. In respect of the work at (i) above, the contractor submitted an affidavit against his bid showing the list of equipments owned and possessed by him as on 20 December 2008. Although the equipments were already in contractor's possession according to his own admission in the affidavit, the contractor was granted (July 2009) an equipment advance of ₹168.43 lakh. Similarly, in respect of the work at (ii) above, in spite of having key equipments in his possession at the time of bidding and also as per affidavit submitted (August 2010), the contractor was granted (January 2011) equipment advance of ₹151.85 lakh. Besides, in both the cases invoices of equipments submitted showed pre-requisite equipments were purchased on different dates prior to grant of the equipment advance to the contractors and hypothecation of the equipments to the employer were also not available on record.

(B) Similarly, Government of India (GoI) accorded (February 2011) Administrative Approval (AA) of ₹71 crore for "Improvement/upgradation of JowaiNatrang Khanduli-Baithalangso Road (chainage 0 to 59.55 km)" under North Eastern Council's 11th Five Year Plan programmes. Technical Sanction (TS) was accorded (February 2012) for the same amount by the Chief Engineer, PWD (Roads). The work was allotted (October 2011) prior to accordance of TS to three contractors²⁸ with the stipulation to complete the works of different chainages within 14 October 2013. Till the date of audit (April 2013), an expenditure of ₹25.73 crore was incurred on the work with physical progress of 80 *per cent* (Chainage 0 to 20 km), 30 *per cent* (Chainage 21 to 37 km) and 35 *per cent* (Chainage 38 to 59.55 km) respectively.

Scrutiny of records (May 2013) of the EE, PWD, Kampur NEC Division revealed that possession of key equipments²⁹ was also pre-requisite for a bidder (bids invited September 2011). Scrutiny revealed that though as per the affidavit, the 2nd contractor

²⁷ Motor Grader, Bull Dozer etc.

²⁸ (i) 1st contractor (M/s Rangkumon Warisa) : Chainage 0 to 20 km

(ii) 2nd contractor (M/s Suman Construction): Chainage 21 to 37 km

(iii) 3rd contractor (M/s Napoleon Kather) : Chainage 38 to 59.55 km.

²⁹

1) Hot Mix Plant, 2) Excavator cum Loader, 3) Static Roller, 4) Vibratory Roller, 5) Water Tanker with sprinkler, 6) Mechanical broom hydraulic, 7) Concrete mixer with weighing and water necessary facility, 8) Tippers, 9) Truck, 10) Bitumen boiler, 11) Vibrator with all accessories and 12) Piling Rigs with accessories.

was in possession of pre-requisite equipments with ownership/lease basis³⁰, the contractor was granted (March 2012) an equipment advance of ₹70 lakh for purchase of key equipments. The amount remained unadjusted till the date of audit (May 2013) although the contractor was already paid ₹3.13 crore. Further, in order to protect the interests of the Government, of the equipment purchased by the contractor should have been insured and hypothecated in the name of Government. Even the bonafides of the purchase of equipments remained doubtful as supporting documents *e.g.*, invoices could not be furnished by the EE.

In reply, the Government stated (July 2013) against the observation at ‘A’ above that possession of key equipment is a pre-requisite for technical qualification of the bidder and equipment advance was granted according to the provision of standard bidding document. The reply was not tenable being the possession of the equipments was pre-requisite and also an eligibility criterion for the qualification of the bidder and therefore, the bidder (contractor) was not entitled for any equipment advance in respect of these equipments.

Thus, providing advance for key equipments, possession of which were pre-requisite for a bidder resulted in extension of undue financial benefit of utilisation of public money to the tune of ₹3.90 crore (₹1.68 crore + ₹1.52 crore against ‘A’ and ₹0.70 crore against ‘B’ above) irregularly to the contractors by the EE, Guwahati NH Division and EE, Kampur NEC Division.

2.4.5 Unproductive expenditure

Executive Engineer, Nagaon State Road Division incurred an expenditure of ₹62.88 lakh towards a bridge project, which remained incomplete for more than five years and thus proved unproductive.

Government of Assam, Public Works Department accorded (September 2004) Administrative Approval for “Construction of RCC bridge No. 12/1 over river Kapili on Amsoi-Chaparmukh Road including approaches and protection work under RIDF-

³⁰

Type of equipment	Availability as per declaration
1) Hot Mix Plant	2 (Lease)
2) Excavator cum Loader	1 (Own) + 3 (Lease)
3) Static Roller	1 (Own) + 3 (Lease)
4) Vibratory Roller	2 (Lease)
5) Water Tanker with sprinkler	2 (Lease)
6) Mechanical broom hydraulic	1 (Lease)
7) Concrete mixer with weighing and water necessary facility	2 (Own) + 4 (Lease)
8) Tippers	8 (Lease)
9) Truck	4 (Lease)
10) Bitumen boiler	2 (Lease)
11) Vibrator with all accessories	12 (Lease)
12) Piling Rigs with accessories	2 (Lease)

Source: Departmental records.

IX of NABARD” for ₹4.87 crore. The work was allotted (March 2005) by the Chief Engineer (CE), PWD (ARIASP & RIDF), Assam to a contractor at a tendered value of ₹4.85 crore with the stipulation to complete the work within September 2007. The tendered value was revised (July 2005) to ₹4.09 crore due to change in the scope of work. Technical Sanction was accorded (November 2005) for ₹4.87 crore by the CE after allotment of the work. As of September 2012, an expenditure of ₹62.88 lakh was incurred on the work with a physical progress of 18 *per cent*.

Scrutiny of records (September 2012) of the Executive Engineer (EE), Nagaon State Road Division revealed that although the contractor commenced the work immediately (March 2005), but it was executed at a very slow pace without adhering to the work programme submitted by him towards completion of the work. In view of slow progress of work, the division served (August 2006) show cause notice to the contractor for delay in execution of work. Even after due date of completion (September 2007), the physical progress was only 18 *per cent* and the contractor did not apply for any extension of time. Ultimately, the work was withdrawn (January 2008) from the contractor stating that the balance work would be executed through another contractor at the risk and cost of the defaulting contractor as per agreement by forfeiting the security deposit. It was, however, observed that:

- (i) Validity of performance security of ₹9.70 lakh furnished by the contractor in the form of bank guarantee was allowed to expire (28 June 2008) and thus, could not be forfeited.
- (ii) Payment of ₹20.50 lakh was released to the contractor after the work was withdrawn from him due to unsatisfactory performance.
- (iii) No action was taken by the Division to get the work completed at the risk and cost of the defaulting contractor.

The work remained incomplete till the date of Audit (September 2012).

On this being pointed out by Audit regarding status of completion of balance work, EE stated (September 2012) that another tender was invited to complete the balance work. But the balance work could not be allotted to any contractor as rates quoted by the contractors exceeded the sanctioned amount. Further, it was stated that new estimates for completion of balance work was submitted (July 2012) to the CE for sanction under RIDF-XVII, but no sanction was accorded till date (September 2012).



Incomplete Bridge 12/1



Incomplete Bridge 12/1

(September 2012)

Thus, failure of the Division to protect the interest of the Government by forfeiting the contractor's Security Deposit and invoking the risk clause as per the Agreement to get the balance work done at the risk and cost, led to unproductive expenditure of ₹62.88 lakh even after a lapse of five years from the stipulated date of completion.

The matter was reported to Government in March 2013; their reply had not been received (November 2013).

2.4.6 Wasteful expenditure

Executive Engineer of Guwahati City Division-I incurred expenditure of ₹78.59 lakh on "Special Repair to M.G. Road", which was rendered wasteful due to execution of another work in the same chainage within the same month of execution.

Scrutiny (January 2013) of records of the Executive Engineer (EE), Guwahati City-I Division revealed that the State Government accorded (February 2011) Administrative Approval (AA) of ₹78.61 lakh to the work "Special Repair to M.G. Road (Ch. 0.00 m to 3,000.00 m) providing Tack Coat (TC), Bituminous Macadam (BM) and Semi-Dense Bituminous Concrete (SDBC) under the head of account 3054 – Capital outlay on Roads and bridges – Non-plan for the year 2010-11. Technical Sanction (TS) for the same amount was accorded in September 2011. The work was awarded (September 2011) to a contractor at a tendered value of ₹78.59 lakh with the stipulation to complete the work within March 2012. The work was completed on 13 February 2012 after incurring an expenditure of ₹78.59 lakh³¹.

31

Sl. No.	Item of work	Quantity executed	Chainage of execution	Rate	Amount (₹)
1	2	3	4	5	6
1.	Tack Coat	28,888 m ²	0 m to 1,473 m, 2,024 m to 2,774 m & BM area	₹10/m ²	₹2,88,880
2.	BM	137.20 cum	BM area	₹6,903.26/cum	₹9,47,127
3.	SDBC	722 cum	0 m to 1,623 m and 2,024 m to 2,774 m	₹9,022.91/cum	₹65,14,541
Add: 1.4 per cent as per tender					₹1,08,508
Total					₹78,59,056

Source: Departmental records.

Further scrutiny revealed that prior to completion of the above “Special repair work”, State Government accorded (February 2012) AA for ₹140 lakh to the work “Repair & Rehabilitation of M.G. road under the head of account 3054 – Non-plan for the year 2011-12” in the same chainages (Ch. 0 m to 2,800 m) of the same road. In February 2012, TS for the same amount was also accorded. The work was awarded (February 2012) to a contractor at a tendered value of ₹118.78 lakh with the stipulation to complete the work by 2 April 2012. The work commenced on 17 February 2012 and got completed in March 2012 at an expenditure of ₹93.68 lakh, of which expenditure on TC and SDBC was ₹92.32 lakh³².

Thus, execution of same items of work viz., TC and SDBC in the same chainages of the same road within a month rendered the earlier expenditure of ₹78.59 lakh incurred under the work “Special Repair to MG Road” wasteful.

On this being pointed out, the Commissioner and Special Secretary, PWD (Roads), Assam in reply stated (November 2013) that the two works were done on the same road contemporarily but these were executed in different stretches with different items of works.

The reply was not acceptable as similar items of work *i.e.*, TC and SDBC were executed in both the works on the same stretch of the same road rendering the expenditure of ₹78.59 lakh incurred on the earlier work wasteful.

2.4.7 Wasteful expenditure on bridge work

Executive Engineer, Karimganj Rural Road Division incurred expenditure of ₹62.05 lakh in construction of an RCC bridge, which remained incomplete even after elapse of eight years since commencement, rendering the expenditure wasteful.

Government of Assam (GoA) accorded (June 2004) Administrative Approval (AA) of ₹2.06 crore for the construction of RCC Br. No.1/2 over river Kokra on Kaliganj Khagail Road including approaches and protection work under Rural Infrastructure Development Fund-VIII (RIDF-VIII) of National Bank for Agriculture and Rural Development (NABARD). The work was awarded (January 2005) to a contractor at a tendered value of ₹2.06 crore with the stipulation to complete the work within July 2006. However, till the date of audit (August-September 2011), an expenditure of ₹62.05 lakh was incurred with a physical progress of 33 *per cent*.

³²

Sl. No.	Item of work	Quantity executed	Chainage of execution	Rate	Amount ₹
1	2	3	4	5	6
1.	TC	41,894.93 m ²	0 m to 2800 m	₹12/m ²	₹5,02,739
2.	SDBC	1047.366 cum	0 m to 2800 m	₹8334.65/cum	₹87,29,429
Total					₹92,32,168

Source: Departmental records.

Scrutiny of records (August-September 2011) of the Executive Engineer (EE), Karimganj Rural Road Division revealed the following:

- i. Work was awarded (January 2005) and its execution commenced (March 2005) by the contractor even before Technical Sanction (TS) was accorded (June 2005) despite the condition (in the AA) that no work should be taken up for execution till a detailed working estimate is prepared and TS for the estimate accorded.
- ii. The TS was accorded with inadequate techno-feasibility study including sub-soil investigation as it could not detect the composition of soil strata at the pier well site upto the design depth.
- iii. While abutment well on the Kaliganj side was achieved till the designed depth of 21.40 m, depth of abutment well on the Khagail side could be achieved (April 2007) only till 15 m against an approved design depth of 21.40 m. No further progress was noticed thereafter as decision on sinking of pier well was pending.
- iv. Pier well sinking could be completed only up to a depth of 14.30 m out of total depth of 25.24 m as per approved design and drawing due to existence of hard clay soil. Efforts of EE to sink the well by applying compressor and extra load of 200 Ton had also not materialized. As the pier well could not be executed as per design the EE ultimately sought (March 2010) for permission to construct the bridge with single span instead of double span as the pier well could not be executed as per design.

The work was stopped in April 2007, hampering other developmental works beyond the proposed RCC bridge as the existing Semi Permanent Timber (SPT) bridge was in a dilapidated condition and unable to bear heavy loads of construction materials. Meanwhile RIDF-VIII had since been closed by GoI and as the contractor stopped work since April 2007, the work was withdrawn (June 2010) from the contractor after forfeiting security deposit of ₹10.30 lakh as per clause of the tender agreement.

Thus, inadequate techno-feasibility study including sub-soil investigation of the work before according TS resulted in non-execution of balance work after incurring an expenditure of ₹62.05 lakh. This resulted in wasteful expenditure of ₹51.75 lakh (₹62.05 lakh - ₹10.30 lakh) besides forfeiting the intended objective of providing connectivity to the people of the area.



*Present condition of construction site, with dilapidated condition of existing SPT bridge
(25 August 2011)*

The matter was reported to Government in June 2013; their reply had not been received (November 2013).

CHAPTER-III

GENERAL SECTOR

COMPLIANCE AUDIT

CHAPTER-III

GENERAL SECTOR

3.1 Introduction

The findings based on audit of State Government units under General Sector feature in this chapter.

During 2012-13, against total budget provision of ₹7,524.29 crore, total expenditure of ₹4,872.92 crore was incurred by 11 departments under General Sector. Department-wise details of budget provision and expenditure incurred thereagainst are shown in *Appendix – 3.1*. Moreover, in respect of three more heads of accounts¹, expenditure of ₹3,777.79 crore was incurred during 2012-13 against the budget provision of ₹2,721.31 crore (*Appendix – 3.2*).

Besides, the Central Government has been transferring a sizeable amount of funds directly to the implementing agencies of the State Government for implementation of flagship programmes of the Central Government. During 2012-13, out of total major releases² of ₹13,255.49 crore, ₹335.08 crore were directly released to different implementing agencies under General Sector. Details are shown in *Appendix – 3.3*.

3.1.1 Planning and conduct of Audit

The audits were conducted during 2012-13 involving expenditure of ₹5,834.33 crore of the State Government under General Sector. This chapter contains four Compliance Audit Paragraphs and three General Paragraphs.

The major observations made in audit during 2012-13 under General Sector are discussed in succeeding paragraphs.

COMPLIANCE AUDIT

Home Department

3.2.1 Excess payment

Director General of Police, Assam made excess payment of ₹60.19 lakh towards procurement of Light Weight Bullet Proof Jacket.

GoI decision (i) below rule 6 of General Financial Rules (GFR) provides that “Every officer is expected to exercise the same vigilance in respect of expenditure incurred

¹ (i) 23-Pension and other retirement benefits, (ii) 10-Public Service Commission and (iii) 68-Loans to Government Servant.

² Release worth ₹one crore and above.

from public money as a person of ordinary prudence would exercise in respect of expenditure of his own money”.

Scrutiny (April-May 2013) of the records of Director General of Police (DGP), Assam revealed that, for the procurement of Light Weight Bullet Proof Jacket (LWBPJ) under “Modernisation of Police Force (MPF) Scheme 2009-10 and 2010-11”, Additional Director General of Police, Assam Police Headquarters, Guwahati placed (March 2012) order with M/s TATA Advanced Materials Limited (TAML), Bangalore for supplying 1,260 numbers of LWBPJ at a unit cost of ₹30,089. The firm supplied 1,260 LWBPJ in March 2012 and was paid (March 2013) ₹4.77 crore (including customs duty, excise duty @ 10.3 per cent and CST 14 per cent).

Scrutiny further revealed that according to General Exemption No. 18 (Sl. No. 14) of Central Excise Tariff of India 2010-11 (60th edition) and General Exemption No. 8 (Sl. No. 16) of Custom Tariff of India 2004-05 (38th edition), Bullet Proof Jackets and its components are exempted from Excise and Custom duty on issuance of a certificate to that effect by the purchasing authority. The firm also quoted two separate rates of ₹28,411 (excluding custom and excise duty) and ₹30,089 (including custom duty) and intimated the purchasing authority for issuing exemption certificate. DGP, however, paid (March 2013) ₹4.77 crore which includes customs duty, excise duty and Central Sales Tax. This has resulted in an excess payment of ₹60.19 lakh³.

On this being pointed out, GoA, in reply stated (August 2013) that as per instructions (15 September 2009) of Ministry of Home Affairs, GoI, exemption of customs duty on Bullet Proof Jackets was not available. As regards excise duty, exemption certificate was not issued to the firm as the process of obtaining the same from the competent authority was lengthy and time consuming. The fact however, remains that DGP, Assam failed to seek exemption of Excise and Customs duty from the respective departments before placing the supply order with TAML, resulting in excess payment of ₹60.19 lakh towards procurement of LWBPJ, which was avoidable.

Revenue and Disaster Management Department

3.2.2 Avoidable extra expenditure

DC, Sonitpur's delayed action in finalization of land acquisition process led to an extra expenditure of ₹61.63 lakh towards acquisition of the same land after 26 years, which was avoidable.

Section 4 (Part-II) of the Land Acquisition (LA) Act, 1894 (called the Act, hereafter) provides that whenever it is felt by the Government that land in any locality is needed

³

Rate allowed including customs duty	Excise duty @ 10.30 per cent	Total {(1) + (2)}	Rate actually offered on exempted item	Difference {(3) – (4)}	Quantity	Excess payment {(5) X (6)}
1	2	3	4	5	6	7
₹30,089	₹3,099.17	₹33,188.17	₹28,411	₹4,777.17	1,260	₹60,19,234.20

Source: Departmental records.

for public purpose, a notification to that effect shall be published in the official gazette and in two daily newspapers by the Collector or Deputy Commissioner for survey. Thereafter, a declaration shall be made under the signature of an officer of the level of Secretary to Government under section 6 of the Act for publication of notification to the effect that the land is needed for public purpose. The Collector shall then obtain an order from Government for acquisition of land under section 7 of the Act and thereupon under section 8 *ibid*, cause the land to be marked out, measured and a plan made for acquisition. The Collector shall then cause public notice issued to persons interested stating that claims to compensation against acquisition of such land may be made to him under section 9 of the Act.

Scrutiny (March-April 2012) of records of the Deputy Commissioner (DC), Sonitpur revealed that based on the proposal placed (February 1985) by Assistant Inspector General of Police (A), Assam, Guwahati, Government of Assam (GoA), Home (A) Department sanctioned (March 1985) ₹1.50 lakh for acquisition of a land under Mahabhairab Mouza of Sonitpur district where the office cum residential building of the Deputy Inspector General of Police (DIGP), Northern Range was located on rent basis since March 1979. The fund was released (March 1985) to DC, Sonitpur for payment to the pattadars. The DC, however, deposited (May 1985) the fund in revenue deposit. Meanwhile, value of the land and building was estimated (February 1988) at ₹5.31 lakh by the DC and a notification was published in the Assam Gazette for acquisition of land only in July 1991 *i.e.* after more than six years from the date of release of fund. The process of land acquisition could not be completed as the DC failed to furnish the draft declaration for publication under Section 6(1) of the Act to Government, though Government called for it (August 1991). As a result, the entire process lapsed. The DC, in his letter dated May 2005 to DIGP, Assam mentioned about the communication gap being the reason for not furnishing draft declaration to GoA. Records, however, revealed the contrary as several letters were written by the DIGP to the DC to expedite the process of acquisition of land. However, no tangible progress could be achieved.

Scrutiny further revealed that DIGP, Sonitpur reopened the matter and requested (January 2009) the DC to start afresh the acquisition process of land and building occupied by him. DC submitted (February 2009) revised estimate of ₹66.94 lakh for land and building, which was approved (December 2010) by Revenue and Disaster Management Department. GoA, Home Department accorded (March 2011) sanction of ₹65.44 lakh (after adjustment of ₹1.50 lakh disbursed to DC, Sonitpur in April 1985) and the amount (₹65.44 lakh) was received (April 2011) and disbursed (November 2011) to the land owners by the DC.

Thus, prolonged delay in finalizing the process of land acquisition by DC, Sonitpur resulted in extra expenditure of ₹61.63 lakh towards acquisition of the same land after 26 years, which was avoidable.

In reply, while not denying the avoidable extra expenditure as pointed out by audit, GoA stated (July 2013) that the DC failed to send draft declaration for publication under Section 6(1) due to non-receipt of balance fund from the requiring department. As a result, the LA proceedings got lapsed. In essence, the fact however, remains that the Government had to bear the extra expenditure of ₹61.63 lakh which was avoidable.

3.2.3 Doubtful utilization

Seven Circle Officers under DC, Kamrup failed to furnish the essential records in support of actual utilization of 3,090 quintal summer paddy seeds valued ₹82.19 lakh resulting the veracity of distribution of the same to the beneficiaries doubtful.

Government of Assam (GoA), Revenue and Disaster Management Department accorded (December 2009) sanction for an amount of ₹15.83 crore under "Calamity Relief Fund (CRF) 2009-10" for procurement and distribution of different seeds⁴ to drought affected farmers of Kamrup district. Accordingly, the Deputy Commissioner (DC), Kamrup procured the seeds including 4,653.90 quintals of summer paddy Seeds through Assam Seed Corporation Limited, a Government of Assam undertaking. The seeds were supplied (December 2009 to February 2010) to 11 Circle Officers (COs) of the district for distribution to the drought affected farmers.

Scrutiny (July-August 2012) of the records of the DC, Kamrup revealed that as per the 'action taken report on distribution of Rabi Seeds' submitted (June 2010) by the DC to Commissioner, Lower Assam Division, Guwahati, entire quantity of summer paddy seeds was distributed to the drought affected small and marginal farmers through the respective Circle office. During the course of audit, essential records in support of distribution of 3,302.40 quintal summer paddy seeds viz., list of beneficiaries, vouchers, actual payees' receipts, stock books etc., were called (July 2012) for from eight circle offices for test-checked as detailed below:

Table 38

Sl. No.	Name of the Circle	Quantity of summer paddy distributed (In quintal)
1.	Boko Revenue Circle	414.00
2.	Chamaria Revenue Circle	237.00
3.	Chaygaon Revenue Circle	373.80
4.	Garaimari Revenue Circle	272.70
5.	Hajo Revenue Circle	648.90
6.	Nagarbera Revenue Circle	212.40
7.	North Guwahati Revenue Circle	206.70
8.	Palasbari Revenue Circle	936.90
Total		3,302.40

Source: Departmental records.

⁴ 1. Lentil: 808 quintal (₹76.19 lakh), 2. Pea: 358 quintal (₹18.61 lakh), Wheat: 3,424 quintal (₹95.53 lakh), Maize: 24 quintal (₹1.37 lakh), Mustard: 816 quintal (₹46.75 lakh), Potato: 22,986 quintal (₹866.59 lakh) and Summer Paddy: 17,961 quintal (₹477.77 lakh).

The DC immediately directed all the Circle Officers concerned to furnish the relevant records as called for in audit. In response, except the Circle Officer, Nagarbera Revenue Circle, the remaining seven Circle Officers, however, failed to furnish the relevant records called for in audit. Thus, in the absence of the vital records, the veracity of the distribution of 3,090 quintals (3,302.40 quintal - 212.40 quintal) of summer paddy seeds valued ₹82.19 lakh⁵ remained doubtful.

The matter was reported to Government in June 2013; their reply had not been received (November 2013).

3.2.4 Irregular use of Calamity Relief Fund

Deputy Commissioner, Goalpara incurred an expenditure of ₹2.68 crore on protection of erosion works by diverting Calamity Relief Fund (State Disaster Response Fund).

According to the guidelines of Government of India (GoI), Calamity Relief Fund (CRF) should be used for providing immediate relief to victims of natural calamities such as cyclone, drought, earthquake, fire, flood, hailstorm, landslide etc., with prior approval of the State Level Committee (SLC) constituted for administration of CRF. The guidelines further envisages that the expenditure on restoration of damaged infrastructure such as roads, bridges, drinking water supply etc., should ordinarily be met from the normal budgetary heads.

Scrutiny (December 2011) of the records of Deputy Commissioner (DC), Goalpara revealed that Government of Assam (GoA), Revenue and Disaster Management (Gen) Department (RDMD) sanctioned (March 2010) ₹2.68 crore under CRF: 2008-09 (₹92.15 lakh) and CRF: 2009-10 (₹1.76 crore) against two works viz., (i) Immediate measures to protect Solmari and Joybhum area from the erosion of river Brahmaputra (for 2008-09); and (ii) Immediate measures to protect Brahmaputra Dyke from Kharmuza to Balikuchi from chainage 11 km to 14 km at Solamari area due to diversion of river Brahmaputra (for 2009-10). The entire amount (₹2.68 crore) was released (September 2011) by RDMD to DC, Goalpara through bank draft. The works were executed by Executive Engineer, Water Resource Department between April to September 2010 and payments (₹2.68 crore) were made to the contractors between October 2011 and January 2012.

The nomenclature of the works indicates that it was a protection work to check erosion from the river Brahmaputra. Further the reports accompanying the approved estimates indicated that the protection works were undertaken to arrest the situation of the continuous and severe erosion caused as a result of diversion of the flow of river Brahmaputra towards left bank due to formation of char, over last few years.

⁵ 3,090 X ₹2,660 = ₹82,19,400.

On this being pointed out, the DC, Goalpara, in reply, stated (February 2012) that the works were undertaken under CRF for repair and restoration of road cum dyke damaged by the flood.

The reply was not tenable for the reason that the approved estimates itself indicated that Solmari and its adjoining area had been subjected to severe bank erosion of river Brahmaputra for last few years and as such, should be termed as pre-damaged work not to be executed under CRF.

Thus, execution of normal protection/restoration works not related to the needs of immediate relief due to natural calamity, in violation of guidelines of CRF, resulted in diversion of funds amounting to ₹2.68 crore. Besides, it led to depriving the benefit of the funds to the extent for use in calamity relief activities.

The matter was reported to Government in June 2013; their reply had not been received (November 2013).

3.3 General

3.3.1 Follow up on Audit Reports

Non-submission of suo-moto Action Taken Notes

In terms of the resolution (September 1994) of the Public Accounts Committee (PAC), the administrative Departments were required to submit *suo-moto* Action Taken Notes (ATNs) on paragraphs and reviews included in the Audit Reports, within three months of presentation of the Audit Reports to the Legislature, to the PAC with a copy to Accountant General (AG) (Audit) without waiting for any notice or call from the PAC, duly indicating the action taken or proposed to be taken. The PAC, in turn, is required to forward the ATNs to AG (Audit) for vetting before its comments and recommendation. No *suo-moto* replies/explanatory notes were, however, received in respect of paragraphs and reviews included in the Audit Reports (Civil) up to 2011-12 from the respective departments, except in respect of few paragraphs relating to Audit Report for 2010-11 where against 41 paragraphs and reviews included in the Audit Report *ibid*; only two *suo-moto* replies/explanatory notes were received from the respective departments.

As of March 2013, PAC discussed 1,048 out of 1,598 paragraphs, reviews and stand-alone Reports pertaining to the years 1983-84 to 2011-12. However, as of March 2013, only one ATN relating to one paragraph pertaining to 2004-05 was furnished by the Home Department. Consequently, the audit observations/comments included in those paras/reviews had not been settled by the PAC as of March 2013.

3.3.2 Action taken on recommendations of the PAC

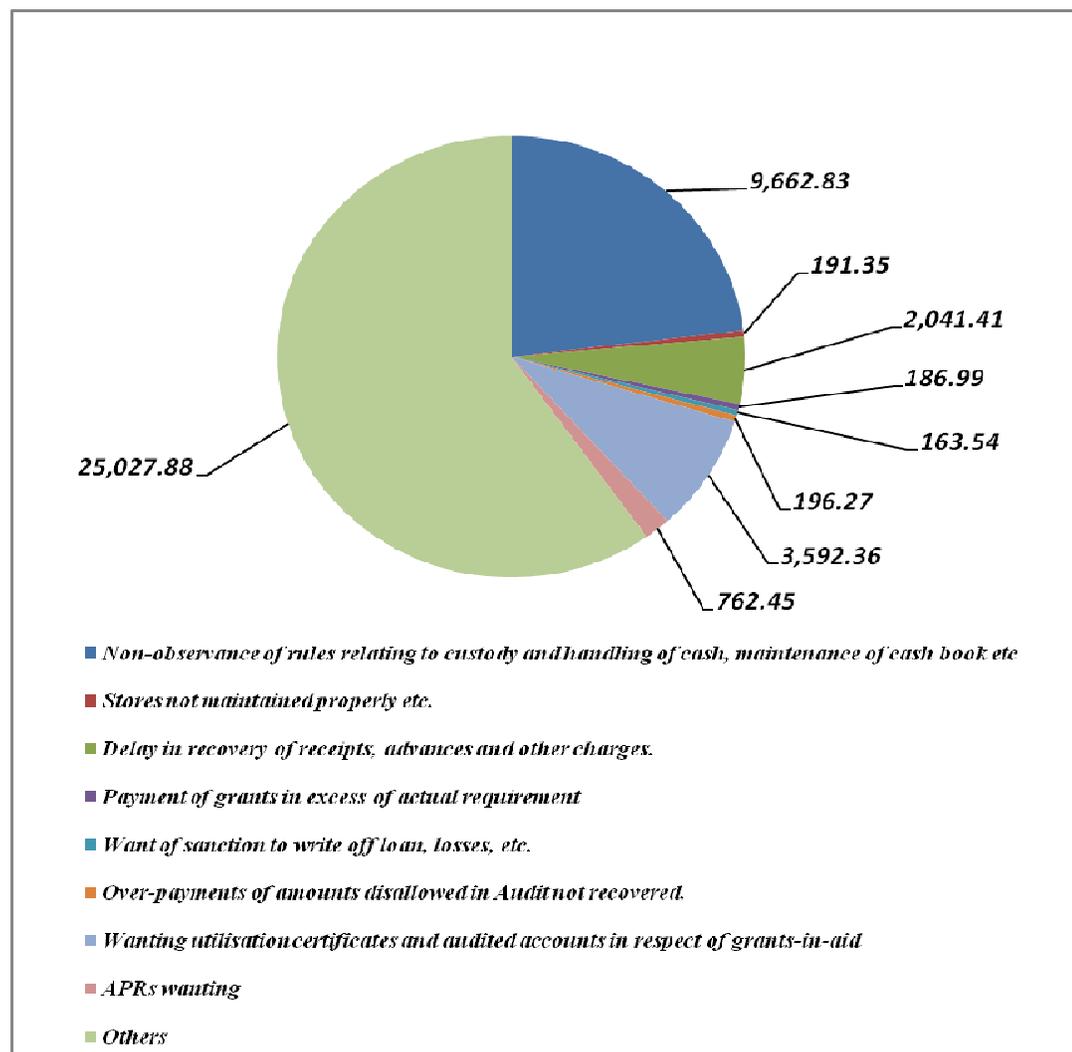
474 recommendations of the PAC, made in its Fifty Fifth to Hundred and thirty one Reports with regard to 36 Departments, were pending settlement as of March 2013 due to non-receipt of Action Taken Notes/Reports.

3.3.3 Response to audit observations and compliance thereof by senior officials

The Accountant General (AG) arranges to conduct periodical inspection of Government Departments to test-check the transactions and verify the maintenance of significant accounting and other records according to prescribed rules and procedures. When important irregularities detected during inspection are not settled on the spot, Inspection Reports (IRs) are issued to the Heads of the concerned Offices with a copy to the next higher authorities. Orders of the State Government (March 1986) provide for prompt response by the executive to the IRs issued by the AG to ensure rectificatory action in compliance with the prescribed rules and procedures. The authorities of the Offices and Departments concerned were required to examine the observations contained in the IRs in the light of the given rules and regulations and prescribed procedures and rectify the defects and omissions promptly wherever called for and report their compliance to the AG. A half-yearly report of pending IRs was sent to the Commissioners and Secretaries of the Departments concerned from time to time to facilitate monitoring of the audit observations in the pending IRs.

IRs issued up to December 2012 pertaining to Civil Departments/Public Health Engineering Department /Public Works Department/ Water Resource Department/ Irrigation and Inland Water Transport Department disclosed that 26,635 paragraphs pertaining to 4,858 IRs were outstanding for settlement at the end of June 2013. Of these, 655 IRs containing 2,267 paragraphs had not been replied to/settled for more than 10 years. Even the initial replies, which were required to be received from the Heads of Offices within six weeks from the date of issue, were not received from 45 Departments in respect of 1,670 IRs issued between 1994-95 and 2012-13. As a result, serious irregularities commented upon through 25,122 paragraphs involving ₹41,825.08 crore, had not been addressed as of June 2013 as shown in the Chart.

Chart (₹ in crore)

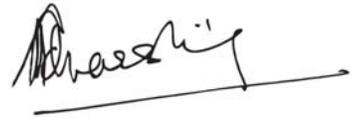


Non-receipt of replies to the IRs in respect of 45 Departments are indicative of the failure on the part of the Heads of Departments (Directors/Executive Engineers) to initiate action with regard to defects, omissions and irregularities pointed out by Audit. The Commissioners and Secretaries of the Departments concerned, who were informed of the position through half-yearly reports also failed to ensure prompt and timely action by the officers of the Departments concerned.

The above mentioned facts also indicated inaction against the defaulting officers thereby facilitating continuation of serious financial irregularities and loss to the Government though these were pointed out in Audit.

In view of large number of outstanding IRs and Paragraphs, Audit Objection Committee (AOC) is constituted by the Government every year at State level for consideration and settlement of outstanding audit observations relating to Civil and Works Departments. During 2012-13, the Government had constituted (1 March 2012) one AOC for discussion of the outstanding audit observations of all the three Sectors and 159 meetings (Social Sector: 73; Economic Sector: 66 and General Sector: 20) of the Committee were held, in which, 1,227 IRs and 4,956 Paragraphs were discussed and 115 IRs and 1,487 Paragraphs were settled.

It is recommended that Government should review the matter and ensure that effective system exists for (a) action against defaulting officials who failed to send replies to IRs/Paragraphs as per the prescribed time schedule, (b) action to recover loss/outstanding advances/ overpayments in a time bound manner and (c) revamp the system to ensure prompt and timely response to the audit observations.



(C. H. Kharshiing)
Accountant General (Audit), Assam

Guwahati
The

Countersigned



(Shashi Kant Sharma)
Comptroller and Auditor General of India

New Delhi
The

APPENDICES

Appendix – 1.1
(Reference to paragraph -1.1)
Department-wise details of budget provision and expenditure during 2012-13 in respect of Social Sector (₹ in crore)

Sl. No.	Department	Grant No. and Name	Budget provision				Expenditure				
			Charged		Voted		Charged		Voted		
			Revenue	Capital	Revenue	Capital	Revenue	Capital	Revenue	Capital	
1.	Co-operation	43- Co-operation	0	0	131.88	19.60	0	0	123.06	4.10	
2.	Cultural Affairs	27- Art and Culture	0	0	153.89	0	0	0	54.72	0	
		28-State Archives	0	0	1.48	0	0	0	1.43	0	
3.	Higher Education	26- Education (Higher Edn.)	0	0	1983.25	0.20	0	0	1125.93	0	
4.	Food, Civil Supplies and Consumers Affair	37 – Food Storage, Warehousing & Civil Supplies	0.02	0	159.71	0.70	0	0	75.22	0.70	
5.	Health and Family Welfare	29- Medical and Public Health	0	0	1820.32	0	0	0	1519.76	0	
		24-Aid Materials	0	0	0.01	0	0	0	0	0	
6.	Labour and Employment	36-Labour and Employment	0	0	189.36	0	0	0	132.88	0	
7.	Urban Development	31- Urban Development (Town and Country Planning)	0	0	190.37	0	0	0	44.60	0	
		32-Housing Schemes	0	0	6.66	1.48	0	0	6.03	1.48	
		34- Urban Development (Municipal Administration)	0	0	83.58	12.92	0	0	13.90	2.45	
8.	Panchayat and Rural Development	56 Rural Development (Panchayat)	0.18	0	650.32	0	0	0.06	492.82	0	
		57- Rural Development	2.25	0	487.50	0	0	2.09	260.16	0	
9.	PHE	30-Water Supply and Sanitation	0	0	334.13	99.00	0	0	328.61	90.88	
10.	Social Welfare	39-Social Security, Welfare and Nutrition	0	0	1495.53	0.10	0	0	968.50	0	
		40-Sainik Welfare and other Relief Programs	0	0	32.83	0	0	0	29.96	0	
		42-Social Services	0	0	427.81	0	0	0	119.27	0	
11.	Sports and Youth Welfare	74- Sports and Youth Services	0	0	75.58	0	0	0	52.98	0	
12.	WPT&BC	38-Welfare of SC, ST and OBC	0	0	876.03	0.69	0	0	626.24	0.20	
		78-Welfare of Plain Tribes and BC (BTC)	0	0	1231.95	164.70	0	0	1160.88	277.97	
13.	Guwahati Development	73- Urban Development (GDD)	0	0	713.76	11.70	0	0	141.86	7.62	
14.	Food and Civil Supplies	46-Weights and Measures	0	0	13.03	0	0	0	7.65	0	
15.	Secondary Education	71- Education (Elementary, Secondary etc.)	0	0	7094.53	0	0	0	5705.72	0	
16.	Elementary Education										
Total			2.45	0	18153.51	311.09	2.15	0	12992.18	385.40	
Grand total:			Budget provision: ₹18467.05 crore			Expenditure: ₹13379.73 crore					

Source: Appropriation Accounts 2012-13.

Appendix – 1.2
(Reference to paragraph -1.1)
Department-wise details of budget provision and expenditure during 2012-13 in respect of Hill areas
(₹ in crore)

Department	Grant No.	Budget provision			Expenditure		
		Revenue	Capital	Voted	Charged	Revenue	Capital
Hill Areas	70- Hill Areas	0	0	77.09	0	0	3.15
Hill Areas (KAAC)	76- Hill Areas Department (KAAC)	0	0	736.74	0	0	139.27
Hill Areas (NCHAC)	77- Hill Areas Department (NCHAC)	0	0	342.36	0	0	42.02
Total		0	0	1156.19	0	0	184.44
Grand total:		Budget provision: ₹1,414.63 crore			Expenditure: ₹995.31 crore		

Source: Appropriation Accounts 2012-13.

Appendix – 1.3

(Reference to paragraph -1.1)

Major direct releases¹ by Central Government under Social Sector during 2012-13

(₹ in crore)

Sl. No.	Name of the department	Name of implementing agencies	Fund released
1	2	3	4
1.	Health and Family Welfare	National Rural Health Mission	143.00
2.		Assam Medical College	3.27
3.		National Mission on Medicinal Plants	1.63
4.		Assam State Aids Control Society	14.92
5.		Lokopriya Gopinath Bordoloi Regional Institute of Mental Health	5.00
6.		State Health Society (RNTCP), Assam	8.72
7.		State Health Society, Assam	717.27
8.	Higher Education	NA	6.48
9.		Assam University, Silchar	4.94
10.		Central Institute of Technology, Kokrajhar	45.79
11.		Gauhati University	2.27
12.		Indian Institute of Technology, Guwahati	148.92
13.		National Institute of Technology, Silchar	100.52
14.		Tezpur University	6.95
15.	Secondary Education	NA	557.91
16.	Elementary Education	Axom Sarba Siksha Abhijan Mission	1,445.49
17.	Labour and Employment	NA	3.45
18.		Kamrup Metro District Child Labour Welfare Samity, Kamrup, Guwahati	1.68
19.		Nagaon District Child Labour Project Society, Nagaon	5.26
20.		The Assam Skill Development Initiative Society	4.76
21.	Law and Justice	NA	29.55
22.	Minority Affairs	NA	61.13
23.	Social Justice and Empowerment	NA	56.53
24.		Dr. Ambedkar Mission, Assam	1.55
25.	Planning and Development	NA	15.91
26.		Deputy Commissioners	89.50
27.	Tribal Affairs	NA	94.19
28.	Urban Development	NA	13.31
29.		State Urban Development Authority (SUDA)	41.58
30.	Sports and Youth Affairs	NA	11.24
31.	Social Welfare	Assam Mahila Samata Society	5.45

NA: The name of actual implementing agency was not available. As per CPSMS list, the Assam Government was shown as the implementing agency in these cases.

¹ Release worth ₹one crore and above.

(Appendix – 1.3 continued.....)

32.	Panchayat and Rural Development	Assam State Road Board, Guwahati (PMGSY)	154.27
33.		NA	142.35
34.		Assam State Rural Livelihoods Mission Society (SGSY/NRLM)	152.05
35.		District Rural Development Agencies (28 Nos)	981.94
36.		Rajiv Gandhi Rural Water and Sanitation Mission	119.43
37.		State Institute of Rural Development, Assam	2.53
38.		State Level Nodal Agency, Assam, Guwahati	42.97
39.		State Water and Sanitation Mission Assam, Dispur	659.21
Total			5,902.92

Source: CPSMS.

Appendix-1.4
 {(Reference to Paragraph-1.2.11(A)}
Loss of interest on Mobilization and Equipment Advance

(In ₹)

Sl. No.	Voucher No. and date	Opening Balance	Amount of advance	Total	Amount Adjusted	Balance amount	Period of held	Total days	Rate of interest (In per cent)	Amount of interest
1.	692, 22.03.04	--	53500000	53500000	--	53500000	22.03.04 to 20.05.04	59	10	864795
2.	207, 21.05.04	53500000	155685041	209185041	--	209185041	21.05.04 to 20.12.04	214	10	12264548
3.	1261, 21.12.04	209185041	--	209185041	9649882	189379585	21.12.04 to 29.12.04	9	10	466963
4.	1264, 21.12.04				10155574					
5.	1267, 30.12.04	189379585	5000000	194379585	--	194379585	30.12.04 to 05.01.05	7	10	372783
6.	1364, 06.01.05	194379585	5000000	199379585	--	199379585	06.01.05 to 11.01.05	6	10	327747
7.	1365, 1366, 12.01.05	199379585	15000000	214379585	--	214379585	12.01.05 to 31.01.05	20	10	1174683
8.	1377, 01.02.05	214379585	8394928	222774513	12506586	193727912	01.02.05 to 03.04.05	62	10	3290721
9.	1519, 1520, 01.02.05				16540015					
10.	7, 04.04.05	193727912	--	193727912	17744712	175983200	04.04.05 to 25.04.05	22	10	1060721
11.	28, 26.04.05	175983200	--	175983200	16636505	159346695	26.04.05 to 06.06.05	42	10	1833578
12.	62, 07.06.05	159346695	--	159346695	10858719	148487976	07.06.05 to 24.07.05	48	10	1952718
13.	107, 25.07.05	148487976	--	148487976	20099323	128388653	25.07.05 to 18.09.05	56	10	1969798
14.	183, 19.09.05	128388653	--	128388653	8552547	107682447	19.09.05 to 20.10.05	32	10	944065
15.	188, 19.09.05				12153659					
16.	204, 21.10.05	107682447	--	107682447	8285742	99396705	21.10.05 to 07.11.05	18	10	490176
17.	229, 08.11.05	99396705	--	99396705	9619435	89777270	08.11.05 to 15.12.05	38	10	934667
18.	272, 16.12.05	89777270	--	89777270	15473566	74303704	16.12.05 to 08.01.06	24	10	488572
19.	301, 09.01.06	74303704	--	74303704	14736851	59566853	09.01.06 to 01.03.06	52	10	848624
20.	371, 02.03.06	59566853	--	59566853	30132888	29433965	02.03.06 to 26.03.06	25	10	201603
21.	436, 27.03.06	29433965	--	29433965	29433965	--	--	--	--	--
Total										29486762

Source: Departmental records.

Appendix – 2.1
(Reference to paragraph -2.1)
Department-wise details of budget provision and expenditure during 2012-13 in respect of Economic Sector
(₹ in crore)

Sl. No.	Department	Grant No. and Name	Budget provision				Expenditure			
			Charged		Voted		Charged		Voted	
			Revenue	Capital	Revenue	Capital	Revenue	Capital	Revenue	Capital
1.	Agriculture	0.01	0	1041.11	0	0	0	936.96	0	
2.	Finance	0	0	1.92	0	0	0	1.48	0	
		0	0	88.50	0	0	0	80.13	0	
		0	0	101.15	0	0	0	117.60	0	
		0	0	1742.29	0	0	0	739.79	0	
3.	Fishery	0	0	19.81	0	0	0	16.23	0	
		0	0	44.25	0	0	0	34.15	0	
		0	0	105.36	0	0	0	74.91	0	
4.	Water Resources	0	0	224.93	1476.44	0	0	206.74	311.13	
5.	Environment and Forest	0	0	572.25	0	0	0	274.34	0	
6.	Handloom, Textiles and Sericulture	0.19	0	284.70	0	0	0	172.47	0	
7.	Industries and Commerce	0	0	91.91	57.65	0	0	73.19	48.01	
		0	0	72.49	17.74	0	0	55.81	9.60	
8.	Irrigation	0.01	0	520.08	675.22	0	0	403.44	260.84	
9.	Planning and Development	0	0	84.18	0	0	0	30.43	0	
		0	0	444.59	1547.83	0	0	8.76	248.52	
10.	Power (Electricity), Mines and Minerals	0	0	13.23	0	0	0	11.11	0	
		0	0	25.88	796.59	0	0	25.28	603.79	
11.	Public Works Roads	0.01	0	788.48	1376.73	0	0	598.60	705.16	
12.	Science and Technology	0	0	17.83	0	0	0	8.13	0	
13.	Soil Conservation	0	0	54.16	0	0	0	36.35	0	
14.	Transport and Tourism	1.40	0	161.03	55.32	0	0	143.73	54.79	
		0	0	47.12	21.41	0	0	19.09	5.78	
15.	Veterinary	0	0	274.07	18.00	0	0	209.20	7.08	
		0	0	39.24	0	0	0	27.69	0	
16.	Information Technology	0	0	5.25	53.56	0	0	5.25	30.51	
17.	Horticulture and Food Processing	2323.54	1592.69	11.78	0	2248.91	1532.79	7.51	0	
		0	0	211.14	283.55	0	0	204.19	104.11	
		0	0	14.61	0	0	0	12.90	0	
		0	0	7.71	20.80	0	0	6.75	8.78	
Total		2325.16	1592.69	7111.05	6400.84	2248.91	1532.79	4542.21	2398.10	
Grand total: Budget provision:		₹17,429.74 crore								
Source: Appropriation Accounts 2011-12.		Expenditure: ₹10,722.01 crore								

Appendix – 2.2

(Reference to paragraph -2.1)

Major direct releases² by Central Government under Economic Sector during 2012-13
(₹ in crore)

Sl. No.	Name of Department	Name of Implementing Agencies	Fund released
1.	Agriculture	Animal Health Centre	1.50
2.		Assam Agricultural University	14.39
3.		NA	406.62
4.		Assam Rural Infrastructure & Agricultural Services (ARIAS) Society, Assam	7.26
5.		Assam Small Farmers' Agri-Business Consortium	27.38
6.		Bamboo Development Agency Assam	9.47
7.	Industries and Commerce	Assam Apex Weavers' & Artisans Co-Operative Federation Ltd.	2.83
8.		NA	11.83
9.		National Mission on food processing	2.98
10.		Assam Industrial Infrastructure Development Corporation	1.46
11.		Bodoland Regional Apex Weavers and Artisans Cooperative Federation Ltd., Kokrajhar	1.95
12.		Director of Handloom & Textiles, Government of Assam, Guwahati	1.05
13.		Indian Institute of Entrepreneurship	12.22
14.		National Institute of Pharmaceutical Education & Research, Guwahati	5.22
15.		North East Mega Food Park Limited	1.50
16.		North Eastern Development Finance Corporation Ltd.	315.55
17.		North Eastern Handicrafts and Handlooms Development Corporation Ltd.	6.14
18.		North Eastern Industrial & Technical Consultancy Organisation Ltd.	1.27
19.		Tool Room & Training Centre, Guwahati	3.19
20.	Finance	NA	5,126.32
21.	Road Transport and Highways	NA	33.34
22.	Women and Child Development	NA	928.16
23.	Science and Technology	Assam Science Technology and Environment Council	2.95
24.		Institute of Advanced Study in Science and Technology	9.83
25.		North-East Institute of Science & Technology (CSIR)	1.66
26.		The Energy and Resources Institute - North Eastern Regional Centre	4.06
27.	Water Resources	Brahmaputra Board	76.00
28.	Tourism	Institute of Hotel Management, Catering Technology & Applied Nutrition	1.36
Total			7,017.49

Source: CPSMS.

NA: The name of actual implementing agency was not available. As per CPSMS list, the Assam Government was shown as the implementing agency in these cases.

² Release worth ₹one crore and above.

Appendix – 2.3

(Reference to Paragraph -2.2.4)

Detailed Physical/Financial position of the selected AIBP Projects as on 31 March 2013

Sl. No.	Name of the division	Name of the schemes selected	Expenditure incurred (₹ in lakh)	Physical Progress as on 31.03.2013 (In per cent)
1	2	3	4	5
1.	1. Guwahati	1 No. Hajongbari FIS	288.54	90
2.		Bordong IS	169.04	100
3.		Bullat Kowarpur LIS	249.21	79
4.		Imp. of Kamalajari ELIS	82.50	100
5.		Imp of Digaru LIS (Ph-II)	229.99	97.50
6.		Kamarpur (Ph-II) LIS	159.78	80
7.		Mantakata IS	831.25	93.60
8.	2. Mangaldoi	Balupara FIS	1685.06	80
9.		Modernisation of Kulshik (Naharbari) FIS	494.50	100
10.		Remodelling of Sonajuli I/S	452.12	100
11.	3. Nagaon	Improvement of Amsoi FIS (Ph-II)	312.80	100
12.		Improvement of Bhoraguri Pathar FIS	Nil	25
13.		Improvement of Chapanala FIS (Ph-II)	394.02	100
14.		Improvement of LIS from Jamuna at Niz Doboka (Ph-II)	114.78	100
15.		Improvement of LIS from Samuguribeel	97.86	100
16.		Imp. of LIS from river Kopili at Dakhin Changchaki	5.00	100
17.		Imp. of Rengbeng FIS (Ph-I)	94.83	100
18.	4. Rangia	Baghdova I/S	219.67	100
19.		Barkukuria I/S	224.74	NA
20.		Barshil ELIS	19.00	85
		Raiput ELIS	Nil	85
		Chirakhundi ELIS	2.91	98
21.		Bordonga Batakuchi ELIS (Ph-II)	131.60	NA
22.		Gohainjan FIS	293.46	95
23.		Halikuchi FIS (Ph-II)	55.00	100
24.		Jayantipur I/S (Ph-II)	84.78	100
25.	5. Shukla	Godhapara FIS	241.20	100
26.		I/S from Puthimari river at Bagamati	928.00	100
27.	6. Morigaon	Barunguri Pathar I/S	Nil	55
28.		Imp. of Choraibahi LIS	90.24	100
29.		Improvement of Jagigaon I/S	58.29	100
30.		Jengorbari Pather I/S	81.33	100
31.		Improvement of Basanaghat LIS	9.27	100
32.		Remodelling of Rajamayang LIS	54.00	100
33.	7. Nalbari	Baharghat I/S	66.27	100
34.		Imp. Of Buradia FIS	26.74	100
35.		Dabachora FIS	326.26	100
36.		Dimla I/S	238.09	97.81
37.	Buradiya ELIS	221.28	89.64	
38.	8. Mankachar	Chamaibil FIS	17.87	29
39.		Kaloo I/S	2188.48	76
40.		Kanyamoti I/S Ph-II	16.83	100
41.		Improvement of Sewraguri FIS	52.62	90
42.	9. Jorhat	LIS from river Jhaji in Lahing Mouza(Ph-II)	103.90	65
43.		Teok FIS	309.11	65
44.		Modernisation of Charaipani FIS Ph-III	39.26	100
45.		LIS from river Tuni in Kumargaon area	71.44	75
46.		Kakojan FIS	493.84	65

(Appendix 2.3 continued.....)

1	2	3	4	5
47.	10. Sivasagar	Imp. of LIS from River Dekhow in Nazira Mouza	88.78	100
48.		Remodelling of LIS from river Dikhow in Hahchora Mouza	20.11	100
49.		Improvement of Deopani FIS.	126.45	100
50.	11. Kokrajhar	Longa FIS Ph-IV	629.84	100
51.		Jonary I/S	210.10	100
52.		Ranighat Ghagraguri FIS	159.95	100
53.		Shayam Dasguri I/S	625.14	100
54.		Bamungaon I/S	60.25	100
55.		Tarang Jijiri I/S	151.50	100
56.		Jonary FIS Ph-II	127.52	100
57.		Raijampai I/S	496.11	100
58.		Bhirengaon FIS (Ph-II)	221.82	100
59.		Haraputa ELIS	58.77	100
60.		Kharida Sundla FIS	76.40	100
61.		Anjuli I/S	50.00	100
62.		Haltugaon Subhajhar FIS (Ph-II)	276.45	100
63.		Turshijhora FIS	185.26	100
64.		Alternative FIS	841.85	100
65.		Dakhin Patgaon FIS (Ph-II)	162.99	45
66.		Sutidwisa FIS	221.84	100
67.		Kundigaon FIS	77.25	100
68.		Gelajhora FIS	188.08	100
69.		Anthaihari Bikrampur FIS (Ph-II)	358.98	100
70.		Improv. Of Manglajhora FIS	63.92	100
71.		Moradonga FIS	282.79	100
72.		Ramu FIS	179.64	100
73.		12. Karbi Anglong	Birthong Teron I/S	14.44
74.	Amser I/S		285.05	100
75.	Amlokhi I/S		137.24	100
76.	Bak Bey I/S		264.00	100
77.	Tongklong I/S		292.52	100
78.	Singnergaon I/S		100.00	79
79.	Urdhajuri I/S		250.67	100
80.	Umsirim Langso I/S		133.33	70
81.	Rongkhelan I/S		12.22	76
82.	Enghangkarnok I/S		151.00	100
83.	Upper Langkangtang I/S		66.70	50
84.	Langteroi I/S		157.69	100
85.	Mowsalading I/S		298.00	100
86.	Augmentation of Voteralangso I/S		62.18	100
87.	Langsibu I/S		105.55	68
88.	Youangdisa I/S		144.44	67
89.	Pavamari I/S		33.33	58
90.	Dhoujukha Kania Rongpi I/S		88.88	53
91.	Umpontong I/S		10.00	25
92.	Upper Sharlangchar I/S		122.22	62
93.	Umtili I/S		668.07	100
94.	Langsomepi I/S		55.55	62

(Appendix 2.3 continued.....)

1	2	3	4	5
95.	13. Silchar	IS from Algapur Annua at Algapur under AIBP	116.46	90
96.		Improvement of LIS from river Sonai at Amraghat area (Ph-I)	132.82	100
97.		Badribasti I/S under AIBP	15.65	70
98.		IS from Banskandi Annua at village Ratanpur	149.72	100
99.		FIS from Bowleah Nala at Binnakandi at Natun Ramnagar	36.80	95
100.		FIS at Rosekandi on Sonachera Nala	325.04	80
101.		FIS from Katanala at Barkhal	468.64	100
102.		Labac FIS under AIBP	425.58	100
103.		FIS from Narayancherra Nala in Burunga area	129.42	80
104.		FIS from Ullarkhal in Kajjani Area under AIBP	474.15	98
105.		I/S from Fulbari Annua (water basin) in Niz Fulbari Area	115.05	61
106.		Imp. of LIS from river Borak in Hatirhar Area	16.02	100
107.		Improvement of LIS from river Sonai at Amraghat area Ph-II	85.28	100
108.		14. Dhemaji	Renovation of Laipulia LIS	159.80
109.	Korah LIS		59.35	90
110.	15. Dhakuakhana	Improvement of Sonari Chapori ELIS	176.00	NA

Source: *Departmental records.*

Appendix – 2.4
{Reference to Paragraph -2.2.8.2 (c)}
Statement showing the numbers of MOUs executed during 2008-13

Year of execution of MoU	No. of MoUs signed	No of MI schemes included under a single MoU
2008-09	1	39
	1	42
	1	85
	1	09
	1	01
	1	89
	1	32
	1	23
Sub-total	8	320
2009-10	1	104
	1	42
	1	124
	1	27
Sub-total	4	297
2012-13	1	36
	1	15
	1	152
	1	30
Sub-total	4	233
Total	16	850

Source: Departmental records.

Appendix-2.5 A
 {Reference to Paragraph -2.2.9.2 (f)}
Rush of Expenditure of the selected divisions

(₹ in lakh)

Sl. No.	Name of the division	Year	April	May	June	July	August	September	October	November	December	January	February	March
1.	Mangaldoi Irrigation Division	2008-09	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	966.60
2.	Sivasagar Irrigation Division	2008-09	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	365.68
3.	Morigaon Irrigation Division	2008-09	Nil	Nil	Nil	Nil	Nil	Nil	Nil	4.49	Nil	Nil	Nil	113.04
		2010-11	Nil	Nil	Nil	Nil	440.83	Nil	Nil	Nil	Nil	Nil	Nil	309.99
		2011-12	Nil	Nil	Nil	Nil	Nil	Nil	Nil	232.41	Nil	Nil	Nil	457.73
4.	Rangia Irrigation Division	2008-09	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	152.50
		2010-11	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	509.98
		2011-12	Nil	Nil	Nil	Nil	Nil	Nil	Nil	465.12	Nil	Nil	Nil	240.43
		2012-13	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.49	Nil	Nil	Nil	22.70
5.	Shukla Irrigation Division	2008-09	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	283.00
		2010-11	Nil	Nil	Nil	Nil	Nil	Nil	Nil	86.75	Nil	Nil	Nil	550.00
6.	Silchar Irrigation Division	2011-12	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	859.66	Nil	Nil	1655.40
		2012-13	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
7.	Mankachar Irrigation Division	2008-09	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	366.84
		2009-10	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	257.30
		2010-11	Nil	Nil	Nil	Nil	Nil	Nil	Nil	7.72	Nil	Nil	Nil	469.74
8.	Nalbari Irrigation Division	2008-09	Nil	Nil	Nil	Nil	Nil	Nil	Nil	30.49	Nil	Nil	Nil	133.00
9.	Jorhat Irrigation Division	2008-09	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	104.66
		2011-12	Nil	Nil	Nil	Nil	Nil	Nil	Nil	154.49	Nil	Nil	Nil	162.75
10.	Dhakuakhana Irrigation Division	2009-10	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	85.00
		2010-11	Nil	Nil	Nil	Nil	170.00	Nil	Nil	Nil	Nil	Nil	Nil	30.00
		2012-13	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	3.00
11.	Dhemaji Irrigation Division	2010-11	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	50.00
		2011-12	Nil	Nil	Nil	Nil	Nil	Nil	Nil	159.99	Nil	Nil	Nil	42.70
		2012-13	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	5.00

Source: Records of respective divisions.

Appendix – 2.5 B

{Reference to Paragraph -2.2.9.2 (f)}

Specific findings of Rush of Expenditure of the selected divisions as funds released only once/twice during the particular year

(₹ in lakh)

Sl. No.	Name of the division	Year of release	Month of release	Amount released
1.	Mangaldoi Irrigation Division	2008-09	March	966.60
2.	Sivasagar Irrigation Division	2008-09	March	365.68
3.	Morigaon Irrigation Division	2008-09	November	4.49
			March	113.04
		2010-11	September	440.83
			March	309.99
		2011-12	December	232.41
			March	457.73
4.	Rangia Irrigation Division	2008-09	March	152.50
		2010-11	March	509.98
		2011-12	December	465.12
			March	240.43
		2012-13	December	0.49
			February	22.70
5.	Shukla Irrigation Division	2008-09	March	283.00
		2010-11	December	86.75
			March	550.00
6.	Silchar Irrigation Division	2011-12	December	859.66
			March	1655.40
7.	Mankachar Irrigation Division	2008-09	March	366.84
		2009-10	March	257.30
		2010-11	December	7.72
			March	469.74
8.	Nalbari Irrigation Division	2008-09	November	30.49
			March	133.00
9.	Jorhat Irrigation Division	2008-09	March	104.66
		2011-12	December	154.49
			March	162.75
10.	Dhakuakhana Irrigation Division	2009-10	March	85.00
		2010-11	September	170.00
			March	30.00
		2012-13	February	3.00
11.	Dhemaji Irrigation Division	2010-11	March	50.00
		2011-12	December	159.99
			March	42.70
		2012-13	February	5.00

Source: Records of respective divisions.

Appendix-2.5 C

{Reference to Paragraph -2.2.9.2 (f)}

Compiled Statement of Monthly Expenditure in respect of AIBP schemes during the year 2008-09 to 2012-13 under the selected divisions

(₹ in lakh)

Months	2008-09	2009-10	2010-11	2011-12	2012-13	Remark
April	34.52	Nil	110.23	Nil	28.82	
May	31.08	Nil	97.23	Nil	190.70	
June	12.97	644.95	246.99	Nil	85.30	
July	Nil	87.14	1812.30	Nil	85.69	
August	25.00	Nil	788.60	15.24	185.04	
September	242.02	1404.11	1199.96	1088.92	397.84	
October	120.61	1873.64	957.79	1635.34	3659.17	
November	2164.42	376.82	1079.38	2276.71	1489.33	
December	379.50	446.88	508.42	167.92	1913.61	
January	542.93	99.23	161.59	434.51	2793.08	
February	2376.50	7560.89	1657.73	65.79	1412.70	
March	6166.43	10159.10	6461.82	7939.19	977.61	
Total	12095.98	22652.76	15082.04	13623.62	13218.89	

Over all Rush of expenditure of the selected divisions

(₹ in crore)

Year	Total expenditure	Expenditure incurred in March	Percentage
2008-09	120.96	61.66	50.97
2009-10	226.53	101.59	44.85
2010-11	150.82	64.62	42.84
2011-12	136.24	79.39	58.27
2012-13	132.19	9.78	7.40
Total	766.74	317.04	41.35

Year-wise number of times funds received by the selected divisions

Year	Total number of divisions	One time	Two times
2008-09	8	6	2
2009-10	2	2	0
2010-11	6	2	4
2011-12	5	0	5
2012-13	3	2	1

Source: Divisional records.

Appendix – 2.6
{Reference to Paragraph -2.2.9.2 (h)}
Short deduction of Labour Cess and Non-provision made in the estimates

(In ₹)

Short deduction of labour cess				Non-provision of labour cess							
Sl. No.	Name of the division	No. of estimate involved	Amount to be realised	Amount realised	Short realisation	Sl. No.	Name of the division	No. of estimate involved	Total estimated cost	Amount	
1.	Shukla Irrigation Division	1	2,41,440	63,000	1,78,440	1.	Mangaldoi Irrigation Division	6	25,30,71,380	25,30,714	
						2.	Nagaon Irrigation Division	5	7,97,07,866	7,97,079	
						3.	Morigaon Irrigation Division	2	1,62,42,000	1,62,420	
						4.	Shukla Irrigation Division	1	9,86,77,000	9,86,770	
						5.	Mankachar Irrigation Division	1	29,60,35,603	29,60,356	
						6.	Diphu Irrigation Division	27	85,04,31,049	85,04,310	
Total				Total	1,78,440	Total				1,59,41,64,898	1,59,41,649

Source: *Divisional records.*

Appendix – 2.7
{Reference to Paragraph -2.2.10.1 (c)}

Statement showing payment of liabilities for the period prior to inception of AIBP in DIP *(Amount in ₹)*

Sl. No.	Name of Contractors	Name of Works	Work Order No. and date	Bill No. & Date	Bill Value	Ref. of last Payment Vrs No. (12/11)	Paid upto 03/13
1	2	3	4	5	6	7	8
1.	Abbash Ali.	Temporary Protection of D2B1M of River Golondi from Ch. 19060 m to 19340 m	W/1/Pt-V/95-96/1193-A dt. 9/10/95	FF/210 dt.3/2/2000	35123	1	30000
2.	Abdus Sattar	Construction of H/P Culvert of D2B2M.	W/13/pt/1957 dt.12/7/95	FF/200/18 dt.3/9/2000.	108413	4	95000
3.	Anjan Mochahari	Construction of H/P C/D of B2M. Ch No. 57812.	W/13/pt/95-96/431 dt. 28/08/95	SD/RA/I/03/29 dt.5/3/03.	161078	18	150000
4.	Atul Daimari.	Re-sectioning & Re-grading of canal B1M from Ch. 39460.00m to 39553m.	W/13/Pt/95-96/1577 dt. 28/9/95	D/RF/III/268 dt. 26/2/2000	25088	25	24100
5.	Babu Ram Narzary	Re-sectioning & Re-grading of B1M canal at Ch. 39820' to 38000'	W/13/95-96/1907 dt. 13/10/95	II/RA/16/(R) dt 20/03	98858	29	93600
6.	Bahar Ali Mazumdar	E/W & filling of B1M canal at Ch. 8700m.	W/1/pt-IV/93/94/427 dt. 12/7/93	FF/205 dt. 23/4/2000	32994	31	30000
7.	Baneswar Basumatary	Restoration of canal S1B2M Ch. No. 1500 to 1800.	W/13/pt/95-96/103(A) dt. 25/01/96	I/R/96/432 dt.27/02/96.	44460	37	37000
8.	Bhagaban Brahma	Construction of HPCD of B2M canal Ch. 55200.	W/13/pt/95-96/1411 dt. 24/8/95	SD/RA/II/05/17 dt.21/03/05.	166505	40	135000
9.	Bidya Ram Swargiary	Restoration of canal D1B1M from Ch.35000ft to 35100ft	W/13/pt/95-06/601 dt. 15/5/95	II/R/27 dt. 20/12/02	111063	45	91000

(Appendix 2.7 continued.....)

1	2	3	4	5	6	7	8
10.	Bimal Daimari (Daifangkhuti)	Re-sectioning & Re-grading of canal BIM from Ch. 26050m to 26600m.	W/13/pt/93-96/1617 dt. 4/10/95	III/RF/4 dt.2/6/98	41792	49	40500
11.	Binesh Basumatary	Re-sectioning and Re-grading of canal BIM from Ch. 42300m to 42900m	W/13/pt/95-96/1672 dt. 4/10/95	RF/II/45(R) dt.28/2/03	25910	52	23000
12.	Binod Daimari	Re-sectioning & Regarding of canal BIM from Ch. 38815.00m to 39000m	DDP/VI/8/95/26 dt. 17/11/95	II/RF/277 dt.9/3/98	84709	53	81862
13.	Binoy Daimari	Re-sectioning & Regarding of BIM canal at Ch. 36180 to 38000	DDP/VI/8/95/24 dt. 15/11/95	RF/III/284 dt.25/2/2000	200756	56	197000
14.	Buddhadev Narzary	Restoration of D2B1M canal from Ch.20000 ft (Clearing of sediment of D2B1M from Ch. 18230ft to 19000ft)	W/1/pt/-V/95-96/1089 dt. 3/8/95	D/FF/72 dt. 25/9/95	23982	61	22600
15.	Dilip Basumatary (Rowta)	Restoration of canal D1B1M for Ch. 35325' to 35390'	W/13/pt/95-96/40 dt. 17/6/95	II/RF/194 dt.5/8/96	42789	81	39600
16.	Dilip Swargiary	Re-sectioning of canal D1B1M from Ch. 34700ft to 34900ft.	W/13/pt/95-96/2067 dt. 14/11/95	IV/R/26 dt.20/12/07.	120574	84	106000
17.	Habibur Rahman	Temporary Protection of canal D1B1M at Ch. 62400ft.	W/13/pt/93-94/1970 dt. 20/10/95	FF/1 dt.6/4/98	120026	117	114000
18	Hari Charan Basumatary	Re-sectioning & Re-grading if canal BIM from Ch. 49460ft to 50050ft.	W/13/pt/95-96/1607 dt. 28/9/95	RF/III/85 dt.19/3/01.	30861	118	29600
19.	Kabul Brahma	Restoration of S1B2M. Canal Ch. 0' to 1500.	W/13/pt/95-96/114(A) dt. 25/1/96	I/R/26/443 dt.24/3/96	22230	148	20000
20.	Khagen Sarmah	Re-sectioning of canal D1B1M from Ch. 35460ft to 35530ft.	W/13/95-96/1235 dt. 9/7/95	FF/197 dt.5/8/96.	43236	165	40000
21.	Mark Basumatary	Re-sectioning & Re-grading of canal B1m from Ch. 31120ft to 31700ft.	DDP/VI/8/95/27 dt. 17/11/95	RF/II/130 dt.3/2/2000.	110577	192	107000

(Appendix 2.7 continued.....)

1	2	3	4	5	6	7	8
22.	Mawbitdaw Basumatary	Permanent flood damage Repairing work of canal D1B1M from Ch. 8880ft to 8980ft.	W/13/pt-V/95-96/1072 dt. 3/8/95	II/R/259 dt.8/9/97.	25077	196	23000
23.	Paban Bara	Removal of Sediment/Earth of the Canal bed of D1B1M from Ch. 6300ft to 7400ft.	W/13/pt/93-94/784 dt. 9/10/95	FF/127 dt.5/7/96.	24652	228	23500
24.	Parimal Paul	Protection work of H/P, C/D at Ch. 9150ft of Branch canal of Maradhansiri I/ Scheme.	W/13/pt/94-95/7 dt. 25/1/95	FF/171 dt.16/3/95.	35013	235	33000
25.	Parimal Paul	Re-sectioning & Re-grading of canal BIM from Ch. 41250ft to 41400ft.	W/13/pt/95-96/1770 dt. 8/10/95	RF/III/271 dt.25/2/2000.	21580	235	10000
26.	Puja Ram Basumatary	Restoration of canal D2B2M Ch. No. 129700 to 129850	W/13/pt//164 dt. 12/1/90	II/RF/95/280 dt.28/3/95.	121087	248	84500
27.	Ratneswar Basumatari	Re-sectioning & Re-grading of canal BIM from Ch. 45550ft to 46300ft.	W/13/pt/95-96/1663 dt. 4/10/95	RF/III/115 dt.3/2/2000.	70439	265	48000
28.	Sanjib Basumatary	Imp of approach RD of main canal Ch. 10298m to 10568m.	W/13/pt/93-94/84 dt. 1/8/95	FF/95/415 dt.23/8/95.	18834	282	16000
29.	Sarafat Ali P/A- Abdul Kadir	E/W for Restoration of D2B1M from Ch. 33150ft to 36000ft.	DDP/VI/3/92/17 dt. 14/7/93	II/RF/206 dt.29/8/96.	49789	285	47000
30.	Siba Brahma	Temporary Protection work of CC Fall of D2B1M at Ch. 39500ft	W/13/pt-III/90-91/97(A) dt. 6/8/91	FF/101/ dt.28/8/91.	402772	291	365000
31.	Tarun Swargiary	Restoration of canal D2B1M from Ch. 0 ft to 20000 ft (Clearing Sediment of earth from bed of canal D2B1M from Ch. 16600 ft to 17200 ft)	W/1/pt-V/95-96/1081 dt. 3/8/95	II/RF/82 dt.11/10/95.	20117	315	18600
32.	Tilak Narzari	Construction of H.P.C.D. D1B2M canal at Ch8500.	W/13/pt/92-93/131 dt. 22/1/93.	I/R/282 dt.20/3/96.	228300	320	210000
33.	Tridip Lama	Restoration canal S1B2M Ch No. 1800 ft to 2400 ft.	W/13/pt/95-96/119(A) dt. 30/1/96	I/R/96/444 dt.24/3/96.	45549	322	25000
Total					27,14,233	--	2410462

Source: Records of DIP, Canal I division.

Appendix – 2.8
{Reference to Paragraph -2.2.10.3(b)}
Details of fund diversion

Sl. No.	Name of the divisions	No. of schemes involved	TS estimated cost	No. of inadmissible cases where diverted	Amount diverted and paid (₹ in lakh)
1.	Jorhat Irrigation Division	4	1626.69	13	36.85
2.	Dhakuakhana Irrigation Division	1	292.00	1	8.80
3.	Dhemaji Irrigation Division	2	479.20	4	3.10
4.	Silchar Irrigation Division	5	1386.72	5	88.37
5.	Mangaldoi Irrigation Division	3	3769.65	6	35.07
6.	Nagaon Irrigation Division	4	2167.01	19	64.48
7.	Morigaon Irrigation Division	3	196.41	5	7.14
8.	Shukla Irrigation Division	2	1346.77	10	55.24
9.	Rangia Irrigation Division	1	140.00	4	4.09
10.	Sivasagar Irrigation Division	2	292.94	2	9.11
11.	Mankachar Irrigation Division	2	3055.00	22	10.30
12.	Nalbari Irrigation Division	3	743.71	10	17.88
13.	Kokrajhar Irrigation Division	6	2862.09	6	14.09
14.	Guwahati Irrigation Division	1	989.82	19	37.21
15.	Diphu Irrigation Division				
	Total	39	19348.01	126	391.73

Source: Records of respective divisions.

Appendix – 2.9
 {Reference to Paragraph-2.2.10.3(c)}
List of incomplete/ongoing selected AIBP Projects/Schemes, execution of which were delayed due to Land Acquisition Problems as on 31 March 2013

Sl. No.	Name of the division	Name of the schemes selected	AA (₹ in lakh)	TS (₹ in lakh)	Expenditure Incurred (₹ in lakh)	Committed Liabilities (₹ in lakh)	Targeted Potential (In Ha-NIA)	Potential Created (In Ha-NIA)	Physical Progress as on 31.03.2013 (per cent)	Target date of completion	Actual date of completion	Remarks
1.	Mankachar	Chamaibil FIS	210.00	210.00	17.87	192.13	250	Nil	29	31.03.2010	Ongoing	Delay due to LA problem
2.		Kaloo I/S	2990.00	2990.00	2188.48	801.52	1995	Nil	76	31.03.2011	Ongoing	Delay due to LA problem and modification of design
3.		Improvement of Sewraguri FIS	65.00	65.00	52.62	12.38	50	Nil	90	31.03.2010	Ongoing	-Do-
4.	Jorhat	Teok FIS	360.00	360.00	309.11	50.89	400	-	65	31.03.2010	Ongoing	Non completion of LA cases
5.		Kakojan FIS	910.00	908.80	493.84	414.96	700	Nil (ongoing)	65	31.03.2010	Ongoing	-Do-
6.		IS from Algapur Annu at Algapur under AIBP	180.00	147.17	116.46	22.00	150	Nil	90	31.03.2012	Ongoing	Delay due to LA problems and short working season
7.		Badribasti I/S under AIBP	235.74	235.74	15.65	85.00	160	Nil	70	31.03.2013	Ongoing	-Do-
8.		FIS at Rosekandi on Sonacherra Nala	450.00	450.00	325.04	124.96	300	Nil	80	31.03.2013	Ongoing	-Do-
9.		FIS from Narayanacherra Nala in Burunga area	400.00	400.00	129.42	250.00	270	50	80	31.03.2012	Ongoing	-Do-
10.		FIS from Ullarkhal in Kaijani Area under AIBP	499.95	499.95	474.15	22.80	350	150	98	31.03.2011	Ongoing	-Do-
11.		I/S from Fulbari Annu (water basin) in Niz Fulbari Area	199.50	199.50	115.05	9.00	140	Nil	61	31.03.2010	Ongoing	-Do-
12.	Guwahati	Bulur kwarpur ELIS	495.00	403.20	249.21	76.83	350	Nil	79	31.03.2014	Ongoing	-Do-
13.	Diphu	Singargaon IS	265.61	265.61	100.00	165.61	245	194	79	31.03.2014	Ongoing	-Do-
14.	Mangaldoi	Balupara FIS	2795.65	2795.65	1685.06	1110.59	1870	Nil	80	31.03.2014	Ongoing	-Do-
		Total	10056.45	9930.62	6271.96	3338.67	7230	-	-	-	-	-

Source: Divisional records.

Appendix-2.10
(Reference to Paragraphs-2.3.5 and 2.3.8.1)
Statement showing the physical and financial progress of test checked NEC projects

Sl. No.	Name of the project	Date/year of GOI's/GOA's Approval	Approved cost (₹ in crore)	Date of commencement	Stipulated date of completion as per tender agreement	Date of completion/ physical progress	Up to date expenditure (₹ in crore)	Percentage of financial progress	
1.	Improvement of Hajo Nalbari Sarthebari Nagaon Road	4.2.2005	66.31	5 March 2005	Roads October 2006 Bridge January 2008	21.5.2011	65.41	98.64	
2.	Krishnai Methendipather road	26.6.2005 & 3.3.2007	9.05	4 June 2006	Nov ember 2007	12.11.2008	8.98	99.23	
3.	Construction/ improvement of Pandit Hemchandra Goswami road	9.11.2006	30.68	30 July 2007	February 2009	January 2011	30.22	98.50	
4.	Construction/ improvement of Na Ali road	15.12.2006	52.80	25 September 2007	March 2009	April 2012	51.26	97.08	
5.	Construction/ improvement of Wokha Merapani road	9.2.2007	34.83	2 August 2007	February 2009	February 2011	34.60	99.94	
6.	Improvement of Rampur Belsor Bihampur road	5.3.2009	16.41	18 October 2005	November 2007	2.2.2009	16.40	99.94	
7.	Upgradation of Mankachar Mahendraganz road	15.2.2010	12.12	18 May 2010	November 2011	90 per cent	8.16	67.32	
8.	Upgradation of Mairang Ranigodown Azara road	22.12.2010	24.95	22 February 2011	August 2012	88 per cent	13.83	55.43	
Total							228.86		

Source: Information obtained from the implementing divisions.

Appendix-2.11
(Reference to Paragraphs - 2.3.5 and 2.3.8.2)
Statement showing the physical and financial progress of test checked NLCPR projects

Sl. No.	Name of the project	Date/year of GOI's/GOA's Approval	Approved cost (₹ in crore)	Date of commencement	Stipulated date of completion as per tender agreement	Date of completion/ physical progress	Upto date expenditure (₹ In crore)	Percentage of financial progress	
1.	Construction of Bridges (3 Nos.) on Jonai Silapather Link road	15.2.2005	1.90	April 2005	Oct 2007	N.A.	1.85	97.37	
2.	Construction of Bridges (1 No.) on Kokrajhar Monakocha road	18.10.2005	9.91	3.11.2006	May 2008	18.8.2011	9.81	98.99	
3.	Construction of Bridges (3 Nos.) on Bahirjonai Berachapari road	17.2.2006	5.52	Nov 2007	Jan 2009	59 per cent	2.59	46.92	
4.	Construction of Bridges (7 Nos.) on Dhubri Kachugaon road	18.10.2006	5.16	27.12.2006	July 2008	75 per cent	3.57	69.19	
5.	Construction of Bridges (5 Nos.) on Jogighopa Chapar road	21.2.2007	7.09	9.3.2007	Sept 2008	2.6.2010	6.70	94.50	
6.	Construction of Bridges (2 Nos.) Nagaon Bhuragaon road via Dhing	20.3.2007	4.34	18.4.2007	18.10.2008	28.2.2011	4.25	97.93	
7.	Construction of Bridges (1 No.) on Belguri Satrasal road	27.3.2008	2.73	19.12.2008	18.12.2010	22.6.2010	2.73	100	
8.	Srimanta Sankardeva Govesona Kendra road over river Shantijan	28.3.2008	2.81	6.11.2008	5.5.2010	28.9.2011	2.77	98.58	
9.	Construction of Bridges (1 No.) on Silerpar Borshijhora road over regular channel Gadadhar	28.3.2008	4.51	8.9.2008	7.9.2010	25.2.2011	4.50	99.78	
10.	Jorhat town road project (Development)	16.8.2008	2.50	20.8.2008	Nov 2008	14.3.2011	2.27	90.80	
11.	Abyayapuri Tullungia via Barbhula (Replacement of existing SPT Bridge No. 4/1, 7/1, 8/1 & 11/1 by RCC Bridge)	7.2.2009	3.38	8.10.2009	7.10.2011	28.9.2011	2.70	79.88	
12.	Construction of RCC bridge No. 12/2 over river Aie on road from Khoijhana NH 37 to Nowgaon via Kirtanpara Numberpara vill.	29.11.2010	40.01	7.1.2013	6.7.2016	0 per cent	0	0	
13.	Construction of RCC Bridge over river Aie	21.1.2011	78.84	21.1.2011	20.7.2013	25.5.2013	69.71	88.42	
14.	Construction of RCC Bridge No. 1/1 on NH 37 (Targhat to Ashra Kamdi Ghegeralga road) on Targhat Channel	20.8.2012	3.25	17.12.2012	17.6.2014	30 per cent	1.00	30.77	
15.	APS road construction of RCC Bridge No. 6/2, 7/3, 8/1, 8/2, 10/1 & 11/1 over branches of river Kallu	22.8.2012	13.91	18.12.2012	18.12.2014	45 per cent	5.01	36.02	
16.	Construction of Bridges (4 Nos.) on Fakiragram Sapaigram road	N.A.	5.15	20.7.2006	20.1.2008	30.12.2009	5.02	97.48	
Total							124.48		

Source: Information obtained from the implementing divisions.

Appendix – 2.12
{Reference to Paragraph-2.3.7.2 (ii)}
Discrepancy between Nodal and Finance Department
in respect of funds received under NEC projects

(₹ in crore)

Year	Fund received from NEC as reported by Finance Department	Fund received from NEC as reported by CE, PWD (Border Roads)	Difference (+) excess (-) less	Fund (Central share) released by Finance Department	Fund received by the Implementing divisions as reported by CE, PWD (Border Roads)	Difference (+) excess (-) less
2008-09	126.85	121.85	(-) 5.00	126.85	130.81	(+) 3.96
2009-10	99.79	98.97	(-) 0.82	98.39	110.37	(+) 11.98
2010-11	63.05	63.05	Nil	59.47	79.37	(+) 19.90
2011-12	40.50	40.50	Nil	39.07	69.26	(+) 30.19
2012-13	56.34	47.85	(-) 8.49	40.78	51.22	(+) 10.44
Total	386.53	372.22	(-) 14.31	364.56	441.03	(+) 76.47

Source: Information obtained from CE, PWD (Border Roads) and Finance Department.

Appendix – 2.13

{Reference to Paragraph-2.3.7.2 (ii)}

**Discrepancy between Nodal and Finance Department
in respect of funds received under NLCPR projects**

(₹ in crore)

Year	Fund received from DoNER as reported by Finance Department	Fund received from DoNER as reported by CE, PWD (Border Roads)	Difference (+) excess (-) less	Fund (Central share) released by Finance Department	Fund received by the Implementing divisions as reported by CE, PWD (Border Roads)	Difference (+) excess (-) less
2008-09	Not furnished	32.49	--	49.49	51.94	(+) 2.45
2009-10	-Do-	58.78	--	43.82	46.39	(+) 2.57
2010-11	-Do-	93.90	--	40.30	41.98	(+) 1.68
2011-12	-Do-	51.18	--	90.09	92.31	(+) 2.22
2012-13	-Do-	79.62	--	66.78	67.78	(+) 1.00
Total		315.97	--	290.48	300.40	(+) 9.92

Source: Information obtained from CE, PWD (Border Roads) and PWD budget branch.

Appendix – 2.14

{Reference to Paragraph-2.3.7.2 (iii)}

Statement showing the amount and date of release of fund against selected NLCPR Projects

(₹ in lakh)

Sl. No.	Name of the implementing division	Name of projects	Fund released by DoNER		Fund released by Finance Department		Delay in release of funds (in months)
			Amount released	Date of release	Central share	FOC date	
1	2	3	4	5	6	7	8
1.	Dhubri RR division	Construction of RCC bridge no. 1/1 over regular channel Gadadhar on Silerpar-Borshijhora road	141.98	18.4.08	135.22	26.3.09	11
			182.55	16.11.09	189.31	19.3.10	4
			81.13	12.07.10	81.13	14.12.10	5
2.		Belguri Satrasal road	86.09	28.3.08	82.00	26.3.09	12
			110.69	26.11.09	114.78	19.3.10	4
			49.20	11.10.10	49.20	11.3.11	5
3.		Construction of RCC bridge no. 1/1, 4/1, 8/1, 9/2 on Fakiragram Sapatgram road	284.36	28.10.05	106.97	25.2.07	16
			173.99	2008-09	111.70	24.1.08	27
					46.15	5.6.08	31
					19.54	5.6.08	31
					64.90	3.2.09	
					48.10	3.2.09	
4.		Construction of RCC bridge no. 6/2, 8/1, 8/2, 10/1 & 11/1 over branches of river Kaloo on APS road	500.55	8.10.12	500.55	24.3.13	6
5.		Construction of RCC bridge no. 1/1 over Targhat Channel on NH-31(Targhat to Asharkandi Ghegeralga road	116.96	28.09.12	100.00	24.3.10	6
6.	Dhemaji RR division	Bahirjonai Berachapari road (3 Bridges)	173.93	21.02.06	22.73	24.6.08	28
			222.10	27.12.10	123.55	27.1.10	47
					13.9	6.7.10	53
					86.96	11.3.11	2
7.		Jonai Silapathar Link road (3 Bridges)	67.00	29.07.04	67.00	30.11.05	16
			106.40	22.06.06	106.37	5.12.06	5
8.	Kokrajhar RR division	Dhubri Kachugaon road (7 Bridges)	162.67	15.6.06	77.44	28.2.08	21
			205.46	13.10.09	85.23	18.10.08	28
					152.27	12.2.10	4
9.		Kokrajhar Monakocha road			41.99	30.3.11	17
			264.05	28.10.05	252.61	28.2.08	28
			313.69	30.12.08	11.44	15.2.09	41
			305.00	24.9.10	174.82	5.3.10	14
					109.35	26.3.10	15
					29.52	29.9.10	21
			250.00	19.2.11	5		
			55.00	14.2.12	5		

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(Appendix – 2.14 continued.....)

1	2	3	4	5	6	7	8
10.	Bongaigaon RR division	Jogighopa Chapor Road (5 Bridges)	221.265	28.06.06	221.26	25.3.08	21
			210.80	22.07.09	210.80	5.2.09	
			210.00	2009-10	200.10	12.3.10	
11.		Construction of RCC bridges no 4/1, 7/1, 8/1 over field canal and 11/1 over river Sakati on Abhayapuri Tulunga road	105.00	11.12.08	100.00	14.2.12	38
			136.20	12.07.12	136.20	3.10.12	3
12.		Construction of RCC bridge no ½ over river Aie	-	-	0	-	-
13.	Chirang R&B division	Construction of Bridge over river Aie including Black top road culvert & protection work under NLCPR	2810.01	10.11.10	602.60	23.03.11	4
			2810.01	16.3.12	1060.74	21.05.11	6
			1405.02	12.10.12	447.73	8.7.11	8
					398.886	15.12.11	14
					136.63	14.2.12	15
					2200.00	21.3.12	
					392.474	30.6.12	3
					109.382	21.8.12	5
					143.357	19.11.12	1
					402.06	24.1.13	3
		458.308	21.2.13	4			
14.	Nagaon Rural Road division	Construction of RCC bridge no. 1/1 on Srimanta Sankardeva Govesona Kendra road	88.37	28.3.08	88.37	29.6.09	15
			50.00	9.11.09	50.00	18.2.10	3
			111.62	12.7.10	41.58	27.8.10	2
					30.12	30.5.11	11
					39.92	2.1.12	18
15.	Nagaon State Road	Construction of RCC bridge no. 4/1 on Nagaon buragaon Road	136.83	21.6.06	100.14	27.7.07	13
			250.25	28.2.08	36.69	22.01.08	19
					89.17	8.9.08	6
					45.00	23.12.08	10
					66.37	9.3.09	12
					49.17	25.3.10	25
		0.54	28.12.10	34			
16.	Jorhat State Road	Jorhat town road project (Development)	95.95	26.12.07	26.025	31.12.08	12
			78.43	17.3.10	65.08	30.12.08	12
			49.57	4.4.12	83.275	1.7.10	3
					9.70	15.12.12	8
					24.436	21.3.13	12
Total			12,317.12		11,430.50		

Source: Information obtained from the implementing divisions.

Appendix – 2.15
{Reference to Paragraph-2.3.7.2 (iii)}
Statement showing the amount and date of release of fund against selected NEC Projects

Sl. No.	Name of the implementing division	Name of projects	Fund released by DoNER (₹ in lakh)		Date of release	Fund released by Finance Department (₹ in lakh)		Delay in release of funds
			Amount released	3		Central share	FOC date	
1.	Guwahati NEC division	Improvement of Hajo Nalbari Sarthebari Nagaon Road	1200.00	18-03-08	1200.00	03-10-08	6 months	
			1000.00	19-01-09	640.00	05-03-09	1 month	
			475.00	19-03-10	360.00	12-02-10	1 year	
					392.14	28-03-11	1 year	
					82.86	28-03-12	2 year	
2.		Improvement of Krishnai Mendipather Road. Conversion of SPT bridge to RCC bridge no 3/4, 4/4, 8/4, 11/1 and 13/2 (Ph- I & II)	100.00	23-06-08	70.00	02-01-09	6 months	
			100.00	23-06-08	129.47	02-01-09	6 months	
			100.00	05-03-09	100.00	22-09-09	6 months	
			100.00	09-12-09	100.00	25-03-10	3 months	
3.		Improvement of Rampur Belsor Bihampur Road	50.00	28-11-08	50.00	29-03-09	4 months	
			100.00	16-10-09	318.98	30-03-11	1 year 5 months	
			226.90	19-01-10	7.92	30-03-12	2 year 2 months	
			735.00	22-12-10	309.18	11-07-11	6 months	
4.		Improvement /upgradation of Mairang Ranigodown Azara Road	850.00	25-04-12	425.82	22-02-12	1 year 2 months	
					647.56	05-12-12	7 months	
			300.00	16-02-10	300.00	29-03-11	1 year	
5.		Upgradation of Mankachar Mahendraganz road	500.00	22-06-11	248.34	01-01-12	6 months	
					196.53	29-02-12	8 months	
					55.13	29-03-13	9 months	

(Appendix – 2.15 continued…….)

1	2	3	4	5	6	7	8
6.	Jorhat NEC division	Pandit Hemchandra Goswami Path	800.00	14.2.08	694.00	27.3.08	1 month
			1000.00	20.3.09	106.00	27.2.09	1 year
			400.00	18.9.09	1000.00	4.7.09	3 months
			300.00	10.5.10	400.00	24.3.10	1 year
			161.20	7.3.11	300.00	12.10.10	5 months
					81.25	30.3.12	1 year
					33.66	26.3.13	2 years
7.		Wokha Merapani Road	500.00	24.3.08	500.00	18.12.08	8 months
			1000.00	12.3.09	1000.00	16.7.09	4 months
			500.00	20.10.09	500.00	10.2.10	3 months
			700.00	10.5.10	500.00	28.1.11	8 months
					200.00	24.1.12	1 year 8 months
			334.70	4.7.12	311.99	5.12.12	5 months
8.		Na Ali Road	800.00	3.6.08	650.00	1.10.08	3 months
					150.00	21.2.09	8 months
			1500.00	26.3.09	1140.00	16.7.09	3 months
					360.00	19.11.09	7 months
			1000.00	8.6.10	1000.00	12.10.10	4 months
			1200.00	7.3.10	1015.67	27.12.11	9 months
					182.06	6.11.12	8 months
		Total	16,032.80	--	15,758.56	--	--

Source: Information obtained from the implementing divisions.

Appendix – 2.16
{Reference to Paragraph-2.3.8.1}
Statement showing the financial progress of NEC projects

(₹ in crore)

Year	OB No. of incomplete projects	No. of projects sanctioned	Project completed			CB Incomplete projects		
			No.	Sanctioned cost	Up to date expenditure	No.	Sanctioned cost	Up to date expenditure
1989-2008	-	50	23	351.20	NA	27	669.07	NA
2008-13	27	5	21	386.28	376.30	11	508.48	294.02

Source: Information obtained from CE, PWD (Border Roads).

NA-Not available.

Appendix – 2.17

{Reference to Paragraph-2.3.8.1}

List of incomplete NEC projects

Sl. No.	Name of projects	Year of sanction	Approved cost (₹ in lakh)	Road length in Km	No. of bridges	Expenditure (₹ in lakh)
1.	Zamuang Hriphow Dullavcharra Road	2000-01	2613.76	20.00	16	1990.00
2.	Construction of Digboi Pengeri Bordumsa Mahadevpur Road	2006-07	4289.00	33.00	3	3694.12
3.	Construction of Double Lane RCC Bridge and Approaches over river Barak at Fulertol	2005-06	1927.00	0	1	1501.30
4.	Upgradation/ improvement of Rymbai Betwa Borsora Jallalpur Road	2004-05	2217.67	12.20	5	1932.48
5.	Upgradation/ improvement of Bhanga Anipur Kanai Bazar Road	2004-05	8649.88	64.75	22	7704.99
6.	Upgradation/ improvement of Silchar Dwarbond Gaglacherra Bilaipur Phaisen Road	2004-05	8581.59	62.00	21	6781.23
7.	Upgradation of Mankachar Mahendraganz Road	2009-10	1212.00	8.20	0	815.95
8.	Improvement of/ Upgradation of Mairang Ranigodown Azara Road	2010-11	2494.00	18.92	0	1382.56
9.	Construction of Bhawnipur NH 31 to Manas National Park via Saudarvitha Ananda Bazar Road in Assam	2012-13	5838.00	32.20	0	0
10.	Improvement of Jowai Natrang Khanduli Baithalangso Road	2010-11	7100.00	60.00	9	1761.37
11.	Improvement and Widening from one half lane to double lane of Silchar – Kalain Road connecting to NH 44 at Kalain	2009-10	5924.97	28.53	0	1838.47
Total			50847.87	339.80	77	29402.47

Source: Information obtained from CE, PWD (Border Roads).

Appendix – 2.18
{Reference to Paragraph-2.3.8.1}
Completed NEC projects (Test-checked)

Sl. No.	Name of the project	Date/year of GOI's/GOA's Approval	Approved cost (₹ in crore)	Date of commencement	Stipulated date of completion as per tender agreement	Date of completion/ physical progress	Upto date expenditure (₹ in crore)	Delay in completion of work (In month)
1.	Improvement of Hajo Nalbari Sarthebari Nagaon Road	4.2.2005	66.31	5.3.2005	Roads: Oct 2006 Bridge: Jan 2008	21.5.2011	65.41	38
2.	Krishnai Methendipather road	26.6.2005 & 3.3.2007	9.05	4.6.2006	Nov 2007	12.11.2008	8.98	11
3.	Improvement of Rampur Belsor Bihampur road	5.3.2009	16.41	18.10.2005	Nov 2007	2.2.2009	16.40	14
4.	Construction/ improvement of Na Ali road	15.12.2006	52.80	25.9.2007	March 2009	April 2012	51.26	36
5.	Construction/ improvement of Wokha Merapani road	9.2.2007	34.83	2.8.2007	Feb 2009	Feb 2011	34.60	22
6.	Construction/ improvement of Pandit Hemchandra Goswami road	9.11.2006	30.68	30.7.2007	Feb 2009	Jan 2011	30.22	21
	Total		210.08				206.87	

Source: Information obtained from implementing divisions.

Appendix – 2.19

{Reference to Paragraph-2.4.3}

Loss due to payment of interest free Mobilisation advance to Contractors

Amount of outstanding Mobilisation Advance (In ₹)	Amount adjusted (In ₹)	Period	No. of days	Amount of interest due @10% (In ₹)	MoSRT Adjustment Vouchers No. (date)	Balance Amount (In ₹)
336,86,280	39,74,879	22.07.09 to 27.03.10	249	22,98,050	1595 (27.03.10)	297,11,401
297,11,401	19,70,647	28.03.10 to 23.07.10	118	9,60,533	411 (23.07.10)	277,40,754
277,40,754	120,32,739	24.07.10 to 30.03.11	249	18,92,451	1860 (31.03.11)	157,08,015
157,08,015	157,08,015	31.03.11 to 31.01.12	306	13,16,891	1202 (31.01.12)	Nil
Total	3,36,86,280			64,67,925		

Source: Departmental records.

Appendix – 3.1
(Reference to paragraph 3.1)
Department-wise details of budget provision and expenditure
during 2012-13 in respect of General Sector

(₹ in crore)

Sl. No.	Department	Grant No. and Name	Budget provision				Expenditure			
			Charged		Voted		Charged		Voted	
			Revenue	Capital	Revenue	Capital	Revenue	Capital	Revenue	Capital
1.	Administrative Reforms and Training	22- Administrative Training	0	0	11.28	0	0	0	7.22	0
2.	Border Areas	50- Other Special Areas Programme	0	0	161.54	0	0	0	30.80	0
3.	Election	4-Election	0	0	59.14	0	0	0	44.36	0
4.	General Administration	12-District Administration	0	0	129.65	0	0	0	120.79	0
		25-Miscellaneous General Services	0	0	384.12	0	0	0	370.10	0
		47-Trade Adviser	0	0	1.05	0	0	0	1.06	0
5.	Home	14-Police	2.18	0	2614.22	25.80	2.07	0	2018.81	10.00
		15-Jails	0.10	0	66.37	0	0.04	0	50.33	0
		18-Fire Services	0.01	0	110.07	0	0	0	83.64	0
		19-Vigilance Comm. & others	0	0	72.97	0	0	0	59.08	0
		20-Civil Defence and Home Guards	0	0	169.50	0	0	0	150.06	0
6.	Judicial	3- Administration of Justice	46.52	0	203.91	0	39.61	0	122.62	0
7.	Legislative	1-State Legislature	0.62	0	56.31	60.11	0.33	0	38.13	46.68
		1-Head of State	5.83	0	0	0	4.32	0	0	0
		2-Council of Ministers	0	0	13.94	0	0	0	10.85	0
8.	Printing and Stationery	16- Stationery and Printing	0	0	34.74	0	0	0	32.73	0
9.	Revenue and Disaster Management	6-Land Revenue and Land Ceiling	0.01	0	226.70	0	0	0	149.03	0
		41- Natural Calamities	0	0	1314.48	0	0	0	291.33	0
		72- Relief and Rehabilitation	0	0	190.87	0	0	0	173.77	0
10.	SAD	11- Secretariat and Attached Offices	0.001	0	1469.99	56.00	0	0	931.16	53.10
11.	Information and Public Relations	35- Information and Publicity	0	0	36.26	0	0	0	30.90	0
Total			55.271	0	7327.11	141.91	46.37	0	4716.77	109.78
Grand total:			Budget provision: ₹7,524.291 crore				Expenditure: ₹4,872.92 crore			

Source: Appropriation Accounts 2012-13.

Appendix – 3.2

(Reference to paragraph 3.1)

Department-wise details of budget provision and expenditure during 2012-13 in respect of other heads

(₹ in crore)

Grant No.	Budget provision				Expenditure			
	Charged		Voted		Charged		Voted	
	Revenue	Capital	Revenue	Capital	Revenue	Capital	Revenue	Capital
23-Pension and other retirement benefits	6.20	0	2703.99	0	0	0	3769.87	0
10-Public Service Commission	10.72	0	0	0	7.70	0	0	0
68-Loans to Govt. Servant	0	0	0	0.40	0	0	0	0.22
Total	16.92	0	2703.99	0.40	7.70	0	3769.87	0.22
Grand total:	Budget provision: ₹2,721.31 crore				Expenditure: ₹3,777.79 crore			

Source: Appropriation Accounts 2012-13.

Appendix – 3.3

(Reference to paragraph -3.1)

Major direct releases³ by Central Government under General Sector during 2012-13

(₹ in crore)

Sl. No.	Name of the department	Name of implementing Agencies	Fund released
1.	Home	ASDMA	1.52
2.	Information technology	Assam Electronics Development Corporation Limited	14.20
3.	Development of North Eastern region	NA	302.94
4.		Central Institute of Plastics Engineering Technology (CIPET)	2.14
5.		Dr. B. Borooah Cancer Institute	10.98
6.		State Sports Council of Assam	1.74
7.		Third Eye Infosys Private Limited	1.56
Total			335.08

Source: CPSMS.

NA: The name of actual implementing agency was not available. As per CPSMS list, the Assam Government was shown as the implementing agency in these cases.

³ Release worth ₹one crore and above.

Glossary of abbreviations

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AA	Administrative Approval
AGMC	Assam Government Marketing Corporation
AIA	Annual Irrigated Area
AIBP	Accelerated Irrigation Benefits Programme
AMTRON	Assam Electronics Development Corporation
ANM	Auxiliary Nurse Midwife
APP	Annual Profile of Projects
APWD	Assam Public Works Department
APWM	Assam Public Works Manual
ARPS	Asom Rastrabhasa Prachar Samiti
ARTFED	Assam Apex Weavers' and Artisans Co-operative Federation Limited
ASSAM	Axom Sarba Siksha Abhijan Mission
ASTPPC	Assam State Text Book Publication and Production Corporation
ATNs	Action Taken Notes
AWCs	Anganwadi Centres
BDOs	Block Development Officers
BGs	Bank Guarantees
BM	Bituminous Macadam
BTC	Bodoland Territorial Council
CCA	Cultivable Command Area
CDPOs	Child Development Project Officers
CM's SEGP	Chief Minister's Self Employment Generation Programme
COs	Circle Officers
CRF	Calamity Relief Fund
CST	Central Sales Tax
CVC	Central Vigilance Commission
CWC	Central Water Commission
DCAD	Director of Char Areas Development
DDO	Drawing and Disbursing Officer
DGP	Director General of Police
DICC	District Industries and Commerce Centre
DII	District Infrastructure Index
DOA	Director of Agriculture
DPC Act	Duties, Powers and Conditions of Service Act
DSW	Directorate of Social Welfare
EA	Equipment Advance
EC	Empowered Committee
EES	Executive Engineers
FOIGS	Family Oriented Income Generating Scheme
FTBs	Free Text Books
FW	Family Welfare
GCA	Gross Command Area
GFR	General Financial Rules
GMC	Guwahati Medical College
GOA	Government of Assam

GOI	Government of India
ICDS	Integrated Child Development Service
IRs	Inspection Reports
L&T	Larsen & Toubro
LGBI	Lokapriya Gopinath Bordoloi International
LWBPJ	Light Weight Bullet Proof Jacket
MA	Mobilization Advance
MCFC	Model Common Facility Centre
MD	Mission Director
MDR	Major District Road
MoWR	Ministry of Water Resources
MPF	Modernisation of Police Force
MPWA	Miscellaneous Public Works Advance
MRP	Maximum Retail Price
NABARD	National Bank for Agriculture and Rural Development
NCC	Nagarjuna Construction Company
NEC	North Eastern Council
NER	North Eastern Region
NGOs	Non-Governmental Organizations
NGS	National Games Secretariat
NIA	Net Irrigated Area
NIT	Notice Inviting Tender
NLCPR	Non-lapsable Central Pool of Resources
NRHM	National Rural Health Mission
ODR	Other District Road
OSD	Officer on Special Duty
P&RD	Panchayat and Rural Development
PAC	Public Accounts Committee
PIM	Participatory Irrigation Management
PMC	Project Management Committee
PPSWOR	Probability Proportional to Size Without Replacement
PSE	Pre-School Education
RD	Revenue Deposit
RDMD	Revenue and Disaster Management Department
RIDF	Rural Infrastructure Development Fund
SCERT	State Council of Educational Research and Training
SCS	Special Category States
SDBC	Semi-Dense Bituminous Concrete
SHGs	Self Help Groups
SLC	State Level Committee
SLEC	State Level Empowered Committee
SNP	Supplementary Nutrition Programme
SoE	Statements of Expenditure
SOR	Schedule of Rates

SPT	Semi Permanent Timber
SPV	Special Purpose Vehicle
SSKS	Srimanta Sankardeva Kalakshetra Society
TAML	TATA Advanced Materials Limited
TFC	Twelfth Finance Commission
TLMs	Teaching and Learning Materials
TSC	Technical Sub-committee
TSP	Tribal Sub Plan
VAT	Value Added Tax
WPT&BC	Welfare of Plain Tribes and Backward Classes
WUA	Water Users Association