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**COMMITTEE ON PUBLIC ACCOUNTS
(2009-2011)**

HUNDRED AND TWENTY FOURTH REPORT



(TWELFTH ASSEMBLY)

**REPORT OF THE COMMITTEE ON PUBLIC ACCOUNTS, ASSAM
LEGISLATIVE ASSEMBLY ON THE REPORT OF THE
COMPTROLLER AND AUDITOR GENERAL OF
INDIA (CIVIL) FOR THE YEARS 2006--2007
AND 2007-2008 RELATING TO
PHE, GDD, FISHERIES, HOME, FOREST AND
AGRICULTURE DEPARTMENTS, GOVERNMENT OF ASSAM.**

Presented to the House on 02-03-2010.

**ASSAM LEGISLATIVE ASSEMBLY SECRETARIAT
DISPUR :-GUWAHATI-6.**

Table of contents

	Page/Pages
1. Composition of the Committee	i
2. Prefatory Remarks	ii
3. Chapter-I PHE Department	1
4. Chapter-II GDD Department	2-5
5. Chapter-III Fisheries Department	6-7
6. Chapter-IV Home Department	8-9
7. Chapter-V Forest Department	10-11
8. Chapter-VI Agriculture Department	12-17

(i)

COMPOSITION OF THE COMMITTEE

Chairman:

1. Shri Phani Bhusan Chaudhury

Members:

2. Shri Rajendra Prasad Singh
3. Shri Rameswar Dhanowar
4. Shri Gobinda Chandra Langthasa
5. Shri Abdul Khaleque
6. Shri Rajib Lochan Pegu
7. Shri Padma Hazarika
8. Shri Girindra Kumar Baruah
9. Smti Kamali Basumatary
10. Shri Ranjit Dutta
11. Shri Jagat Singh Engti
12. Shri Anwarul Hoque
13. Shri Membor Gogoi

Secretariat:

1. Shri G.P.Das, Secretary
2. Shri B. Basumatary, O.S.D.
3. Shri P.K. Hazarika, Deputy Secretary
4. Shri K. Rahman, C.O.

(ii)

PREFATORY REMARKS

I, Shri Phani Bhusan Chaudhury, Chairman, Committee on Public Accounts, Assam Legislative Assembly having been authorized to submit the report on its behalf present this Hundred and Twenty Fourth Report of the Committee on Public Accounts on the Audit paras contained in the Reports of the Comptroller and Auditor General of India (Civil) for the years 2006-2007 and 2007-2008 pertaining to PHE, GDD, Fisheries, Home, Forest and Agriculture Departments, Government of Assam.

2. The Report of the Comptroller and Auditor General of India (Civil) for the years 2006-2007 and 2007-2008 was laid before the House on 3rd March,2008 and 7th March,2009.

3. The Reports mentioned above relating to PHE, GDD, Fisheries, Home, Forest and Agriculture Departments has been considered by the Committee in its meeting held on 9th November,2009 and 30th November,2009.

4. The Committee has considered the draft report and finalized the same in its sitting held on 24th February,2010.

5. The Committee has appreciated the valuable assistance rendered by the Principal Accountant General (Audit), Assam and his Junior Officers and staff during the examination of the Department.

6. The Committee thanks to the departmental witnesses for their kind co-operation and offers appreciation to the Officers and staff dealing with the Committee on Public Accounts, Assam Legislative Assembly Secretariat for their strenuous and sincere services rendered to the Committee.

7. The Committee earnestly hopes that the Government would promptly implement the recommendations made in this report.

Dispur:
The 24th February,2010.

PHANI BHUSAN CHAUDHURY,
Chairman,
Committee on Public Accounts.

Chepter - I

Public Health Engineering Department

Wasteful expenditure

(Audit para 4.2.5/C & AG (Civil)/2006-2007/(P-128-129)

1.1 The audit has pointed out that a test-check (July 2005) of records of the Executive Engineer (EE), Hojai Public Health Engineering (PHE) Division revealed that for supply of pure and safe drinking water, a piped water supply scheme (PWSS) under Accelerated Rural Water Supply Programme (ARWSP) was taken up for execution departmentally without any technical sanction or ascertaining the availability of water bearing strata at the proposed site from the Central Ground Water Board (CGWB). The PWSS was completed/commissioned (March 2002) at a cost of Rs.18.82 lakh. The depth of boring of DTW was 112 running metre (Rm) against the estimated provision of 180 Rm. The reason for short boring as stated (March 2007) by the EE was due to availability of water bearing strata at lesser depth. The Division stated (June 2007) that the estimate for boring of DTW was made on the assumption of the past experience of such boring instead of, on the technical advice of CGWB. The DTW became non functional (March 2003) due to draw down/failure of DTW. Thus, due to boring of DTW without consulting the CGWB and non-execution of test boring and short boring rendered the expenditure of Rs.18.82 lakh unproductive besides depriving villagers of safe and pure drinking water.

1.2 The department by their written reply has stated that although the Central Ground Water Board was not consulted prior to the installation of the Deep Tube Well for Pipalpukhuri No.1 Water Supply Scheme, the work for Deep Tube Well was executed considering the availability of water bearing strata in the vicinity of Pipalpukhuri and its adjoining areas. Subsequently, for the water supply schemes which were taken up for execution under Hojai P.H.E. Division, a map from the Central Ground Water Board was collected which shows availability of under ground water. Subsequently another attempt was made to revive the Deep Tube Well. During this attempt a technical snag was detected and rectified accordingly and the Deep Tube Well was made functional. Presently the Pipalpukhuri No.1 Water Supply Scheme is functioning properly and giving the benefit of drinking water facility for the purpose for which it was meant for.

OBSERVATIONS/RECOMMENDATIONS

1.3 The Committee during its spot study tour visited the Pipalpukhuri No. 1 water supply scheme on 22-12-2009 and found the scheme to be functioning properly. The Committee, therefore decided to drop the para.

Guwahati Development Department

Avoidable expenditure

(Audit Para 4.3.2/C & AG(Civil)/2006-2007/(P-132))

2.1 The audit has pointed out that after scrutiny April-May 2006) of records of the Secretariat Administration Department (SAD) revealed that the State Government took possession of a land (1973) measuring 1 Bigha 1 Katha 10 Lasa without paying the cost of acquisition (estimated at Rs.25.38 lakh) to the owner of the land. The Gauhati High Court, directed the State Government (8 September 1995) to pay compensation to the owner within 15 days or return the land within a period of one month. The State Government failed to comply with direction of the High Court within the stipulated period. Instead of denotifying the land, it issued a notification for acquiring the land (November 1996). In January 1998, Rs.25.38 lakh was paid to the owner as the cost of acquisition, excluding cost of compensation (Rs.12.72 lakh). The heirs of the land owner moved (March 1998) the Hon'ble Ad-hoc Additional District Judge for payment of recurring compensation and revision of cost of land at the prevailing market rate at the time of acquisition of land (November 1996). The Court in its judgement (27 September 2004), passed orders enhancing the compensation and allowing interest till the date of payment, annual compensation for occupation and use of the acquired land by State Government w.e.f. 01 September 1973 to 19 February 1997. The total amount paid by the State Government amounted to Rs.110.42 lakh. Thus, due to the failure of the Government to make payment for land acquisition and non-compliance with the judgement of the High Court on time, it incurred an avoidable expenditure of Rs.85.04 lakh (Rs.110.42 lakh – Rs.25.38 lakh).

2.2 The department by their written reply has stated that the Government of Assam acquired land measuring 444 Bighas for construction of Temporary Capital at Dispur in September, 1973. The land was mutated in the name of General Administration Department (GAD) except 1B-1K-10 L. 2. It has come to the notice of Government while the owner Shri Jatindra Mohan Sharma filed petition claiming compensation of land along with cost. 3. The Deputy Commissioner, Kamrup acquired the same land only in April, 1993 but the said

acquisition could not materialize for non-placement of fund. 4. The owner being aggrieved filed petition before the Hon'ble Guwahati High Court. The High Court in its judgement dtd. 8-9-95 directed Government of Assam for payment of compensation as may be fixed by the Deputy Commissioner, Kamrup after hearing the petitioner within 15 days or to return the land within a period of one month. 5. The Deputy Commissioner, Kamrup submitted an estimate amounting to Rs.25.38 lakhs as acquisition cost to be paid within 22-9-95 but it was lapsed due to non-placement of fund in time. 6. The matter was dealt by G.A. Department till February, 1996 and then it has been transferred to Guwahati Development Department. 7. On receipt of the matter G.D. Department arranged to issue fresh notification and it was done on 14-11-96 as per direction of Hon'ble High Court. 8. In April, 1997, Deputy Commissioner, Kamrup submitted another estimate amounting to Rs.12.72 lakhs being recurring compensation for the period from 1-9-1973 to 8-9-95. 9. Government in Guwahati Development Department sanctioned L.A. cost amounting to Rs.25.38 lakhs in December, 1997 without the compensation amounting to Rs.12.72 lakhs. 10. In the meantime, the constituted attorney on behalf of the owner and on his death his heirs moved the Hon'ble Adhoc Additional District Judge for payment of recurring compensation and revision of cost of land at the prevailing market rate at the time of acquisition on November, 1996. 11. The Hon'ble District Judge passed orders as under :- (i) Compensation of acquired land was enhanced to Rs.5.00 lakhs per katha from Rs.2.50 lakhs per katha. (ii) The claimant was entitled to 30 percent as solatium under section 23 (2) of L.A. Act. (iii) Interest payable at the rate of 9 percent per annum for the first year from the date of taking over possession and thereafter at the rate of 15 percent per annum on the award amount till the date of payment. (iv) The claimant was also entitled to annual compensation for occupation and use of the acquired land by Government of Assam w.e.f. 01 September, 1973 to 19 February, 1997 as per Hon'ble High Court's order dated 08 September, 1995. 12. This time also the G.D. Department moved the proposal immediately and disposed the same on 9-3-2006 after consulting all concerned authorities like Judicial and Finance etc. Department.

OBSERVATIONS/RECOMMENDATIONS

2.3 The Committee observes that the matter was dealt by the GA Department from September 1973 till February 1996 and then it was transferred to the GDD. The GA Department sat over the matter for long 23 years (1973 to 1996) for which the Government had to incur an avoidable expenditure of Rs.85.04 lakh. The Committee, therefore, recommends that the Commissioner & Secretary to the Govt. of Assam, GA Department should make an enquiry for whose fault the matter was delayed for long 23 years and responsibility should be fixed and action should be taken against the erring officials and action taken report may be submitted to the Committee within 60 days from the date of presentation of this report before the House.

Diversion of funds

(Audit para.4.4.3/C & AG(Civil)/2006-2007/(P-144)

2.4 The audit has pointed out that after scrutiny (March-April 2006) of records revealed that the GMDA could not utilize the amount during 2001-02 and 2002-03 due to non-availability of land for taking up the schemes and diverted Rs.27.30 lakh for 'Beautification of Umananda Temple' with the approval of the Chairman, GMDA, but without the approval of the Government. Thus, diversion of fund without Government's approval was not only irregular but also defeated the objectives of self employment and socio-cultural development for which the amount was sanctioned. Further, GMDA neither paid interest of Rs. 18.07 lakh nor refunded principal of Rs.12.70 lakh to the State Government till June 2007.

2.5 The department by their written reply has stated that it is a fact that an expenditure amounting to Rs.27.30 lakh was incurred against different schemes as stated in the paragraph by diversion of fund to the scheme "Beautification of Umananda Temple". For this diversion, approval of the Hon'ble Chairman, GMDA was obtained. The matter is under examination of State Government.

OBSERVATIONS/RECOMMENDATIONS

2.6 The departmental representatives assured the Committee that the department will regularize the diversion of fund by 31-3-2010. The Committee therefore, directed the department to submit a report after regularization to the Committee within 30 days from the date of presentation of this report before the House and decided to drop the para.

Blocking of funds

(Audit para.4.4.4/C & AG(Civil)/2006-2007/(P-145)

2.7 The audit has pointed out that after scrutiny (March-April 2006) of records revealed that the Guwahati Metropolitan Development Authority (GMDA), in violation of the HC judgement submitted (August 2003) a proposal to the State Government for development of jail land at Fancy bazar for car parking at a cost of RTs. 15 lakh. The Guwahati Development Department sanctioned (November 2003) Rs. 15 lakh which was drawn by the Secretariat Administration Department and released (February 2004) to GMDA. The GMDA could not utilise the fund till the date of audit, as the required land was not handed over by the Jail Authorities. Thus, injudicious action of the GMDA and State Government resulted in avoidable blocking of fund amounting to Rs.15 lakh for over four years.

2.8 The department by their written reply has state that it is fact that an amount of Rs.15.00 lakh was sanctioned and released to GMDA for development of Jail land in Fancy Bazar area during year 2003-04. Accordingly GMDA floated tender and work was allotted. But the work was not executed as the land was not handed over to GMDA by Jail Authority. At the time of submitting the proposal it was not known to GMDA about the High Court Judgement that there is a ban in this respect. Hence it cannot be treated as injudicious. Now the matter is placed before the Authority for further necessary action.

OBSERVATIONS/RECOMMENDATIONS

2.9 The departmental representatives assured the Committee that the department will take necessary steps to deposit the amount of Rs.15 lakh within a few days to the Government exchequer. The Committee, therefore, directed the department to take immediate step to deposit the amount to the State exchequer and to furnish copy of the documents to the Committee within 30 days from the date of presentation of this report before the House and decided to drop the para.

Fisheries Department

Unproductive expenditure

(Audit para 4.4.1/C & AG(Civil)/2006-2007/(P-142-143)

3.1 The audit has pointed out that after scrutiny (July 2006) of records and further information collected (April 2007) revealed that the establishment of FIO had become nonfunctional since 2002-03. During the period 2002-2003 to 2006-2007 no seminar, workshop was organized, except for a 15 days seminar organized by the Assam Rural Infrastructural and Agricultural Services Project (ARIASP) not related to the charter of duties of the Directorate of Fisheries. Further, 69 audio-visual equipment out of 89 available in the establishment unserviceable of FIO became unserviceable. The date since when these equipment became unserviceable was not produced to audit. Thus, due to non-holding seminar/workshop and unserviceable equipment, the staff remained idle. This resulted in idle unproductive expenditure of Rs.54.69 lakh on pay and allowances of staff during the period from 2003-04 to 2006-07. The FIO stated (July 2007) that the services of the staff are being utilized in different establishments of the Directorate of Fisheries but could not produce any documentary evidence in support of this claim.

3.2 The department by their written reply has stated that audio-visual and other equipment as mentioned were purchased centrally by the Directorate of Fisheries before 1980s. The equipment became condemned not because of non use, but the other way round i.e. most of the equipments were outdated for which the use was very limited in addition to non availability of spares and thus became unserviceable. Although the staff under this establishment could not be engaged as per the job chart of the wings, the employees are not sitting idle. Most of the officers and staff are engaged in other works such as World Bank Schemes, State Plan Works etc. Hence the expenditure made may not be treated as nugatory expenditure. It is true that the wing is not functioning as per the job chart due to fund constraints but budget proposal has been placed to the Government during the 11th Plan for revitalizing the wing and resuming the work as assigned. In this respect budget provision for the said period (2002-03 to 2006-07) are shown below :-

Budget Provision

Under the Sub Head : 1216-Extension Service

<u>Year</u>		<u>Amount</u>
2002-03	Publicity	Nil
	Advertisement	Nil
2003-04	Publicity	Nil
	Advertisement	1.00 L (Fund could not be drawn)
2004-05	Publicity	Nil
	Advertisement	Nil
2005-06	Publicity	Nil
	Advertisement	Nil
2006-07	Publicity	Nil
	Advertisement	Nil

OBSERVATIONS/RECOMMENDATIONS

3.3 The Committee heard the deposition of the departmental witnesses and was satisfied that all the 13 employees of FIO are gainfully engaged in other works such as World Bank schemes, State Plan Works etc. The Committee is therefore, pleased to drop the para.

Chapter – IV

Home Department

Misappropriation of funds

(Audit para 4.1.1/C & AG(Civil)/2007-2008/(P-99)

4.1 The audit has pointed out that after scrutiny (October-November 2007) of the records of the Commandant, 10th Assam Police Battalion, Guwahati revealed that an excess amount of Rs.1.21 crore was drawn on account of pay and allowances of police personnel through fraudulent means during March 2005 to July 2006. The modus operandi involved the following ;

- Rupees 67.10 lakh was drawn by inflating the number of employees in the pay bills and shown disbursed in the Cash Book without any supporting evidence;
- Rupees 22.79 lakh was drawn by inflating the basic pay of the employees in the pay bills in 624 cases. The amounts drawn were more than what was recorded in the Service Books.
- In 854 other cases, Rs.82.76 lakh was drawn at inflated basic pay but in the acquittance rolls, only Rs.52.11 lakh was shown disbursed on account of actual basic pay. The balance Rs.30.65 lakh was also shown disbursed as per the entry in the Cash Book without any supporting evidence;
- Rupees 9,560 being the pay and allowances of an employee, was drawn twice for the month of January 2006 and shown disbursed in the Cash Book
- Thus, due to failure to exercise the prescribed internal controls, Rs.1.21 crore was mis-appropriated by fraudulent drawal of funds. No recovery was made from the officials responsible in this regard so far (September 2008)

4.2 The department by their written reply has stated that after receipt of A.G.s objection regarding fraudulent drawn of Rs. 1.21 crores, Commandant, 10th A.P. Battalion, Kahilipara, Guwahati was requested to furnish the necessary reply against the audit observations. But Commandant has stated in his reply that he is not in a position to furnish the reply as the relevant records have already been seized by the C.I.D. As regards, failure to exercise the prescribed Internal Controls, it may be

stated that as pointed out by the audit the following measures have been taken to avoid such kind of Mis-appropriations in future.

1) Budget provision under head salary is now made by the Govt. on the basis of actual strength (Men in position), supported by "L" statement, and not on the basis of sanctioned strength. Allotment of fund for this purpose is also being made accordingly to avoid misuse or fraudulent drawal of unspent balance.

2) Expenditure against allotment is being monitored every month. The expenditure figures are now computerized and compared with allotment of fund before issuing additional allotment.

3) Additional allotment of fund if required is only made after receipt of requisition from the D.D.O as per prescribed format supported by proper justification and expenditure statement.

4) The earlier procedure of giving one time allotment of fund to D.D.O's has been discontinued and introduced 2/3 instalments of fund strictly on the basis requirement and justification.

5) Internal Audit wing has been strengthened and instructed them to devote more time for verification of drawal and disbursement of salary on priority basis. The Internal Audit wing is now placed under the supervision of F.A.O. Necessary arrangement has now been made by the D.G.P. for supervision and monitoring by senior officers in every offices of this department specially regarding the matter of drawl and disbursement of salary. As regards action taken against the officials responsible in this regard it may be stated that departmental proceeding has already been initiated against the D.D.O.'s and others who held the respective posts during the period covered by Audit. After completion of investigation of the case by the C.B.I. necessary steps will be taken for recovery of the misappropriated Govt. money from the concerned officials.

OBVERSATIONS/RECOMMENDATIONS

4.3 The Committee is satisfied with the reply of the departmental representatives during the course of discussion. However, the Committee was informed that investigation of the CBI is still going on, and hence the Committee directed the department to pursue the matter vigorously and to furnish a copy of the enquiry report to the Committee after completion of the enquiry.

Chapter-V

Forest Department

Wasteful expenditure

(Audit para 4.2.1/C&AG(Civil)/2007-08/(P-101))

5.1 The audit has pointed out that after scrutiny (April 2007) of the records of the Principal Chief Conservator of Forests (PCCF) and further information collected (April-May 2008) revealed that the State Government sanctioned and released (December 2003) Rs. 1.43 crore for implementation of IFP, of which, allocation for 1st phase of FIC construction was Rs. 73 lakh. The PCCF drew the amount in March 2004 and awarded the construction work to M/S Assam Government Construction Corporation (AGCC). The construction work started in March 2004 and was abandoned in October 2004 in view of the Government's order following protest by non-government organizations against the construction of the building in baned area. Meanwhile, the Department had incurred and expenditure of Rs. 73 lakh towards the construction cost of the foundation work. Thus, the injudicious decision of the Department to construct the FIC building in violation of GMDA norms resulted in a wasteful expenditure of Rs. 73 lakh.

5.2 The department by their written reply has stated that the Forest Interpretation Centre was conceived not as a new office building but with a plan to blend with the river front scenario with out obstructing the ground level view of the river front. Accordingly the architecheral design was made and the plan and estimate were prepared. The proposed construction of the building by the Forest Department was exempted from the general embargo on any construction on the river front. An amount of Rs. 143.10 lakhs under C.S scheme "Interacted Forest Protection" was sanctioned and released by the State Govt. out of which 3 items under "Building Components" were to be utilized for housing the same in the "Interpretation Centre" during 2003-04. The amount of Rs. 73.00 lakhs pertaining to 3 components of building which were to be housed at the Forest Interpretation Centre at Kachrighat out of total sanctioned and released amount of Rs. 143.10 lakhs under the C.S Scheme "Integrated Forest Protection" during 2003-04 was utilized first. The works related to foundation works of the Forest Interpretation Centre was executed by AGCC & for which the payment of Rs. 73.00 lakhs was made when the

work was stopped. The Government letter No.P.S/E & F.1/2003 Dated 29.10.04 stopped the construction of Interpretation Centre at Kachrighat which still now houses the office of the C.C.F.Territorial, C.F.CAC Guwahati CF & C.S ASFC, Guwahati, the Range Officer Guwahati, City Range & the Wildlife Trust Office. The Agreement with A.G.C.C. got lapsed on the strength of Government letter directing stopping of the construction of Forest Interpretation Centre at the Original site. As the work had to be stopped due to Government directive under the circumstances, the expenditure of Rs.73.00 lakhs made through A.G.C.C. could not be avoided as the event was unforeseen.

OBSERVATIONS/RECOMMENDATIONS

5.3 The Committee heard the deposition of the departmental witnesses and observed that on Government instruction the decision was taken up by the Forest Department to stop the construction of Forest Interpretation Centre on the Bank of river Brahmaputra, due to popular demand raised by the Public through NGOs to protect the environment from pollution. Since, it was the decision of the Government hence, the Committee decided to drop the para.

Chapter – VI

Agriculture Department

Diversion of funds

(Audit para 4.4.1/C & AG(Civil)/2007-2008/(P-106-107)

6.1 The audit has pointed out that after scrutiny (January-March 2008) of the records of the Comptroller, Agriculture University, Jorhat revealed that the University had a minus opening balance of Rs.25.42 crore under State Plan (Rs.13.69) crore and State Non-Plan (Rs.11.73 crore) as on 1 April 2006. During the year, the University received Rs.68.81 crore grant from the State Government (Plan: Rs.31.18 crore; non-plan: Rs.37.63 crore). Out of the total available funds of Rs.43.39 crore after adjusting the minus balance under both plan (Rs.17.49 crore) and non-plan (Rs.25.90 crore), the university spent Rs.70.46 crore (Plan : Rs.28.90 crore ; non-plan ; Rs.41.56 crore) which resulted in excess expenditure of Rs.27.07 crore. The excess expenditure over allotment was on account of payment of salary, wages and pension and was met by diverting the unutilized funds received under Central Sector Schemes. (ICAR schemes: Rs.7.44 crore; GOI schemes : Rs.4.89 crore) and taking loan from CPF. The Comptroller stated (August 2008) that the excess expenditure was incurred since the grants provided by the State Government were not sufficient to meet the required expenditure during the years under salary, wages and pension. However, the fact remains that the ICAR schemes and the GOI schemes remained unimplemented to the extent of diversion.

6.2 The department by their written reply has stated that it is submitted to the Hon'ble Public Accounts Committee that the minus balance of Rs.25.42 crores as observed by the Audit, was basically due to non-receipt of adequate grant from State Government during the period, against the requirement of Rs.465.64 crores, fund received was Rs.440.22 crores which was not sufficient to meet the expenditure on Salary, Pension etc. to the staff. Excess expenditure was incurred from Central Sector Schemes in anticipation of State Government grant. Another excess amount of Rs.1.65 crore in 2006-07 had to be incurred for the same purpose thereby raising the minus balance to Rs.27.07 crore (Rs.25.42+Rs.1.65) as the Government grant of Rs.68.81 crore was not sufficient. It is submitted that the University was trying very hard to balance the situation for which it had entered into a pact with Govt. of Assam through a MOU as per which

the Govt. of Assam shall liquidate the total deficit (both Plan and Non-Plan) amount of Rs. 62.85 crore in 5 equal installments @ Rs.6,285 crore each for Plan and Non-Plan. While the University has been receiving the Non-Plan share as per the agreement, the Plan allocation is yet to be received. The University has given a Supplementary Demand for Rs.25.14 crore @ Rs. 6.285 X 4 years) under Plan to the State Govt. which is expected to be made available soon. As soon as this amount is received, the issue will be settled up to 92.87% leaving only Rs. 1.93 crore which will be settled next year.

OBSERVATIONS/RECOMMENDATIONS

6.3 The Committee observes that the fund received by the Agriculture University, Jorhat from the State Government for the purpose of education, Research and Extension has not been utilized for these purposes and has been diverted for payment of salary, wages and pension. The University also diverted fund received under central sector schemes from ICAR and Government of India and also took Loan from CPF. The Central sector schemes thus remain unimplemented to the extent of diversion. The University is also required to pay interest for CPF Loan and as a result creating additional liabilities. It is a gross irregularity which may not be occurred in future. The Committee, therefore, recommends that adequate fund should be allocated to the University by the Govt. so, that they need not divert central fund and can implement the central sector scheme and also refund the CPF Loan and necessary Budget provision should be made in the Supplementary Budget. Action taken in this regard may be intimated to the Committee within 30 days from the date of presentation of this report before the House. The University should ensure that such diversion does not occur in future.

Non utilization of scheme fund

(Audit para 4.5.1/C&AG(Civil)/2007-2008/(P-111))

6.4 The audit has pointed out that after scrutiny (January-February 2007) of the records of the DOA and further information collected (September 2008) revealed that the DCs utilized Rs. 3.43 crore out of Rs.4.98 crore provided, leaving an unspent balance of Rs.1.55 crore as of August 2008. Out of 5,25,300 small and marginal farmers, 3,43,297 were covered under the programme leaving flood damaged land of 1,82,003 farmers untractorised. Of the unspent balance of Rs. 1.55 crore, only Rs.10.77 lakh was deposited/refunded to CRF account by the DC and Rs.1.33 crore was refunded to the DOA. The remaining unspent balance of Rs.11.23 lakh was retained by three DCs for more than three years despite DOA's instructions (March 2005) to refund the unspent amount. Reasons for retention and non-deposit of Rs.1.44 crore to CRF were not found on record. The DOA stated (September 2008) that the amount could not be utilized due to higher hire rates of tractors and also due to constraints of time and crop schedule. Thus, the Department's failure to utilise Rs.1.55 crore, deprived needy small and marginal farmers of the intended benefits of the scheme.

6.5 The department by their written reply has stated that an amount of Rs.1,32,88,578/- say (1.33 Crores) which was refunded by the implementing officer (DC) to this Directorate had already been deposited to the Govt. account 8235 Gen – other Reserve Funds – Calamity Relief fund vide Treasury challan No.2009/6/4121, dtd. 12-06-09 at Dispur Treasury which was not utilized due to higher hire rates of tractorisation and also due to constrains of time and crop schedule. Regarding relation of unspent/unutilized amount of Rs.11,11,422/- only by the respective Deputy Commissioner namely (a) Kamrup (b) Golaghat (e) Morigaon were requested to return the unutilized fund/to submit unutilized certificate etc but none of them have not yet return the unutilized amount to the Directorate of Agriculture or to the Government directly till date.

OBSERVATIONS/RECOMMENDATIONS

6.6 The Committee observes that the Directorate of Agriculture issued instruction in March, 2005 to refund the unspent amount. Out of the 25 districts four districts i.e. Kamrup @, Kamrup (M) Golaghat and Marigaon have not yet refunded the unspent amount. The Committee also observes that there are two aspects of the audit objection, firstly the money has not been utilized for the purpose it was meant and has been kept unauthorizedly and secondly, a number of people to be benefited by this money have also not been benefited. The Committee, therefore, recommends that the Department should prepare necessary action calendar which would help them in implementing the Government schemes. The Committee also recommends that the department should direct the four concerned districts to refund the unspent/unutilized amount and deposit the same to the state exchequer. Action taken in this regard may be submitted to the Committee within 30 days from the date of presentation of this report before the House.

Non-implementation of scheme

(Audit para 4.5.2/C & AG(Civil)/2007-2008/(P-112))

6.7 The audit has pointed out that after scrutiny (January-March 2008) of the records of the Comptroller, AAU revealed that out of Rs. One crore, only Rs.0.61 lakh was spent by the University towards advertisement charges for inviting tender for supply and installation of hardware and software. The University placed (March 2007) a supply order with M/s HCL for supply and installation of hardware and software at a cost of Rs.85.60 lakh without mentioning the date of completion and without entering into any agreement. The firm, however, had not supplied/installed the hardware and software as of August 2008. The State Government further sanctioned (March 2007) Rs.three crore for setting up a Bio-Technology Institute at AAU, Jorhat during 2006-07. The primary objectives of the scheme are to :

- offer bio-technology degrees at Under-Graduate and Post-Graduate level;
- conduct research in selected areas of bio-technology of special interest to the State;
- provide training in bio-technology for entrepreneurship development; and
- Disseminate bio-technological know how to the stakeholders.

The DOA deposited (March 2007) the amount into the University's savings bank account and subsequently invested the amount in Short Term Deposit for 180 days. Scrutiny of the records of the Comptroller, AAU revealed that the University authorities did not initiate any action for implementation of the scheme as of August 2008. Non-implementation of the above State Plan Scheme not only resulted in parking of Government funds to the tune of Rs.3.99 crore, but also deprived the students of the intended benefits.

6.8 The department by their written reply has stated that it is true that completion of tendering etc. formalities took some time and it is also true that no supply was effected till March, 2008. The University, subsequently took speedy steps to see that the selected firm executes the supply and was successful in receiving the hardware costing Rs.63.00 lakhs i.e. Rs.63 lakhs has been utilized in 2008-09. The remaining amount could not be utilized as the software supplied by the party were not found satisfactory.

Present V.C. has personally taken up the matter with HCL recently and they have agreed to come up with a revised version on 9th September, 2009. The complete amount thus shall be utilized very soon, it is not true that University did not initiate any step to complete the project. The Project had 2 components; one Civil Works and the other-Equipments. Order for Civil Work for Rs.84.73 lakhs was given in February, 2008 which is now in the process of completion. Similarly, most of the equipments needed have been procured. However, time more than required was taken to receive the equipments due basically to the fact that those were imported items that had to be custom cleared after opening L.C. etc. The delay notwithstanding, it may be mentioned that research in the frontier area of biotechnology like Genetic Engineering, Plant Genetic Transformation, Plant Tissue Culture, Microbial Biotechnology, Molecular marker technology, Bioinformatics, Food Biotechnology etc. has already been initiated using the existing facilities. We are happy again to inform the Hon'ble PAC that the Bio-Technology division of the University could come up with a transgenic Chick Pea line resistant to Pod borer infestation and that the genetic material is being used shortly throughout the country. The division has also enrolled 22 M.Sc. students besides imparting teaching to under graduate students. It would thus be clear that the University is working as per the listed objectives and that the fund allocated for the purpose shall also be cleared within this fiscal year.

OBSERVATIONS/RECOMMENDATIONS

6.9 The Committee observes that the Directorate of Agriculture, Assam deposited Rs.3.99 crore into University S.B. Account and subsequently invested the amount in short term deposit for 180 days. Scrutiny of records revealed that the University did not initiate any action for implementation of the scheme. Money is released for immediate payment. But in this case Government released money even before the Agriculture University completed its Planning, Civil works and other required works for which the University authorities had to keep the money deposited in an account. The Committee also observes that the University placed supply order with M/S HCL for supply and installation of Hardware and Software without mentioning the date of completion and without entering into any agreement for which the firm delayed more than a year to supply the articles. As there is no agreement with the firm concerned, the University authority is not in a position to penalize the contractors. The Committee therefore recommends that the department should be careful in future in sanctioning fund against any scheme. Fund should be released only after the Department is satisfied that the implementing authority has made satisfactory progress in their works as per time schedule. The Committee also recommends that the department should obtain a report from the Registrar, AAU, Jorhat and submit the same to the Committee within 60 days from the date of presentation of this report before the House.