

OVERVIEW

The expenditure on Scientific Departments during 2003-2004 was Rs 14858.62 crore. This represented an increase of 17.46 *per cent* over the last two years. Of the total expenditure on Scientific Departments, Rs 6148.41 crore related to the Department of Atomic Energy. The Department of Space accounted for an expenditure of Rs 2268.80 crore. With reference to the budget allotment, the Scientific Departments had an overall unspent balance of Rs 1239.58 crore. The Department of Atomic Energy, Ministry of Non-Conventional Energy Sources and Department of Science and Technology spent Rs 428.56 crore (6.52 *per cent*), Rs 248.84 crore (39.49 *per cent*) and Rs 204.38 crore (17.17 *per cent*) less than the allocation respectively.

This Report contains one performance review and 14 paragraphs. An overview of audit findings contained in the report is given below:

REVIEW

INDIAN COUNCIL OF AGRICULTURAL RESEARCH

MANAGEMENT OF PROJECTS RELATING TO UTILISATION AND CONSERVATION OF SOIL AND WATER UNDERTAKEN BY INSTITUTES OF ICAR

Indian Council of Agricultural Research (ICAR) undertakes research in the areas of conservation, improvement and efficient utilisation of soil and water for sustainable agricultural development at its five institutes. Review of management of projects undertaken/completed by these institutes over the last five years disclosed the following:

- Two research institutes did not maintain projects files as required under rules. As a result, monitoring of the projects by Staff Research Council/ Research Advisory Committee was inadequate;
- Many research projects concluded with non-achievement/partial achievement of objectives despite time overrun;
- Technologies developed were not transferred to the end users thereby defeating the ultimate objective of dissemination; and
- There were underperformance in soil survey, mapping of salt affected soils and documentation of traditional wisdom.

There is thus a need for more efficient management of the research projects for contribution to sustainable agricultural development.

(Paragraph 2.1)

TRANSACTION AUDIT FINDINGS

DEPARTMENT OF ATOMIC ENERGY

IRREGULAR PAYMENT OF COMPENSATION OF RS 67.29 LAKH AND NON-RECOVERY OF RS 88.98 LAKH

Narora Atomic Power Station (NAPS) acquired 1188.5 acres of land in 1987 and deposited Rs 10.50 crore with Special Land Acquisition Officer (SLAO) for paying compensation to the land owners. After disbursement of compensation, an amount of Rs 88.98 lakh remained undisbursed and was not refunded. SLAO passed supplementary award after 13 years of the acquisition of land, for payment of solatium and additional compensation. NAPS appealed to the Allahabad High Court in July 2000 against the supplementary award. Though the judgement was annulled, NAPS disbursed an amount of Rs 67.29 lakh directly to the land owners as compensation.

(Paragraph 3.1)

SHORT RECOVERY DUE TO DELAY IN PREPARATION OF PRO-FORMA ACCOUNTS

Heavy water is leased to Nuclear Power Corporation of India Limited (NPCIL) from the heavy water pool of Department of Atomic Energy (DAE). Heavy water lease and loss charges are recovered from NPCIL on the basis of pool price of heavy water notified by DAE every year. Due to delay in preparation of pro-forma accounts, pool prices of heavy water notified by DAE during 1993-98 were not based on the actual cost of production and led to short recovery of Rs 130.87 crore from NPCIL during the period.

(Paragraph 3.2)

UNDUE BENEFIT TO CONTRACTOR DUE TO NON-LEVY OF PENALTY

Bhabha Atomic Research Centre (BARC) awarded two work orders for construction of staff quarters at BARC colony. There were delays in the completion of both the works due to contractors' fault. BARC not only failed to recover Rs 85.70 lakh as compensation for delay, as stipulated in terms of the work order, but also paid escalation cost of Rs 19.67 lakh.

(Paragraph 3.4)

NON-UTILISATION OF A TECHNOLOGY DEVELOPED FOR COOLANT CHANNEL REPLACEMENT OF NUCLEAR POWER REACTORS

Bhabha Atomic Research Centre (BARC) developed Coolant Channel Replacement Machine (CCRM) to reduce the down time needed for repairs and maintenance of nuclear power reactors and transferred its know how to Electronic Corporation of India Limited (ECIL). As ECIL could not

manufacture the CCRM based on the technology developed by BARC, Nuclear Power Corporation of India Limited (NPCIL) carried out enmasse coolant channel replacement of two reactors using technology developed by NPCIL itself. Thus, the expenditure of Rupees four crore incurred by BARC on the development of the coolant channel replacement technology remained unfruitful.

(Paragraph 3.5)

DEPARTMENT OF INFORMATION TECHNOLOGY

RECOVERY AT THE INSTANCE OF AUDIT

As per the package of incentives extended by the Department of Personnel and Training, the employees posted at Srinagar valley who did not wish to move their families to a selected place of residence were entitled to daily transportation and messing allowance. National Informatics Centre (NIC), Jammu paid messing and transportation allowance to its employees who were neither posted in Kashmir valley nor were Kashmiri migrants and hence ineligible for the incentive. On being pointed out by Audit, NIC worked out the total inadmissible payment as Rs 17.68 lakh and started recovery from the employees.

(Paragraph 4.1)

DEPARTMENT OF SCIENCE AND TECHNOLOGY

UNFRUITFUL EXPENDITURE DURING GTS-BICENTENARY CELEBRATION

Survey of India organised year long celebrations to commemorate the completion of 200 years of the initiation of the Great Trigonometrical Survey to highlight the significance of the Great Arc and GTS contribution to the Geo sciences and Mathematical sciences. The celebrations included making of two films namely “*The Making of India*” and “*The Million Steps*” to be telecast on various TV channels and publishing of a pictorial book on “The Great Arc”. Two films made at a cost of Rs 27 lakh were not telecast even after a year of its production, rendering the expenditure unproductive, while the anticipated income had not accrued to the department from publishing the pictorial book.

(Paragraph 5.1)

EXCESS RELEASE OF FUNDS ON PRODUCTION OF SERIAL ‘BUSINESS MANTRA’

Department of Science and Technology (DST) sanctioned a project in June 1999 to Confederation of Indian Industries (CII) for the production of 26 episodes of TV programme ‘Business Mantra’. DST was to share 50 per cent cost of each episode whereas the remaining 50 per cent was to be raised by CII through sponsorship and advertisements. DST supported the programme for another 52 episodes on the same terms and conditions. The total expenditure

incurred on the 78 episodes was Rs 60.61 lakh against which DST released Rs 51.15 lakh instead of Rs 30.31 lakh. Failure of DST to verify the actual expenditure incurred before releasing funds, resulted in excess release of Rs 20.84 lakh.

(Paragraph 5.2)

DEPARTMENT OF SCIENTIFIC AND INDUSTRIAL RESEARCH

WASTEFUL EXPENDITURE

Department of Scientific and Industrial Research sanctioned a project to a company in March 2001 at a total cost of Rs 1.28 crore, out of which the share of DSIR was Rs 40 lakh, to be released as grants-in-aid. DSIR released Rs 30 lakh in March 2001 and March 2002. The company was closed in January 2003 without completing the project. Failure of DSIR to secure its money before releasing the grants and to initiate legal action against the company resulted in wasteful expenditure of Rs 30 lakh.

(Paragraph 6.1)

INDIAN COUNCIL OF MEDICAL RESEARCH

WASTEFUL EXPENDITURE AND BLOCKAGE OF FUNDS DUE TO IMPROPER PLANNING

Institute of Cytology and Preventive Oncology (ICPO) acquired three plots of land from New Okhla Industrial Development Authority (NOIDA) during the years 1987-89 at a total cost of Rs 1.55 crore for the construction of institutional building, residential complex and research cum clinical complex. Due to failure of ICPO to construct institutional building, NOIDA cancelled one of the plots in July 2002 and demanded Rs 6.50 crore for revoking the cancellation. ICPO had to pay penalty charges of Rs 43.06 lakh for non-construction on two plots and less than 50 *per cent* construction on the other. In addition, ICPO paid Rs 44.12 lakh towards lease rent on the plots that remained unused.

(Paragraph 9.1)

COUNCIL OF SCIENTIFIC AND INDUSTRIAL RESEARCH

UNFRUITFUL EXPENDITURE ON PROCUREMENT OF LIQUID NITROGEN PLANT

Regional Research Laboratory (RRL), Thiruvananthapuram placed an order for supply of a Nitrogen Generator and a liquefier on a UK based firm. The system that arrived at RRL was a water-cooling instead of the stipulated air-cooling system. RRL failed to get a replacement or install the existing system. The system procured at a cost of Rs 21.29 lakh was lying uninstalled for more than five years.

(Paragraph 10.1)

NON-INSTALLATION OF FERMENTATION SYSTEM

The Regional Research Laboratory, Bhubaneswar placed an order for supply of fermentation system on a firm based on its quotation but amended the terms and conditions without obtaining its confirmation. As a result, the firm refused to complete the installation resulting in the system, which was procured at a cost of Rs 13.08 lakh, lying unused for more than four years.

(Paragraph 10.2)