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Kerala Legislature Secretariat

2021

KERALA NIYAMASABHA PRINTING PRESS.

FOURTEENTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE
ON
PUBLIC ACCOUNTS
(2019-2021)**

NINETIETH REPORT

(Presented on 21st January, 2021)



SECRETARIAT OF THE KERALA LEGISLATURE
THIRUVANANTHAPURAM
2021

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PUBLIC ACCOUNTS
(2019-2021)**

NINETIETH REPORT

On

**Action Taken by Government on the Recommendations
contained in the Eighty eighth Report of the
Committee on Public Accounts**

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COMMITTEE ON PUBLIC ACCOUNTS
(2019-2021)

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Shri. R. Venugopal, Deputy Secretary.

INTRODUCTION

I, the Chairman, Committee on Public Accounts, having been authorised by the Committee to present this Report, on their behalf present the Ninetieth Report on Action Taken by Government on the Recommendations contained in the Eighty eighth Report of the committee on Public Accounts (2008-2011).

The Committee considered and finalised this Report at the meeting held on 20th January, 2021.

Thiruvananthapuram,
20th January, 2021.

V. D. SATHEESAN,
Chairman,
Committee on Public Accounts.

REPORT

This Report deals with the Action Taken by the Government on the recommendations contained in the 88th Report of the Committee on Public Accounts (2008-2011).

The 88th Report of the Committee on Public Accounts (2008-2011) was presented in the House on 29th June 2009. The Report contains twenty five recommendations relating to Health and Family Welfare, Co-operation and Vigilance departments. The Government was addressed on 9th July, 2009 to furnish the Statements of Action Taken on the recommendations contained in the Report and the final reply was received on 15th March 2019.

The Committee considered the Action Taken Statements at its meetings held on 20-9-2011, 31-3-2015, 19-4-2018 and 4-12-2019. The Committee approved the statements of Action Taken on the recommendations and decided not to pursue further in the light of the replies furnished by the Government. The recommendations and Government replies are included in this Report.

HEALTH AND FAMILY WELFARE DEPARTMENT

Recommendation

(Sl. No. 1, Para No. 5)

The Committee understands that the Government suffered a loss of Rs. 32.82 lakh by purchasing defective X-ray unit for the Medical College, Kozhikode in 1997. Though there was provision in the agreement to replace the unit, the authorities did not take any action in time to get it replaced or recoup the amount from the supplier firm. The Principal of the Medical College did not black list the firm. Though the Vigilance Department suggested to file a civil suit against the firm for supplying defective machine, the Government pleader did not take any steps for this, rather he objected it. The Committee views this very seriously and recommend that action should be taken against the concerned person, who denied the recommendation of the Vigilance Department for filing a civil suit against the concerned firm to recover the loss sustained to the Government. The DME should make a request to the Home Secretary in this

regard. Action should also be taken against the then Principal of the Medical College, Kozhikode for not black listing the supplier firm and for not taking timely action to get the machine replaced or recoup the advance paid to supplier. Though the committee demanded the department to furnish the details of the present working condition of the machine, the department has not furnished any details of the present working condition of the machine, the department has not furnished any details regarding this till date. Hence, the committee suggests that the required details should be furnished without any further delay.

Action Taken

As per the letter No. C1/10348/98/DME, dated 28-11-2009, the Director of Medical Education had requested the Home Secretary to take action against the Govt. Pleader concerned. Because all the papers related to the appointment and engagement of judicial officers including Govt. Pleaders and the files related to different Court of Law are being allotted and handled in that department. Therefore, the action with regard to Health & Family Welfare Department stands completed.

The Director of Medical Education, Thiruvananthapuram informed that Dr. Rajarajeswary and Dr. L. Swarnam were the principals of Government Medical College, Kozhikode during the tenure of 1997 when the defective X-ray unit was procured. The Director of Medical Education has also forwarded the draft Memo of charges and statement of allegations for taking disciplinary action against them in 2016. Dr. L. Swarnam and Dr. Rajarajeswary were retired from Government Service on 31-5-1997 and 30-4-1999 respectively. It has been more than 20 years since their retirement from Government service taking disciplinary action against them is not feasible.

Since the Principal posts of Government Medical College under Directorate of Medical Education come under the definition of Public-Accountant in section 2(b) of Kerala Public Accountant Act 1963, in consultation with advisory Departments Government have decided to take action recommended as per section 4 of Kerala Public Accountant Act 1963. As such the Director of Medical Education was directed to initiate proceedings for revenue recovery from the movable and immovable properties of Dr. Rajarajeswary and Dr. L. Swarnam to redeem the loss incurred by the Government worth Rs. 32.82 Lakh.

The Principal, Government Medical College, Kozhikode informed that the 500 mA X-ray unit machine supplied by M/s. Siemens India Ltd. To the department of radiodiagnosis, Government Medical College, Kozhikode is not working since April 2007 due to technical reasons.

HEALTH AND FAMILY WELFARE DEPARTMENT

Recommendation

(Sl. No. 2, Para No. 8)

The Committee is surprised to note that a large number of the Drawing and Disbursing Officers are not even aware of the basic provisions in the Kerala Treasury Code, Financial Code etc. relating to transaction of Government money and financial management. In some other cases the DDO's wilfully disregard codal provisions which facilitate repeated instances of misappropriation of public money. In the Health Department also matters are not different. Hence, the Committee recommends that the department should impart proper training in financial matters to the newly appointed officers including Medical Officers having financial responsibilities. The Committee vehemently criticise the internal audit wing of the department for not exercising their duties properly in finding out irregularities, and opine that the wing's modus operandi question even its existence.

Action Taken

As far as DDOs are concerned, the lack of sufficient knowledge in KTC, KFC etc is a matter of serious concern. As a remedial measure, training is given to DDOs in this regard. In the Health Department there is a permanent machinery to impart sufficient training to all categories of staff under it. DDOs are also given such training. In the current year there is a provision of Rs. 45 Lakh under the Head of Account 2210-06-003-90-34(OC) and the whole amount is earmarked for training for various categories of staff under Health Department. Due importance will be given to the training of DDOs to impart sufficient knowledge in KFC, KTC etc.

Recommendation

(Sl. No. 3, Para No. 9)

The Committee desires to know the present stage of the prosecution case against the Upper Division Clerk who committed misappropriation, the steps taken to recover the money, the Action Taken against the Medical Officers in charge during the period 1996 to 1999 etc. and suggests that a report in this context should be furnished to the Committee.

Action Taken

As per letter No. VC 07/2001/KNR dated 19-11-2012, the Deputy Superintendent of Police, Vigilance and Anti-Corruption Bureau, Kannur has informed that the case VC 07/2001/KNR which was pending trial before the Court of Enquiry Commissioner and Special Judge, Kozhikode as CC 10/70, 11/07, 12/07 and 13/07 against Sri. M. Chandran, former Upper Division Clerk, Primary Health Centre, Pariyaram stands closed since the charge against him is abated due to the death of the accused. Hence all the proceedings related to the case have been closed by the Court.

The following Doctors were in charge of the institution during the period 1996-1999.

1. Dr. Abdul Samad - 1-7-1996 to 1-2-1997
2. Dr. V. A. Vijaya - 1-2-1997 to 28-7-1999
3. Dr. P. V. Pavanan - 29-9-1999 to 23-10-1999

No disciplinary action was taken against the aforesaid Medical Officers since the Vigilance & Anti-corruption Bureau had decided to prosecute the accused Sri. M. Chandran alone. It is mentioned in the Vigilance report that the ignorance and inexperience in the field of administration of the above mentioned Medical Officers were exploited by Sri. M. Chandran, the then Upper Division Clerk, Primary Health Centre, Pariyaram. The misappropriated amount of Rs. 1.71 lakhs could not be recovered from Sri. M. Chandran, the accused since it could not be possible to initiate department action parallelly to the Vigilance Case. The pensionary benefits due to Sri. M. Chandran have not been disbursed so far.

Recommendation

(Sl. No. 4, Para No. 11)

The Committee understands that so many buildings are being attached to Government Hospitals and Public Health Centres using MLA, MP funds etc. without prior sanction of the Health department. This creates difficulty as sufficient staff cannot be provided by the department since there is fixed staff strength for every grade of hospitals. Thus newly built buildings happen to be kept idle for want of sufficient staff. The Committee suggests that the situation should be changed and that no construction of additional buildings in negligence of sanctioned staff pattern should be undertaken without prior sanction of the Health department. Along with this, maximum facilities according to the existing staff pattern should be provided to the patients.

Action Taken

Strict direction is issued to all the concerned under Health Service Department not to undertake any construction work in the Department lands without prior sanction from the Government.

Recommendation

(Sl. No. 5, Para No. 14)

The Committee notices that due to the non-availability of water supply and limited facilities available in the operation theatre, the in-patient ward built for the Primary Health Centre at Kadavoor, Ernakulam has not been functioning for a long period. Eventhough it was not functioning additional staff were appointed there. Idling of the building resulted in the loss of Rs. 25.83 lakh being construction charges and idle wages. The Committee also finds that there was inexcusable delay on the part of the authorities in reporting the non-availability of water supply and electricity to the concerned LSG Institution. The Committee desires to know the present stage of the disciplinary Action Taken against the Medical Officer who showed utmost irresponsibility in taking steps for getting the IP ward functional. The Committee regrets to note that though the department had agreed earlier to furnish the present condition of the PHC and the IP ward and the

details of the staff working there, the department has not furnished any details regarding till this date. Hence the Committee suggests that the desired details should be furnished without any delay.

Action Taken

The IP ward was inaugurated on 3rd March 2008 and since then it has been functioning continuously very well. The average IP since then has been 40-60 per month and average OP is 110 per day. There is no operation theatre in this Primary Health Centre. Now water connection is taken and electricity is also available. All the staff is in position now.

As per records IP Ward functioned from 30-5-2004 to 8-12-2005. By January 2006 only one Medical Officer and only one Staff Nurse was in position. All the excess staff were deputed. With one Medical Officer IP couldn't be continued and hence, since March 2008 doctors under NRHM and Staff Nurse were posted and since then the IP Ward is functional.

Now the average daily IP is 5-10 and OP is 100-200. All the infrastructure facilities are available at the PHC for the smooth functioning of IP Ward. Water and Electricity connections are also available. The HMC meeting of the institution has been holding regularly. The present staff position is as follows.

Categories	Sanctioned Post	Inposition	Vacancy
Medical Officer	3	2	1
Head Nurse	1	1	Nil
Staff Nurse	5	5	Nil
Nursing Assistant	3	3	Nil
Hospital Attendant Gr. II	2	2	Nil
PTS	1	Nil	Nil
Pharmacist	1	1	Nil

The non-functioning of the IP Ward was merely due to the shortage of staff and lack of infrastructure. Dr. A. Vijayakumar was the M.O. incharge of the institution during that period. Dr. A. Vijayakumar is under suspension in another case related to Private practice. However, explanation is called for from Dr. A. Vijayakumar regarding the non functioning of IP ward.

Recommendation

(Sl. No. 6, Para No. 48)

The Committee finds that in our State so many drug manufacturing units are still functioning without renewing their licences. The department's argument that it is very difficult for them to renew thousands of licences within the stipulated time due to shortage of staff is not acceptable to the Committee. The Rule is clear that expired licences should be renewed within 6 months. But now the procedure is that the expired licences are allowed to be deemed as valid. Hence, the Committee suggests that the problem can be solved if the application for the renewal of licence is submitted 6 months before the due date of expiry. The Committee recommends that the department should take necessary steps to amend the respective Rule to this effect.

Action Taken

The Regional Drugs Inspector/Senior Drugs Inspector inspects the manufacturing premises and detailed report is forwarded to the Drugs Controller with specific remarks. If the conditions of license are not satisfactory, notice is served to the licensee and licence is renewed after rectifying the defects pointed out by the Inspector. Hence the delay in issuing renewal certificates of the licenses. Now most of the licenses are renewed and only a few number of applications are pending. The rules are made by the Central Government and uniformly implemented in all states. Once the Licensee submit application for renewal, until the licensing authority passes order on it the licenses are deemed to be valid as per the Drugs and Cosmetic Rules. Instructions have been given to all subordinate offices to procure License renewal application before six month of expiry.

Recommendation

(Sl. No. 7, Para No. 49)

The Committee understands that at present there is no provision in the Act/Rules to differentiate minor and major offences and to take departmental or prosecution steps against the defaulters. Hence the Committee recommends that steps should be taken for making separate legislation to find a solution to this problem.

Action Taken

Drugs and Cosmetics Rules is a Central enactment, wherein no classification has been defined as major or minor offences. However departmental action is taken for relatively minor offences. Prosecution steps are being taken on major offences only. However, legal Committee examines the nature of grave offences and advise the officers for proper action against the offenders.

Recommendation

(Sl. No. 8, Para No. 50)

The Committee notes that in so many cases relating to the manufacturing and sale of substandard drugs the department fails in the court for want of sufficient evidences due to the absence of the concerned Drugs Inspectors who are either on leave or taken up employment abroad. The Committee suggests that the 'Concerned Officer' (designation) not the 'concerned person' who registered the case can make appearance in the court and when application for LWA submitted by Drugs Inspectors is taken for consideration, it should be ensured whether he has to attend prosecution cases. The Committee recommends that the department should take adequate steps to amend the relevant Rule to this effect. The Committee also notices that the sale of banned/sub standard drugs are still progressing and so many cases relating to this are dropped by the court due to the absence of correct lab reports. The Committee recommends that the department should monitor it so as to avoid recurrence of such instances in future.

Action Taken

The Drugs inspectors normally file the complaint in Judicial Courts. Earlier, some Drugs Inspectors took up employment abroad by obtaining LWA. Normally those cases are further proceeded by his successor. Most of the Courts admit this practice, but in some case the Hon'ble Magistrate required the attendance of the defacto complainant who filed the complaint before the Court. At present the LWA to any officer is sanctioned with condition that they shall appear for any Court cases as and when required by law.

The department will ensure that the test report received from Drugs Testing Laboratory is correct and factual as prescribed in the Drugs and Cosmetic Act and Rules made there under. Monitoring is being made in the test reports of Government Analyst to avoid confusion.

Recommendation

(Sl. No. 9, Para No. 51)

The Committee finds that lack of legal training is the main reason for the failure of cases in the court. Therefore, the Committee recommends that the department should give legal training to the Drug Inspectors.

Action Taken

The department is conducting regular training programme in legal matters for the last three years under State Training Policy with the help of IMG. Various faculties from practicing Advocates, Drugs Controllers from other states, faculty from Police Training College etc. are engaged for training the officers.

Recommendation

(Sl. No. 10, Para No. 52)

It is to be noted that there are lapses in conducting joint inspection of blood banks by Central Drugs Controller and State Drugs Controller, which in turn causes delay in the renewal of blood bank licences. The Committee suggests that the joint inspection by Central and State agencies should be co-ordinated by the State Drugs Controller. A programme showing the details of inspection such as

date, place, etc. should be framed by the State Drugs Controller and send to the Central agency. The final programme should be arranged according to the convenience of the Central officials. The quantum of irresponsibility of the department in this matter is evident from the fact that renewal of 42 expired licences of blood banks were not entered in the concerned register to make it upto date, as a result of which those renewals were not treated as renewed licences.

Action Taken

Fresh drug licences and renewal of Blood banks are jointly issued by State Licensing Authority (SLA) and Central Licensing and Approved Authority (CLAA). Joint Inspection by Drugs Inspectors of Central Drugs Standard Control Organization (CDSCO), Chennai and Kerala is conducting for the same. Department is co-ordinating the joint inspection and renewal to the best of its ability, but delay is due to the irregularities being detected during the inspection and consequent compliance and verification reports. No delay is normally seen from SLA in these cases.

Recommendation

(Sl. No. 11, Para No. 53)

The Committee notices that during 1998-2000 there occurred shortage in the quality check of medicines. Though the department agreed to furnish the details regarding the number of samples collected upto the previous year and the number of pending cases, the report in this regard is yet to be furnished to the Committee.

Action Taken

The performance of Drugs Testing Laboratory has been improved substantially. During 2008, 4684 samples were analysed by Drugs Testing Laboratory. During 2009, 4780 and during 2010, 3639 samples were analysed. The extent of drugs testing cannot be compared every year as the workload of testing for multiple ingredients, combinations and single ingredient drugs are not comparable. When multiple drug combinations are drawn for analysis, longer testing periods cannot be compromised. Details of pending cases is furnished in Annex I (Annexure).

Recommendation

(Sl. No. 12, Para No. 54)

The Committee desires that the medicine manufacturing units should provide samples of medicines for quality testing without prior payment. The Committee recommends to amend the Drugs and Cosmetics Act, 1940 enabling the State Government for inspecting drugs independently if a joint inspection is not possible and that government should try to bring an amendment in practical form to the Central Act in this regard.

Action Taken

As per law, sampling is done only tendering fair price to the manufacturers or traders. Drugs & Cosmetic Rules being a Central Government enactment, there is no other option in this case, but to follow the provisions in the Act.

Recommendation

(Sl. No. 13, Para No. 55)

The Committee notes that at present sampling and quality check of Ayurvedic medicines is not done properly due to certain technical problems such as ambiguity in the procedure for issuing notification. The Committee recommends that notification for sampling and inspection of Ayurvedic medicines has to be made by the designation of the Statutory Authority as is done in Modern System of Medicine rather than by the name of the Drugs Inspector.

Action Taken

The defects have been rectified. At present only three Drugs Inspectors are working as Ayurveda Drugs Inspectors at Kollam, Ernakulam and Kozhikode. Besides another Senior Drugs Inspector Ayurveda at Thiruvananthapuram. All of these officers are notified now with designation as statutory authority as it is done in modern system of medicine. Hence there is no technical problem for taking up sampling and inspection of Ayurvedic Medicine at present.

Recommendation

(Sl. No. 14, Para No. 56)

The Committee understands that there exists public complaints that drugs supplied from Government hospitals are of sub-standard quality. Besides this the targets for the inspection of the pharmacies in the government hospitals were reduced by the Drugs Controller which is against the rule. The Committee deplores such actions and suggests that proper inspection of the pharmacies should be conducted without any compromise to existing directions. The Committee is very much astonished to find that no serious action has been taken by the department in the case related to the sale of 40 banned drugs in 6 districts during the period from March 1999 to 2003. The department had taken minor actions including suspension of the licences of 40 shops and prosecution steps against 2 shops. The Committee thinks that the sale of banned drugs is a criminal offence since it involves health hazards to common people. The Committee views it as a grave lapse on the part of the department in not taking prosecution case against all those involve in this case. Therefore, the Committee recommends to initiate prosecution against all the officers including those who conducted inspection of medical shops, the manufacturers of the banned drugs, owners of selling outlets who sold the banned drugs etc.

Action Taken

The officers of the department draw random samples from the manufacturing premises, sales depots, private hospitals and Government hospitals and sent for test/analysis to the Drugs Testing Laboratory, Thiruvananthapuram. There is no compromise about inspection and sampling from Government institutions. Every Drugs Inspectors inspect not less than 2 Government institutions per month at present and samples are drawn as per requirement from Government institutions. Around 80 inspectors are done in Government institutions per month.

It has come to the notice of the department that certain banned drugs, with combination of B1, B2 and B6 Vitamins were widely sold through out the State after its ban. The Drugs Inspectors detected this and reported to Government. This banned drug was only a vitamin combination. A decision was taken by the

higher officials of the department about inability to initiate prosecution action against large number of shops, to the tune of 400 shops across the state. Hence the license of the dealers suspended for a specified period as a deterrent action. As these defects are observed during the period 2000-2003, prosecution against these offenders cannot be taken now as the limitation period is over. However, the officers of the department now initiate prosecution action against the offenders, if sale of banned drug is identified without fail.

Recommendation

(Sl. No. 15, Para No. 57)

The Committee sees that at present there occurs minimum 3 months delay in reporting the results of testing of drugs samples in the Drug Testing Lab to the manufacturers. This causes delay in withdrawing sub-standard medicines from the market. Hence, the Committee suggests that the department should complete the analysis of samples of medicines within one month and the results be intimated immediately to the manufacturers. The Committee also recommends that repeated inspections and testing should be conducted and if sale of sub-standard medicines are found going on, prosecution steps should be taken against those outlets and government should monitor whether prosecution steps are being taken properly. Regarding the production and supply of sub-standard drugs the Committee was assured that the year wise details of the number of punishments etc. in the cases where sub-standard drugs were sold will be furnished. But the Committee regrets to note that no details have been furnished to the Committee and suggests that the required details should be furnished to the Committee within no time. Regarding the manufacturing and sale of sub-standard Ayurvedic medicine by a Kochi based firm, the Committee expresses extreme dissatisfaction in the fact that the department did not close down the firm at the instance of the detection of production and sale of sub-standard drugs and sees it as a grave mistake in the part of the department. Though the department had suspended the produce licence, it is not a wholesome action. Hence, the Committee recommends that action should be taken to seal the company.

Action Taken

There was three months delay for reporting the test reports during previous years. But from 2009 onwards, there are no pending samples beyond one month normally. All the samples received for test analysis are normally distributed to the analysts without delay. Only in exceptional cases like failure of equipments or systems affect the analysis at present. Instruction has been given to the Chief Government Analyst for completing the test and report the results within one month of receipt, unless otherwise any specific reasons are there. Well defined norms have been accepted at par with Drugs Control General (India) guidelines to initiate prosecutions. Repeated failure of the drugs of one company accounts to prohibition of the sale of those drugs in the state and initiation of legal steps.

Verification with Senior Drugs Inspector (Ayurveda) & Drugs Inspector (Ayurveda) revealed that there is no specific instances of substandard Ayurvedic medicines by Kochi based firm. There were two cases of manufacturing of Ayurvedic medicines without valid drugs license by Fair Pharma, Kochi during 2002. In one case the manufacturer was convicted & the other case is pending in the Court. The product licenses of immuno cure cancelled by the department was revoked by Hon'ble High Court of Kerala subsequently.

The yearwise details of the number of punishments imposed, the nature of such punishments in the cases where substandard drugs were sold is furnished in Annex II.

Recommendation

(Sl. No. 16, Para No. 59)

The Committee understands that weakness in internet control mechanism facilitate misappropriation of government money and recommends that in the case of Hospital Development Committees, the power to issue sanction for spending amounts higher than Rs.5 lakh should be given to the concerned District Collectors.

Action Taken

The proposal to enhance the power to issue sanction for spending amounts higher than Rs.5 lakh to the District Collector is under the consideration of Government.

Recommendation

(Sl. No. 17, Para No. 71)

The Committee notices that several Ayurveda dispensaries are not functioning well due to scarcity of staff, electricity, water supply, equipments etc. The Committee strongly recommends to provide adequate facilities in the Ayurveda and Homoeo hospitals. The Committee also notes that many Panchayats are constructing hospitals without prior permission of the Health Department. This causes idling of these buildings since necessary staff can't be provided by the department for running these hospitals. The Committee suggests that such practices should be stopped immediately.

Action Taken

After the inception of Peoples Plan Program it has become the responsibility of the Local Self Government to provide the physical facilities to the institutions as well as to control them. Accordingly without getting sanction from Government new institution cannot be started. The Director, Indian Systems of Medicine Department has reported that the matter has been brought to the notice of the Local Self Government Department and has been requested not to start construction of buildings for Dispensaries/Hospitals without prior sanction from Government, so as to avoid building lying idle.

Recommendation

(Sl. No. 18, Para No. 72)

The Committee observes that in certain government hospitals several offices relating to other departments are also housed as against government directions. The Committee suggests to stop the functioning of these offices in hospitals buildings and such tendencies should not be allowed in future.

Action Taken

The valuable observation of the Committee has been noted and assure that no other departments will be allowed to function in the hospital premises in future.

Recommendation

(Sl. No. 19, Para No. 73)

Regarding the construction of a 350 bedded Ayurveda College hospital at Thripoonithura, the department had agreed to furnish the details of the actual expense incurred, reasons for extension of time for the completion, aspects of schedule rate etc, towards the construction of the hospitals. But the details are yet to be received by the Committee. Hence, the Committee suggests to furnish the details without any further delay.

Action Taken

The actual expense of the construction of the “ 350 bedded Ayurveda College Hospital at Thripoonithura” comes to Rs.9,29,06,994 (Rupees nine crore twenty nine lakhs six thousand nine hundred and ninety four only)

Detailed estimate for the work was proposed as per SOR 1996 and Technical Sanction issued for 630 Lakhs on 11-12-1996 with an Estimate of Rs.5,79,57,074 for Civil Works. Tender Committee held on 18-3-1997 approved the tender with a Tender Excess @ 42% above estimate rate. The date of completion as per original agreement was 21-9-1999, but the work was completed only on 31-10-2005. During the construction of the building, the work was lagged due to the following reasons.

i. Labour strike was started against the Contractor by various labour unions and the work could be resumed only after the High Court disposed of the Court case.

ii. The Contractor had stopped work for one whole year due to non receipt of payment.

iii. On further progress of construction certain changes in the construction were requested by the College Authority to PWD., on the basis of the meeting

held with the Assistant Engineer, Special Building Division, Ernakulam 16-5-2002. The major request was for change of flooring from Mosaic to natural stone since thousands of people use hospitals and use of chemicals for cleaning the floor could easily destroy the chip of mosaic within a short period. On the basis of this and some unavoidable requirements, a revised estimate submitted by the PWD and revised Administrative sanction for Rs.11.63 crores vide G.O.(Rt) 14.03/2004/H & FWD dated 21-5-2004 has been obtained.

Though there has been laxity on the part of the contractor and timely execution of work the department also failed to effect timely payment of bills due to paucity of funds. There were also some administrative delay which could not be avoided. Penalty was not imposed against the contractor with the best intention of getting the work completed by the same contractor, avoiding chances for litigation considering the genuine situation that hindered the progress of the work. During a joint inspection by officials of both College Authorities and PWD it was point out that the mosaic flooring will affect the hygiene of the hospital due to the Ayurvedic Medicine used for treatment and hence it was found essential to use Marble and Ceramic flooring instead of mosaic. Due to the above alteration the correct user requirement could not be furnished while preparing the estimate.

Recommendation

(Sl. No. 20, Para No. 74)

The Committee notices that in Ayurveda Colleges there occurs shortage of teaching staff and the Committee desires to be furnished with the present subject wise details of the shortfall in the teaching staff.

Action Taken

The present subject wise details of the shortfall in the teaching staff furnished by the director of Ayurveda Medical Education is appended. (Annexure)

Recommendation

(Sl. No. 21, Para No. 75)

The Committee notes that purchase of Marshy land for the construction of a herbal Garden in Homoeo Medical College, Thiruvananthapuram, resulted in loss of Rs.61.68 lakh. The Committee directs the department to fix responsibility on the officers responsible for this loss.

Action Taken

The Public Works Department has started the work of filling the land for the formation of Herbal garden and compound wall for Government Homoeo Medical College, Thiruvananthapuram and hence the fund utilised for acquiring the land was not a loss to Government but an asset. The work on filling the land was started by the Public Works Department on 16-5-2010.

Recommendation

(Sl. No. 22, Para No. 76)

While commenting on the irresponsible attitude of the internal audit system of the Department, the Committee suggests that the department should convene Audit Committee meetings regularly after seeking the convenience of the Accountant General.

Action Taken

Audit Adalath has been conducted in 11/09 and the replies received from District Medical Officers to the Inspection Reports have been forwarded to Accountant General. Some of the Internal Audit report were close and so many paras were also settled. Accountant General has conducted Audit Adalath in Ernakulam District during 12/2009. Another Audit Adalath was conducted in Idukki District by Director of Health Services also during 12/2009. Action is in progress to conduct Audit Adalath in all Districts in consultation with Accountant General and they were completed before 11/10.

CO-OPERATION DEPARTMENT**Recommendation**

(Sl. No. 23, Para No. 81)

The Committee is definite that the magnitude of conspiracy between the department engineers and the contractor firm was very high by which the Government lost an amount of Rs. 45.92 lakh being extra expenditure due to change of site after tendering the work for the construction of a Ladies' Hostel building in the Kerala State Co-operative Hospital Complex at Pariyaram, Kannur.

Action Taken

Regarding the construction of Ladies Hostel building in the Kerala State Co-operative Hospital Complex at Pariyaram, the contractor has filed Arbitration case No.93/04 against the Hospital Society as per Section 69 of the Kerala Co-operative Societies Act 1969. The ARC is now pending for disposal. The loss sustained can be assessed only after the out come of the verdict in the ARC. The Vigilance case in this regard has been dropped by Government.

CO-OPERATION AND VIGILANCE DEPARTMENTS

Recommendation

(Sl. No. 24, Para No. 82)

The Committee is distressed to note that the Vigilance Department had shown grave negligence in inquiring into all the details of the case regarding the construction of the Ladies' Hostel. The Committee observes that the action of the Vigilance Department is a serious mistake and asks the Vigilance Director to come before the Committee in person and to explain the circumstances which led the Vigilance Department to return the file without any remarks. The Committee recommends the Vigilance department to conduct a thorough enquiry into the matter.

Recommendation

(Sl. No. 25, Para No. 83)

The Committee observes that the matter is a clear case of cheating and suggests that the extra amount paid to the contractor should be recovered from the contractor and the concerned officers involved in the work. The Committee also observes that the letter which the department had sent earlier to the Vigilance Department for enquiry into the case does not seem to be satisfactory.

Action Taken

CO-OPERATION DEPARTMENT

Managing Director of the Kerala State Co-operative Hospital Complex and Centre for Advanced Medical Services Ltd. informed that an enquiry by Vigilance and Anti Corruption Bureau, Kannur Branch was conducted against the extra

expenditure incurred due to change in site for the construction of Ladies Hostel building. But the final report in this regard is yet to be received. From the list of the case collected from the Kannur office of the Vigilance & Anti Corruption Bureau it is known that the case was dropped by the Vigilance Department accepting the recommendation of the Director, Vigilance and Anti Corruption Bureau.

VIGILANCE DEPARTMENT

Based on the recommendation of the Public Accounts Committee, the Director, Vigilance & Anti-Corruption Bureau as per his Letter No.E13 (V.E 12/10/KNR) 24198/2010 dated 28-9-2010 directed the Deputy Superintendent of Police, Vigilance & Anti-Corruption Bureau, Kannur Unit to start Vigilance Enquiry (V.E 12/10/KNR). As per Para 12 of the G.O.(P).No.18/97/Vig. Date 5-4-1997, the time allotted for a Vigilance Enquiry is 3 months. But the Director, Vigilance & Anti-Corruption Bureau submitted that due to frequent transfer of the enquiry officers, the enquiry was delayed. After thorough enquiry, the Director, Vigilance & Anti-Corruption Bureau submitted Vigilance Enquiry Report to the Government as per his Letter No.E13(V.E12/10/KNR)24198/2010 dated 1-12-2012. In the report the Vigilance Enquiry Officer has pointed out the following irregularities.

1. There is clear lapse on the part of M/s.Technicaliya who has not included the earth work for site levelling in the proposed plan and estimate.
2. Administrative Committee violated the agreement condition and paid mobilization advance to M/s. Blue Chip Construction Company and recouped in part bill.
3. Excess rate was given for rock blasting and adjusted in 5th bill onwards.

But, the enquiry officer has opined that eventhough there were procedural violations in the rate fixation and mobilization advance payments, defects were rectified or regularized and there is no loss to the Government or pecuniary advantage to any person. Administrative Committee members connected with this construction work are not now working in Government service. They had no malafide intention to cheat the Government and there is no loss sustained to Government. Hence, the enquiry officer has recommended no further action on the matter.

The Vigilance enquiry revealed that the complaint with allegation of massive corruption in the construction of the Ladies Hostel in Co-operative Medical College, Pariyaram is pseudonymous from a non-existing organization. The Enquiry Officer (Deputy Superintendent of Police, Vigilance & Anti-corruption Bureau, Kannur), the Superintendent of Police, Vigilance & Anti-corruption Bureau, Northern Range Kozhikode have recommended no further action in the matter. The Director, Vigilance & Anti-corruption Bureau has agreed to the recommendation of the above officers.

Government examined the said Vigilance Enquiry Report. On scrutiny of the report it is seen that there was some procedural violations in the rate fixation and mobilization advance payments. But these defects were rectified or regularized and there is no loss to the Government or pecuniary advantage to any person. Administrative Committee members connected with this construction work are not now working in Government service. They have no malafide intention to cheat the Government and there is no loss sustained to Government. Therefore Government accepted the recommendation of the Director, Vigilance & Anti-corruption Bureau for no further action in the matter.

Additional Recommendation

The Committee recommended to summon and examine the concerned file from the authorities of Pariyaram Medical College regarding the construction of Medical College hostel and to submit detailed report to the Committee.

Action Taken

CO-OPERATION DEPARTMENT

19-4-2018-ൽ സമിതി തെളിവെടുപ്പിൽ ആവശ്യപ്പെട്ടപ്രകാരം പരിയാരം മെഡിക്കൽ കോളേജ് വനിതാ ഹോസ്റ്റൽ നിർമ്മാണവുമായി ബന്ധപ്പെട്ട പരിയാരം മെഡിക്കൽ കോളേജിന്റെ ഫയൽ (നമ്പർ എ 4/597/99/KCHC) ലഭ്യമാക്കി പരിശോധിച്ചു. കേരള സ്റ്റേറ്റ് കോ-ഓപ്പറേറ്റീവ് ഹോസ്പിറ്റൽ കോംപ്ലക്സ് ആന്റ് സെന്റർ ഫോർ അഡ്വാൻസ്ഡ് മെഡിക്കൽ സർവ്വീസസ് (പരിയാരം മെഡിക്കൽ കോളേജ്) നടത്തിയ വനിതാ ഹോസ്റ്റൽ നിർമ്മാണ പ്രവൃത്തി സംബന്ധിച്ച വിശദാംശങ്ങൾ താഴെ പറയും പ്രകാരമാണ്.

പ്രവൃത്തിയുടെ പേര്	ലേഡീസ് ഹോസ്റ്റൽ നിർമ്മാണം
കരാറുകാരൻ	M/s. ബുചിപ്പ് കൺസ്ട്രക്ഷൻ കമ്പനി
എഗ്രിമെന്റ്	PM/54/9899/23/7/1999
കരാർ തുക	3,26,63,924 രൂപ

ആകെ പ്രവൃത്തി ചെയ്ത ബിൽ തുക - 1,31,91,578 രൂപ

പ്രവൃത്തിയുടെ നോട്ട് ഫയൽ പേജ് നമ്പർ 17-ൽ പരിയാരം മെഡിക്കൽ കോളേജിലെ അന്നത്തെ എഞ്ചിനീയറിംഗ് വിഭാഗം പ്രോജക്ട് മാനേജരുടെ 31-5-2000 തീയതി പ്രകാരമുള്ള കുറിപ്പിൽ കെട്ടിടം പണിയാൻ കണ്ടെത്തിയ സ്ഥലം അതിന് യോഗ്യമല്ല എന്നും പ്രസ്തുത സ്ഥലം ലവൽ ചെയ്യുന്നതിന് ആവശ്യമായ എർത്ത് വർക്ക് ക്യാണ്ടിറ്റി എസ്റ്റിമേറ്റിൽപ്പെടുത്തിയിട്ടില്ല എന്നും, ഫൗണ്ടേഷൻ ട്രഞ്ചിന്റെ എർത്ത് വർക്ക് മാത്രമേ ഉൾക്കൊള്ളിച്ചിട്ടുള്ളൂ എന്നും എഴുതിയിട്ടുണ്ട്. മാത്രമല്ല പ്രസ്തുത സ്ഥലത്ത് കെട്ടിടം പണിയുകയാണെങ്കിൽ ഒരു കോടിയിൽ അധികം രൂപ എർത്ത് വർക്ക് ഇനത്തിൽ മാത്രം വരും എന്നും ആയതിനാൽ ചെലവ് ചുരുക്കുന്നതിന് സൈറ്റ് ചരിഞ്ഞ പ്രതലത്തിലേക്ക് മാറ്റിയാൽ ചെലവ് ചുരുക്കാമെന്നും എഴുതിയിട്ടുണ്ട്. എർത്ത് കട്ടിംഗ് പരമാവധി കുറയ്ക്കുന്നതിന് ഡ്രോയിംഗിൽ കാണിച്ച കിച്ൺ ബ്ലോക്കും, കെട്ടിടത്തിന്റെ ഒരു ബ്ലോക്കും മറ്റ് ബ്ലോക്കിനേക്കാൾ ഒരു ലെവൽ ഉയർത്തുന്നതായും എഴുതിയിട്ടുണ്ട്.

പ്രസ്തുത സൈറ്റിലെ മണ്ണ് ഹാർഡ് നരിക്കൽ ആണെന്നും ആയതിനാൽ ബ്ലാസ്റ്റിംഗും ചില സ്ഥലങ്ങൾ മറ്റ് കെട്ടിടത്തിനടുത്തായതിനാൽ പ്രൊട്ടക്ടഡ് ബ്ലാസ്റ്റിംഗും ആവശ്യമാണെന്നും ആയതിന് എഗ്രിമെന്റിൽ റേറ്റ് ഇല്ലാത്തതിനാൽ എക്സ്ട്രാ പ്രവൃത്തി ആയി പരിഗണിക്കണമെന്നും ആയതിന് മൊത്തം 37,90,530 രൂപ അധികം വരും എന്നും ആയത് എഗ്രിമെന്റ് തുകയ്ക്കുള്ളിൽ നിന്നു കൊണ്ട് പ്രവൃത്തി തീർക്കാൻ സാധിക്കുമെന്നും കുറിച്ചിട്ടുണ്ട്. പ്രസ്തുത കുറിപ്പിന്റെ പകർപ്പ് അനുബന്ധമായി ഉൾക്കൊള്ളിക്കുന്നു. (Annexure)

എഗ്രിമെന്റിന് അകത്ത് പണി പൂർത്തിയാക്കണമെന്നും എഗ്രിമെന്റ് തുകയ്ക്ക് മുകളിൽ വരുന്നവെങ്കിൽ പിന്നീട് ബോർഡിന്റെ അംഗീകാരം എടുക്കണമെന്ന ഫിനാൻസ് മാനേജരുടെ നോട്ടും മാനേജിംഗ് ഡയറക്ടർ അംഗീകരിച്ച് കുറിച്ചിട്ടുണ്ട്. 1,31,91,578 രൂപയുടെ പ്രവൃത്തി കമ്പനി പൂർത്തീകരിച്ചതായി കാണുന്നു. പിന്നീട് ബുചിപ്പ് കമ്പനിയെ, പണി നടത്താത്തതിനാൽ ടെർമിനേറ്റ് ചെയ്യുകയും പ്രവൃത്തിയുടെ ബാക്കി പ്രവൃത്തിക്ക് വേണ്ടി വീണ്ടും ടെണ്ടർ ക്ഷണിക്കുകയും ശ്രീ. ഒ. വി. ശ്രീധരൻ എന്ന പി. ഡബ്ല്യൂ. ഡി. കരാറുകാരന് താഴെ പറയും പ്രകാരം അനുമതി നൽകിയതായും കാണുന്നു.

പ്രവൃത്തിയുടെ പേര്	:	ലേഡീസ് ഹോസ്റ്റൽ നിർമ്മാണം (ബാലൻസ് വർക്ക്)
കരാറുകാരൻ	:	ശ്രീ. ഒ. വി. ശ്രീധരൻ പി.ഡബ്ല്യൂ.ഡി., കോൺട്രാക്ടർ, തളിപ്പറമ്പ്
എഗ്രിമെന്റ്	:	CE/31/03-04 dated 26-11-2003
എഗ്രിഡ് PAC	:	1,81,07,085 രൂപ
ഫൈനൽ ബിൽ തുക	:	1,71,75,245 രൂപ
മേൽ കരാറുകാരൻ 1,71,75,245 രൂപയ്ക്ക് ബാക്കി പ്രവൃത്തി പൂർത്തീകരിച്ചു.		
ബ്ലോക്ക് കമ്പനിയുമായി ആദ്യം എഗ്രിമെന്റ് ഉണ്ടാക്കിയ തുക	:	3,26,63,924 രൂപ
ബ്ലോക്ക് കമ്പനി ചെയ്ത പണിയുടെ തുക	:	1,31,91,578 രൂപ
ബാലൻസ് പ്രവൃത്തിക്ക് വേണ്ടി വന്ന തുക	:	1,71,75,245 രൂപ
മൊത്തം	:	3,03,66,823 രൂപ

അനുവദിച്ച PAC യെക്കാൾ 22,97,101 രൂപ കുറവിൽ പ്രസ്തുത കെട്ടിടം പണി പൂർത്തീകരിച്ചിട്ടുണ്ട് (3,26,63,924 - 3,03,66,823 = 22,97,101 രൂപ)

ടി നിർമ്മാണ പ്രവൃത്തി എഗ്രിമെന്റ് തുകയ്ക്കുള്ളിൽ നിന്നും കൊണ്ട് പൂർണ്ണമായും തീർന്നിട്ടുണ്ട് എന്നും പ്രവൃത്തിയുമായി ബന്ധപ്പെട്ട് മുൻ പ്രോജക്ട് മാനേജർ, മാനേജിംഗ് ഡയറക്ടർ എന്നിവർ ജീവിച്ചിരിപ്പില്ല എന്നും അറിയിച്ചിട്ടുണ്ട്.

ആദ്യ കരാറുകാരനായ ബ്ലോക്ക് കൺസ്ട്രക്ഷൻ കമ്പനിയും പരിയാരം മെഡിക്കൽ കോളേജുമായുള്ള ആർബിട്രേഷൻ കേസ് (ആർബിട്രേഷൻ കേസ് നമ്പർ 93/2004) സഹകരണ സംഘം രജിസ്റ്റർ 30-4-2014-ൽ തീർപ്പ് കൽപ്പിക്കുകയും മേൽ പ്രവൃത്തിയിൽ 49,71,203 രൂപ കരാറുകാരന് നൽകുവാൻ തീർപ്പായതിനാൽ പ്രസ്തുത തുക ഗഡുക്കളായി അടച്ച് വരുന്ന എന്നും റിപ്പോർട്ട് ചെയ്തിട്ടുണ്ട്.

മേൽ പ്രവൃത്തിക്കായി തെരഞ്ഞെടുത്ത ആദ്യ സൈറ്റിൽ M/s. ബ്ലോക്ക് 27-7-99-ൽ നിർമ്മാണം ആരംഭിച്ചുവെങ്കിലും, പ്രസ്തുത സൈറ്റിൽ കട്ടികൂടിയ നരിക്കല്ലിന്റെ സാന്നിദ്ധ്യവും എർത്ത് വർക്ക് ക്വാണ്ടിറ്റി കൂടുതലാണ് എന്നും കണ്ടെത്തിയതിനെ തുടർന്നാണ് നിർമ്മാണച്ചെലവ് കുറയ്ക്കുന്നതിന് അന്ന് പ്രവൃത്തി മറ്റൊരു സൈറ്റിലേക്ക് മാറ്റിയത് എന്ന് ബന്ധപ്പെട്ട ഫയലിൽ പ്രോജക്ട് മാനേജർ രേഖപ്പെടുത്തിയതായും ആയത് പരിയാരം മെഡിക്കൽ കോളേജ് മാനേജിംഗ് ഡയറക്ടർ കണ്ടിരുന്നതായും പ്രസ്തുത ഫയൽ പരിശോധിച്ചതിൽ കാണുന്നു.

The Public Accounts Committee (2016-2019) has considered Para Nos. 82 & 83 of the 88th report of the Public Accounts Committee (2008-2011) during their sitting on 19-4-2018. The Committee recommended to summon and examine the concerned file from the authorities of Pariyaram Medical College regarding the construction of Medical College Hostel and to submit detailed report.

As per the above recommendation, the concerned files of the Pariyaram Medical College have been obtained and the same have been examined on 25-6-2018. The facts revealed during the examination are as follows.

(a) Since the ground proposed for the construction was not suitable, the work site has been shifted to a slanting surface for reducing the cost of construction. The soil on the site is hard nutrient. The site was shifted to a slanting surface to minimize the cost, since blasting was required.

(b) The construction work has been completed within the estimated amount in the agreement.

(c) The arbitration case between M/s. Blue Chip Construction Company and the institution has been settled.

V. D. SATHEESAN,

Chairman,

Committee on Public Accounts.

Thiruvananthapuram,
20th January, 2021.