

**CHAPTER – IV - WORKS EXPENDITURE
SECTION – A – REVIEW**

PUBLIC WORKS DEPARTMENT

4.1 Construction of Roads and Bridges

Highlights

Absence of work programme, defective estimation, poor funding and lack of proper supervision in implementation of schemes by the department resulted in prolonged continuation of work for periods ranging from 2 to 23 years with consequential cost overrun in almost all the cases frustrating the very objective of economic and cultural development of the State through road network within a time bound programme besides wasteful, idle and unfruitful expenditure.

The department failed to achieve the physical targets set in the Road and Bridge sectors where the shortfall varied from 33 to 60 per cent in respect of Roads and 30 to 51 per cent in respect of Bridges.

(Paragraph 4.1.4(b))

New schemes (2532) were taken up instead of concentrating on ongoing schemes indicating improper planning.

(Paragraph 4.1.4(c))

Due to abnormal delay, the cost overrun on 35 ongoing works was Rs. 20.12 crore.

(Paragraph 4.1.4.2)

There was an unfruitful expenditure of Rs. 11.15 crore on 40 schemes owing to discontinuance after partial execution and abandonment of works on 25 roads rendered the expenditure of Rs 4.15 crore unfruitful.

(Paragraphs 4.1.4.3(a) and (b))

There was wasteful expenditure of Rs. 1.41 crore on road works due to change in alignment after partial execution.

(Paragraph 4.1.4.4)

Shortfall in achievement of target under Basic Minimum Service (BMS) ranged from 61 to 84 per cent even after utilisation of 100 per cent Central assistance (Rs. 88.31 crore) besides unfruitful expenditure of Rs.83.10 lakh due to defective selection of a scheme.

(Paragraphs 4.1.5 and 4.1.5.1)

Excess entertainment of work charged staff with consequential extra expenditure of Rs. 66.99 crore.

(Paragraph 4.1.6.2)

The department incurred an unauthorised expenditure of Rs. 4.99 crore on unsanctioned works.

(Paragraph 4.1.6.4)

4.1.1 Introduction

Communication system is the basic infrastructure for economic and cultural development of a State. Roads in Arunachal Pradesh are the only means of communication for socio-economic development of the State. Construction and maintenance of roads other than National Highways and Border Roads is the responsibility of State Government. As of April 2000 the State had (a) Surface Roads: 4947.13 Km; (b) Unsurfaced Roads: 8940.63 Km; covering a total length of 13887.76 Km. The said road length had a total road density of 16.58 Km per 100 sq. Km. in comparison to all India road density of 62 Km per 100 sq. Km. (as per 1991 census).

For constructing new roads and bridges and improving existing ones, Government undertook programmes under State plan fund and Additional Central Assistance (ACA) was received under Basic Minimum Service (BMS).

4.1.2 Organisational set up

The Chief Engineers (Eastern and Western Zones), Itanagar were in overall charge of the execution of the works. They were assisted by two Additional Chief Engineers (one under each CE), two Superintending Surveyor of works(one in each zone), eight Superintending Engineers (four in each zone) and thirty Executive Engineers (eighteen in Eastern Zone and twelve in Western Zone).

4.1.3 Audit coverage

Records pertaining to Roads and Bridges of the Public Works Department for the period from 1995-96 to 1999-2000 including the records relating to earlier years, wherever necessary, were test-checked between April and June 2000 in the offices of both the Chief Engineers and fourteen^o Executive Engineers in ten (out of 13) districts.

4.1.4 Construction of Roads and Bridges under State Plan

(a) Financial Appraisal

During the period from 1995-2000, total funds allocated by the legislature for construction/ maintenance of Roads and Bridges was Rs.452.92 crore against which total expenditure incurred was Rs.452.71 crore. The detailed break up of fund allotment and expenditure is given below :

Capital Section

5054 – Capital Outlay on Roads and Bridges (Grant No. 32)

(Rupees in lakh)

Year	Budget Provision		Expenditure		Excess (+)/Savings (-)	
	Plan	Non-plan	Plan	Non-plan	Plan	Non-plan
1995-96	7491.26	---	7472.62	---	(-) 18.64	---
1996-97	8453.15	---	8453.12	---	(-) 0.03	---
1997-98	9263.09	---	9260.57	---	(-) 2.52	---
1998-99	7029.59	---	7029.58	---	(-) 0.01	---
1999-2000	7138.23	---	7138.23	---	---	---
Total	*39375.32	---	*39354.12	---	(-) 21.20	---

* excluding Basic Minimum Service (BMS) Works

Revenue Section

3054 – Roads and Bridges (Grant No. 32)

(Rupees in lakh)

Year	Budget Provision		Expenditure		Excess (+)/ Savings (-)	
	Plan	Non-plan	Plan	Non-plan	Plan	Non-plan
1995-96	285.74	549.06	285.74	549.06	---	---
1996-97	355.85	595.14	355.85	595.14	---	---
1997-98	244.91	---	244.91	---	---	---
1998-99	2167.41	---	2167.40	---	(-) 0.01	---
1999-2000	1693.77	25.00	1693.77	25.00	---	---
Total	4747.68	1169.20	4747.67	1169.20	(-) 0.01	---

There was no non-plan expenditure under Revenue Account since 1997-98 except Rs.25 lakh allotted during 1999-2000. This was because of the

^o Executive Engineers Roing, Namsai, Jairampur, Changlang, Seppa, Kalaktang, Bomdila, Tawang, Doimukh, Yingkiong, Pasighat, Along, Boleng & Basar.

Government decision to treat expenditure on maintenance/repair of assets and schemes, machinery and equipments, minor works under Revenue Account as plan expenditure, no provision for non-plan expenditure was made in the budget under Revenue Account from that year. Huge increase in Plan expenditure under Revenue section in 1998-99 and 1999-2000 was also attributed by the department to (i) arrear payment of work charged staff and casual labour on account of revision of pay and allowances/wages by the Government (January 1996); (ii) increase in expenditure on maintenance, repair and renewal works besides flood damage repair due to unprecedented flood during 1998-99.

(b) Physical Targets and Achievements

There were no targets in the project reports for the total number of bridges and new roads to be added along with their length and target dates for their completion. The targets indicated were for the schemes such as survey, earth work and black topping which are different stages in the construction of a new road. During the period 1995-96 to 1999-2000, 1038.82 Kms of unsurfaced roads and 289.91 Kms of surfaced roads were added.

The targets and achievements in respect of the various components/schemes in the construction of roads and bridges during 1995-96 to 1999-2000 are given in the table below :

Sub head	Target	Achievement	Shortfall	Percentage of Shortfall
Roads				
1.Survey & Investigation	3422.75 Km	1884.91 Km	1537.84 Km	45
2. Earthwork (Formation)	1542.38 Km	1038.82 Km	503.56 Km	33
3.Black Topping	719.60 Km	289.91 Km	429.69 Km	60
Bridges				
1. R.C.C. Bridges	761.45 mtr	536.10 mtr	225.35 mtr	30
2. Bailey Bridges	1821.05 mtr	904.04 mtr	917.01 mtr	50
3.Steel Bridges	1782.56 mtr	870.92 mtr	911.64 mtr	51
4.Foot suspension Bridge	9124.00 mtr	5479.00 mtr	3645.00 mtr	40

The shortfall varied between 33 to 60 **per cent** in respect of Roads and 30 to 51 **per cent** in respect of Bridges.

The shortfalls in physical performance occurred despite incurring expenditure of 99.96 **per cent** of the budget provision.

(c) Lack of planning

The works programme for completion of roads and bridges as formulated by the department and the funds provided by the Government were as under:

Inadequate allotment of fund and ineffective planning, led to increase of incomplete schemes during 1995-96 to 1997-98

Year	Opening balance of incomplete schemes	Number of new schemes sanctioned	Total number of schemes	Budget provision (original works)	Amount required for completion of on going schemes	Percentage of budget provision to the actual requirement	Number of schemes completed	Balance of incomplete schemes
				(Rupees in crore)				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1995-96	1917	596	2513	74.91	168.40	44	442	2071
*1996-97	2071	468	2539	66.34	193.56	34	76	2463
*1997-98	2463	912	3375	74.45	181.50	41	462	2913
*1998-99	2913	273	3186	39.83	210.81	19	313	2873
*1999-00	2873	283	3156	49.91	187.44	27	NA	NA

[* Excluding Basic Minimum Service (BMS) works]

It would be seen from the table that the percentage of fund released ranged between 19 to 44 against the actual annual requirement. Taking up new works every year without placing adequate funds delayed the ongoing projects. The number of incomplete works increased by 50 per cent during 1995-96 to 1999-2000.

4.1.4.1 Implementation

The important irregularities noticed during test check by audit in the execution of works relating to roads and bridges are discussed in the succeeding paragraphs.

4.1.4.2 Cost overrun

Test check of 35 works in eight* divisions revealed that an expenditure of Rs.37.20 crore was incurred during the years 1972-73 to 1999-2000 against the original estimated cost of Rs. 17.08 crore resulting in cost overrun of Rs.20.12 crore (117.80 per cent) which would increase further in respect of 15 of these works which were yet to be completed. The cost overrun was attributable mainly to abnormal delay in completion of works ranging from 2 years to 23 years with consequent increase in cost of materials and labour besides execution of extra/substituted items of works. However, due to non-availability of sufficient information/records relating to the old period with the implementing agencies, audit could not analyse the various reasons responsible for the total cost overrun of Rs. 20.12 crore (Rs.37.20 crore – Rs.17.08 crore) and quantum of cost overrun on account of each factor.

4.1.4.3 Unfruitful expenditure owing to discontinuance of work after partial execution/abandonment

(a) Test check of records of seven** divisions revealed that between 1984-85 and 1997-98 Government sanctioned Rs. 11.19 crore for formation cutting of 151.10 Km Road under 40 phase-wise schemes of 31 approved roads (563.60 Km), against which the divisions executed formation cutting of

Inordinate delay ranging from 2 to 23 years in completion of 35 works resulted in cost overrun of Rs.20.12 crore

Discontinuance of works relating to 31 approach roads covering 563.60 Km after partial execution led to unfruitful expenditure of Rs.11.15 crore

* Daporijo PWD; Along PWD; Yingkiong PWD; Basar PWD; Dumporijo PWD; Seppa PWD; Doimukh PWD; Tezu PWD.

** Along PWD; Yingkiong PWD; Basar PWD; Daporijo PWD; Dumporijo PWD, Longding PWD and Tezu PWD

101.946 Km. during 1984-85 to 1998-99 at a cost of Rs. 11.15 crore leaving balance formation cutting of 49.154 Km. unexecuted as of March 2000. The works of formation cutting of all the aforesaid road schemes were discontinued between 1996-97 and 1998-99 after partial execution mainly due to non-release of funds and non-sanction of revised estimates. Further, no estimates were also sanctioned for the work of soling, WBM** and BT*** on the completed portion of the formation work as of March 2000.

Thus, due to non-execution of soling, WBM and BT on the completed portion of formation work (101.946 Km) even after lapse of a period ranging from one to fifteen years, the entire expenditure of Rs.11.15 crore became unfruitful with the risk of damage/deterioration of the executed works owing to vagaries of nature with the passage of time. Besides, the intended purpose of strengthening the communication system for socio-economic development of the State remained unfulfilled.

(b) Test check of records of 11 divisions revealed that for construction of 25 roads involving a total length of 457 Km., 32 estimates totaling Rs 8.20 crore were sanctioned by the government between January 1985 and March 1998 with a time schedule for completion within 1–5 years. The construction of the aforesaid 25 roads were, however, abandoned between March 1994 and March 1999 after partial execution of works valued Rs 4.15 crore as of March 1999. The reasons for abandonment of these works by the Government were mainly due to (i) roads originating from opposite far end from where there was no possibility of linking up with another road, (ii) roads leading to destinations where either alternative roads were in existence or new roads were taken up and (iii) village/towns which were already connected with roads or new approaches were proposed for shorter distance.

Thus, due to defective survey and investigation and improper work programme, the department had to abandon the said works after partial execution (after a lapse of period ranging upto 15 years from the date of commencement) which led to unfruitful expenditure of Rs 4.15 crore with the risk of damage/deterioration of the executed works owing to vagaries of nature.

4.1.4.4 Wasteful expenditure owing to change in alignment of road

The Government accorded sanction to four phase-wise estimates for the work "construction of a road from Boleng to Sine (25 Km.)" at a total cost of Rs.165.40 lakh (FC[^] - 0-5 Km: Rs. 35.89 lakh; FC – 5-15 Km: Rs. 69.26 lakh; FC- 15-20 Km: Rs. 46.30 lakh; culvert, Retaining wall and drain- 0-5 Km: Rs.13.95 lakh) between September 1984 and March 1994. The work was initially taken up by the Yingkiong PWD during 1984-85 which incurred an expenditure of Rs. 117.31 lakh upto March 1994 towards formation cutting of

Improper planning for execution of a road work and decision for changing the alignment of the work after partial execution, led to wasteful expenditure of Rs.1.41 crore

** Water Bound Macadam

*** Black Topping

[^] FC - Formation Cutting

8.5 Km. in chainage 0-15 Km. with construction of one culvert in chainage 0-5 Km. Thereafter, with the creation (October 1993) of Boleng PWD, the work was transferred to that division. However, during 1994 the department decided to change the existing alignment of the road on the ground that the formation cutting work of the remaining portion of the existing alignment would be more expensive due to presence of heavy hard rock involving high cutting and that an alternate alignment to connect the Sine village from Pirak bridge point of existing Dosing-Pareng-Yibuk road involving a distance of 4.3 Km. only would be more economical. Accordingly, the Chief Engineer, PWD, Zone I, on inspection (February 1994) of the road instructed the division to stop further work on the original alignment of the road. In January 1996 the Boleng PWD submitted an estimate of Rs 34 lakh for construction of a road from Supple village to Yongong village (5.50 Km.) covering Pirak bridge point to Sine village which was sanctioned by the government in October 1997. The division took up the work in November 1997 and incurred an expenditure of Rs 15.92 lakh towards formation cutting of 2 Km. as of January 2000.

However, between April 1994 and January 2000, Boleng P.W. division incurred an expenditure of Rs. 23.58 lakh including committed liabilities for Rs. 12.59 lakh towards formation cutting (0.50 Km.) and construction of culverts in chainages 0-15 Km. of Boleng-Sine road on the basis of Annual Operation Plan (AOP) provision and LOC released by the department despite issue of instructions by the Chief Engineer in February 1994 regarding stoppage of work in original alignment as well as receipt of Government sanction (October 1997) for execution of work in the alternate alignment. Thus, the release of fund and execution of works in the original alignment, even after approval of the estimate for the alternate alignment, was irregular. Neither was any enquiry conducted in this regard at higher level nor any responsibility fixed by the department for such lapses.

Thus, due to improper planning and inadequate survey, the department had to abandon the construction of the road from Boleng to Sine through original alignment resulting in wasteful expenditure of Rs. 140.89 lakh (including committed liabilities of Rs. 12.59 lakh).

4.1.4.5 Wasteful expenditure

Administrative approval and expenditure sanction of Rs. 6 lakh for soling and WBM from 0-6 Km of the road from Pakke-Bameng-Lyak-Lada (50 Km) was accorded in October 1994. The work was taken up in 1994-95 and the soling for 0-6 Km was completed (1995-96) at a cost of Rs. 9.28 lakh. The work of WBM was not taken up for reasons not on record nor stated (June 2000).

Test check of records (May 2000) however, revealed that the Government again accorded a fresh sanction for Rs. 31.77 lakh in March 2000 for soling of the same stretches of aforesaid road from 0-8 Km as phase- I against which

department incurred an expenditure of Rs. 2.76 lakh and completed soling for 1.5 Km till March 2000.

Thus, due to non-completion of the work of WBM and BT in time, the expenditure of Rs. 9.28 lakh incurred on soling for 6 Km during 1995-96 was rendered wasteful.

4.1.4.6 Unfruitful expenditure of Rs 20.31 lakh owing to improper planning and mis-utilisation of fund

In December 1991, the Government of Arunachal Pradesh accorded sanction to the construction of a “RCC Bridge (15 meter span) at Chainages 1.7 Km on the road from Jully village to Pappu Nallah” at an estimated cost of Rs.15.26 lakh with a time schedule for its completion within two years from the date of sanction. The CE released an amount of Rs.27 lakh during 1991-92 to 1994-95, Rs.11.74 lakh in excess of the sanctioned cost of Rs.15 lakh which was irregular. Scrutiny of records (April-May 1999) of Capital ‘B’ Division Itanagar revealed that although an expenditure of Rs.20.31 lakh was incurred against the work during the period from 1992-93 to 1998-99 the physical progress of the work was 'nil' except sub-soil investigation work conducted between May 1992 and March 1993 at a cost of Rs.1.08 lakh, procurement of materials valued Rs.11.70 lakh made between March 1993 and December 1996 besides fictitious booking of expenditure related to other works valued at Rs.7.53 lakh made between October 1993 and March 1995. The reasons for non-execution of the work despite availability of sufficient fund of Rs.27 lakh between 1991-92 and 1994-95 were not available on record nor could be furnished. It was also seen that the Department after a lapse of six years submitted (February 1997) a revised estimate for Rs.25.90 lakh on the basis of site inspection conducted (January 1995) by the Chief Engineer proposing change in scope of work from permanent RCC Bridge to Bailey Bridge. The proposal was, however, turned down (February 1998) by the Government on the ground that despite having allocation of sufficient fund the construction of the Bridge could not be completed by the Department even after a lapse of seven to eight years. Further development was not found on record (May 1999).

Thus, taking up of the work without proper planning and also the inability of the Department to utilise the fund meant for the work, rendered the expenditure of Rs.20.31 lakh totally unfruitful and the objective of providing easy access to people in interior areas of Jully village could not be achieved due to non-construction of the bridge. Besides, out of materials worth Rs.11.70 lakh, material valued Rs.0.82 lakh was shown to have been issued to other works without carrying out any financial adjustment. The balance materials worth Rs.10.88 lakh have been lying idle in the site account for a period over 4 years, of which perishable materials costing Rs.2.33 lakh (Quick setting cement : 2725 Kg : Rs.2.18 lakh; various paints worth Rs.0.15 lakh)

procured in March 1995 became unserviceable owing to expiry of their shelf life with the passage of time resulting in loss to the Government.

The Government has not initiated any action to fix responsibilities against the delinquent Government officials for booking of fictitious expenditure of Rs.7.53 lakh and excess release of fund beyond the sanctioned amount.

4.1.4.7 Wasteful expenditure on construction of a bridge owing to improper planning

For construction (including survey and investigation) of single lane Bailey bridge (span: 108.16 metre) over river Tara-Tamuk on Mebo-Dholla road, the Government accorded administrative approval and expenditure sanction for Rs. 1.76 crore between March 1993 and March 1994. The work was taken up by Roing PWD and after incurring an expenditure of Rs. 11.92 lakh (survey and investigation: Rs. 7.69 lakh; Bailey Bridge component: Rs. 4.23 lakh) between March 1993 and October 1995, the work was transferred (November 1996) to Pasighat PWD. But Pasighat PWD before formal taking over of the work engaged (October 1995) afresh a Calcutta based consultant for recommendation of the type of bridge along with preparation of detailed drawing, design and estimate and finalised (January 1997) at circle level construction of a permanent RCC bridge on well foundation on their advice for which the consultant was paid Rs. 4.80 lakh (between December 1995 and January 1997). The decision for construction of RCC bridge on well foundation was, however, changed (January 1997) to pile foundation as per instruction of the Chief Engineer, PWD (Eastern Zone). The work of construction of the bridge on pile foundation was awarded (February 1998) to a Calcutta based firm at a tendered cost of Rs. 2 crore with the time schedule for completion by February 1999. The firm after construction of only one pile at a cost of Rs. 4.20 lakh (paid in March 1999) left the job (May 1999) for reasons not on record nor stated. As the constructed pile was also defective one, the department was contemplating to revert to the earlier decision of RCC bridge on well foundation. Final decision on the matter was, however, awaited (June 2000).

Thus, improper planning and frequent change in decision led to wasteful expenditure of Rs. 16.69 lakh* besides locking up of Government fund to the tune of Rs. 4.23 lakh for unnecessary procurement of Bailey bridge component.

4.1.5 Shortfall in achievement under Basic Minimum Service (BMS)

In spite of 100 per cent utilisation of Central fund under BMS, shortfall in achievement ranged between 61 to 84 per cent

As the extent of achievement under Minimum Needs Programme (MNP) launched in Fifth Five Year Plan was far below the acceptable levels, the Government of India introduced (July 1996) the Basic Minimum Services

* Survey and investigation for Bailey Bridge: Rs. 7.69 lakh + consultancy charges for RCC Bridge on well foundation: Rs. 4.80 lakh + cost of one no. defective pile: Rs. 4.20 lakh.

(BMS) charter focussing on seven components with the broad objective to ensure minimum infrastructural facilities for improving the quality of life of all sections of society. The seven components of the programme interalia provided for connectivity by construction of average three kilometres of all weather rural roads for each habitation/village which was unconnected.

For the purpose of implementation of schemes under BMS, the Government of India provided Additional Central Assistance (ACA) to the State Government from 1996-97 onwards in the form of 90 **per cent** grants and 10 **per cent** loan being a special category State. The loan along with prescribed interest (12.5 **per cent**) was to be repaid in 20 annual equal instalments from the following year.

For providing village connectivity the State Government allotted Rs. 88.31 crore to the Public Works Department with the target to connect 610 villages under BMS during 1996-97 to 1999-2000. The yearwise allotment of funds and expenditure incurred there against were as under:

Year	Fund allotted	Expenditure	Excess (+)
	(Rupees in crore)		Savings (-)
1996-97	18.19	18.19	Nil
1997-98	18.18	18.18	Nil
1998-99	30.47	30.47	Nil
1999-00	21.47	21.47	Nil
Total	88.31	88.31	Nil

In course of scrutiny of quarterly progress reports of the department as submitted from time to time to the Planning Department of the Government for onward transmission to the Planning Commission, the physical targets and achievements during the period from 1996-97 to 1999-2000 were found as under:

Year	Target (No. of villages)	Achievement (No. of villages)	Shortfall	Percentage of shortfall
1996-97	120	29	91	76
1997-98	80	31	49	61
1998-99	206	32	174	84
1999-00	204	71	133	65
Total	610	163	447	73

It would be seen from above that against the target of connecting 610 villages during 1996-97 to 1999-2000 the department could provide road connectivity to 163 villages leaving a shortfall of 447 villages (73 **per cent**) although the entire fund allotted (Rs.88.31 crore) during the period was fully utilised. The yearwise shortfall ranged from 61 **per cent** to 84 **per cent**.

Thus, despite receipt and utilisation of Central Assistance (Rs.88.31 crore), the Government failed to ensure minimum infrastructural facilities by way of construction of average three kilometers of all weather roads to 447 villages.

4.1.5.1 Unfruitful expenditure under BMS programme owing to defective selection of scheme

Between March 1998 and March 2000, the Government accorded sanction for Rs. 80.09 lakh under Basic Minimum Services (BMS) for formation cutting of 7 Km. of the road from Dahung to Bichom (56.80 Km.) to connect seven villages between these two places. The work was taken up by Bomdila PW Division during 1997-98 and formation cutting of the road for 6.59 Km. at a cost of Rs. 83.10 lakh was completed as of March 2000.

Irregular selection of scheme under BMS by ignoring the benefit of road connectivity to the village people led to unfruitful expenditure of Rs.83.10 lakh

The division however, procured between March 1998 and March 1999, various survey materials and tools and plants worth Rs. 25.05 lakh (out of which materials worth Rs. 8.25 lakh were not accounted for) by charging to the work beyond the scope of sanctioned estimated provision leading to extra financial burden on the work to that extent. Besides, during execution of the work at chainages upto 4 Km, an army water installation at Dahung located below the alignment of the road was damaged due to rolling down of huge boulders from the site of ongoing work. The army authority preferred a claim for compensation of Rs. 10 lakh to the division for restoration of damage. Accordingly, the division submitted (August 1999) an estimate for Rs.10 lakh for restoration of the damage caused to the army water installation, to the Chief Engineer which was sanctioned by the Government in December 1999. Against that an expenditure of Rs. 0.80 lakh was incurred by the division upto March 2000 in connection with repairing of the water installation.

The objective of the Basic Minimum Service Programme in respect of communication sector was to link up villages/habitation by constructing new roads. It was, however, seen from the representation submitted (November 1999) by the Aka Tribe Society to the Government that not even a single village by the side of the road alignment between Dahung and Bichom had the benefit of road connectivity as per norms of BMS programme. Thus, owing to defective selection of the scheme even after conducting survey without having any village/habitation connectivity frustrated the very purpose of the construction of the road under BMS programme rendering the expenditure of Rs. 83.10 lakh incurred so far (March 2000) unfruitful. Besides, the division incurred an extra liability of Rs. 10 lakh for restoration of damages of Army

water installation for executing the work without any precautionary measure and lack of proper supervision.

4.1.6 Other points of Interest

In course of audit following other points of interest were seen.

4.1.6.1 Avoidable extra expenditure due to non-acceptance of lowest tender

For construction of a suspension bridge over river Siang at Nubo (span – 207 metres) administratively approved (March 1991) by the Government at an estimated cost of Rs.433.63 lakh, the Executive Engineer (EE) Yingkiong P.W. division floated (June 1992) tender notice for fabrication including providing all materials of stiffening truss, deck, tower structure, shere span structure and transportation there to the site of work and erection of bridge including erection of cables and other related parts complete in all respects. In response to the tender notice, 5 offers were received (July 1992). All the five tenderers were pre-qualified. Of the five bidders, the tender cost of Rs. 237.78 lakh i.e. 7 **per cent** above the estimated cost of Rs. 222.50 lakh of contractor 'A' was the lowest and the tender cost of Rs. 280.92 lakh i.e. 26 **per cent** above the estimated cost of contractor 'B' was the second lowest. The work was, however, awarded (November 1992) to contractor 'B' at a cost of Rs.268.82 lakh after deducting discount of Rs. 12.10 lakh as offered (July 1992) by the firm on negotiation with the time schedule for completion by September 1993. The work was actually completed in January 1995 and the payment of Rs. 268.82 lakh was made to the contractor in May 1997. The reasons for non-acceptance of the first lowest offer of contractor 'A' were neither on record nor could be furnished (June 2000).

Thus, acceptance of second lowest tender without any recorded reason resulted in avoidable extra expenditure of Rs. 31.04 lakh (Rs. 268.82 lakh – Rs. 237.78 lakh).

4.1.6.2 Expenditure on work charged Establishment in excess of permissible limit

As per provisions contained in CPWD Manual Volume II, in every individual estimate of an original work under plan head of accounts, 2 **per cent** of the estimated cost is earmarked for meeting the expenditure on payment to work charged staff by charging direct to concerned work.

Test check of records in the office of the Chief Engineer (WZ), PWD, Arunachal Pradesh revealed that 12 divisions under its jurisdiction had incurred expenditure of Rs. 71.99 crore on payment to work charged staff during 1995-96 to 1999-2000 ranging from 20 **per cent** to 37 **per cent** as against the permissible limit of 2 **per cent** as indicated below:

Year	Works expenditure	Expenditure on work charged establishment	Percentage
	(Rupees in crore)		
1995-96	55.53	11.19	20.15
1996-97	60.63	12.75	21.03
1997-98	45.26	16.73	36.97
1998-99	43.35	15.90	36.68
1999-00	45.43	15.42	33.94
Total		71.99	

Thus, excess engagement of work charged staff and extra expenditure of Rs.66.99 crore had unnecessarily overburdened the work estimates. No justification could be adduced by the Department for such excess expenditure on engagement of work charged staff nor was any action taken to retrench the surplus staff or utilize their services gainfully by diverting them elsewhere.

4.1.6.3 Random purchase of spare parts of Road Roller leading to locking up of fund/loss

Rules provide that materials be purchased in accordance with requirement of the work and utilised to the best advantage of the Government. Purchasing or indenting in excess of requirement is to be avoided.

Test check of records (April 2000) of Kalaktang P.W. division revealed that between March 1987 and March 1998, the Division resorted to random purchase of spare parts of Road Roller worth Rs. 25.42 lakh involving 71 items. Of these, the division could utilise spare parts worth Rs. 6.26 lakh (24.62 **per cent** only) and balance materials worth Rs. 19.16 lakh were lying idle in site as of March 2000. The purchases were made without having any indent/demand from the sub-divisions and also without assessing actual requirement. The reasons for resorting to such unnecessary purchases were neither on record nor stated (June 2000). The division also failed to produce any record to show that steps had been taken to transfer the materials to other field divisions/sub-divisions for utilisation. It was also noticed that due to prolonged storage, there was no possibility of these spare parts being utilised since the type of Road Rollers for which the spare parts were purchased were no longer in operation.

Thus, random purchase of spare parts in violation of codal provisions without assessing the immediate requirement and absence of action for disposal led to accumulation of spare parts worth Rs. 19.16 lakh for a period ranging from 2 to 13 years besides entailing risk of loss due to inability of the division to dispose of the same before the materials become unserviceable.

4.1.6.4 Unauthorised expenditure against unsanctioned works

Under the rules, no normal work should be commenced or liability thereon incurred until administrative approval has been obtained, a proper detailed estimate with design has been sanctioned, expenditure sanction has been accorded and allotment of funds made.

Unauthorised execution of 40 works without receipt of expenditure sanction and approval of the estimates led to irregular expenditure of Rs.4.99 crore

Test check of records of six divisions and the offices of the Chief Engineers, Eastern and Western Zone (PWD) revealed that an expenditure of Rs. 4.99 crore was incurred on forty works by the divisions during 1997-98 to 1999-2000 before receipt of administrative approval and expenditure sanction for the works from the Government by irregular diversion of fund from other sanctioned works. This had resulted in unauthorised expenditure of Rs. 4.99 crore. No steps were, however, taken by the department against the officer(s) responsible for incurring such unauthorised expenditure. Although preliminary estimates in respect of the aforesaid works were sent to Government (dates/months not on records) not a single estimate had been sanctioned by the Government as of March 2000 for reasons neither on record nor stated.

4.1.6.5 Irregular and unnecessary purchase

Test check of records of 6 divisions (Kalaktang, Seppa, Bomdila, Roing and Namsai) revealed that between May 1995 and March 2000, the divisions purchased materials like Fevicol, sofa cover, table cloth, stereo speaker, mattress, bed sheet, sofa set, dining table, Surf, soap, Odonil, toilet paper etc. valued at Rs. 23.97 lakh by debiting the expenditure to different road and bridge works.

The expenditure of Rs. 23.97 lakh incurred for procurement of materials which did not relate to the work and were beyond the scope of sanctioned provision was, therefore, unnecessary and irregular.

The reasons for booking of non-related expenditure against the works were, however, not on records nor stated (June 2000).

4.1.7 Quality control

Quality control is the basic prerequisite for ensuring quality to the durable assets created by the department. 45 mandatory tests e.g. Grading, Flakiness Index, Water absorption of Aggregate, Rate of spread of mixed material etc. were required to be carried out in road works by the department in order to achieve a progressively improved and uniform quality of the finished work.

But test check of records in the office of the Chief Engineer and 14 nos. of working divisions revealed that the department had not established any mechanism to carry out the mandatory tests to ensure quality of the works executed and no provision of quality control was also made in any of the

estimates approved for implementation. As a result, the works executed by the department so far could not be certified to conform to the quality estimated.

4.1.8. Monitoring and Evaluation

A comprehensive monitoring system is essential for effective control over expenditure and also to ensure smooth functioning of the various ongoing schemes undertaken by the department. No such monitoring system had been evolved in the department.

In October 1998, it was however, decided by the Cabinet that monitoring and review of schemes should first be done by the Minister in-charge of the department and then by a Committee comprising of the Chief Minister as the Chairman and Minister Finance and Minister Planning, as members. No record showing monitoring and evaluation done by the Committee upto the period ending March 2000 was, however, made available to audit. As a result, performance of the department remained unassessed (June 2000).

4.1.9 Recommendations

- Proper planning for timely completion of the selected schemes according to the availability of the financial resources needs to be ensured to.
- Due importance should be given to factors like viability and technical feasibility at the time of selection to avoid abandoning of works after partial execution.
- Effective monitoring of the execution of schemes needs to be done to avoid unfruitful/wasteful expenditure and locking up of funds.

The foregoing points were reported to the Government and Department (July 2000); their replies have not been received (December 2000).

SECTION – B – PARAGRAPHS

PUBLIC WORKS DEPARTMENT

4.2 Unproductive expenditure

Unproductive expenditure of Rs.39.50 lakh owing to abnormal delay in completion of a work

The work “construction of a single storied office building for State Resource Centre (SRC) at Itanagar was sanctioned (January 1988) by the Education Department of the Government at an estimated cost of Rs.3.07 lakh with a plinth area of 121 sq.m. Test check of the records of capital “B” division, Itanagar (April-May 1999) revealed that the Division without obtaining sanction of the revised estimate of the work, awarded the work to a contractor (May 1991) at a cost of Rs.32.52 lakh against the estimated cost of the building (double storey) valued Rs.19.03 lakh with a time schedule to complete the work within 1 year from the date of commencement of the work. The reason for change of specification of the building and the award of work without obtaining approval from the competent authority for revised estimate of the work was neither available on records nor stated (May 1999). As per approved drawing submitted by the Education Department in January 1990, the plinth area of the building was changed to 1011.45 sq.m. The delay in taking up of the work was attributed to changes in scope of the work, non-availability of site upto 1990 and delay in finalisation of structural drawings. The work stipulated to be completed by May 1992 and the total expenditure incurred against the work as of June 1999 was Rs.39.50 lakh (value of work done by the contractor Rs.9.28 lakh, work charged payment/contingency Rs.10.22 lakh, cost of materials lying with the contractor Rs.3.16 lakh and materials lying at site Rs.16.84^φ lakh). The division also did not take any effective step to recover Rs.5.39 lakh from the contractor at double the issue rate of materials after adjustment of dues of Rs.0.93 lakh (Rs.3.16 X 2 – Rs.0.93 lakh). It was also noticed that during the period from May 1991 to March 1993, the contractor had completed the work of ground floor except door frame and RCC column upto plinth level of 1st floor of the building. After March 1993, the work remained suspended and the reason thereof had not been stated (June 1999). The Department did not initiate any action to rescind the contract as per terms and conditions of the contract agreement and to execute the remaining portion of the work either departmentally or at the risk and cost of the contractor. In March 1999, the Public Works Department

^φ (i) Materials procured during 1990-93 (August 1993) lying idle in MAS A/c	= Rs.12.37 lakh
(ii) Further materials procured in 3/99	= <u>Rs.4.47 lakh</u>
Total	= Rs.16.84 lakh

of the Government accorded sanction to a supplementary estimate of Rs.35 lakh for completion of the balance Civil portion of the building and the work has not yet been started (June 1999).

Thus due to failure of the Department to execute the work as per terms and conditions of the contract agreement rendered the entire expenditure of Rs.39.50 lakh unproductive and the objective of the work for construction of office building of SRC remained unachieved for a period of over 11 years. Further, injudicious purchase of materials resulted in idle investment of Rs.16.84 lakh besides entailing risk of further loss due to likely deterioration of the materials due to prolonged storage. This also rendered the department liable to incur a further expenditure of atleast Rs.35 lakh in order to complete the balance civil portion of the work.

The matter was reported to Government in June 1999, reply has not been received (December 2000).

4.3 Unproductive expenditure

Injudicious procurement of materials and expenditure on site development before final selection of site and formal allotment of land resulted in an unproductive expenditure of Rs.19.27 lakh

The proposal for construction of office building of the Superintending Engineer, Electrical at Itanagar was sanctioned (February 1990) by the Government at an estimated cost of Rs.26.24 lakh with a time schedule of 2 years for completion of the work from the date of its sanction. In January 1991, the Executive Engineer, Capital Division 'A', Itanagar submitted a site survey plan of the building to the higher authority for allotment of land near water treatment plant at Senkhi Park, Itanagar, but the land was not allotted for construction of building till May 2000.

Scrutiny of records (April-May 1999) of the Executive Engineer, Capital Division 'B' to whom the work was transferred in June 1997 revealed that an expenditure of Rs.19.27 lakh (including Rs.4.00 lakh by the Capital Division 'A') was incurred towards procurement of materials (Rs.18.35 lakh) and execution of fencing work (Rs.0.92 lakh) during the years 1990-91 to 1995-96 without having allotment of site. Out of the total procurement of materials of Rs.18.35 lakh, materials valued Rs.8.63 lakh were transferred to other works irregularly without any financial adjustment and materials of Rs.0.58 lakh were utilised in the fencing work of the proposed site. The balance materials of Rs.9.14 lakh including perishable materials (mainly paints) worth Rs.1.20 lakh, were lying idle for varying periods ranging upto 9 years.

In view of non-allotment of site of the proposed building even after a lapse of 10 years from the date of sanction of the work (February 1990), the entire expenditure of Rs.19.27 lakh was unproductive and the execution of fencing

works of the proposed site at a cost of Rs.1.50 lakh (Rs.0.92 lakh + Rs.0.58 lakh) before formal allotment of the site was irregular.

On this being pointed out in audit (June 1999), the Executive Engineer Capital 'B' Division, Itanagar, stated (May 2000) that the allotment of land had not so far been received and the matter would be pursued with the higher authorities for finalisation of the case. Further development, if any, has not been intimated (August 2000).

The matter was reported to the Government (June 1999); reply has not been received (December 2000).

4.4 Loss due to prolonged storage of materials

Prolonged storage of materials, procured without assessment of actual requirement, resulted in loss to the Government to the tune of Rs.14.20 lakh

General Financial Rules require that all purchases be made in a most economical manner and in accordance with definite requirement of public service. At the same time, care is to be taken not to purchase stores far in advance of actual requirement, if such purchases are likely to prove unprofitable to Government.

Mention was made in Para 4.1 of the Audit Report for the year ending March 1993 about idle investment of Rs.9.73 lakh by Doimukh Public Works Division towards procurement of spare parts of Bulldozers and Road Rollers. But no action was taken by the Division to transfer the idle materials to other needy Divisions. Instead, between April 1993 and March 1998 the Division made further procurement of spare parts worth Rs.34.84 lakh against the aforesaid machinery without any assessment of actual requirement and the total procurement consisting of 227 items rose to Rs.44.57 lakh upto March 1998. Of these, spare parts worth Rs.20.58 lakh only were utilised leaving a balance of Rs.23.99 lakh lying unutilised as of April 1999 which included 68 items worth Rs.6.47 lakh without any issue since their procurement during March 1988 and March 1999. In pursuance of Chief Engineer's instruction (June 1998), physical verification of the materials conducted between December 1998 and January 1999 disclosed that spare parts valued Rs.14.20 lakh became unserviceable owing to prolonged storage. No action was, however, initiated by the Department to dispose of the unserviceable materials through public auction or otherwise.

Thus, continued procurement of spare parts without assessment of actual requirement and the inability of the Department to utilise the same before they became unserviceable resulted in loss to the Government to the tune of Rs.14.20 lakh.

The department in their reply (June 2000) stated that considering the regular running maintenance of heavy T&P and ready non-availability of spares in the local market, procurement of spare parts was made against stock after speculating the requirement in advance. The reply is not tenable as the procurement of spare parts was far in excess of actual requirement and accumulated for years together leading to loss of Rs. 14.20 lakh to the Government. However, the division further stated that steps were being taken to transfer the idle usable stock of material to other needy Divisions.

The matter was reported to the Government (August 1999); reply has not been received (December 2000).

4.5 Unproductive expenditure

Unproductive expenditure of Rs.24.25 lakh towards procurement of materials and payment of Railway freight, pay, wages of worked charged staff etc., against a water supply scheme, sanctioned without considering feasibility through proper survey, which was ultimately abandoned due to technical non-viability

In March 1991, Arunachal University (AU) accorded sanction to an estimate of Rs.69.84 lakh, prepared by Public Works Department, for execution of the deposit work "Providing and laying of 150 mm dia G.I. pipes for water supply line from Niroch-Nallah to Arunachal University Complex at Doimukh for a length of 15 Km, together with water treatment plant" for supplying water by gravity system, to Arunachal University. It was, however, decided by the Department in June 1992 to switch over from original plan of gravity water supply scheme to lift water supply system from Dikrong river to University Complex as it was found after detail survey that Niroch-Nallah area was badly infested with wild elephants and the maintenance of gravity system would be a problem, besides the head required between source and proposed reservoir was also inadequate because of difficult terrain. Accordingly a modified estimate amounting to Rs.136.38 lakh was submitted (October 1994) to AU, which was not sanctioned. In April 1996, it was decided in a joint meeting between PWD and AU for not taking up the scheme since the same was not found technically viable.

Scrutiny (May 1999) of records of Doimukh PW Division revealed that the University authority without ascertaining the technical feasibility of the work, released Rs.40.05 lakh between March 1991 and March 1993 to the Division and the Division resorted to random purchase of materials valued at Rs.16.20 lakh between May 1991 and March 1994, besides incurring expenditure of

Rs.8.05 lakh* towards payment of Railway freight, carriage bills, pay and wages of work charged staff and casual labourers etc.

Thus, the defective preparation of the estimate without conducting proper survey and investigation and without ascertaining the feasibility and technical viability, led to non-execution of the work resulting in an unproductive expenditure of Rs.24.25 lakh.

On this being pointed out in audit (August 1999) the department stated (June 2000) that the expenditure was incurred against the sanctioned scheme, but due to change in scope of work by the AU authority, the scheme could not be materialised.

The matter was brought to the notice to Government in August 1999; reply has not been received (December 2000).

4.6 Construction of Durbar Hall at Raj Bhavan, Itanagar

Unnecessary procurement of materials worth Rs.20.17 lakh and fictitious adjustment of expenditure of Rs.3.18 lakh led to increase in the project cost for construction of Durbar Hall at Raj Bhavan

The Government of Arunachal Pradesh accorded (February 1997) sanction of Rs 76.57 lakh for construction of Durbar Hall at Raj Bhavan Complex at Itanagar and subsequently revised (December 1998) it to Rs. 122.43 lakh due to change in specification of work including diversion of sewerage line, construction of new septic tank, marble flooring in place of wooden flooring, additional electrification including air conditioning etc. The work was completed in April 1999 at a cost of Rs 130.76 lakh. However, the excess expenditure of Rs.8.33 lakh over the revised sanctioned cost (Rs.122.43 lakh) was not regularised by fresh sanction as of August 2000.

Scrutiny of records revealed that out of construction materials valued at Rs.78.67 lakh procured between March 1997 and March 1999, materials valued Rs. 58.50 lakh were shown to have been utilised for the work without any record of measurement of works done in the measurement books nor any theoretical consumption statement indicating the actual utilisation of materials as per norms. In the absence of these documents, it could not be ascertained in audit whether the materials worth Rs. 58.50 lakh utilised in the works were commensurate with the works done. On this being pointed out, the department stated (May 2000) that due to heavy rush of work during the period from January 1999 to March 1999, the measurement for work done could not be recorded in the measurement book and theoretical consumption of materials

* *Railway freight : Rs.2 lakh; Pay & wages of W.C. and C.L. : Rs.2.31 lakh; Department charges levied : Rs.2.60 lakh; carriage charges Rs.0.75 lakh; Advertisement bill etc. : Rs.0.39 lakh.*

also could not be prepared. As regards balance materials valued Rs. 20.17 lakh, materials valued Rs. 12.75 lakh were transferred to other works without any accounting adjustment and materials valued Rs. 4.79 lakh were utilised for repair and maintenance of other works leaving materials valued Rs. 2.63 lakh lying unutilised in the site account of the work. However, the Government in its reply stated that materials were utilised for other works owing to urgency and necessary accounting adjustment would be made and the balance materials would be utilised in other works. Further an expenditure of Rs. 3.97 lakh incurred on other maintenance work was charged to this work without any justification for adjustment of such non-plan expenditure against the work.

Thus, unnecessary procurement of materials worth Rs. 20.17 lakh and fictitious adjustment of expenditure of Rs. 3.97 lakh led to increase in the project cost for construction of Durbar Hall at Raj Bhavan.

IRRIGATION AND FLOOD CONTROL DEPARTMENT

4.7 Unfruitful expenditure

Taking up work of the Minor Irrigation Channel without technical sanctions of the competent authority and also without proper survey and investigation led to unfruitful expenditure of Rs.42.25 lakh

The construction of Angong-Korong Minor Irrigation Channel (MIC) at Janbo village in East Siang district of Arunachal Pradesh was sanctioned (February 1987) by the Government at an estimated cost of Rs.17.98 lakh with the stipulation for completion within 4 years. Technical sanction to the work was, however, not accorded by the competent authority. The scheme provided for 5220 metres long earthen irrigation channel of formation width of 3 metres for irrigating 80 hectares of land. The work was taken up by the erstwhile Rural Works Division, Yingkiong in July 1988 and while the work was in progress, earthen channel at some portion of the locations from 0-1902 metres got damaged due to landslips from Border Road Task Force (BRTF) road under construction on the uphill parallel to irrigation channel, resulting in discontinuance of the work in that alignment from December 1988. The damage was worked out to Rs.5 lakh by the department and a compensation for the same amount was sought for (September 1989) from the BRTF authority. In response, the BRTF authority (November 1989) while denying occurrence of any such damage maintained that the irrigation scheme adjacent to the road under construction, was in fact, causing damage to the road. The Department, instead of settling the dispute and obtaining clearance from

BRTF, submitted a revised estimate for Rs.43.26 lakh proposing change of alignment of channel from 1902 metre onwards and construction of conduit channel from 1602-1902 metre with G. I. Pipe (600 mm dia) along BRTF road for rectification of damaged portion, which was sanctioned by the Government in March 1993. It was only in December 1994, that the department sought clearance from BRTF for laying of pipeline along the said road. No such clearance was, however, granted by BRTF authority for reasons not on record nor furnished (February 2000). The Division, however, continued the work along the revised alignment and completed formation cutting of earthen channel for 3922 metres (including that of 1902 metres in original alignment executed during 1988) at a cost of Rs.38.75 lakh as of July 1997. Thereafter, the work was transferred (August 1997) to the newly created Irrigation and Flood Control Division, Yingkiang. The reasons for non-execution of any further work were not available on record nor stated (June 2000).

Thus, injudicious decision of the Department to take up the work through an alignment parallel to BRTF Road concurrently under construction without obtaining any technical sanction resulted in non-completion of work even after a lapse of 12 years and possible rendering of unfruitful expenditure of Rs.42.25 lakh as with the passage of time the existence of earthwork already executed remained doubtful. The non-completion of the work also deprived the people of the irrigation facilities.

The matter was referred to Government in May 2000; their reply has not been received (December 2000).

4.8 Unnecessary procurement of materials

Procurement of materials without any requirements led to locking up of fund of Rs.10.37 lakh

In November 1996, the Chief Engineer, Irrigation and Flood Control Department (IFCD) placed one supply order with a Bhalukpong based firm for supply of 600 Running Meters (RM) of MS Pipes valued at Rs.10.37 lakh. On receipt (September 1997) of the entire quantity, the Irrigation and Flood Control Division, Itanagar paid (September 1997) the amount to the firm charging the expenditure over 100 Minor Irrigation Projects (MIPs). Between December 1997 and July 1999 the Division distributed 516 RM of pipe to four sub-divisions leaving 84 RM pipe with them, but the entire quantity remained unutilised as of December 1999.

It was, however, seen in audit (December 1999) that the Sub-Division had not placed any demand for procurement of MS pipe to the Chief Engineer. The basis on which the requirement was assessed and supply order placed by Chief Engineer was not available on record. As further revealed, most of the sanctioned estimates of MIPs provided for construction of earthen

channel/RCC channel and hence there was no scope of utilisation of the above quantity of MS pipes on MIP works.

Thus, procurement of MS pipe without any requirement led to locking up of Government fund to the tune of Rs.10.37 lakh since September 1997.

The matter was reported to the Government/Department in February 2000; their reply had not been received (December 2000).

RURAL WORKS DEPARTMENT

4.9 Idle investment owing to abnormal delay in taking up of construction of a bridge

Injudicious sanction of estimate prompted the department to resort to random purchase of materials far in advance of their requirement leading to an idle investment of Rs.33.47 lakh. The department also failed to provide the intended benefit to the local people

For the benefit of village people under Pangin Circle, construction of a wire rope suspension bridge over river Siang in between Yembung and Pangin villages at an estimated cost of Rs.4.16 lakh was administratively approved by the Government in March 1985 and subsequently revised (January 1990) to Rs.20.33 lakh on the ground of increase in cost of materials and labour with the time schedule for completion within 3 years. The work, however, could not be taken up by the Yingkiong Rural Works Division owing to land dispute between the villagers and the land owners of the site of the proposed bridge and ultimately a new site located at 400 meter down stream, selected (December 1992) by the local Anchal Samity with the consent of the land owners, was approved (March 1993) by the Department. Accordingly, a re-revised sanction of Rs.59.79 lakh was obtained (March 1994) from the Government for construction of the bridge at the new site with the stipulation for completion within four years. The Division, however, did not take up the work and in November 1995 the Executive Engineer, after inspection of the site, proposed to the Chief Engineer for engagement of a consultant for construction of the bridge due to inexperience of his field staff to take up such a big project. The proposal was, however, turned down (July 1996) by the Government with the instruction to complete the work departmentally. Despite this, the Division instead of taking up the work, transferred (April 1997) it to the newly created R.W. Division at Pasighat. The latter also did not take up the work till February 2000 for reasons neither on record nor furnished.

Scrutiny of records (February 2000) of RWD Pasighat revealed that both the Yingkiong and Pasighat Divisions procured materials worth Rs.32.27 lakh* between November 1987 and April 1999 before arriving at a final decision about location and construction of the bridge and kept the materials at site. None of the Divisions had ever conducted any physical verification to ascertain the condition of the materials lying idle at site for such a prolonged period.

Thus, the injudicious sanction of the estimate for the proposed bridge prompted the department to resort to random purchase of materials knowing well that there was no immediate scope for utilisation of the same. Procurement of material far in advance of actual requirement led to an idle investment of Rs.33.47 lakh (Materials: Rs.32.27 lakh; W.C. payment: Rs.1.20 lakh) for a period ranging from one to thirteen years apart from cost escalation of Rs.55.63 lakh (Rs.59.79 lakh – Rs.4.16 lakh). Besides, the Department also failed to provide the intended benefit of the project to the people of the locality even after 15 years of sanction.

In reply, the Government stated (September 2000) that the materials were procured at various stages with the understanding that the execution of works would be started and materials so purchased would be utilised soon. However, the work has since been started and is in progress. The reply, however, was silent about the position of the utilisation of materials.

* Wire rope: 18770 metre: Rs. 24.89 lakh; wire rope pully: 12 nos. Rs. 1.15 lakh; Wheel Barrow: 2 nos.: Rs. 0.10 lakh; 'U' Bolt: 3900 nos.: Rs. 2.87 lakh; Pulling and lifting machine: 2 nos. Rs. 0.90 lakh; Hand operated winch machine: 2 nos.: Rs. 0.88 lakh; Turn Buckle: 6 nos.: Rs. 0.28 lakh; Anchor Block: 12 nos.: Rs. 1.20 lakh.