

OVERVIEW

Overview

This Audit Report has been prepared in four chapters. Chapters I to III deal with Social, Economic and General Sectors other than the State Public Sector Undertakings (PSUs). Chapter IV deals with general paragraphs.

This Report contains Performance Audit on “Development and Promotion of Horticulture”. The Report also contains 13 paragraphs including two Subject Specific Compliance Audit Paragraphs, eight Compliance Audit Paragraphs and three general paragraphs. The draft Performance Audit Report and draft audit paragraphs were sent to the Principal Secretary/ Commissioner of the Departments concerned with a request to furnish replies within six weeks. The views of the Government were incorporated wherever appropriate. The audit findings were also discussed in exit conferences held with the representatives of the Government of Assam and their views were duly acknowledged in the Report. A synopsis of the important findings contained in the Report is presented below.

SOCIAL SECTOR

Compliance Audit

Krishna Kanta Handiqui State Open University (KKHSOU) incurred loss to the tune of ₹ 4.03 crore, out of which ₹ 1.85 crore was towards payment of bank charges on collection of fees from students/learners and ₹ 2.18 crore towards Tax Deduction at Source on Fixed Deposits in SBI due to non-submission of Tax Exemption Certificate.

Recommendation

- *The University needs to make vigorous effort to get refund of amount deducted towards bank charges.*

(Paragraph 1.2.1; Page 2)

Director of Social Welfare (DSW) failed to ensure compliance with National Food Security Act, 2013 through non-provision of mandated nutritional support under SNP, and gave undue financial benefit estimated at over ₹ 94 crore to Suppliers through purchase of rice and peas under Take Home Ration (THR) at exorbitant cost during 2019-20.

Recommendations

- *Government may bring the scheme implementation in line with the SNP scheme guidelines and also consider topping-up of the scheme with State funds for providing wholesome nutrition to beneficiaries targeted under SNP.*

- *Accountability may be fixed in a time bound manner for improper implementation of SNP leading to undue financial benefit being extended to certain suppliers and steps taken for recovery of the same.*

(Paragraph 1.2.2; Page 5)

Expenditure of ₹ 4.17 crore (including committed liability of ₹ 0.84 crore) incurred on baseline survey conducted for assessing the needs of the targeted beneficiaries under Multi-sectoral Development Programme (MsDP) was wasted due to non-finalisation of the survey report and discontinuation of MsDP.

(Paragraph 1.2.3; Page 11)

ECONOMIC SECTOR

Performance Audit

Performance Audit on ‘Development and Promotion of Horticulture’

The Performance Audit on Promotion and Development of Horticulture showed that after incurring an expenditure of ₹ 243.12 crore during 2015-20, the Department managed to achieve marginal increase in Area under cultivation of fruits (17 per cent), vegetables (four per cent) and spices (18 per cent) in 2019-20 as compared to 2015-16. Similarly, there was increase in production under fruits (26 per cent), vegetables (12 per cent) and spices (99 per cent). The PA further showed that Annual Action Plans were prepared without base line survey and without following a bottom-up approach. The Directorate was not having the required information to know the potential, weakness and critical areas of promotion and development of Horticulture crops in the State. Records of beneficiary not maintained and selection of beneficiary as per AAPs was not done. Moreover, selected beneficiaries also failed to utilise assistance. Release of funds was not as per the actual requirement. The Fund management was not efficient, and there was also deficiency in utilisation of fund. Delayed issue of seeds/planting materials was noticed. Improper planning and lack of monitoring led to unproductive expenditure on Centre of excellence (CoE), Floriculture Unit, Nursery units. The progress reports were not prepared based on actual field level data, and as a result, achievement shown in progress reports was found factually not correct. Efforts for implementation of post-harvest management facilities were found lacking. Inadmissible allowance of subsidy was found in the scheme component pollination through bee keeping. Department failed to implement the scheme of certification and organic farming despite approval of the same by SLEC. Prescribed targeted training and awareness programme was not done. The system of monitoring mechanism found to be weak, and even the monthly reports required to be uploaded in GoI site was not uploaded nor was monthly progress report prepared and submitted. Third party evaluation as required to be done was not done.

Recommendations

State Government may

- *Ensure preparation of Annual Action Plan after conducting baseline survey. Preparation of Perspective/Strategic Plan may be ensured.*
- *Ensure that reporting of expenditure is done based on the basic accounting records maintained for capturing expenditure. The Finance Department needs to review the operation of bank accounts by departments.*
- *Fix Responsibility of the officials concerned in a time bound manner for unfavourable site selection for Model Floriculture Unit and lack of monitoring.*
- *Formulate a mechanism for effective project management including proper site selection, timely supply of planting materials, funds & manpower for maintenance and creation of post-harvest facilities.*
- *Ensure functioning of FPOs for improvement of cultivation techniques, processing and marketing of produces.*
- *Ensure training of farmers and revival of CsOE for skill development of local farmers through training and demonstration of horticulture crops.*
- *Closely monitor the functioning of Food Processing Units and ensure that the FPU discharge their liabilities and commitments in accordance with the MoU.*
- *Ensure effective monitoring of the implementation of projects, strengthening of periodical reporting and concurrent evaluation of the implemented projects.*

(Paragraph 2.2; Page 16)

Compliance Audit

Director of Fisheries made excess payment to the contractors on the basis of fictitious measurements, leading to fraudulent payment of ₹ 44.39 lakh on Up-gradation of Jongal Balahu Garh Fish Farm.

(Paragraph 2.3.1; Page 45)

Chief Engineer, Public Works Department (Border Roads) converted flexible pavements to ICBP under PMGSY by revising the original estimates during the execution stage, and used unprescribed lower grade materials at a rate higher than that of the prescribed higher grade material. The revised working estimates escaped competitive bidding resulting in extra expenditure, which in 18 selected works amounted to ₹ 2.82 crore excluding taxes.

Recommendation

- *Government may fix responsibility in a time bound manner at appropriate level for overlooking the financial interest of State exchequer and extending undue benefit to the contractors.*

(Paragraph 2.3.2; Page 48)

The contractor bagged the tender of the work of improvement and upgradation of SH-2 (Chapaguri to Manas River) by offering an unreasonably high amount of ₹ 23.81 crore (1,332 *per cent* above the estimated rate) as credits for salvaged items. Subsequently, by reducing the measured quantities and drawing an incorrect revised BoQ, the credit salvage value was reduced to ₹ 1.65 crore thereby extending financial benefit of ₹ 22.16 crore to the contractor, and estimated loss of ₹ 18.39 crore to Government.

Recommendation

- *Government may fix accountability in a time bound manner for this financial irregularity which has led to undue gain of ₹ 22.16 crore to Contractor, and estimated loss of ₹ 18.39 crore to Government. The Government needs to explore steps for recovery of the undue gain from the contractor.*

(Paragraph 2.3.3; Page 51)

Executive Engineer, Water Resource Division, Kajalgaon, made payment for collection of river boulders without deducting void and recorded exaggerated measurement in the measurement book giving rise to suspected fraudulent payment of ₹ 15.89 lakh.

(Paragraph 2.3.4; Page 54)

GENERAL SECTOR

Compliance Audit

Compliance Audit on “Implementation of Crime & Criminal Tracking Network Systems (CCTNS)”

Crime and Criminal Tracking Network System (CCTNS) project envisaged various benefits to the Police Department which included making available enhanced tools for investigation, a centralised crime and criminal information repository along with the criminal images and fingerprints with advanced search capabilities, and resultant enhanced ability to analyse crime patterns. However, even after ten years of project initiation and seven years of CCTNS being implemented in Assam at a cost of ₹ 67.08 crore, the required centralised repository with details of crime and criminals was not found to have been created within the CCTNS system in Assam. The requirement of hundred *per cent* connectivity to all the police stations and higher offices in the State remained unaddressed.

It was observed that the manual system was still prevalent in the PS, with only certain mandatory fields being recorded in the System, leading to discrepancies of data between the CCTNS and manual records. Thus, due to incomplete data capture in CCTNS-CAS the very objectives of providing information repository to help the police officials in analysing crimes and detection of criminals and tracking remained unachieved.

Only the few of the citizen centric services were operational and utilisation was not optimum. There was shortfall in training of manpower, and data capture in CCTNS was being done by hired operators on behalf of the concerned police personnel (SP/SHO/IO and others) which compromised the user access control. There was incorrect reporting

which led to CCTNS Pragati Dashboard not displaying the correct status of implementation of the project.

Recommendations

- *Steps may be taken to do away with parallel system of maintaining both manual forms and CAS generated forms in phased manner. The CCTNS-CAS should be mainstreamed by completely migrating to the CCTNS as was envisaged by the CCTNS project. The manual system of creating and maintaining records should be done away with in a phased manner.*
- *A review of the quality of data being entered in the CCTNS system may be conducted, and clear instructions issued for mandatory recording of fields considered essential for the crime and criminal tracking.*
- *The citizen services may be processed timely and required steps may be taken for creating of public awareness for citizen services.*
- *Adequate and required training to all the staff of the Assam Police may be imparted.*
- *Adequacy in deployment of staff for the smooth implementation of the project may be ensured.*
- *Monitoring from different level of the department on the implementation of the project may also be ensured.*
- *Prior to uploading of data towards Pragati Dashboard, facts and figures on the implementation of the project may be verified.*

(Paragraph 3.2; Page 58)

Compliance Audit on “Logistical arrangements for National Register of Citizens Updation project in Assam”

Updation of NRC in Assam commenced in December 2014 with the initial project cost of ₹ 288.18 crore, with deadlines for completion within 14 months *i.e.*, February 2015. However, the timeline for the project kept extending leading to the publication of final draft in August 2019. Due to time over run, and significant change in scope of the initially conceptualised NRC updation software, the project cost escalated from ₹ 288.18 crore to ₹ 1,602.66 crore (expenditure of ₹ 1,579.78 crore reported) by March 2022. Test check of records by audit disclosed various irregularities in utilisation of fund including excess and inadmissible payment to vendors.

In NRC updation process, a highly secure and reliable software was required to be developed; audit however, observed lack of proper planning in this regard and to the extent of 215 software utilities were added in a haphazard manner to the core software. These were done without following due process of either software development, or selection of vendor through eligibility assessment following a national tendering. Haphazard development of software and utilities for NRC data capture and correction posed the risk of data tampering, without leaving any audit trail. The audit trail could have ensured accountability for the veracity of NRC data. Thus, the intended objective of preparing a valid error-free NRC has not yet been met despite direct expenditure of

₹ 1,579.78 crore as well as manpower cost of deployment of large number of Government servants ranging from 40,000 to 71,000.

Recommendations:

- *Responsibility of the SCNR should be fixed and action taken in a time bound manner for the excess, irregular and inadmissible payment made to the vendor.*
- *Penal action needs to be initiated against the System Integrator (M/s Wipro Limited) for violation of the Minimum Wages Act as payments were made to operators at a rate less than the minimum wages.*
- *Accountability of the SCNR, as Principal Employer, should also be fixed for not ensuring compliance with the MW Act.*

(Paragraph 3.3; Page 81)

Short/ Non-Deduction of House Rent despite occupying Government quarters resulted in annual loss of revenue to the Government estimated to the tune of ₹ 27.12 crore.

Recommendations:

- *Government should take immediate action to ensure deduction of the due House Rent and to recover the above outstanding dues from the concerned employees at the earliest.*
- *Department may suitably revise the OM fixing the license fee (House Rent) with prescribed ceiling on the lines of license fee fixed by the Ministry of Housing and Urban Affairs, Government of India for residential accommodation with periodical revision.*

(Paragraph 3.4.1; Page 103)