

CHAPTER IV : MINISTRY OF HOME AFFAIRS

Port Blair Municipal Council

4.1 Unfruitful expenditure due to non-commissioning of a crematory furnace

Lack of proper planning and poor co-ordination resulted in unfruitful expenditure of ` 74.09 lakh on non-commissioning of a crematory furnace, besides defeating the basic purpose of providing an alternate mode of cremation.

With a view to providing an alternative cremation facility to the conventional mode of using sawn timber/fire wood, the Port Blair Municipal Council (PBMC) placed an order with a firm at a cost of ` 55.36 lakh for design, supply, erection and commissioning of an LPG fired crematory furnace with emission treatment system at Junglighat, Port Blair. Subsequently, in July 2005, an agreement for construction of a building was executed with a contractor at a cost of ` 18.80 lakh. The building was completed and the furnace erected by the firm in September 2006 at a total cost of ` 24.27 lakh. As per the terms of the supply order ` 49.82 lakh, being 90 *per cent* of the contract amount was paid to the firm.

The furnace, however, could not be put to use for want of license from Indian Oil Corporation (IOC) for supply of Liquefied Petroleum Gas (LPG) cylinder for which, the PBMC applied for the license only in July 2008 because of delay in obtaining fire and explosive certificates from the concerned authorities.

Scrutiny of records revealed that PBMC had neither consulted IOC before erection of the furnace nor approached them in advance for issue of license for supply of LPG cylinder. In August 2009, IOC inspected the site and informed that the space between LPG gas bank and the main building was not in conformity with the explosive guidelines for issue of license for LPG cylinder. IOC also suggested for construction of a new gas bank as per the desired specification. The new gas bank was constructed except fixing the window grill till December 2011. Meanwhile, in May 2009, the firm expressed doubt about the functioning of the furnace as the warranty period had expired and the same had been remaining idle at site. Consequently, the firm offered to convert the furnace to other technology at extra cost to make it usable. The PBMC could neither decide on the changed technology nor could ensure supply of LPG through IOC.

Thus, lack of proper planning and poor co-ordination resulted in unfruitful expenditure of ` 74.09 lakh. Due to non-commissioning of the furnace, the purpose of providing an alternate mode of cremation remained elusive for almost five years.

The matter was reported to the Ministry in August 2011; their reply was awaited as of January 2012.

4.2 Idle expenditure on procurement of X-ray Baggage Inspection System

Premature decision and poor co-ordination with the Airport Authority by Port Blair Municipal Council before procurement of X-ray Baggage Inspection System resulted in idle expenditure of ` 47.43 lakh.

Port Blair Municipal Council (PBMC) decided (April 2007) to install an X-ray Baggage Inspection System (XBIS) for inspection of cargo transported by air to Port Blair to check evasion of octroi duty at the entry point of Veer Savarkar Airport (Airport). Accordingly a supply order was placed (October 2007) for the supply, installation and commissioning of XBIS, which was delivered at a cost of ` 47.43 lakh (April 2008).

Scrutiny of records revealed that it was only in December 2007 that PBMC approached the Airport Authority of India (AAI) for providing space for XBIS though PBMC should have ensured availability of space well before taking a decision for its purchase. In the absence of adequate space, AAI suggested (December 2008) that the machine may be installed outside the terminal building at the arrival side of the Airport, subject to certain terms and conditions. No action was however taken by PBMC on this offer

Meanwhile, the Airport was declared as Octroi *Naka*, in July 2009. AAI (February 2010) advised PBMC to use the X-ray machines which were already available in the terminal building of the Airport, on payment of nominal charges, as fixed by AAI.

The AAI allowed (April 2010) PBMC to install the XBIS at the Exit Gate of the Airport. However, PBMC had not installed the XBIS (October 2011) due to non-completion of construction of a shed for the X-ray machine. Thus, premature decision of PBMC to procure the XBIS, before ensuring the availability of the required space for its accommodation, resulted in idle expenditure of ` 47.43 lakh. PBMC has replied (October 2011) that construction of the shed would be completed within a month.

The matter was reported to the Ministry in August 2011; their reply was awaited as of January 2012.