

CHAPTER-III

GENERAL SECTOR

3.1 Introduction

This Chapter of the Audit Report for the year ended 31 March 2016 deals with the findings on audit of the State Government units under General Sector.

During 2015-16, against total budget provision of ₹ 9,912.16 crore, total expenditure of ₹ 4,171.84 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 accounts *i.e.*, Pension and other retirement benefits, Public Service Commission; and Loans to Government Servant, the expenditure of ₹ 5,983.32 crore was incurred against the budget provision of ₹ 6,303.73 crore (*Appendix – 3.2*).

3.1.1 Planning and conduct of Audit

Audit process starts with the assessment of risks faced by various departments of Government based on expenditure incurred, criticality/complexity of activities, level of delegated financial powers, assessment of overall internal controls, *etc.*

After completion of audit of each unit on a test-check basis, Inspection Reports containing audit findings are issued to the heads of the departments. The departments are to furnish replies to the audit findings within one month of receipt of the Inspection Reports. Whenever replies are received, audit findings are either settled based on reply/action taken or further action is required by the audited entities for compliance. Some of the important audit observations arising out of these Inspection Reports are processed for inclusion in the Audit Reports, which are submitted to the Governor of the State under Article 151 of the Constitution of India for laying on the table of the Legislature.

The audits were conducted involving expenditure of ₹ 5,467.06 crore (including expenditure of earlier years) of the State Government under General Sector. This chapter contains one Performance Audit of "Management of Prisons" and eight paragraphs including Compliance Audit of 'Assam Trade Development Fund', three general paragraphs and four Compliance Audit paragraphs.

PERFORMANCE AUDIT

Home Department

3.2 Performance Audit of "Management of Prisons"

The management and administration of prisons falls exclusively under the control of the concerned State Governments which is governed by the Prisons Act, 1894 and Prisoners Act, 1900. The Model Prison Manual (MPM), 2003 issued by Government of India (GoI), contains detailed guidelines for streamlining prison administration and the reform of prisoners. The main purpose of establishing prisons is to confine

offenders committing offences under various laws. In Assam, apart from providing custodial care and detention to offenders, the State Government also undertook planned programmes aimed at reforming them, as a part of the process of social reclamation. As of 31 March 2016, there were 31 prisons in Assam headed by the Superintendents of Jail (30 Jails) and a Magistrate (one Jail).

A performance audit of the Management of Prisons in the State was conducted to assess the efficacy of the management and the administration of Prisons in Assam with reference to relevant provisions of the Prisons Acts and Manuals in vogue. The audit revealed a number of significant issues including those related to prisoners' amenities and prisons safety, weak reform process, instances of delay in execution of civil works, financial mismanagement, overcrowding in jails, existence of a large number of vacancies at the functional level of security staff as well as periodic inspections of prisons not being carried out. Further, the Prison Department did not carry out any survey to identify the thrust areas requiring immediate intervention. Significant findings are as under:

Highlights

Funds aggregating to ₹ 49.15 crore remained unspent during 2011-16, owing to excess provisioning towards salary against vacant posts and release of funds at the fag end of the years.

(Paragraph 3.2.9.1)

Prison security faced challenges due to acute shortage of guarding staff, non-availability of weapons/antiquated weaponry, insufficient height of boundary walls, as well as in the absence of watch towers and security equipment. 68 escapes were registered during the years 2012 to 2015.

(Paragraphs 3.2.11.2 and 3.2.11.3)

Management of registered capacity utilisation was imbalanced as there was overcrowding of inmates in 18 jails, while the registered capacity of 12 jails remained unutilised throughout the period of 2012-16.

(Paragraph 3.2.12.1)

Despite overcrowding of jails, with 60 per cent of the total population of inmates comprising of Under Trial Prisoners (UTPs), Under Trial Review Committees meant for reviewing the duration of imprisonment of UTPs, did not function in 15 jails during the entire period covered by Audit.

(Paragraph 3.2.12.3)

Against an average of 8,425 inmates each year during 2011-2015, vocational training was imparted only to 349 inmates (4 per cent) and educational training to 1,508 inmates (18 per cent) during each of the last five calendar years ending December 2015.

(Paragraph 3.2.14.2)

The State Advisory Board, the Prison Development Board and the Board of Work Programme and Vocational Training, required to be constituted with a view to improving the efficiency and functioning of prisons in the State, were yet be constituted.

(Paragraphs 3.2.17.2, 3.2.17.3 and 3.2.17.4)

3.2.1 Introduction

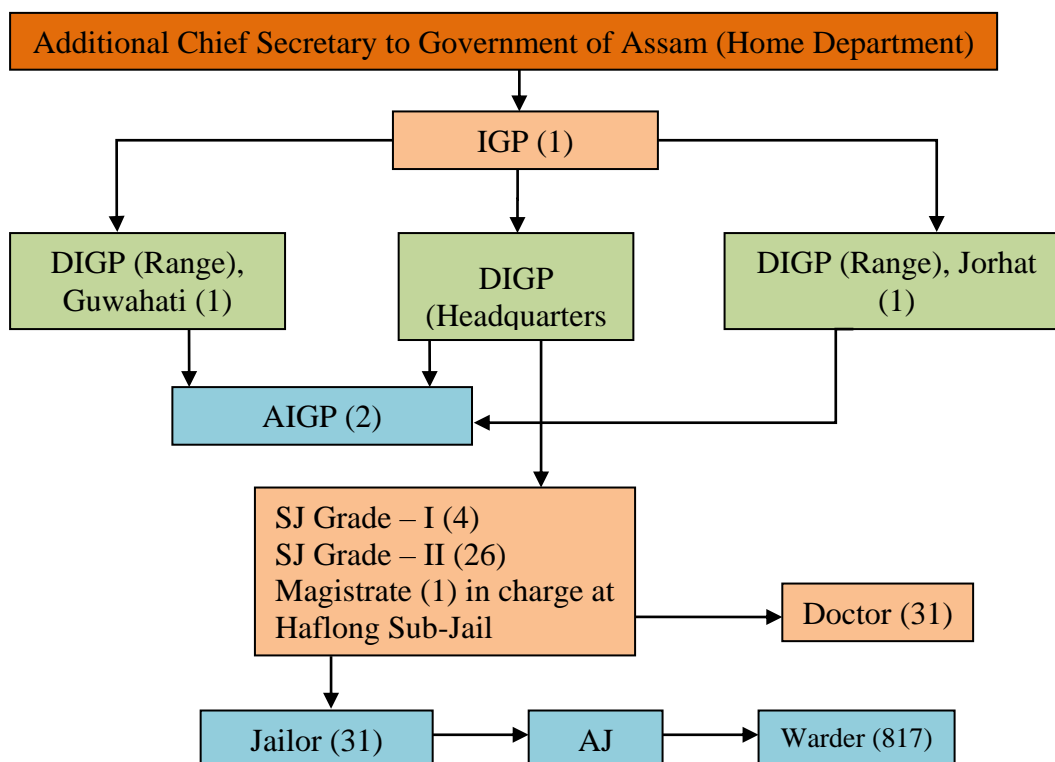
The management and administration of prisons falls exclusively under the control of the concerned State Governments which is governed by the Prisons Act, 1894 and Prisoners Act, 1900. The main purpose of establishing prisons is to confine offenders committing offences under various laws.

As of 31 March 2016, there were 31 prisons (six Central Jails, 22 District Jails, one Special Jail, one Open Air Jail and one Sub-divisional Jail) Of these, 30 jails are headed by the Superintendents of Jail (SJs), while one jail (Haflong Sub-divisional Jail) is headed by a Magistrate in-charge. Category wise strength of jails as per Model Prison Manual issued by GoI *vis-à-vis* actual strength of inmates etc; in various Jails in Assam is given in *Appendix-3.3*.

3.2.2 Organisational Set-up

The prisons in the State function under the Home Department, administered by the Additional Chief Secretary to the Government of Assam (GoA). The Inspector General of Prisons (IGP) is the head of prisons in Assam and is assisted by one Deputy Inspector General of Prison, Headquarters (DIGP, Headquarters); two DIGPs (Range), stationed at Guwahati and Jorhat; and two Assistant Inspectors General of Prisons (AIGPs). The Superintendents of Jail (SJs) of each of the 30 jails (other than the Sub-divisional Jail at Haflong), are assisted by Jailors, Assistant Jailors (AJs), Head Warders and Warders, while the Magistrate (in-charge) of the sub-divisional jail at Haflong is assisted by an Assistant Jailer, Jailer and Warders.

Organogram



Source: Information furnished by Department

3.2.3 Scope of audit

The Performance Audit covering the period from 2011-12 to 2015-16 was carried out between March and June, 2016, and included detailed check of records pertaining to the Home Department, GoA; Office of the IGP, Assam; records of the works (building of Jails and quarters etc.) relating to the prisons undertaken by the Assam Police Housing Corporation Limited (APHCL) which carries out the construction of building and quarters for the various Government Departments including prisons; and 11 prisons (out of 31) selected from seven districts of the State, with due geographical representation using risk-assessment. The selection of jails was done through Statistical sampling using the Probability Proportional to Size without Replacement (PPSWOR) method, with size being measured by the number of inmates in each jail during the period from 2011-12 to 2015-16¹ (both convicts and the under trials) in each district. In each of the selected districts, all the existing jails were selected for test-check. The selected samples were as follow:

<u>Districts</u>	<u>Jails</u>
Cachar	: Central Jail, Silchar
Darrang	: District Jail, Mangoldoi
Jorhat	: Central Jail, Jorhat, District Jail, Majuli and Open Air Jail, Jorhat
Kamrup (M)	: Central Jail, Guwahati
Karbi Anglong	: District Jail, Diphu and District Jail, Hamren
Nalbari	: District Jail, Nalbari
Tinsukia	: District Jail, Tinsukia and District Jail, Sadiya

3.2.4 Audit Objective

The objectives of the Performance Audit were to assess whether:

- Planning in respect of prison management and administration was effective in providing safe, secure and adequate accommodation, health cover *etc.*, to the prisoners;
- Financial resources were adequate and were utilized efficiently and effectively;
- The reformative and rehabilitative activities undertaken were sufficient and effective and in conformity with the objective of the Act and the Rules;
- Human Resource Management of the prisons was efficient and effective; and
- The monitoring mechanism and internal controls were effective and functional.

¹ As of 31 December of each year (the Department maintains the records on the basis of calendar year).

3.2.5 Audit criteria

Audit findings were benchmarked against the following sources of criteria:

- Prisons Act, 1894, Prisoners Act, 1990, the Prisons (Assam Amendment) Act, 1967 and the Assam Prisons Act, 2013;
- Assam Jail Manual, 1986;
- Model Prison Manual (MPM), 2003 formulated by the Government of India;
- Assam Financial Rules and Assam Treasury Rules;
- Orders of the Supreme Court and Gauhati High Court, Guwahati; and
- Government circulars issued from time to time.

3.2.6 Audit Methodology

The Performance Audit commenced with an entry conference held in February 2016, with the Secretary to GoA, Home Department, DIGP (Headquarters) and the Registrar of the O/o the IG Prisons (Headquarters), wherein the scope of audit, audit objectives, criteria and methodology were discussed.

The Audit Methodology used for the purpose included, *inter alia*, (i) discussion with the administrative authorities of the Home (B) Department, including those of selected prisons; (ii) examination of records maintained in prisons; (iii) interviews with the inmates of the selected prisons; (iv) scrutiny of records of the works relating to the construction of building of Jails and quarters etc; undertaken by the APHCL as well as records maintained by the Assam Public Works Department (APWD), which had executed works for the Prison Department; (v) data maintained by the National Crime Research Bureau (NCRB), Ministry of Home Affairs, Government of India (GoI); (vi) data obtained from the Prison Departments of the States of the North Eastern Region; and (vii) Joint physical inspection of works, alongwith Departmental staff.

The draft report was issued to the Government in September 2016 and the audit findings were discussed in the Exit Conference held (October 2016) with the Secretary to GoA, Home Department, IG Prisons (Headquarters) and DIGP (Headquarters). Based on the discussion held and the replies to the observations received (October 2016), the responses of the Department have been incorporated in the Report appropriately, wherever applicable.

3.2.7 Acknowledgement

Audit acknowledges the co-operation and assistance extended by the Home Department and the Government of Assam at all levels during the course of conduct of the audit.

3.2.8 Planning

Planning plays a vital role in effective management of organizations like prisons. Perspective Plan should be prepared taking into consideration the works to be executed for proposed expansion and modernization for strengthening the infrastructure; contingencies and after proper survey identifying the gaps in resources, both in terms of finances and man power. The Perspective Plan should also enable chalking out detail activity and application of controls and checks provided in the Acts, Manuals and Rules in force.

The Department, however, failed to prepare any perspective plan during the period covered by audit. No survey was carried out to identify the thrust areas requiring attention. The activities of the Department are being governed by the Assam Jail Manual, which has not been updated since its formulation and publication in 1986 and has become imprecise due to non-inclusion of the up to date amendments, notifications and the provisions of the MPM.

As a result, weaknesses in major areas, viz., security measures, easing of overcrowding in jails, prolonged detention of Under Trial Prisoners (UTPs), scarcity of space and lack of adequate infrastructure, were noticed in audit. Absence of planning also contributed to major savings as the allotted funds remained unutilized at the end of each financial year. The above deficiencies have been discussed in the succeeding paragraphs.

3.2.9 Financial Management

3.2.9.1 Budget provision and expenditure

The Home Department, GoA sanctions funds for the administration of jails in Assam. The budget allocation during the period from 2011-12 to 2015-16 and expenditure incurred thereagainst was as given in **Table – 3.1**:

Table-3.1
Details of budget allocation and expenditure

Year	PLAN					NON-PLAN					Overall percentage of saving
	Allocation			Expenditure	Savings over allocation	Allocation			Expenditure	Savings over allocation	
	O	S	Total			O	S	Total			
2011-12	2.10	Nil	2.10	0.30	1.80	51.30	4.40	55.70	49.98	5.72	13
2012-13	1.00	Nil	1.00	0.70	0.30	60.76	3.56	64.32	50.89	13.43	21.
2013-14	1.00	Nil	1.00	0.66	0.34	63.36	Nil	63.36	54.50	8.86	14
2014-15	3.00	Nil	3.00	1.00	2.00	63.49	0.80	64.29	56.58	7.71	14
2015-16	3.10	0.04	3.14	0.03	3.11	63.78	0.85	64.63	58.75	5.88	13
Total	10.20	0.04	10.24	2.69	7.55	302.69	9.61	312.30	270.70	41.60	15

Source: Departmental figures. (O: Original, S: Supplementary)

The above details depict that during the financial years 2011-12 to 2015-16, there were savings aggregating to ₹ 49.15 crore. Further, the supplementary provision of ₹ 9.65 crore provided in the budget for these years was proved unnecessary, in view

of the savings of the original provisions amounting to ₹ 39.50 crore². These savings occurred primarily due to poor budgeting, excess provisioning of salary against vacant posts not filled up, receipt of funds at the fag end of the year and failure of the Department to utilize the funds allotted for the construction works in a timely manner.

Scrutiny revealed that out of the total provision of ₹ 322.54 crore (plan: ₹ 10.24 crore and non-plan: ₹ 312.30 crore), 49 per cent (₹ 159.48 crore) was provided towards salary component and the remaining 51 per cent (₹ 163.06 crore) was provided for non-salary components like civil works, prison infrastructure, diet, clothing, medicine etc., for the prisoners. Out of the provision of non-salary components (₹ 163.06 crore), expenditure of ₹ 125.71 crore (77 per cent) was spent during 2011-16 keeping a balance of ₹ 37.35 crore (23 per cent) unutilized.

The Department, while accepting the audit observation mentioned (March 2016), that at various levels, funds were surrendered due to lapse of the budget grants, owing to delays in release of funds by GoA, with the releases being made at the fag-end of these financial years.

3.2.9.2 Retention of funds

The scheme “Modernization of Prisons” was launched by GoI in 2002-03 in 27 states³ on a cost-sharing ratio of 75:25 between the Central and State Governments. The scheme was declared closed on 31 March 2009. Against the total outlay of ₹ 39.17 crore for Assam, GoI released the entire central share of ₹ 29.38 crore in five instalments.

Audit scrutiny in this regard revealed the following:

- GoA sanctioned and released only ₹ 38.01 crore (Central share of ₹ 28.51 crore and State share of ₹ 9.50 crore) till February 2010 against the total outlay of ₹ 39.17 crore. Thereafter, no fund was released by GoA. During scrutiny, it was observed that between November 2012 and August 2015, Prison (Headquarters) surrendered ₹ 0.52 crore (Central share: ₹ 0.39 crore and State share: ₹ 0.13 crore) to GoA. The amount was surrendered by the Prison (Headquarters) owing to insufficiency of the funds to meet its total requirement. It was also observed that, though ₹ 1.28 crore was allocated by GoA belatedly in the budget for the year 2015-16 for construction of 16 staff quarters, no funds were released there against till date (November 2016), resulting in the works remaining incomplete. Thus, as of November 2016, the balance scheme funds amounting to ₹ 1.68 crore⁴ (including the Central share of ₹ 1.26 crore) were retained by GoA, beyond the completion of the scheme period (2009).

² Original Allotment ₹312.89 crore (Plan: ₹10.20 crore + Non-plan ₹302.69 crore) – Expenditure ₹ 273.39 crore (Plan: ₹2.69 + Non-Plan ₹270.70)= ₹39.50 crore.

³ Except Arunachal Pradesh.

⁴ ₹39.17 crore- ₹37.49 crore (₹38.01crore released - ₹0.52 crore surrendered by the Prison Headquarters) = ₹1.68 crore.

Further, the Ministry of Home Affairs, GoIs was reported the unspent balance of the Central Share as being only ₹ 0.96 crore whereas the actual unspent balance lying with GoA was ₹ 1.26 crore (November 2016). This had resulted in a discrepancy of ₹ 0.30 crore, which needs reconciliation.

3.2.10 Execution of work

The scheme 'Modernisation of Prisons' included an allocation of ₹ 20.52 crore (Central share: ₹ 15.39 crore and State share: ₹ 5.13 crore) for the construction of two jails, viz., Central Jail, Guwahati (₹ 15.32 crore) and District Jail, Tinsukia (₹ 5.20 crore). A detailed analysis of construction of the test-checked Central Jail, Guwahati, revealed as discussed in the succeeding paragraphs.

3.2.10.1 Excess expenditure

An Action Plan for the period 2002-07 was prepared under the scheme with a total outlay equivalent to the estimated amount of ₹ 15.32 crore (Central share: ₹ 11.49 crore; State share: ₹ 3.83 crore) based on the Schedule of Rates (SOR) 2001-02 of the Assam Public Works Department (APWD) for the construction of building a 1,000 capacity Central Jail at Guwahati. The work was entrusted (2004) to the APWD (Building) with the stipulation to complete it within the sanctioned amount by March 2007.

Audit scrutiny revealed that subsequently (November 2006), the work was withdrawn from the APWD due to tardy progress and entrusted (October 2007) to APHCL at the estimated cost of ₹ 19.54 crore (including expenditure of ₹ 0.78 crore already incurred by the APWD). However, no revised targeted date of completion was fixed.

APHCL revised its estimates at regular intervals, due to non-conducting of baseline survey and frequent changes in concepts, designs and projected requirements. As a result, the work was delayed and ultimately completed (February 2011) at a cost of ₹ 23.67 crore⁶. The entire extra expenditure of ₹ 8.35 crore (₹ 23.67 crore *minus* ₹ 15.32 crore) had to be provided by the State Government from its own resources.

3.2.10.2 Undue benefit to APHCL

During scrutiny of records of execution of the work of construction of Central Jail, Guwahati, it was observed that 12,439.65 *cum* hard rock and 38,550.53 *cum* earth was shown as having been excavated and discarded by APHCL without it having been handed over to the Prison authorities. Further, the Prison Department did not adjust the probable revenue of the disposal value of the items while making payment of dues to APHCL. The APHCL, while remaining silent on the commercial value of the disposable earth, stated that the disposed rocks did not have any commercial value.

The fact, thus, remained that the commercial value of disposed earth, amounting to ₹ 46.26 lakh, calculated at the minimum rate of earth (₹ 120 per *cum*) prevailing

⁵ Reply to unstarred question number 2517 dated 4 August, 2015.

⁶ Administrative approval for ₹23.67 crore was accorded in March, 2012.

during the period, was not realized/adjusted from the payment made to APHCL and consequently, APHCL was extended an undue benefit of ₹ 46.26 lakh.

3.2.11 Prison Administration

3.2.11.1 Partial maintenance of History Tickets

Prisons Act, 1894, provides that history tickets should be maintained, indicating their bio-data, identification number, fortnightly weight, health status on a regular basis, class of labour (according to their state of health) and complaints of sickness of the prisoners along with correctional measures taken by the Medical Officer in respect of all prisoners throughout the period of their confinement in prison. The entries made in the history tickets should be supported by relevant records. This is intended to facilitate proper monitoring of the inmates.

Scrutiny of information provided by the Prison (Headquarters) revealed that in all 31 prisons, history tickets were primarily being maintained only in respect of convicted prisoners. As on March 2016, out of 8,604 inmates⁷, history tickets of only 3,362 prisoners were being maintained leaving 5,242⁸ prisoners out of the ambit of monitoring with regard to their state of health and determination of the class of labour befitting their health status. Besides, non-maintenance of history sheets of 5,242 prisoners prevented the Prison authority from prompt retrieval of prisoner details, essential in emergent situations. Reasons for not maintaining the history tickets of UTPs were not available on record.

On this being pointed out, the Department stated (October 2016) that, while the health status *etc.*, of UTPs was duly noted in the Admission Register, necessary instructions were being issued to all SJs to maintain history tickets individually for UTPs henceforth.

3.2.11.2 Lack of basic amenities and security staff

Spot verification by Audit made in the presence of Departmental staff along with scrutiny of records and information furnished by the Prison (Headquarters) revealed certain deficiencies which indicated that the overall security of the prisons as well as the safety of prisoners had been compromised. The findings have been discussed below:

- Paragraph 4.2 of the MPM states that the numbers of the custodial/ guarding staff are to be determined keeping in view the requirements of security, discipline, programme emphasis, duty posts, workload and distribution of functions. In principle, a ratio of one guarding staff for every six prisoners has been recommended as per MPM.

As of March 2016, on the basis of sanctioned strength, the ratio of warders and prisoners across all 31 jails was 1:11, while as per actual men-in-position, this ratio

⁷ Excluding 70 children, who were staying with their mothers.

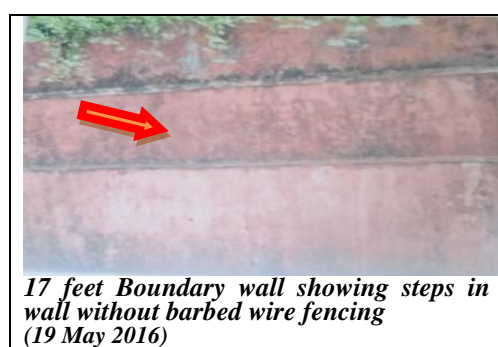
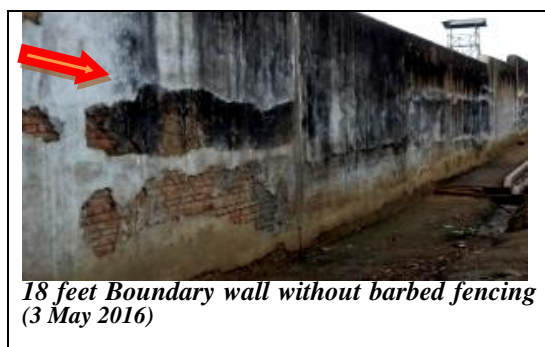
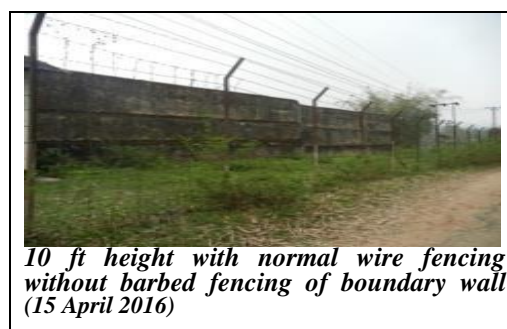
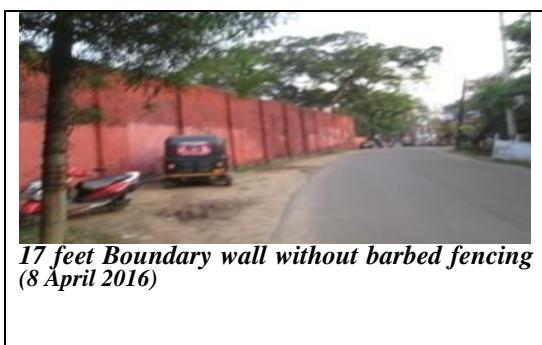
⁸ These 5242 prisoners included 1221 prisoners of the 11 selected jails with a total of 3384 inmates.

was 1:30. In respect of the 11 selected jails, this ratio (1:13) was, however, better as compared to the overall position across the 31 jails.

Therefore, while the ideal sanctioned strength of custodial/ guarding staff as prescribed under the MPM itself remained to be achieved, the actual position of guarding staff to prisoners was far less than the sanctioned strength.

- Paragraph 23.18 (ii) of the MPM states that the prison armoury should be well-equipped with all types of sophisticated and automatic weapons. It was, however, observed that the armoury did not contain latest and modern weapons.
- Paragraph 23.03 of the MPM provides that prisons should have barbed wire fencing with a thick outer masonry wall (at least 20 feet in height), watch towers both inside and outside the jails, being located at corners, in addition to one central tower within the enclosure.

Information provided by the Prison (Headquarters) revealed that, except for five jails, no other prisons had inside watch towers while eight prisons had been functioning without any watch towers at all. In addition, during joint physical verification which was carried out in the presence of the jail authorities, none of the test-checked jails was found to have a central watch tower. Further, against the standard norm of 20 feet height of security boundary walls, the height of the boundary walls of 20 jails ranged from 10 to 18 feet, while in 26 prisons, walls had no fencing with barbed wires. Some photographs of boundary walls taken during test-check of 11 prisons are shown below:



- Power fencing boundary walls for preventing escape of prisoners from captivity and also ensuring safety of the inmates, as envisaged under Para 5.02 (xviii) of the MPM, were not found in any of the test -checked jails;

- Paragraph 5.02 of the MPM provides for installation of closed circuit television (CCTV) systems to effectively monitor and maintain a close watch on the prisoners, so as to prevent any breach of security inside the prison. It was, however, noticed that CCTVs had not been installed in the jails, nor had any indent in this regard been sent to the Government;
- Security staff posted at the gate to check vehicles entering the prison complex carrying jail supplies were not equipped with instruments for detecting explosive items;
- Installation of communication systems, such as intercom/telephone lines from ward to ward, ward to *deodi* (main entrance to jail) and ward to *chakkar* (control room), as stipulated under Paragraph 5.02 of the MPM was needed to be ensured in all the jails, as their absence could entail the possibility of serious hampering of communications in any emergency situation requiring swift response;
- The MPM also provides for security measures like dog squad teams, X-ray baggage inspection systems, flash lights, binoculars, mobile jammers, night vision devices, alcoholmeter, *etc.* Making availability of these security measures in all the jails was essential and thus, needed to be ensured by the jail authorities;
- As per Paragraph 12.49 of the MPM, it is the responsibility of the prison management to ensure that prisoners are prohibited from getting access to Liquefied Petroleum Gas (LPG). Physical verification of the Central Jail, Guwahati conducted by the audit team revealed that prisoners had access to LPG cylinders as part of the process of cooking by the prisoners themselves. The Department, however, stated (May 2016) that only one post of cook had been sanctioned across all 31 jails.
- It was found that the names and details of visitors were being entered manually in the registers placed at the main gates of all the jail complexes. The system of manual entry does not enable quick generation of records, on the entry and exit of all visitors, at any given point of time. None of the jails was equipped with fax machines which would have helped in ensuring immediate transmission of information/reports to the Headquarters office in emergency situations. Further, though the Headquarters Office was found to have been equipped with one fax machine, it was non-functional since 2010;
- It was observed that none of the convicted prisoners among all the selected jails, had been provided with a uniform dress for the purpose of easily identifying them from the under trial prisoners (UTPs). As such, the differentiating feature between the UTPs and convicts was absent. This had serious implications with regard to special attention on security procedures for convicts.

Admitting the audit observation, the Secretary to GoA, Home Department stated (October 2016) that steps would be initiated to address the deficiencies pointed out by Audit.

3.2.11.3 Escape of prisoners

As per Rule 5 of the Prisoners (Attendance in Courts) Act, 1955, apart from custody of prisoners inside the prison, the Officer-in-charge of the prison shall cause prisoners to be taken to the Court and to be detained in custody in or near the Court, until he /she has been examined, or until the Hon'ble Judge or the Presiding Officer of the Court authorises him/her to be taken back to the prison in which he/she was confined.

Information furnished by the Prison (Headquarters) and records of test-checked jails revealed that during the period from January 2012 to December 2015, 41 prisoners managed to escape from jail custody with the patronage of external gangs by scaling the boundary walls/breaking the iron gate, while another 27 prisoners escaped from police custody while they were in transit to Courts. Out of the total 68 escapees⁹, 12 (18 *per cent*) were however re-apprehended. The escape of the inmates was facilitated owing to major deficiencies in security, such as insufficient height of security enclosures with barbed wire fencing, CCTVs not installed to watch movement of prisoners, acute shortage of guarding staff, insufficient watch towers, absence of binoculars/flash lights and arms and ammunitions and inadequate control over entry of prohibited items *viz.*, ropes, wires *etc.* The Department, however, did not take any corrective steps to strengthen the security measures to arrest the occurrence of such incidents.

In reply to an audit query (March 2016), the DIGP (Headquarters) confirmed that a monitoring mechanism to prevent escape of prisoners was absent at the Headquarters level. However, sufficient security related equipment with standard height of the boundary walls, would help prevented escapes.

Thus, security concerns need to be addressed on priority by the Department.

3.2.11.4 Death and Suicide cases

During the period from 2011-2015 (calendar years), Assam registered a total of 131 natural death cases¹⁰ and seven unnatural deaths of inmates against a total of 46 (41 death cases and 5 unnatural deaths) such cases registered in the other seven states of the North Eastern Region (NER)¹¹.

Audit observed that despite significant number of deaths, prisons in Assam still had inadequate medical facilities with only very basic infrastructure, shortage of doctors and nurses and of medicine and insufficient safety and security measures (*Paragraphs 3.2.11.2 and 3.2.13.1 refer*).

Further, unexplained loss or gain in weight as envisaged in Paragraph 7.128 of the MPM, indicate deficiencies in the intake of nutrition or could even be indicative of the inception of some serious disease. In the 11 test-checked jails, it was observed that the fortnightly weight charts as required were not maintained while in all the 31 jails,

⁹ including 18 from the 7 test checked jails, i.e. CJs at Guwahati (5), Jorhat (1) and Silchar (2); DJs at Nalbari (1), Diphu (5), Hamren (2) and Tinsukia (2).

¹⁰ Including 57 in 9 selected jails, i.e., CJs at Guwahati (12), Silchar (11) and Jorhat (11); DJs at Nalbari (1), Diphu (9), Tinsukia (8), Sadiya (1), and Mongoldoi (3); and Open Air Jail, Jorhat (1).

¹¹ Data of 2015 in respect of Tripura and Meghalaya was not available.

weights were not being recorded in the History Sheet of the prisoners. Thus, symptomatic diseases, if any, were likely to remain un-noticed in the inmates at the initial stages. Further, despite the availability of death reports, reasons for such deaths were not being recorded in the reports, thereby reducing the scope for further analysis and implementation of remedial measures to overcome the situation wherever necessary.

In reply to the audit query in this regard, the IGP stated (October 2016) that GoA had been approached for filling up of the existing vacancies of full time doctors in all the jails.

3.2.11.5 Unprotected women premises

There is no exclusive women's jail in the State. Women prisoners are segregated from the male inmates through the construction of a peripheral boundary wall in exclusive enclosures within the prison premises. An appraisal of the safety aspects, as well as the amenities available with regard to the women prisoners of 11 test-checked jails revealed that the height of the peripheral boundary wall of all the test-checked jails¹² ranged between 9 and 18 feet, which was below the minimum criteria of 20 feet. It was also found that the premises had not been secured with permanent security rooms near the entrance for the purpose of keeping constant watch. Interviews conducted with women inmates in the presence of the jail authorities revealed that the inmates of six test-checked jails¹³ were suffering from constraints of space, besides non-provisioning of sleeping berths, as a result of which, they were compelled to sleep on the floors. They also stated that no library facility was available in the jails. Women prisoners of three jails¹⁴ stated that doctors and medicines were either not available on a regular basis or not available at all. Inmates of six test-checked¹⁵ prisons stated that no counseling sessions as required under the provisions of Paragraph 24.99 of the MPM, were being conducted by the prisons.

Thus, women prisoners were vulnerable to untoward incidences of forceful intrusions of unauthorized persons. Besides, lack of adequate free space and library facilities for women inmates were not conducive to healthy environment which could have an adverse impact on their mental health and well being.

The Government stated (October 2016) that a separate prison for women was not formed on humanitarian grounds as they were supposed to be kept as far as possible, at places near to their families. However, the matter regarding possibility of infiltration into Women Cells as pointed out by audit, would be looked into.

¹² Except Open air Jail, Jorhat, without women's cell.

¹³ DJ, Tinsukia, Nalbari, Mangaldoi, Diphu, Hamren and Central Jail, Jorhat.

¹⁴ DJ, Mangaldoi, Diphu and Hamren.

¹⁵ DJ, Tinsukia, Nalbari, Mangaldoi, Diphu, Hamren and Central Jail, Guwahati.

3.2.11.6 Inadequate control over entry of prohibited items

Test-check of the search and seizure registers maintained by SJs/Jailors report revealed that these were being maintained in only three¹⁶ out of the 11 test-checked jails. Further, as per the information provided by the Prison (Headquarters), incidents of entry of prohibited items such as tobacco, drugs, blades, knife, match boxes, cigarettes *etc.*, had been a regular feature during the period covered in audit. The tabulated position of such incidents is given in **Table – 3.2:**

Table – 3.2
Incidents of discovery of prohibited articles during searches

Sl. No.	Name of Jail	Incidents of discovery of prohibited articles during searches (2011-15)	Type of prohibited item discovered
Test-checked Jails			
1	Central Jail, Guwahati	52	Match box, tobacco and cigarette
2	District Jail, Majuli	47	Knife, blade, match box, tobacco and cigarette
3	District Jail, Tinsukia	44	27 knife, 17 wire/rope, iron rod
Non-selected Jails			
4	District Jail, Kokrajhar	20	Knife, blade, match box, tobacco and cigarette
5	District Jail, Hailakandi	231	Knife, blade, match box, tobacco and cigarette
6	District Jail Dhemaji	32	Knife, blade, match box, tobacco and cigarette
7	Central Jail, Dibrugarh	1	Match box
Total		427	

Source: Departmental records

Out of 11 test-checked jails, eight jails reported discovery of prohibited articles during search as ‘nil’. It was however, observed that in the District Jail, Sadiya (one of the selected jails) one prisoner had hurt himself with a blunt weapon in 2013-14, indicating the presence of prohibited items with the prisoners. In the absence of search and seizure/other related records, Audit could not ascertain the authenticity of information provided by the jails. The seizures in seven jails, as shown in the table above indicated that 427 prohibited items, including knives and wires/ropes, had been discovered in possession with the prisoners.

The number of incidents of seizure point to the need for review and strengthening of the entry and exit procedures both for the prisoners and the visitors.

3.2.12 Prisoners’ amenities

3.2.12.1 Overcrowding of prisons

Paragraph (vii) under the chapter ‘Modalities’ of the MPM provides that living conditions such as accommodation, hygiene, sanitation, food, clothing, medical facilities *etc.*, shall in every prison and allied institution for the custody, care, treatment and rehabilitation of offenders, be compatible with human dignity in all aspects. With a view to streamlining the prison management, Para 2.05 (vii) of the MPM also provides that the authorised population/registered capacity of inmates should be 1,000 in each Central Prison and 500 and 300 in each District and Sub-Prison respectively. Rule 701 of the Assam Jail Manual further provides for

¹⁶ CJ at Guwahati, DJs at Majuli and Tinsukia.

accommodation of sleeping wards, with a superficial area of 36 sq. feet¹⁷ (3.34 sq. metres) and lateral ventilation of 540 cubic feet (15.29 cu. metres) per prisoner.

The details of the prisons' capacity and actual population in the jails of the State, at the end of March of the financial years covered in audit have been given in **Table – 3.3:**

Table - 3.3
Prison strength as per norm and actual capacity

As of March	No. of prisons	Strength as per norm of MPM ¹⁸	Registered capacity ¹⁹ (percentage of prescribed strength)	Actual population	Excess inmates over registered capacity
2012	30	17600	7485 (43)	8297	812
2013	30	17600	7978 (45)	8317	339
2014	31	18100	8105(45)	8593	488
2015	31	18100	8192(45)	8903	711
2016	31	18100	8292 (46)	8674	382

Source: Departmental data

It was evident from the above details that during 2012-16, the prison population exceeded the registered capacity by numbers ranging from 339 to 812. This resulted in overcrowding of the prisons. Audit analysis further revealed that the overall strength/registered capacity, of all the 31 jails (as of March 2016), was merely 46 per cent of the norm stipulated under the MPM. Except for the Central Jail, Guwahati, the shortfall in actual strength of the remaining 30 jails ranged between 20 and 92 per cent (**Appendix – 3.3**) of the MPM norms. Thus, in some prisons (10), superficial area per inmate, which ranged from 9 to 32 square feet, was far below the desired level as envisaged in the MPM resulting in keeping of inmates exceeding the authorised strength of the prisons. Thus, management of registered capacity utilisation was imbalanced leading to overcrowding in the jails with consequent unhygienic living conditions.

Overcrowding in 31 jails declined substantially from 812 (March 2012) to 382 (March 2016). It was further observed that, while 18 prisons remained overcrowded (42 to 52 per cent), 12 prisons were underutilized throughout the period 2012-16, as shown in **Table - 3.4:**

Table – 3.4
Persistent overcrowding and under-utilisation of capacity

As of March	Persistent overcrowding in prisons		Persistent underutilization in prisons	
	Number of prisons	Excess inmates over capacity in prisons	Number of prisons	Underutilization in terms of inmates
2012	18	1385	12	613
2013	18	1488	12	1111
2014	18	1380	12	964
2015	18	1628	12	900
2016	18	1365	12	1052

Source: Departmental data

¹⁷ 1 sq. foot= 0.093 sq. metres and 1 cu. ft. =0.03 cu.metres.

¹⁸ 6 Central Jails (1000 each), 22 District Jails (21 jails upto March 2013) (500 each), 1 Special Jail (300 each), 1 Open Air Jail (500 each) and 1 Sub-divisional Jail (300 each).

¹⁹ Registered capacity means the authorized population in terms of inmates, as defined in Para 2.05(vii) of the MPM.

Lack of initiative, on the part of the management to transfer inmates of overcrowded prisons to the under-utilized ones, to ease the overcrowding in terms of Section 29(2) of the Prisoners Act, 1990 was due to absence of planning. The detailed position is shown in **Appendix - 3.4**. As a result of overcrowding (**Appendix - 3.5**) in those 18 jails, on an average 24 square feet superficial area and 272 cubic feet lateral ventilation was available for one person against the stipulated norms of superficial area of 36 sq. feet and lateral ventilation of 540 cubic feet per prisoner.

Test-check of the selected jails revealed that, due to overcrowding coupled with non-availability of sleeping berths, prisoners had to sleep on the floors. Photographs of sleeping berths are shown as under:



*Sleeping berths at District Jail, Majuli
(19 May 2016)*



*Sleeping berths at District Jail, Diphu
(3 May 2016)*



*Sleeping berths at Central Jail,
Silchar (9 April 2016)*

On this being pointed out, the Department stated (October 2016) that steps were being taken for re-construction and expansion of some of the jails, as per requirement.

3.2.12.2 Shortage of toilets

MPM stipulates a norm of one toilet for every ten prisoners. Audit observed that during the last five years, for an average of 2,437 inmates across nine²⁰ jails of the State, 11 to 16 prisoners were using one toilet. Thus, the number of toilets was inadequate.

3.2.12.3 Detention of UTPs for prolonged periods

With a view to resolving the issue of overcrowding by UTPs, the Governor of Assam in consultation with the Hon'ble Gauhati High Court approved the constitution (February 1981) of Under-Trial Review Committees (UTRCs) in each district of Assam²¹ by GoA under the chairmanship of the District Magistrates of the concerned districts. The Committees comprised of three members with the Superintendent of the District Jails as the Convener-Secretary. As per the direction of the Ministry of Home Affairs (CS Division), GoI (January 2013), the Committees were reconstituted (June 2013) in all the districts under the chairmanship of District Judge and two members (District Magistrate and Superintendent of Police of the District). It was stipulated that these committees should meet every three months to review the duration of imprisonment of UTPs.

²⁰ Sl no.8 (12), 13 (16), 14(14), 15(11), 19 (14), 21(11), 22 (13), 28 (12) and 30 (14) of **Appendix 3.3**. (Figure in brackets indicates number of prisoners using one toilet).

²¹ Except the district of North Cachar Hills and Karbi Anglong.

Information provided by the Department revealed that, as of March 2016, out of a total of 8,604 inmates (excluding 70 children residing with their mothers), 5,183 UTPs representing 60 per cent of overall jail population were lodged in the prisons (*Appendix – 3.3*).

Audit further observed that, of these 5,183 UTPs, 396 had been under detention for more than two years. These included 139 prisoners²² awaiting release due to their inability to furnish surety bonds.

It was also observed that a yearly average expenditure (including expenditure on food, medicine and clothes) of more than ₹ 17,000 had been incurred by the prison authorities on the upkeep and maintenance of each inmate during the last five years.

Thus, despite the prisons being grossly overcrowded with UTPs, it was found that the UTRCs were yet to function in 15 jails²³, thereby the process of reviewing the duration of imprisonment of UTPs as envisaged was absent.

Accepting the audit observation, the Department replied (October 2016) that the UTRCs had recently been formed.

3.2.12.4 Declared Foreign Nationals not deported

Under the provisions of Section 6A (e) of Citizenship Act, 1955, a person shall be deemed to have been detected to be a foreigner on the date on which a Tribunal constituted under the Foreigner (Tribunals) order, 1964 submits its opinion within the meaning of the Foreigners Act, 1964 to the effect that the person is a foreigner, to the officer or authority concerned. Once a person is declared a foreigner, he/she should be taken into custody and kept in the detention centre, till being pushed back to the country of origin. For deportation, the declared foreigners should be handed over to the Border Security Force (BSF) to take up the matter of such deportation with their counterparts (Border Guards), as well as with the Ministry of External Affairs, GoI.

In Assam, detention camps (six²⁴) are setup within the jails under the administration of the Prison Department. Year-wise number of declared foreign nationals and the number of foreigners yet to be deported, at the end of March, 2016 are given in **Table – 3.5**:

Table – 3.5
Year-wise Foreigner Tribunal Detenués position in the State
(₹ in lakh)

Year	Number of declared foreign nationals yet to deported	Yearly average expenditure per head on meals	Yearly avoidable expenditure
2011-12	91	0.13	11.83
2012-13	109	0.15	16.35
2013-14	129	0.13	16.77
2014-15	169	0.13	21.97
2015-16	454	0.14	63.56
Total			130.45

Source: Departmental figures

²² 80 prisoners from the test-checked Central Jail, Guwahati and District Jail, Tinsukia.

²³ UTRCs are not functioning in CJs at Jorhat, Dibrugarh, Tezpur, DJs at Diphu, Hailakandi, Hamren, Karimganj, Sadiya, Abhayapuri, Majuli, Biswanath Chariali, Nalbari, Sonari, Open Air Jail at Jorhat and Special Jail at Nagaon.

²⁴ Central Jails at Tezpur, Silchar, Dibrugarh and Jorhat; District Jails at Kokrajhar and Goalpara.

It would be evident from the above details that the number of declared foreign nationals awaiting deportation, increased from 91 in the year 2011-12, to 454 at the end of March 2016. This contributed to an additional expenditure of ₹ 1.31 crore incurred on the diet of such detainees during the last five years by the Department.

3.2.12.5 Separate cells not created

Section 27 of the Prisons Act, 1894 provides for separate cells each with regard to categories of prisoners such as convicts, UTPs, general offenders and young offenders under the age of 21.

Scrutiny of information furnished by the Department and physical verification of 11 test-checked jails revealed that inmates under the three categories (convicts, UTPs and young offenders) were accommodated together, segregating only the male inmates from the female inmates. Thus, the objective of segregation of prisoners, on the basis of the gravity of their crimes committed, was defeated.

Para (xvii) of the MPM under the theme “*Modalities*”, further stipulates that young offenders (between 18 to 21 years) shall not be confined in prisons meant for adult offenders. It is further stipulated that, there shall be separate institutions for them where in view of their young and impressionable age, they shall be given treatment and training suited to their special needs of rehabilitation.

Audit observed that separate institutions had not been established for imparting such treatment and training suited for the special needs of rehabilitation of young offenders between the ages of 18 and 21. Further, the age-wise categorization of prisoners in the State was fixed at 18 to 30 years, instead of 21 and 30 years and above, as detailed in **Table – 3.6:**

Table – 3.6
Category-wise distribution of prisoners in the State

As of March	Age 18 to 30 years			30 years and above			Others including National Security Act (NSA)/Civil	Children residing with mothers	Total
	Convicts	UTPs	Total	Convicts	UTPs	Total			
2016	823	3481	4304	2592	1702	4294	6	70	8674

Source: Departmental figures

In reply to an audit query, the Department stated (March 2016) that the scale was set in the line of report being sent annually (calendar year) to the Director General, NCRB, Ministry of Home Affairs, New Delhi. It was, however, observed that the age-wise categorization was not as per stipulations in the Prisons Act.

As a result, of not maintaining data of different categories of inmates as prescribed, the Department could avoid setting up of the separate cells/institutions as was noticed especially in respect of young offenders (18 to 21 years of age).

3.2.13 Medical and correlated facilities

3.2.13.1 Insufficient Medical facilities

Section 39 of the Prisons Act, 1894 read with Paras 7.2 and 7.32 of the MPM, provides that hospital accommodation with sick beds should be provided on the scale of 5 per cent of daily average of inmate population in all jails with the facilities of dental, ophthalmology, minor operation theatre, clinical laboratory, x-ray laboratory, physiotherapy, detoxification and psychiatric units. Scrutiny of records disclosed major deficiencies in this regard as discussed below:

- In six (*Appendix – 3.6*) out of 31 jails, against a yearly average of 542 inmates (requiring 26 sick beds), there was no provision for hospital accommodation. Further, only 230 sick beds were available in 18 jails (average 7,117 inmates per year), against the requirement of 355 beds resulting in short provision of 125 sick beds. However, no shortage was found in the remaining seven²⁵ jails. Thus, there was a shortage of 151 sick beds in 24 jails (as on March 2016) against the requirement as per the prescribed norms.
- Medical facilities such as dental, ophthalmology, minor operation theatre, clinical laboratory, x-ray labs, physiotherapy, de-toxification and psychiatric units; oxygen tents in cases of difficulty in breathing; and ambulances for quick shifting of the patients to hospitals were not available in any of the jails in the State;
- Paras 7.04 and 7.07 of MPM provide that the Government shall appoint a Chief Medical Officer/ Medical Officer (in-charge) for every prison, who along with his subordinates will be jointly responsible for the healthcare of the prisoners. Para 7.10 of the Manual further prescribes that the Medical Officer shall have to visit the prison daily and shall see sick prisoners every day.

Scrutiny of records revealed that, as of March 2016, only 19 jails²⁶ had departmental regular doctors while 10 jails²⁷ were partially covered by part-time doctors in collaboration with the Health Department, GoA. In the remaining two jails covered under the test-check by Audit *viz.*, the District Jails at Sadiya and Hamren, no doctors had been posted during the last five years. Thus, as of March 2016, 93 inmates of these two jails were deprived of medical assistance in times of illness.

As of March 2016, while the overall sanctioned strength and the actual position of nurses was seven²⁸, it was observed that the number of nurses was significantly inadequate for catering to the needs of 8,674 inmates of 31 jails. It was also observed that no nurses had been posted in eight²⁹ of the test-checked jails.

²⁵ District Jail Kokrajhar, Majuli, Dhemaji, Sonari, Udalguri, Hamren and Mongoldoi.

²⁶ Central Jails at Guwahati, Nagaon, Tezpur, Dibrugarh, Silchar and Jorhat; District Jails at Nalbari, Barpeta, Abhayapuri, Dhubri, Marigaon, Sivasagar, Sonari, Tinsukia, Dhemaji, Mangaldoi, Hailakandi and Special Jail at Nagaon and Open Air Jail at Jorhat.

²⁷ District Jails at Kokrajhar, Goalpara, Diphu, Golaghat, Majuli, North Lakhimpur, B. Chariali, Udalguri, Karimganj and Haflong.

²⁸ Central Jail in Guwahati, Silchar, Jorhat, Dibrugarh, Tezpur, District Jail Barpeta and Special Jail Nagaon.

²⁹ District Jail Tinsukia, Majuli, Nalbari, Diphu, Sadiya, Hamren, Mongoldoi and Open Air Jail Jorhat.

Thus, in the absence of adequate number of doctors and medical infrastructure, the possibility of premature deaths and shortening of life expectancy of the prisoners could not be ruled out.

While accepting the audit observation, the Department admitted (October 2016) that death cases could have been arrested with the deployment of sufficient doctors and creation of medical infrastructure. It was also stated that the matter had been taken up with the Government for filling-up vacancies of full time Doctors in Jails, which would be watched in audit.

3.2.13.2 Non-availability of other facilities

Para 6.42 of the MPM envisages the need for inspection of food once a week so that quality food in the right quantities reaches the prisoners. The results of such inspections were required to be recorded in a journal. An appraisal of prison facilities, however, revealed the following deficiencies:

- No post of Food Inspection Officer had been sanctioned. As a result, no inspections had been carried out by any agency during the period covered by audit,
- During the last five years, none of the jails had carried out potable water tests for ascertaining the quality of water being supplied to the prisoners,

Thus in the absence of posting of food inspecting officer and periodic quality test of drinking water, the inmates were exposed to the risk of unhygienic food and contaminated water being supplied to them.

On this being pointed out, the Department stated (October 2016) that necessary steps would be taken to ensure availability of Food Inspectors which would be ascertained in subsequent audits.

3.2.13.3 Equitable wages not paid

As per orders (1998) of the Hon'ble Supreme Court of India, the State Government has to ensure that equitable wages are paid to every convict for the work done by him/her at the rate at which a worker is paid outside the jail under the "Minimum Wages Act".

Scrutiny of records revealed that the wage rates for workers outside the jails were being revised by the Labour and Employment Department, GoA every six months with the rates effective from November, 2015 having been fixed at ₹ 350 (skilled) and ₹ 240 (unskilled). The wages of the Prison Department had, however, been last revised in the year 2011 to ₹ 75 (skilled) and ₹ 55 (unskilled), which were well below the minimum daily wages of ₹ 123.60 (skilled) and ₹ 103 (unskilled) under the Minimum Wages Act prevailing during the years 2011-12 (March 2011 onwards) and rates revised periodically thereafter. The Prison Department, however, neither forwarded any proposal to GoA for revision of the wages, nor did GoA make efforts for bringing in parity of the rates of wages paid to the inmates with workers paid outside the jails. Thus, besides being a violation of the orders of the Hon'ble Supreme

Court by GoA, the inmates were deprived of the payment of equitable wages as per law.

The Department stated (October 2016) that the prisoners were paid at the prevailing rate of ₹ 120 for skilled and ₹ 100 for unskilled labours³⁰ as fixed by GoA, Labour Department for workers employed in agriculture, industries *etc.*, after deducting an amount of ₹ 45 being the estimated per capita daily expenditure towards food, clothing and medical aid.

The reply of the Department was not tenable, as the wage rate payable to inmates were not revised in line with the revision of wages for both skilled and unskilled workers by the Labour and Employment Department since November 2011. Moreover, deduction of ₹ 45 being the estimated per capita daily expenditure towards food, clothing and medical aid was not in conformity with Hon'ble Supreme Court verdict of 1998.

3.2.13.4 Diversion of prisoners' wages

Test-check of records revealed that, during the years 2011-12 to 2015-16, out of the wages of ₹ 3.21 crore released by the Prison (Headquarters) to the four test-checked jails (detailed in **Table - 3.7**), ₹ 0.79 crore was incurred towards procurement of medicines and for meeting other emergent expenditures, of which GoA recouped ₹ 0.42 crore till date (June, 2016). It was further observed that out of the balance available fund of ₹ 2.84 crore (₹ 3.21 crore - ₹ 0.79 crore + ₹ 0.42 crore), an amount of ₹ 2.81 crore was disbursed to the prisoners on account of wages. Thus, prisoners' wages of ₹ 0.40 crore (₹ 3.21 crore - ₹ 2.81 crore) remained undisbursed.

Table – 3.7
Diversion of Wages

									(₹ in lakh)
Sl. No.	Name of Jails	Wages disbursed by Prison (Headquarters)	Expenditure incurred out of wages	Wages recouped	Net Fund available	Wages disbursed	Net diversion after recoupment	Balance in hand with SJ	Undisbursed wages
1	2	3	4	5	6 (3-4+5)	7	8 (4-5)	9 (6-7)	10 (8+9)
1	Central Jail, Guwahati	158.26	48.21	18.64	128.69	127.21	29.57	1.48	31.05
2	District Jail, Sadiya	16.42	0.67	Nil	15.75	15.50	0.67	0.25	0.92
3	District jail, Tinsukia	121.88	27.77	23.20	117.31	116.22	4.57	1.09	5.66
4	Open Air Jail, Jorhat	24.73	2.29	Nil	22.44	21.98	2.29	0.46	2.75
Total		321.29	78.94	41.84	284.19	280.91	37.10	3.28	40.38

Source: Departmental figures

³⁰ Net wage: ₹75 to skilled and ₹55 to unskilled labours.

On this being pointed out, the Department stated (May 2016) that the Superintendent was compelled to incur the expenditure from wages, which could be recouped in due course on availability of funds.

It was, thus, evident that the budgeting process was undisciplined, which resulted in deprivation of the prisoners from the payment of their rightful wages besides unauthorised diversion of funds for other than the purpose for which the funds were released. Further, the Jail authority may be liable to bear the interest accrued, if any, on the undisbursed wages.

3.2.14 Reform and Rehabilitation of prisoners

3.2.14.1 Reform and rehabilitation

As a part of the reform and rehabilitation process, the MPM provides that a “Board of Work Programme and Vocational Training” under the chairmanship of the IGP, should be set up at the Prison Headquarters. The functions prescribed for the Board *inter-alia*, include planning and implementation of programmes of work and training as well as organising of workshops for the discharged prisoners. The MPM as well as the Prisons Act, 1894 also envisage the provision of various types of vocational training *viz.*, agriculture, handicrafts, weaving, tailoring, cane-work, cultural, recreation *etc.*, for the prisoners. The MPM further provides that education in prisons for at least two hours a day is compulsory for all prisoners with a view to advancing their educational standards.

An appraisal of prison administration on reform and rehabilitation during the last five years revealed the deficiencies discussed in the succeeding paragraphs.

3.2.14.2 Vocational and educational programmes

Year-wise details of training imparted during the last five years *vis-a-vis* inmates on an average in all the jails of Assam, is tabulated below in **Table – 3.8**:

Table – 3.8

Year-wise details of inmates provided training under Reform and Rehabilitation programmes

Position as of	Total number of inmates (excluding children residing with mothers)	Number of inmates trained					
		Vocational training	Educational training				Total
			Elementary	Adult	Higher	Computer	
December 2011	8148	408	515	1352	35	12	1914
December 2012	8271	396	576	1423	51	22	2072
December 2013	8263	335	676	750	14	30	1470
December 2014	8346	324	564	770	9	17	1360
December 2015	9097	284	432	226	16	50	724
Average	8425	349	553	904	25	26	1508

Source: Information furnished by the Prison (Headquarters)

From the above table, it would be evident that trainees under the vocational programmes decreased significantly, from 408 (2011) to 284 (2015). Further, the number of inmates under the educational programmes also decreased from 1,914 (2011) to 724 (2015). Thus, during the last five years, on an average, vocational training was imparted to merely 349 (4 *per cent*) inmates, while educational training was provided to 1,508 inmates (18 *per cent*) out of the average inmates of 8,425 annually. In 11 test-checked jails, the number of trainees in receipt of vocational and educational training on a yearly average basis was only one *per cent* and seven *per cent*, respectively.

Further, as of March 2016, while the sanctioned strength of teachers was only 14, the actual persons-in-position were 12. Thus, the ratio of teachers (12) to inmates (8,674), was 1:723, against an ideal ratio of 1:35 prescribed by the Education Department, GoA (August 2011). This had adverse implications for the efficient reform of the inmates. On this being pointed out, the Department stated (January 2016) that Non-Government Organisations (NGOs) conducted reformatory programmes voluntarily. However, conduct of such programmes by NGOs could not be verified in audit for want of related records with the Prisons.

In addition, keeping in view the rural background of most of the prisoners, Paragraph 4.7.8 of the MPM provides for training on development of agriculture in prisons. The Department, however, did not identify the rural prisoners. Also, no agriculture related training was conducted by any of the jails during the last five years in the State. Thus, the objectives of rehabilitation and resettlement as well as the aim of equipping the rural inmates with expertise in their field were frustrated.

3.2.14.3 After-care and Rehabilitation

Paragraph 20.25 of the MPM provides that convicts who are sentenced to five or more years of imprisonment should be brought under the ambit of after-care rehabilitation programmes for providing help in all matters relating to resettlement on their release. On these lines, Rehabilitation Grant (RG) at the rate of ₹ 10,000 each was being released in the State under the State Annual Plan from 2006-07.

Scrutiny of records disclosed that out of 10,433 convicts (who had been confined for more than five years) released since 2008-09 upto 2014-15, RG was provided to 538 life convicts³¹ only (5 *per cent*) till March, 2016. Of the remaining 9,895 (10,433-538) convicts awaiting receipt of RG, 5895 were released as early as four years back (March 2012).

In reply to an audit query (April 2016), the Department attributed the reason for not releasing RG to paucity of funds. The reply was not tenable as the department sent the demand for funds to Government only in respect of released life convicts. Thus, 9,895 prisoners were deprived of timely after-care rehabilitation subsequent to their release.

³¹ Rule 433 (b) of the Code of Criminal Procedure (CrPC), 1973, provides that a sentence of imprisonment of life should not exceed 14 years imprisonment.

Further, rehabilitation of convicts after release and their re-assimilation into the society are important objectives of prison administration to meet. Paragraph 20.25 of the MPM provides that, post-release from the prison, the case of a released prisoner should be followed up for a period ranging from one to five years as per the requirements of each case by the prison authorities.

Scrutiny of records, however, revealed that the Department did not maintain any field data in this regard. It was noted by Audit that after the release of convicts from prisons, the Department neither made any contact with the convicts nor was any system or mechanism existed to assess that the process of re-assimilation of the convicts into society was complete.

In reply to an audit query, the Department admitted (March 2016) that an after-care monitoring mechanism was absent in the Department. Even though necessary recommendation for framing a suitable plan/mechanism for recidivism of crime, through meaningful rehabilitation, had been submitted to GoA, in December 2015 by the prison authority, further action of the Government in this regard was awaited (November 2016).

Thus, there was failure on the part of the Department to maintain any field data relating to release of convicts and other inmates. Further, in the absence of any system or mechanism for assessing the process of complete re-assimilation of the convicts into the society, the objective of after care and rehabilitation remained unachieved.

3.2.14.4 Work not assigned to prisoners

Paragraphs 14.17 and 14.30 of the MPM provide that all convicted prisoners should be employed with work. Section 36 of the Prisons Act, 1894, further provides that provision should be made by the Superintendent for the employment of criminal prisoners sentenced to simple imprisonment as long as they desire. Paragraphs 7.67 and 14.20 of the MPM also stipulate that, when the Assistant Surgeon is of the opinion that the health of any prisoner suffers due to employment of any kind or class of labour, he shall record such opinion in the prisoner's sheet and the prisoner should be placed on another kind or class of labour as the Chief Medical Officer may consider suitable for the prisoner.

Information provided by the Prison (Hqr) and records of 11 test-checked jails revealed that, as of March 2016 out of 3,415 convicts, only 2,352 were assigned work.

Reasons for not assigning works to all convicts were attributed by the SJs to ill health of prisoners, unavailability of sufficient works and infrastructure, shortage of security staff. However, no documents in support of the prisoners expressing unwillingness to take up the assignment of work were furnished to Audit. Further, evidence of efforts made to engage sick prisoners on assignments compatible with the status of their health, as envisaged in the MPM were not found available on record by the Audit.

Thus, 1,063 convicts (including 369, out of 1,218 convicts of 11 test-checked jails) were only serving their incarceration terms and had been deprived of their rights of earning through reformatory employment.

3.2.14.5 Welfare Fund not created

Paragraph 24.145 of the MPM read with Paragraphs 27.97 and 27.98, provides that a Welfare Fund should be established in each State to chalk out programmes and provide amenities for staff welfare which would include, *inter alia*, relief in case of sudden illnesses, aid for the education of the children of staff and recreational and cultural activities *etc.*

Audit observed that the Department had not created any Welfare Fund required as per MPM (as of March 2016). In reply to an audit query, the Department stated (January 2016) that cultural programmes had been organized through the contribution of the employees of the Department.

The fact however, remained that the Welfare fund envisaged as per MPM was not created and thus, the staff was deprived of welfare activities conceived by creation of Welfare fund.

3.2.14.6 Entertainment measures

Paragraph 15.9 (xi) of the MPM states that television (TV) is the biggest entertainer for prisoners and the TV channels as well as their timings should be carefully selected by the Superintendents of Prisons, for viewing by the inmates.

As per information provided, 255 television sets (97 TV sets in 11 test-checked jails) were provided in prisoners' rooms with digital cable connections in 28 jails. These sets were being operated by the prisoners themselves, which allowed them unrestricted access to all programmes.

Thus, besides being a violation of the provisions of the MPM, the provision of television sets to the prisoners with unrestricted access to all programmes was not in keeping with the provisions of Paragraph 15.9 (xi) of the MPM.

3.2.15 Human Resource Management**3.2.15.1 Shortage of manpower**

As per information furnished by Prison (Headquarters), there were vacancies in key posts of various cadres *viz.*, Doctors, Pharmacists, Jailors/Assistant Jailors and Warders. As of March 2016, the percentages of shortfall *vis-à-vis* sanctioned strength under these cadres ranged from 14 to 65 with an overall shortage of 51 *per cent*.

The details are shown in **Table – 3.9** below:

Table – 3.9
Sanctioned strength and men in position as of March 2016

Category	Sanctioned strength	Men in position	Shortage	Percentage of shortage
A. Medical				
Doctor	33	20	13	39
Pharmacist	29	25	04	14
Lab technician	06	06	00	00
Radiographer	01	01	00	00
Nurse	07	07	00	00
Sub-total A	76	59	17	22

Category	Sanctioned strength	Men in position	Shortage	Percentage of shortage
B. Prison Administration				
Superintendent of Jail	31 [@]	31 [@]	-	-
Jailor/Assistant Jailor	130	100	30	23
Warder	817	289	528	65
Sub-total B	978	420	558	57
C. Civil (Administrative staff)	136	110	26	19
Grand Total	1190	589	601	51

Source: Departmental records

[@] includes post of 1 Magistrate in charge of Sub-jail Haflong.

The shortages of staff in the medical category adversely impacted the medical facilities available to the prisoners, while the shortages of prison staff led to security risks, including risks related to escape of prisoners and entry of prohibited items into the prisons.

3.2.15.2 Insufficient training to employees

Under the Chapter 'Modalities', sub-paragraph (xxii) of the MPM provides that prison services should be developed as a professional career service. The Manual also provides that the State should endeavour to develop a well-organized prison cadre based on appropriate job requirements, sound training and proper promotional avenues.

Scrutiny of records revealed that the Department did not prepare any Annual Action Plan for conducting periodical training to staff. Further, no budgetary provision for imparting training had been made except for ₹ 10 lakh in the year 2015-16 of which ₹ 9.28 lakh (93 per cent) had been surrendered in the absence of a perspective training plan.

It was also observed that during the period 2011-16, against 177 slots, only 105 employees at the level of Assistant Jailor, Superintendent and other establishment staff had been trained. Thus, staff training was inadequate and efforts for professional skill development of the staff towards efficient management of prisons were also found to have been lacking.

On this being pointed out, the Department stated (October 2016) that steps would be taken to conduct more training programmes.

The fact, however, remained that shortage of training for the staff deprived the prison staff of acquiring professional skill development required under the provisions of MPM.

3.2.16 Feedback of the Department

Feedback from the Superintendents / Magistrate-in-charge of all the 31 jails in the State was obtained through the DIGP (Headquarters), which is summarized as under and needed to be addressed on priority:

- Overcrowding of prisons was a major issue affecting the day-to-day administration of prisons and also placing significant strain both on the resources and the staff;

- Greater attention on the part of the Government towards provision of sufficient infrastructure as well as for ensuring timely flow of funds as per requirements was necessary;
- 30 out of 31 jails were functioning without cooks;
- For strengthening the reform of prisoners, sufficient teachers/instructors, well equipped libraries, community halls, well equipped schools with teachers and facilities for distance learning with audio-visual aids, sports infrastructure, training with modern well-equipped small industry/manufacturing units and creation of a welfare fund to organize cultural programmes, were absolutely necessary;
- Enclosures for female inmates needed to be provided, proportionate to the capacity of the female population with an open area for free movement.
- Besides, in respect of the selected jails, it was stated that the Department should be equipped with modern arms and ammunition with trained security personnel for proper safety, security and preparedness for countering threats, if any.

3.2.17 Monitoring

3.2.17.1 Imprecise Assam Jail Manual

Paragraph 28.29 of the MPM, 2003 envisages that each State Government should formulate its own State Prison Manual on the lines indicated in the MPM so as to adequately cater to the indigenous conditions, without diluting the concept of basic uniformity in laws and procedures. The Assam Jail Manual, though formulated and published in 1986 had not been updated, as a result of which a number of the jails mentioned in the Manual were those which were part of the erstwhile undivided part of East Pakistan (now Bangladesh), besides including many jails of present day states of Nagaland, Meghalaya and Mizoram. Further, the manual consists of only 19 jails in the State as against the actual 31 and also the categorization of these jails were not current. Upto date amendments, notifications and the provisions of the MPM had also not been incorporated in the existing Manual. Thus, the Assam Jail Manual, in its present form, fails to effectively reflect and address contemporary issues and needed to be updated on priority.

On this being pointed out, the Department stated (October 2016) that a proposal for revising the Assam Jail Manual would be taken up with the Government.

3.2.17.2 Advisory Boards not constituted

Sections 926 and 936 of the Assam Jail Manual and Sections 28.2 to 28.22 of the MPM, provide that the State Government should constitute a State Advisory Board (SAB) with 10 members under the chairmanship of the Principal Secretary of the Jail Department and a Member-Secretary not below the rank of Deputy Inspector General of Prisons. The Board should hold at least three meetings in a calendar year with a view to reviewing and advising the State Government on Correctional Administration of prisons including reform and rehabilitation of inmates and also reviewing of the sentences of all prisoners who have completed two years' imprisonment or half of

their sentence whichever was greater, with a recommendation to the Government, in the Judicial Department for their conditional release.

It was observed in Audit that no such SAB had yet been constituted. In the absence of the SAB, the State Government was deprived of any assessment of its activities towards correctional administration of prisons, including reform and rehabilitation of inmates.

3.2.17.3 Prison Development Board (PDB) not constituted

In order to improve and modernise the infrastructural facilities in prisons, Paragraphs 28.23 to 28.25 of the MPM provide that, in each State there should be a high powered Prison Development Board (PDB) under the Chairmanship of the Chief Minister with the Minister of Prisons as its Vice-Chairman. The Board shall be assisted by seven *ex-officio* Directors. The Board is required to examine the living conditions of prisoners in all the prisons with specific reference to their basic needs and provision of facilities compatible with the dignity of human life; to review and suggest measures for the development of programmes for the ‘treatment of prisoners’, including education, vocational training and productive work; and to efficiently manage prisons by inducting modern technology, methods and apparatus. Audit observed that the PDB had not yet been constituted (November 2016).

3.2.17.4 Board of Work Programme and Vocational Training not constituted

Paragraph 14.04 of the MPM provides that a “Board of Work Programme and Vocational Training” under the chairmanship of the Inspector General of Prisons should be set up at the Prison Headquarters with full fiscal and administrative powers. The functions of the Board include planning and implementation of programmes of work and vocational training as well as organising of workshops in after-care homes for discharged prisoners *etc.*

Audit observed that no such Board had been constituted till date (November 2016).

The Department stated (October 2016) that the matter relating to the constitution of Boards (other than the SRB already constituted) would be taken up with the Government at an early date.

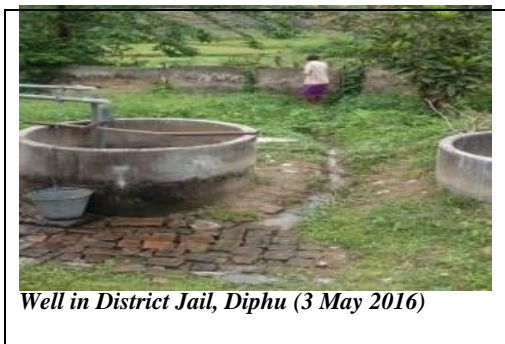
3.2.18 Interviews with prisoners

In each of the 11 test-checked jails, 10-12 prisoners of each jail were randomly chosen for interview. They were interviewed in the presence of the jail authorities to ascertain their day-to-day activities within the jail, the facilities available to them in prison, and deficiencies, if any. The interviews revealed the following:

- Continuous emission of smoke from *Katchha chullahs* of the kitchen were leading to an unhygienic environment. In seven³² prisons, Audit observed that primitive *katchha chullahs* had been provided in the kitchens;



- Prisoners expressed that the absence of running water facilities in the jail was a major problem for them. In six jails³³, it was observed that running water facilities were not available. Instead, Deep Tube Wells/ring wells were being used to fetch and carry water;



- Prisoners of four jails³⁴ reported that frequent breakdowns of power supply was causing immense discomfort due to intolerable heat;
- The inmates of overcrowded jails expressed their difficulties due to scarcity of space arising out of overpopulation;
- Prisoners from all the test-checked jails indicated that due to insufficient stocks, medicines were not reaching them immediately in the hour of need. Audit observed that the medical departments lacked the requisite infrastructure;
- Prisoners of eight jails³⁵ out of 11, expressed their dissatisfaction regarding the quality of potable water;
- Prisoners of all the test-checked jails stated that they were allowed to enter the kitchen and to use gas/fire wood to cook the food, which was in violation of the MPM guidelines;

³² Central Jail, Silchar; District Jail Hamren, District Jail, Diphu; District Jail, Sadiya; District Jail, Majuli; District jail, Mongoldoi and District Jail Nalbari.

³³ District Jail, Sadiya; District Jail, Diphu; District Jail, Majuli, District Jail, Nalbari; District Jail, Mongoldoi and District Jail, Tinsukia.

³⁴ Generator not available: Open Air Jail, Jorhat; District Jail and Hamren District Jail, Majuli; Generator available but often remained shut down due to non-availability of fuel: District jail, Sadiya.

³⁵ Central Jail, Jorhat; Central Jail, Guwahati, Open Air Jail, Jorhat, District Jail, Majuli, District Jail Diphu, District Jail, Hamren, District Jail, Mongoldoi and District Jail, Sadiya.

- Prisoners of six³⁶ out of 11 test-checked jails mentioned that prohibited items such as cigarettes/bidi/tobacco were available to them;
- Prisoners of all the 11 test-checked jails mentioned that reform programmes were weak and not being conducted periodically due to which they were deprived of proper rehabilitation;
- Except for the District jails at Tinsukia and Sadiya, UTPs of all the other test-checked jails expressed their apprehension regarding meeting with other inmates, since they were unable to identify the convicts in the absence of any dress code being followed.

3.2.19 Conclusion

Performance audit on Management of Prisons revealed that the management and administration of prisons in Assam was not satisfactory.

Financial management was deficient. Instances of unspent balances, retention of funds, expenditure exceeding the budgetary allocations were noticed. Security of the prisons was found compromised due to shortage of guarding staff, insufficient height of boundary walls, inadequate numbers of watch towers as well as due to unavailability of modern arms and ammunition and equipment such as binoculars, search lights *etc.* Instances of escape of prisoners in the State were the highest among the states of North Eastern Region. Prisoners had easy access to prohibited items. Though the prisons were lacking in basic infrastructure, a Prison Development Board, with a view to efficiently managing prisons in the State, was yet to be constituted. Prisoners' amenities, space for their hygienic living, number of sleeping berths *etc.*, were found inadequate. There was overcrowding of inmates in jails, mainly due to disproportionate allocation of inmates and the detention of UTPs by the Under Trial Review Committees was not monitored due to not functioning of the Committees in 15 jails. Despite the State registering the highest number of death cases during the period as compared to the mortality rate of the rest of the States of the North Eastern Region, adequate medical facilities with basic infrastructure and medical staff were not available.

Convicted prisoners were not provided with any dress code, on the basis of which they could be easily identified and segregated. This led to a situation wherein the UTPs were mixing with the convicts. Reform and Rehabilitation activities for the prisoners were inadequate in the absence of a monitoring mechanism. Further State Advisory Board, Prison Development Boards and Board of Work Programme and Vocational Training to improve the functioning of the prisons were not yet constituted while the Sentence Review Board was constituted in September 2016 at the instance of Audit.

³⁶ Central Jail, Guwahati, District jail, Majuli, Open Air jail, Jorhat, District jail, Diphu, District Jail, Hamren and District Jail, Sadiya.

3.2.20 Recommendations

Government may consider the following recommendations for better management of prisons in the State:

- *Financial management may be streamlined, by ensuring timely release of funds, in line with actual requirements.*
- *Safety and security of the prisons may be ensured, by deployment of adequate staff, equipped with modern weapons.*
- *Requisite amenities, including medical facilities, may be made available to prisoners.*
- *Constitutions of the State Advisory Board, Prison Development Board and Board of Work Programme and Vocational Training may be expedited, to improve the functioning of the prisons in Assam.*

Compliance Audit

Secretariat Administration (Accounts) Department

3.3 Compliance Audit of "Assam Trade Development Fund"

3.3.1 Introduction

The Assam Trade Development Fund was set up in Assam on 24 July 2008. The Governor of Assam constituted (July 2008) a committee for the administration of the Assam Trade Development Fund (ATDF), which was set up exclusively for the development of infrastructure or amenities to facilitate trade, commerce and intercourse from the proceeds of the Assam Entry Tax, collected by the Commissioner of Taxes (COT), Assam, from 2001-02 onwards, within the meaning of Section-10 of the Assam Entry Tax (AET) Act, 2008. Implementing departments are to submit proposals, for the development of infrastructure or amenities to facilitate trade, commerce and intercourse, to the Finance (Taxation) Department. Rule 11 of the Assam Entry Tax Rules 2008, stipulates that the tax shall be deposited in a separate, distinct and exclusive Head of Account "0042-106-Tax on Entry of Goods into local area" and the deposit shall constitute the ATDF. Further, the total allocation of the budget proposals made in a financial year shall not be less than the amount collected as Entry Tax minus cost of collection during the year. The funds under ATDF do not lapse and are carried over to the succeeding year. The Committee so formed is required to sit every quarter and examine and recommend sanction and release of funds to the implementing Departments.

The Principal Secretary, Finance (Taxation) Department is to accord administrative sanctions to all proposals recommended by the Committee and funds are to be drawn and disbursed by the Secretary, State Administrative Department (SAD-Accounts).

As per Section-10 of the AET Act, the proceeds of the entry tax minus cost of collection shall be utilized exclusively for:

(a) construction, development and maintenance of roads and bridges for linking the market and commercial areas to their hinterlands; and

(b) creation, development and maintenance of infrastructure for supply of electrical energy, water supply and sanitation and other infrastructure for furtherance of trade and commerce and intercourse.

The Departments of Power, Public Works (State & Rural Roads) (PWD), Public Health Engineering (PHE) and Urban Local Bodies (ULB) are the implementing agencies for infrastructure projects sanctioned from ATDF funds.

However, the authority for determining the cost of collection and the process for carrying out such determination has not been enumerated in the Act but the Finance (Taxation) Department works out the cost of entry tax collection proportionally with reference to the cost of collection of revenue earned.

3.3.2 Scope and Coverage of Audit

Audit of ATDF covering the period 2011-16 was conducted from April to June 2016 for assessing the implementation of the schemes *vis-a-vis* the prescribed guidelines. Records of the Departments of Secretariat Administration (Accounts), Finance (Taxation), Power, PWD, PHE and ULBs of seven districts³⁷ were test checked.

3.3.3 Financial management

The details of collection of Entry Tax, budget estimates and release of funds under ATDF to the implementing agencies during the period 2011-16, are as under:

Table -3.10

Year	Entry Tax collected	Budget Provision under ATDF			Funds drawn	Funds released for execution of works	Funds kept in Revenue Deposit (8443)
		Plan	Non-Plan	Total			
2011-12	518.75	400.00	790.00	1190.00	885.60	449.64	435.96
2012-13	364.14	420.00	200.00	620.00	524.31	370.00	154.31
2013-14	472.50	312.25	67.75	380.00	379.98	330.00	49.98
2014-15	382.88	496.12	149.67	645.79	355.64	355.64	Nil
2015-16	591.90	Nil	400.00	400.00	245.00	245.00	Nil
Total	2330.17	1628.37	1607.42	3235.79	2390.53	1750.28	640.25

Source: Departmental figures

It can be seen that against the budget provision of ₹ 3235.79 crore during the period from 2011-12 to 2015-16 under ADTF, an amount of ₹ 2390.53 crore was drawn, of which ₹ 1750.28 crore (54 *per cent* of budget provision) was released to the implementing Departments.

This indicated that, while the budget provisions were largely unrealistic during the years 2011-14, the Department was also unable to fully utilize the funds drawn towards implementation of the targeted works for want of any long/short term plans.

³⁷ Kamrup (Metro), Kamrup (Rural), Jorhat, Nagaon, Sonitpur, Barpeta and Kokrajhar.

The Finance Department, in reply to an audit query seeking the details about the procedure adopted by the Department in preparing the budget estimates, did not offer any specific reply. It however, stated (July 2016) that the budget provisions were made on the basis of estimated tax collection for the next year.

It was also noticed that, during the years 2011-14, out of ₹ 1789.89 crore drawn by the Department from ATDF, ₹ 640.25 (36 per cent) crore was kept in Revenue Deposits (8443). Thus, the amount of funds actually utilized for implementation of the targeted schemes/works was ₹ 1149.64 crore (64 per cent) only.

On this being pointed out, the Department did not offer any reason for the basis of such transfer and the consequent blocking of funds.

Thus, the funds collected for the specific purposes provided under the AET Act, were not fully utilized in the manner outlined under the Act.

3.3.3.1 Irregular drawal of funds to avoid lapse of budget grant

The GoA, Finance Taxation Department sanctioned funds amounting to ₹ 640.25 crore at the fag end of the financial years 2011-14, for development of infrastructure to facilitate trade, commerce and intercourse to be undertaken for implementation by the PWD, PHED, Guwahati Development Department and Urban Development Department. The funds were drawn and kept under 'Revenue Deposit-8443. Details are shown in the **Table – 3.11**:

Table – 3.11

(₹ in crore)

Year	Sanction No & date	Amount kept in RD	Expenditure incurred	Balance kept in RD
2011-12	FTX.62/2008/Pt-I/170 dt. 27.03.2012	100.00	54.73	45.27
	FTX.62/2008/144 dt. 20.03.2012	235.98	207.90	28.08
	FTX.145/2010/201 dt. 27.03.2012	50.00	24.55	25.45
	FTX.8/2011/23 dt. 19.03.2012	2.23	0.95	1.28
	FTX.8/2011/22 dt. 06.03.2012	47.75	29.19	18.56
2012-13	FTX.88/2012/Pt/19 dt. 21.03.2013	45.50	43.05	2.45
	FTX.88/2012/Pt-I/11 dt. 21.03.2013	58.81	48.89	9.92
	FTX.88/2012/17 dt. 20.03.2013	50.00	46.59	3.41
2013-14	FTX.55/2013/29 dt. 29.03.2014	49.98	19.49	30.49
Total		640.25	475.34	164.91

Source: Departmental figures

Analysis revealed that scheme money, amounting to ₹ 164.91 crore remained unutilized (till 7 October 2015) and was transferred (8 October 2015) to the Head of Account—"2052- Secretariat General Service-025-Development of Infrastructure to facilitate trade". The development funds were, thus, blocked for periods ranging between one to five years and expenditure could not be incurred on development, as estimated and planned, during the years 2011-14.

3.3.4 Irregular expenses

(A) Power Department

- GoA, Finance (Taxation) Department sanctioned (March 2010) an amount of ₹ 371 crore for infrastructure development, of which ₹ 236 crore was for the Power

(Electricity) Department. Of this, ₹ 181 crore was drawn and paid to the Assam State Electricity Board (ASEB) for the purpose of creating, developing and maintaining infrastructure for the supply of electricity, for furtherance of trade, commerce and intercourse.

Audit observed that the entire amount of ₹ 181 crore was diverted by ASEB to the ASEB Employees Pension Fund Investment Trust, instead of spending the same for the purpose it was meant for. Other instances of irregularities noticed are as under:

- With a view to extending financial support for deferment in levying Fuel and Power Purchase Price Adjustment Formula, an amount of ₹ 81.64 lakh was sanctioned by the Finance (Taxation) Department (June 2014) to the Assam Power Distribution Company Limited (APDCL) under ATDF.

Audit observed that, instead of creation of new infrastructure out of the funds released, the same was used for meeting the revenue liabilities of APDCL. This was in violation of the ATDF guidelines.

- Test-check of records revealed that an amount of ₹ 1,006.75 crore was sanctioned (during 2011-16) by the Finance (Taxation) Department for the purchase of power. Thus, the fund was utilised for meeting the revenue expenditure *viz.*, for purchase of power to provide subsidy to the consumers and for tariff determination instead of creation of new infrastructure, which was in violation of the ATDF guidelines.

Further scrutiny revealed that during the period 2011-16, the State generated a daily minimum average of 210 megawatts (MW) against its daily average requirement of 1470 MW, resulting in a deficit of 1260 MW. In order to meet the deficit, APDCL spent an average of ₹ 7.18 crore daily for the purchase of power from various agencies like the North Eastern Electric Power Corporation Limited (NEEPCO), Assam Power Generation Corporation Limited (APGCL) *etc.* This indicated that the State had a constant power deficit during the period, with purchase of power being a routine phenomenon. Further, funds received under ATDF were being utilized to tide over the deficiency and not for infrastructure creation out of the fund received, which was in violation of the ATDF guidelines.

(B) Public Works Department (PWD)

GoA, Finance (Taxation) Department sanctioned and released (between 2011-14) ₹ 405.67 crore to PWD Divisions for various works relating to creation of infrastructure development like roads and bridges *etc.*

Audit scrutiny, however, revealed that, in twelve instances, an amount of ₹ 21.70 crore was diverted towards purposes not directly related to trade development and commerce and thus, not covered for expenditure under ATDF, as shown in *Appendix – 3.7.*

(C) Municipal Boards and Town Committees

GoA, Finance Taxation Department sanctioned and released (between 2011-12) ₹ 108.72 crore to Urban Local Bodies (ULBs) for development and improvement of infrastructure such as roads, bridges, drains, ghats, bus stands, parking places,

markets, solid waste management system, street lights and water supply systems within the town.

Audit observed that, in six instances ₹ 1.15 crore of the sanctioned amount was spent for purposes other than creation/development and improvement of infrastructure, as shown in **Table - 3.12**:

Table - 3.12

Sl. No.	Year	MB/TC	Name of the work/scheme	AA	Amount	Vr. No. & Date	Remarks
				Amount	Paid		
				(₹ in lakh)			
1	2009-10	Barpeta MB	Improvement of NCB park under infrastructure development for trade & commerce	15.48	15.44	NA dt. 13.01.14	Park did not fall under the scope of guidelines on infrastructure development issued by the Finance Taxation Department, GOA dated 15.03.2012.
2	2011-12	Barpeta MB	Construction of Millennium Park at Ward No 5	10.00	4.94	NA dt. 27.02.15	As above
3	2009-10	Howly TC	Improvement of Mairamara Satra Path at Ward No.-3	6.00	6.00	17 dt.24.01.14 and 1 dt. 24.01.14	Duplication of the work was also observed in PWD (Rural Roads Division), Barpeta and Municipal Board, Barpeta Road.
4	2009-10	Howly TC	Improvement of Thakurbari road at Ward No.-4	5.00	5.00	3 dt. 24.01.14 and 5 dt. 24.01.14	As above
5	2009-10	Barpeta Road MB	Construction of RCC ground floor dwelling unit and boundary wall with gate at sweeper colony at ward-9	75.33	70.52	NA dt. 07.01.15	The verification of records revealed that the construction of RCC ground + 1 st Floor and dwelling units were done at the sweeper colony which was beyond the scope of guidelines.
6	2010-11	Rangia MB	Construction of 1 st Floor of Rangia Municipal Board at W.No.3	13.07	13.44	NA dt. 04.09.14	Construction of Office Building was not permissible under ATDF
Total				124.88	115.34		

Source: Departmental records.

Further, test-check of records also revealed the following deficiencies:

- As per ATDF guidelines meant for Urban Local Bodies, the cost of each project /scheme should not be less than ₹ 5 lakh.

Audit, however, observed that, in 47 schemes involving ₹ 1.56 crore undertaken with the ATDF, the cost of each project was below ₹ 5 lakh, which was in contravention of the guidelines.

- The Director, Municipal Administration, Assam, sanctioned ₹ 0.70 crore for eight schemes (1st installment of 2009-10) and ₹ 0.79 crore for nine schemes (1st installment of 2011-12) relating to the Tezpur Municipal Board.

Test-check revealed that the entire amount of ₹ 1.49 crore was kept by the Tezpur Municipal Board in fixed deposit (₹ 0.79 crore) and in current account (₹ 0.70 crore) in a nationalized bank from the date of receipt of fund (December 2012) till date (March 2016) without taking up any scheme for implementation, thereby frustrating the purpose of the ATDF schemes.

3.3.5 Monitoring

The Committee for administration of the ATDF was required to meet four times in a year.

However, information furnished by the Finance (Taxation) Department revealed that during the period from 2011-12 to 2015-16, no Committees were constituted. Resultantly, no meetings were held during the period against the requirement of 20 stipulated meetings. Further, against the budget provision of ₹ 3235.79 crore, ₹ 2390.53 crore was drawn by the Finance (Taxation) Department during 2011-12 to 2015-16 without any recommendation of the Committee as required, due to its non-constitution.

Thus, due to the stipulated meetings of the Committee not being held, the actual status of the works, undertaken by various Departments, remained unmonitored.

3.3.6 Conclusion

Financial management of ATDF was deficient as reflected from the drawal and keeping of substantial amount of funds in Revenue Deposits. Neither was any long/short term action plan prepared for implementation of targeted works nor any assessment of financial returns made leading to ad-hoc decisions being made by the Department. Non-regularisation of funds drawn through AC Bills for longer periods was indicative of lack of financial discipline as non-submission of DCC Bills, was not only violative of the directives issued by the Finance Department³⁸ and provisions of the Budget Manual-2012, but was also fraught with the risk of misappropriation of funds. In the absence of any monitoring mechanism at the apex level, monitoring of development schemes was deficient. It was noticed that the ATD Fund was diverted to a Pension Fund by the ASEB and faulty financial sanction orders were issued by the Finance Taxation Department for the purchase of electricity. Instances were also noticed when the ATD Funds were diverted on activities not covered for expenditure under ATDF.

3.3.7 Recommendations

The following recommendations may be considered by the Government:

- *Funds should be sanctioned and drawn only for immediate requirements for purposes prescribed under the AET Act, 2008.*
- *Drawal of money through AC Bills from ATDF should be regularized within the prescribed time limit.*
- *An effective monitoring mechanism should be evolved in the Finance (Taxation) Department to closely monitor implementation of schemes by the implementing Departments.*

General Administration Department

3.4.1 Excess payment

Failure of the Deputy Commissioners to deduct 10 per cent contractor's profit at the time of payment for works executed through Construction Committees/ Non-Government Organisations resulted in excess payment of ₹ 1.08 crore.

Guidelines of the Central schemes of Member of Parliament Local Areas Development (MPLAD), Border Areas Development Programme (BADP) and Untied

³⁸ Finance Department, OM No. BW.58/92/Pt-IV/4 dated 25 February 2014.

Fund stipulate, *inter alia*, that, in schemes that are implemented through the Deputy Commissioners (DC) as the nodal authority, if necessary, the works may be executed through the constitution of committees³⁹ under the supervision of the DC. The main objective of such construction works would be to create durable community assets. The estimates for such works are prepared as per the Assam Public Works Department (APWD) Schedule of Rates (SoR) which include a provision of 10 *per cent* contractor's profit over the cost of material and wages of labourers.

Scrutiny (May 2014 to March 2016) of records of six Deputy Commissioners⁴⁰ revealed that 54 works⁴¹ valued at ₹ 10.83 crore, which included the 10 *per cent* contractor's profit, were executed through Construction Committees, without engaging contractors during the period from 2008-09 to 2014-15 (detailed in *Appendix – 3.8*). The DCs, however, failed to deduct the 10 *per cent* contractor's profit at the time of payment which ought to have been deducted as the works were executed without the involvement of contractors.

This resulted in excess payment of ₹ 1.08 crore to the Construction Committees with consequent loss to the Government.

The matter was reported to Government in June 2016; their reply had not been received (November 2016).

3.4.2 Fictitious payment

Alleged transportation of soil through fake carriers led to fictitious payment of ₹ 16.28 lakh by the Deputy Commissioner, Hailakandi.

The Government of Assam launched the Members of Legislative Assembly Area Development Scheme (MLAADS) in March 1994. In terms of guidelines of the scheme, the works to be taken up should be developmental in nature, catering to the needs of local people emphasising on income generation through creation of durable assets. The Planning and Development Department, Government of Assam is responsible for overall implementation of the scheme in the State. The Deputy Commissioner (DC) shall be the District Nodal Authority to implement the scheme in the district and the DC gets the scheme implemented through local self-government/agencies/NGOs *etc.*

The DC, Haliakandi accorded (January to December 2014) administrative approval and expenditure sanction of ₹ 60.35 lakh⁴² for execution of 45 works under the above scheme. The DC, on basis of the approval released ₹ 52.98 lakh⁴³ to the Block Development Officer (BDO), Lala in January, July and December 2014 respectively for the execution of 44 works.

³⁹ Non-Government Organisations (NGOs), Panchayati Raj Institutions (PRIs), Local Self Government (LSG), Construction Committees (CC) *etc.*

⁴⁰ DCs of Lakhimpur, Barpeta, Dhemaji, Hailakandi, Nalbari and Goalpara.

⁴¹ Construction of roads, Waiting sheds, Community Halls, School buildings *etc.*

⁴² 36 works relating to 2012-13: ₹32.50 lakh and nine works relating to 2013-14: ₹27.85 lakh.

⁴³ ₹24.08 lakh in 2013-14 and ₹28.90 lakh in 2014-15.

Scrutiny (February 2016) of the records of the Deputy Commissioner, Hailakandi revealed irregularities on expenditure incurred towards transportation of soil by trucks. Cross checking of actual payee receipts (APRs)/vouchers with reference to the above works and information obtained from the District Transport Officer (DTO), Hailakandi revealed that registration numbers of the trucks shown as used for transportation of soil and embodied in the APRs in 16 cases were the registration numbers of Maruti-vans/motor cycles/ambulance/auto rickshaws and in 12 cases, the registration numbers were not at all issued by the DTO. This showed booking of fictitious payment of ₹ 16.28 lakh (**Appendix – 3.9**) made for the transport of soil. On this being pointed out in audit, the DC stated (March 2016) that reply would be furnished in due course, which was awaited till November 2016.

Thus, expenditure of ₹ 16.28 lakh shown as incurred by the DC, Hailakandi towards carriage cost of soil in respect of 22 works through fake carriers, was fictitious.

The matter was reported to Government in June 2016; their reply had not been received (November 2016).

3.4.3 Probable bogus payment of MPLADS fund

Absence of basic records of demand, supply, delivery, distribution and installation of 3,215 Hand Tube Wells, coupled with the payment of ₹ one crore without ensuring the genuineness of the utilization certificate, pointed towards the possibility of misappropriation of the entire amount.

Guidelines on Members of Parliament Local Area Development Scheme (MPLADS) stipulate that elected Members of Lok Sabha can recommend, within their Constituencies, works of developmental nature with emphasis on the creation of durable community assets based on the locally felt needs. The District Authority shall identify the Implementing Agency capable of executing the eligible work qualitatively, timely and satisfactorily. The District Authority shall follow the established work scrutiny, technical aspect, work estimation, tendering and administrative procedure of the State/UT Government concerned in the matter of work execution, and shall be responsible for timely and effective implementation of such works.

Scrutiny (October – December 2015) of records of the Deputy Commissioner (DC), Jorhat revealed that administrative approval (AA), for the supply and installation of 3,215 Hand Tube Wells (HTWs) @ ₹ 3110 per unit under the MPLADS at Majuli for the year 2013-14 was accorded (January 2014) for ₹ one crore. The AA included, *inter alia*, sanction for the payment of an advance of ₹ 75 lakh to be paid to the supplier⁴⁴ on the recommendation of the Hon'ble Member of Parliament (MP), Lakhimpur⁴⁵. It was observed that Cash Book, cheque issue register or the asset register, as stipulated under the above Guidelines was not maintained by the Additional Deputy Commissioner (ADC), Jorhat to record the transactions pertaining to the payments made to the supplier as noticed during the audit. Further, neither any beneficiary list

⁴⁴ M/s. Baruah & Sons, Jorhat.

⁴⁵ Ms. Ranee Narah, then Minister of State for Tribal Affairs, Government of India.

indicating names of beneficiaries with the installation sites was prepared, nor was the tenders/quotations invited to ensure reasonableness for the supply/installation of the HTWs. No supply order, delivery challans indicating actual delivery of the HTWs, completion certificates or photographs could also be made available to Audit in support of execution/completion of the work. Besides, no physical verification of the work of installation of HTWs (2013-14) by the implementing agency was carried out.

On this being pointed out, in reply, both the Block Development Officers (BDOs) of Ujani Majuli and Majuli stated (7 December 2015) that neither any demand for the HTWs had been submitted by them to the DC, Jorhat during the period from February 2013 to October 2015, nor were any HTWs under MPLADS received during the period. The ADC (Development), Jorhat, however, issued (7 September 2014) utilisation certificate for the entire amount of ₹ one crore under MPLAD scheme of Lakhimpur Parliamentary Constituency stating that all the 3,215 HTWs for the year 2013-14 had been installed through the BDOs. On the other hand, the ADC (Development), Jorhat and District Development Commissioner, Lakhimpur, confirmed (4 December 2015 and 18 April 2016 respectively) that no detailed list identifying the beneficiaries of the HTWs, was available with them.

Further scrutiny revealed that the supplier preferred four un-numbered bills (all dated 20 February 2014) for making payment by the ADC, Jorhat for the supply of 3,215 HTWs. The DC paid the entire amount of ₹ one crore on 4 February 2014 (₹ 75 lakh⁴⁶) and on 24 February 2014 (₹ 25 lakh) to the supplier. It was however, revealed that none of the bills had been passed by the competent authority prior to their payment.

Thus, in the absence of basic records of demand, supply, delivery, distribution and installation of 3,215 HTWs, the expenditure of ₹ one crore was tantamount to bogus payment leading to undue financial benefit to the supplier at the cost of the scheme.

The matter was reported to Government in April 2016; their reply had not been received (November 2016).

3.4.4 Shortage of cash

Lack of effective control and monitoring by the Deputy Commissioner, Morigaon, led to shortage of cash amounting to ₹ 24,41,205

According to Rule 95 of Assam Financial Rules (AFR), the Head of office is personally responsible to Government for the due accounting of all moneys received and disbursed and for the safe custody of cash. Each entry in the Cash Book should be verified daily by the Head of the office or by a Gazetted Officer authorised by him. Further, according to Government orders (February 1995), the Drawing and Disbursing Officer (DDO) must ensure regular and up-to-date maintenance of Cash Book besides carrying out surprise physical verification of closing balance and recording the result of such verification in the Cash Book with dated signature.

⁴⁶ Cheque nos.: 11085-88 dated 04.02.2014 – ₹ 18,75,000 each and 319807 dated 24.02.2014 – ₹ 25,00,000.

Scrutiny (September-October 2015) of the Cash Book of the Deputy Commissioner (DC), Morigaon (Planning and Development Branch) for the period ending 31 October 2015 revealed that the closing balances exhibited in the Cash Books of four schemes, viz., Member of Parliament Local Area Development Scheme (MPLAD), Member of Legislative Assembly Area Development scheme (MLAADS), Pradhan Mantri Adarsh Gram Yojana (PMAGY) and Untied schemes⁴⁷ did not tally with the balances as recorded in the individual saving bank accounts of the schemes. At the instance of Audit, the Cash Books of all the four schemes were updated by including interest earned on the savings accounts, credit of uncashed cheques and accounting of all expenditure, including taxes, till 31 October 2015. This exercise revealed a shortage of cash at bank amounting to ₹ 24,41,205 (balance as per Cash Books: ₹ 6,80,52,727⁴⁸ and balance as per bank: ₹ 6,56,11,522), thereby pointing towards suspected misappropriation of funds.

In this regard, audit observed that neither any necessary authentication as a token of check of each entry of the Cash Book was done nor any analysis of daily/monthly closing balances was carried out by the Head of office as required under AFR. Further, the DDO neither ensured that the Cash Book was updated regularly nor conducted any surprise physical verification of closing balances as required under the rules. The irregularities indicated that the internal control existing in the office of the DC, Morigaon (Planning and Development branch) was largely ineffective and rendered the office prone to the risk of financial impropriety.

On this being pointed out, the ADC (who was also the DDO of the Planning and Development branch), while certifying (November 2015) the shortage of cash of ₹ 24,41,205 after updating the four Cash Books, stated that no other cash (in the form of demand draft, deposit-at-call receipt or cash in chest) was lying un-reflected in the Cash Books. Further, ADC also confirmed that no transactions of other branches were reflected in the Cash Books of the schemes of this branch. However, ADC assured Audit to look into the aspect of shortage of cash and to take action accordingly. The outcome of such action taken, if any, was awaited (November 2016).

Thus, shortage of cash amounting to ₹ 24,41,205 at Bank with reference to the Cash Book maintained by the DC, Morigaon was susceptible to misappropriation.

The matter was reported to Government in March 2016; their reply had not been received (November 2016).

⁴⁷ 'UNTIED fund' is an earmarked fund for the purpose of encouraging Local Level Planning and placed at the disposal of every district/sub-division. The schemes under UNTIED fund should be of local nature. It is desirable that such schemes help either production or employment generation or both.

⁴⁸

(in ₹)

Scheme	Balance as per cash book as on 31 October 2015	Balance as per Bank as on 31 October 2015	Shortage
MPLAD	64,56,542	54,12,759	10,43,783
MLAAD	4,05,48,767	3,93,22,369	12,26,398
PMAGY	1,59,35,979	1,59,34,142	1,837
UNTIED	51,11,439	49,42,252	1,69,187
	6,80,52,727	6,56,11,522	24,41,205

Source: Departmental records.

3.5 General

3.5.1 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 recommendations.

However, seven *suo-moto* replies/explanatory notes were only received in respect of paragraphs and reviews included in the Audit Report on Social, General and Economic (Non-PSUs) Sectors up to 2014-15 from the respective departments,

As of March 2016, PAC discussed 1,136 out of 1,705 paragraphs, reviews and stand-alone Reports pertaining to the years 1983-84 to 2013-14⁴⁹. Consequently, 569 audit observations/comments included in those paras/reviews had not been discussed by the PAC as of March 2016.

3.5.2 Action taken on recommendations of the PAC

520 recommendations were made by the PAC in its Fifty fifth to Hundred and thirty sixth Reports with regard to 45 Departments. As of March 2016, only two ATNs relating to two paragraphs pertaining to the years 2004-05 and 2006-07 were furnished by the Home and Water Resources Department respectively. Thus, 518 recommendations were pending settlement as of March 2016 due to non-receipt of Action Taken Notes/Reports from the Government Departments.

3.5.3 Response to audit observations and compliance thereof by senior officials

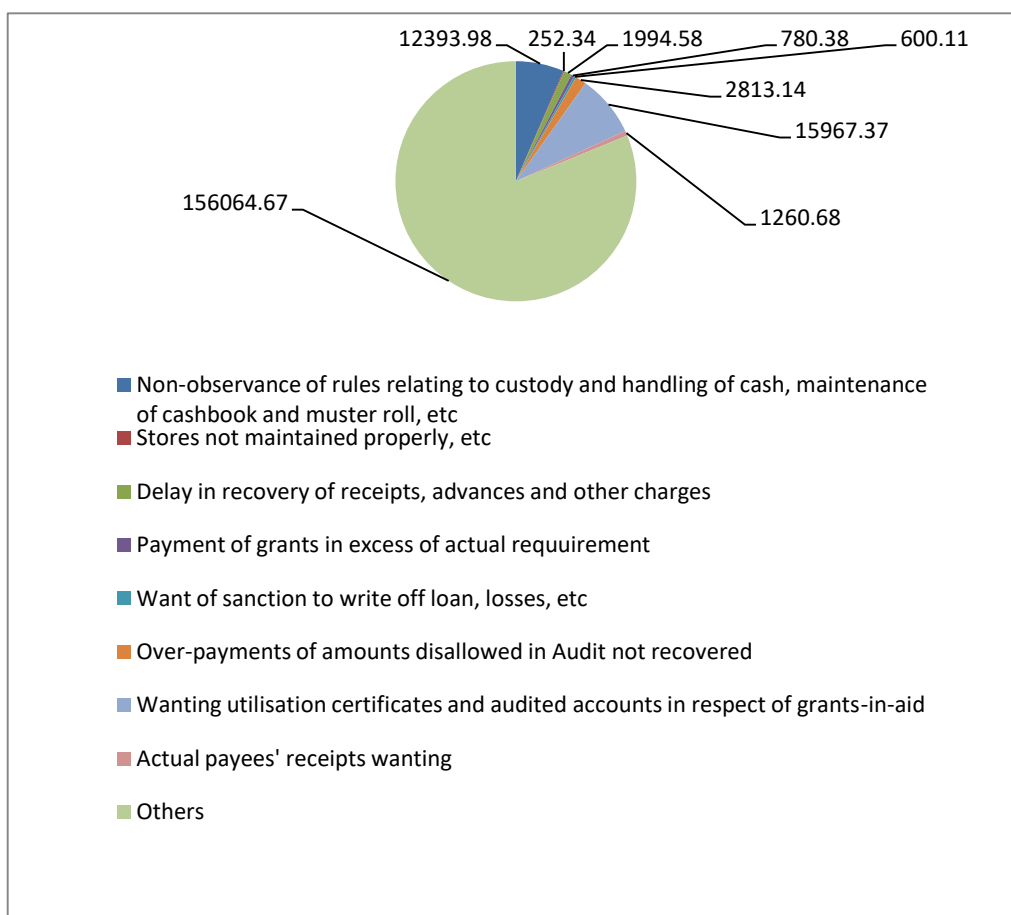
The Accountant General (AG) arranges to conduct periodical inspection of Government Departments to test-check the transactions and verify the maintenance of significant accounting and other records according to prescribed rules and procedures. When important irregularities detected during inspection 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

⁴⁹ The status of paragraphs, reviews and Stand-alone reports for the year 2014-15 not indicated as Audit Reports for the year 2014-15 were placed before the State Legislature on 18 July 2016.

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 2015 pertaining to Civil Departments/Public Health Engineering Department /Public Works Department/ Water Resource Department/ Irrigation and Inland Water Transport Department disclosed that 20,409 paragraphs pertaining to 3,696 IRs were outstanding for settlement at the end of June 2016. Of these, 510 IRs containing 1,546 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 848 IRs issued between 1994-95 and 2015-16. As a result, serious irregularities commented upon through 20,025 paragraphs involving ₹ 1,92,127.25 crore, had not been addressed as of June 2016 as shown in the **Chart – 3.1.**

Chart-3.1 (₹ 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 2015-16, the Government had constituted (25 August 2015) one AOC for discussion of the outstanding audit observations of all the three Sectors and 154 meetings (Social Sector: 56; Economic Sector: 82; and General Sector: 16) of the Committee were held, in which, 1,497 IRs and 6,122 Paragraphs were discussed and 165 IRs and 1455 Paragraphs were settled.

It is recommended that Government should review the matter and ensure that effective system exists for (a) sending replies to IRs/Paragraphs/audit observations timely; and (b) action taken to recover loss/outstanding advances/ overpayments in a time bound manner.

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