

Executive Summary

This Report contains 32 paragraphs (Social Sector: 16, Economic Sector: 6 and General Sector: 10, including 3 general paragraphs), three performance audit reports (Social Sector: two and General Sector: one) besides one follow-up audit report under General 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 23 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

Performance Audits

1. Performance Audit of “Functioning of Industrial Training Institutes (ITIs)”

Government of India (GoI) introduced the Craftsmen Training Scheme (CTS) in 1950 to ensure a steady flow of skilled workers in different trades for the domestic industry. The objectives of CTS were to raise the industrial production both quantitatively and qualitatively through imparting systematic training, to reduce unemployment among the educated youth by providing them employable training and to cultivate and nurture a technical and industrial attitude in the minds of the younger generation. The scheme, the most important in the field of vocational training, had been shaping craftsmen to meet the existing as well as future manpower needs of the industry through the vast network of Industrial Training Institutes (ITIs) in the States/Union Territories of the country. The State Government departments deliver vocational training to school-leavers through ITIs. The administration of ITIs under CTS was transferred to the State from the year 1956.

The performance audit of functioning of ITIs covering period 2010-15 was carried out in selected ITIs located in various districts of Assam. The performance audit of ITIs revealed various irregularities in their functioning. The objectives of the CTS for imparting skills in various vocational trade to meet the skilled manpower requirement for industrial growth had not been achieved to the desired extent in the State due to inadequate infrastructural facilities such as dilapidated building, lack of equipment, class room and workshop in the existing ITIs. The major lacuna in the planning process was the inability to coordinate with industry demands and all other stakeholders as the Skill Development Mission itself was a non-starter. Huge deficiency of tools and equipment with reference to the norms prescribed by the

National Council for Vocational Training (NCVT) were noticed in test checked ITIs. Resultantly, a large number of operational trades such as electrician, motor vehicle technician, refrigerator and AC mechanic, hair and skin care, dress making, draughtsman etc., were non-affiliated to NCVT and the trainees could not get the required level of certificates to obtain lucrative jobs. The apprenticeship scheme was also not a success as very few trainees were drafted for this. Shortage of required technical staff resulting in discontinuance of the existing trades in few ITIs also came to notice. The department failed to provide hostel facilities in most of the ITIs. The instructors' skills were outdated because of lack of refresher training. Construction of new ITIs was initiated without ensuring their timely completion and operationalisation. Consequently expansion and operationalisation of new ITIs in un covered area remained unachieved since 2006.

(Paragraph 1.2)

2. *Performance Audit of “Implementation of Welfare Programmes for Scheduled Tribes (STs) and Other Backward Classes (OBCs) by the Directorate of Welfare of Plain Tribes and Backward Classes (WPT&BC)”*

Government of India (GoI) has taken various measures to improve the socio economic conditions of downtrodden sections of the society including STs and OBCs since independence. Government of Assam (GoA) also actively contributed to help the cause of these underprivileged communities of the State. Although considerable progress has been achieved in this front, but still a lot needs to be done.

The Performance Audit of welfare programmes for STs and OBCs was carried out and major Central Sector/Centrally Sponsored and State Plan schemes implemented by the Director of WPT & BC during 2010-15 for the welfare of STs and OBCs were covered. The Performance Audit of welfare schemes in the State revealed deficiencies in planning, release and utilisation of funds and programme implementation. Besides, instances of excess/doubtful/unfruitful/ wasteful expenditure viz., excess expenditure of ₹2.26 crore by the Director of WPT & BC towards procurement of Cotton Yarn, unfruitful expenditure of ₹90 lakh by an NGO for providing Computer training to unemployed youths, wasteful expenditure of ₹73.50 lakh by Bodoland Territorial Council for Bamboo Plantation under North Eastern Council (NEC) scheme etc., were also noticed.

(Paragraph 1.3)

Compliance Audit

Inclusion of terms and conditions regarding payment of Mobilization Advance in the contract agreement beyond those agreed upon during negotiations with the contractor resulted in loss of interest of ₹26.44 crore to the state exchequer.

(Paragraph 1.4.2)

Mission Director, NRHM, incurred an expenditure of ₹9.03 crore towards establishment of 105 NBSUs (₹8.28 crore) and procurement of equipment (₹0.75 crore), for AYUSH wings in District Hospitals, which proved unproductive due to unavailability of manpower and requisite infrastructure.

(Paragraph 1.4.3)

The Superintendent, Gauhati Medical College and Hospital irregularly retained huge unspent balances (₹six crore) in Revenue Deposits for five years in disregard to the recommendation of the Public Accounts Committee.

(Paragraph 1.4.4)

Payment of ₹3.19 crore was made on account of diet charges for non-existent patients in Gauhati Medical College and Hospital (GMCH).

(Paragraph 1.4.5)

Decision of Mission Director, National Rural Health Mission, Assam of procuring Tele-radiology equipments for non-functional Regional Diagnostic Centres rendered the expenditure of ₹1.18 crore unproductive.

(Paragraph 1.4.6)

Due to foregoing the benefit of concessional excise duty in procurement of ambulances, the Department incurred an extra expenditure of ₹85.19 lakh.

(Paragraph 1.4.7)

Release of Indira Awaas Yojana fund unauthorisedly by the Project Director, DRDA Jorhat to a Construction Committee instead of direct transfer to beneficiaries' account in violation of Scheme Guidelines and absence of records of actual construction of houses renders utilisation of funds amounting to ₹1.69 crore doubtful.

(Paragraph 1.4.10)

PD, DRDA, Kamrup (Rural) incurred an unauthorised expenditure of ₹53.10 lakh out of SGSY fund for making payment to facilitators for recovery of loan amount from the SHGs in violation of norms.

(Paragraph 1.4.11)

Divisional Officer, Kohora Soil Conservation Division made payment of ₹1.23 crore to a contractor on the basis of fictitious bill and exhibited it as final expenditure in the accounts. Further, whereabouts of ₹0.66 crore could not be traced in the absence of details of utilization in the records.

(Paragraph 1.4.15)

Procurement of 8576 fire extinguishers without consulting rates from manufacturers/authorised dealers resulted in excess expenditure of ₹4.78 crore.

(Paragraph 1.4.16)

ECONOMIC SECTOR

Compliance Audit

Director of Agriculture incurred an extra expenditure of ₹4.62 crore towards procurement of seed storage bins at a higher rate, which was avoidable.

(Paragraph 2.2.1)

Executive Engineer (EE) PWD, Karimganj NH Division, incurred an expenditure of ₹80.76 crore towards a road project, which remained incomplete for more than four years and, thus, proved unproductive.

(Paragraph 2.2.2)

Executive Engineer (EE), Silchar NEC Division, PWD incurred an expenditure of ₹17 crore towards a road project, which remained incomplete for more than six years and thus, proved unproductive.

(Paragraph 2.2.3)

Executive Engineer (EE), Jorhat NH Division, PWD extended undue financial aid of ₹4.23 crore to a contractor by granting irregular equipment advance.

(Paragraph 2.2.4)

Failure of the Executive Engineer, PWD, Haflong Road Division to get the balance work of the Umrangso / Jatinga *via* Dehangi- Haflong road completed despite elapse of more than three years from the scheduled date of completion, rendered the expenditure of ₹4.16 crore incurred on the project, unproductive.

(Paragraph 2.2.5)

Inadequate survey, planning and non-completion of land acquisition process before construction of Flood Embankment resulted in unfruitful expenditure of ₹1.46 crore.

(Paragraph 2.2.6)

GENERAL SECTOR

Performance Audit

Performance Audit of “Member of Legislative Assembly Area Development Scheme (MLAADS)”

Members of the Legislative Assembly (MLA) felt the necessity for the provision of certain basic facilities including community infrastructure for small works of capital nature in their local areas to meet the felt- needs keeping in view the socio-economic conditions of the people of Assam. State Government also felt the need for a specific mechanism to introduce a scheme. Keeping in view, Planning and Development (P&D) Department of the State Government introduced the “Member of Legislative Assembly Area Development Scheme (MLAADS)” in 1994-95 with the same approach as that of Member of Parliament Local Area Development (MPLAD) Scheme to develop small works of capital nature in each MLA constituency. Under the provisions of the scheme, the works of developmental nature, catering to the needs of local people emphasising on income through creation of durable assets such as community halls, public library, rural roads, culvert, market sheds etc., were required to be taken up and executed by the line departments/reputed non-governmental organization (NGOs) / Panchayati Raj Institutions/Construction Committees or other user groups.

Performance Audit of the implementation of the scheme in the test checked Legislative Area Constituencies (LAC) revealed various deficiencies such as delay in recommendations and sanction of works, absence of transparency in selection of implementing agencies, execution of inadmissible works, creation of assets on private land without obtaining No Objection Certificate (NOC) for community usage, creation of non-durable assets, non- maintenance of ‘Asset Register’ etc. Of the works taken up for execution during 2010-15, only 57 per cent (in 17 test-checked LACs) could be completed. Only 66 per cent of the funds released in 17 LACs could be utilised and nearly ₹25 crore drawn by the DCs was retained in the bank accounts, outside the Consolidated Fund of the State. Further, ₹1.17 crore were spent on works executed in religious premises against scheme guidelines whereas, ₹0.87 crore was spent on development of non-existent buildings and ₹1.60 crore was spent on creation of assets on private lands. Monitoring mechanism was ineffective both at State and district level. Besides deficiencies in planning, instances of financial mis-management of the scheme funds were also noticed.

(Paragraph 3.2)

Compliance Audit

Delay in opening of savings bank account resulted in loss of interest of ₹17.50 crore. Besides, there was an avoidable payment of interest of ₹1.32 crore due to belated payment of TDS by banks.

(Paragraph 3.3.1)

Delay in handing over the land to the recognised owner after de-requisition of the same and failure to protect the requisitioned land from encroachment resulted in payment of ₹1.60 crore to the pattadar beyond the period of stoppage of operations of helipad.

(Paragraph 3.3.3)

₹1.81 crore being the cost of police guards deployed in various Government/Non-Government Organisations and for the security of individuals remained unrealised for more than three years.

(Paragraph 3.3.5)

Deputy Commissioner, Kokrajhar and Sub-divisional Officers, Gossaigaon and Parbatjhora incurred excess expenditure of ₹5.98 crore towards distribution of 20,389 quintal foodstuff to inmates of relief camps beyond the requirement.

(Paragraph 3.3.6)

Expenditure of ₹2.85 crore on up-gradation, repair and new work incurred by diverting Calamity Relief Fund by Deputy Commissioner, Kokrajhar was unauthorized and irregular.

(Paragraph 3.3.7)

Follow up Audit on “Comprehensive Treasury Management Information System (CTMIS)”

Treasuries in Assam, functioning under the administrative control of the Finance Department, are responsible for receipt and payment of money on behalf of the Government and for the maintenance of accounts relating to these transactions. They also act as the banker in respect of Local Bodies and others who deposit their revenues in the Treasuries. Since 2002-03, Comprehensive Treasury Management Information System (CTMIS), a web-based application software, developed by M/s Tata Consultancy Services (TCS) and comprising of five modules, was operationalised in the state of Assam, which connects 29 treasuries and 34 sub-treasuries of Assam to the Central Data Centre located at Kar Bhawan, Guwahat,

the headquarters of the Director of Accounts and Treasury (DoAT). A performance audit on CTMIS was included in the Report of the Comptroller & Auditor General of India for the year ended 31 March 2007, Government of Assam (Civil). This follow up audit was taken to assess the progress made towards implementation of the recommendations of the previous audit and also to cover new issues i.e., cyber treasury, connectivity etc.

(Paragraph 3.4)