

TWELFTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE
ON
PUBLIC ACCOUNTS
(2006-2008)**

FORTY SEVENTH REPORT

(Presented on 17th March, 2008)



SECRETARIAT OF THE KERALA LEGISLATURE
THIRUVANANTHAPURAM
2008

TWELFTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE
ON
PUBLIC ACCOUNTS
(2006-2008)**

FORTY SEVENTH REPORT

On

**Paragraphs relating to Social Welfare, Home, Revenue and Finance
Departments, contained in the Reports of the Comptroller and
Auditor General of India for the years ended 31st March 1999
No. 3 (Civil), 31st March 2003 (Civil), 31st March 2004
(Civil) and 31st March 2005 (Civil)**

CONTENTS

| | <i>Page</i> |
|--|-------------|
| Composition of the Committee .. | v |
| Introduction .. | vii |
| Report .. | 1 |
| Appendices : | |
| I. Summary of Main Conclusions/Recommendations .. | 26 |
| II. Notes furnished by the Government .. | 36 |
| III. Letter No. 12508/C1/06/SWD. dated 13-2-2007 received from the Secretary, Social Welfare (C) Department .. | 57 |

COMMITTEE ON PUBLIC ACCOUNTS (2006-2008)

Chairman :

Shri Aryadan Muhammed

Members :

Shri C. T. Ahammed Ali

» Alphons Kannanthanam

» P. Jayarajan

» K. M. Mani

» K. P. Mohanan

» C. K. P. Padmanabhan

» M. Prakashan Master

» Thiruvanchoor Radhakrishnan

» N. Rajan

» A. K. Saseendran

Legislature Secretariat :

DR. N. K. Jayakumar, Secretary

Smt. Elizabeth Joseph. T., Special Secretary

Shri J. Unnikrishnan Nair, Deputy Secretary

Smt. A. Achamma, Under Secretary

INTRODUCTION

I, the Chairman, Committee on Public Accounts, having been authorised by the Committee to present this Report on their behalf, present the Forty Seventh Report on paragraphs relating to Social Welfare, Home, Finance and Revenue Departments contained in the Reports of the Comptroller and Auditor General of India for the years ended 31st March 1999 No. 3 (civil) 31st March 2003 (civil), 31st March 2004 (civil) and 31st March 2005 (civil).

The Reports of the Comptroller and Auditor General of India for the years ended 31st March 1999 No. 3 (civil), 31st March 2003 (civil), 31st March 2004 (civil) and 31st March 2005 (civil) were laid on the Table of the House on 31st March 2000, 28th June 2004, 20th July 2005 and 16th February 2006 respectively.

The Committee considered and finalised this report at the meeting held on 11th March 2008.

The Committee place on record their appreciation of the assistance rendered to them by the Accountant General in the examination of the Audit Reports.

Thiruvananthapuram,
17th March, 2008.

ARYADAN MUHAMMED,
Chairman,
Committee on Public Accounts.

REPORT

SOCIAL WELFARE, HOME, REVENUE & FINANCE DEPARTMENT

AUDIT PARAGRAPH

Implementation of National Old Age Pension Scheme

Due to delay in identifying beneficiaries Central assistance of Rs. 22.98 crore for the very poor segment of the society could not be availed of.

Government of India (GOI) introduced (August 1995) the 100 per cent Centrally Sponsored Scheme "National Social Assistance Programme", comprising three components, viz., National Old Age Pension Scheme (NOAPS) National Family Benefit Scheme and National Maternity Benefit Scheme. The State Government (Government) accorded (December 1995) sanction to implement all the three components from November 1995. The component NOAPS envisaged payment of a monthly pension of Rs. 75 each to the destitutes of and above the age of 65. GOI also fixed the ceiling on the total number of beneficiaries of old age pension for Kerala at 144,500 for which Central assistance would be provided.

The old age pension scheme already in existence in the State was merged with NOAPS. State Government decided to pay Rs. 25 per month (enhanced to Rs. 35 per month with effect from 1st August 1996) to the destitute pensioners, in addition to the Central assistance of Rs. 75. The District Collectors (DCs) are the nodal officers for the implementation of NOAPS and they are responsible to give wide publicity to the scheme. Audit scrutiny revealed that during the first year of implementation of the scheme (1995-96) the coverage was only 23 per cent and even after four years in 1998-99 the Government could cover only 89 per cent of the targeted beneficiaries as shown below :

| <i>Year</i> | <i>Target (No. of Beneficiaries)</i> | <i>Achievement (No. of pensions sanctioned)</i> | <i>Percentage of achievement</i> |
|-------------|--------------------------------------|---|----------------------------------|
| 1995-96 | 144500 | 33209 | 23 |
| 1996-97 | 144500 | 63483 | 44 |
| 1997-98 | 144500 | 96256 | 67 |
| 1998-99 | 133800 | 118974 | 89 |

During 1995-96, assistance under NOAPS was not given to even the then existing 56806 beneficiaries of the State's old age pension schemes. A test check

of records of five District Collectorates, revealed retention of huge scheme money (Rs. 3.59 crore) in 5 districts as on March 1999. The following irregularities were also noticed: (i) delay in various stages in identifying beneficiaries and sanctioning pensions to them (ii) absence of prescribed procedure for maintenance of records (iii) absence of effective checks by the District Collectors to verify the records relating to sanction and payment of pensions by the panchayats (iv) issue of utilisation certificates by the District Collector to the Government of India without ascertaining actual disbursement of pension.

Government attributed (June 1999) the shortfall in coverage mainly to the inexperience of the officers, the availability of pension scheme to several sectors of the employees and the time-consuming guidelines/procedures prescribed for processing the applications. Thus, due to the inability of the State Government to identify sufficient number of beneficiaries under the scheme, especially in the early stages and to streamline procedures resulted in non-availing of Central assistance of Rs. 22.98 crore during 1995-99 for the implementation of the scheme.

[Paragraph 3.19 contained in the Report of the Comptroller and Auditor General of India for the year ended 31st March 1999 (No. 3) Civil]

Notes furnished by the Government on the above audit paragraph is included as Appendix II.

Under the National Social Assistance Programme introduced by Government of India in 1995, the number of beneficiaries of age old pension was fixed at 144,500 and Central assistance was provided for the same. The Committee noticed that even in 1998-99 (i.e. after four years of implementation of the scheme), Government could achieve only 89% of the targeted beneficiaries resulting in loss of central assistance of Rs. 22.98 crore. The Committee enquired about the reasons for the huge loss.

2. The witness, Secretary, Social Welfare Department replied that even before the introduction of the National Social Assistance Programme by the Central Government, State had an old age pension scheme and there were 56809 beneficiaries under the scheme. Eventhough the Central Government scheme was sanctioned in 1995, the number of beneficiaries were less in 1995-96 due to lack of proper awareness and publicity. In the succeeding years also, the target could not be achieved due to the inability in giving effective public awareness.

3. The Committee observed that if the number of beneficiaries were reviewed each year and the result monitored, the percentage of achievement

could have been increased by taking appropriate action. The Committee held the government and the District Collectors responsible for the lapse and enquired why proper steps were not taken to distribute the pension for the deserving persons.

4. The witness deposed that as per the Government of India guidelines, a person who was above 65 years and whose yearly income did not exceed Rs. 11,000 only was eligible for the pension. Low income category was decreasing day by day and hence the number of beneficiaries were also on the downward.

5. Since the income ceiling has been raised to Rs. 22,000 by the Government for all other benefits, the Committee observed that the same criteria should apply to this pension also and directed the Department to verify the same.

6. When enquired whether Government had issued any direction to the District Collectors to conduct monthly, quarterly, half yearly or annual review in the matter, the witness answered in the negative. As per the report of the District Collectors, pension was given to all applicants. Since the age prescribed was 65 years, the number of applications were declining. Eventhough the number of beneficiaries for the year 2004-05 was 131345, it was 127282 in 2005-06.

7. The Committee desired to have a detailed report regarding the central assistance received during 2002-03 to 2004-05, the amount disbursed and the present position in the matter and the witness agreed to furnish the same.

8. On enquiring whether Finance Department had any objection if Social Welfare Department was vested with a direct control in the disbursement matters, the concerned officer replied that if the fund was included in the Demand of Social Welfare Department, then there would be no objection.

Conclusions/Recommendations

9. **The Committee finds that eventhough the National Old Age Pension Scheme (NOAPS) was introduced by Government of India with the good intention of lending a helping hand to the destitutes of and above the age of 65, the target could not be achieved by the State Government due to the inability in identifying the beneficiaries and failure in giving sufficient publicity for the scheme resulting in loss of central assistance to the tune of Rs. 22.98 crore. The Committee, from the additional information furnished by Government vide letter No. 12508/C1/06/SWD dated 13-2-2007 (included as Appendix III) notes**

with dismay that even in 2006, Government could not achieve the targeted number of beneficiaries. The Committee observes that being the Nodal Officers for the implementation of the Scheme the District Collectors were vested with the responsibility for giving wide publicity to the scheme. The Committee is of the opinion that, had the achievement being monitored each year by the District Collectors, such a state of affairs could have been avoided.

10. The Committee understands that the funds under the scheme are made available by the District Collectors to the local bodies and payments are effected by them. However, no action is seen taken by the District Collectors to verify the records relating to payment of pension before issuing utilisation certificates. Hence the Committee recommends that necessary directions be given to the district collectors to conduct a periodical review regarding the implementation of the scheme and take necessary steps to see that the pension reaches the hands of all deserving persons.

11. The Committee notes that as per the GOI guidelines, pension under the scheme can be sanctioned only to a person who is above 65 years of age and whose yearly income does not exceed Rs. 11,000. Since it is disclosed by the witness that low income category is decreasing day by day, the Committee recommends that the Government should examine the feasibility of increasing the income ceiling to Rs. 22,000 per annum for entertaining applications under NOAPS as adopted in many other welfare schemes.

AUDIT PARAGRAPH

Prevention and Control of Fire

Introduction

Kerala Fire and Rescue Services (KFRS), responsible for protecting and safeguarding the lives and property of the people of the State in the event of an outbreak of fire and other emergencies, is governed by the Kerala Fire Force Act, 1962. A standing Fire Advisory Committee (SFAC) advises KFRS on matters relating to fire Service organisation and advancement of Fire Services.

Scrutiny of the functioning of the department was conducted during December 2002—May 2003 with reference to the records of Commandant General, KFRS Headquarters at Thiruvananthapuram, all the three divisions (Thiruvananthapuram, Ernakulam and Kozhikode) and 18* out of 67 Fire and Rescue Stations (FRS) in 12 districts and the training centre at Fort-Kochi for the period 1998-2003. The findings are contained in the succeeding paragraphs.

-
- | | | |
|------------------|-------------------|-----------------|
| *1. Chengalchula | 7. Adoor | 13. Thodupuzha |
| 2. Neyyattinkara | 8. Changanasserry | 14. Meenchantha |
| 3. Vizhinjam | 9. Gandhinagar | 15. Vadakara |
| 4. Attingal | 10. Mattancherry | 16. Thalassery |
| 5. Karunagapally | 11. Aluva | 17. Tirur |
| 6. Kayamkulam | 12. Chalakkudi | 18. Shoranur |

Fire Prevention

Under the provisions of Kerala Fire Force Act, 1962 KFRS is required to ensure the minimum standards of fire prevention and fire safety measures as are necessary in accordance with the Building Rules, in multi-storied buildings more than 15 metres high and for special buildings like cinema halls, institutional and industrial buildings and other buildings where assembly of people takes place. However, draft proposals sent to Government in November 2001 for the enactment of Kerala Fire Prevention and Safety Act and Rules, were pending with the State Government (March 2003).

As per standing orders issued in September 1997, the department had evolved a procedure for issue of no objection certificate in respect of high rise buildings for "Site for construction" and a final NOC for "Occupation of Building" in the municipal areas. During the five years 1998-2003, the department had issued 1367 site NOCs and 689 building NOCs for which the revenue realised was Rs. 99.75 lakh during 2001-2003.

The department had not built up a database of high rise buildings in the State by interacting with Urban Local Bodies or Development Authorities leaving a good number of high rise buildings uncovered under the licensing regime of the Department. Periodical inspections of high rise buildings, after issue of the final NOCs, had not been conducted to ensure that the installations were intact and buildings were fully equipped to withstand fire incidents.

The fire incident reports prepared by KFRS under the category electrical short circuit were not factual. Out of 345 fire incidents attributed to short circuit of electricity during 2002-2003 by the KFRS, only 47 cases were confirmed by the Electrical Inspectorate as attributable to this cause.

Under the Kerala Fire Force Act, the State Government was required to frame rules for various purposes enshrined in the Act. But the department had not framed the Rules nor initiated any action in this regard as of March 2003.

The department neither had a Manual for fire operations nor a system for fire audit for future guidance.

Fire Fighting

The SFAC directives and departmental instructions require location of FRS in such a way as to ensure a response time of maximum 5 minute to any area covered by the fire station and 3 minutes in respect of all high fire hazards and closely built up areas. Scrutiny of records revealed that :

Fire Management

During 1998-2003 fire calls ranging from 3540 to 5107 and other calls ranging from 2361 to 3250 were attended to by KFRS annually. The major fire prone areas were rice mills, rubber manufacturing units, gas & electrical units, timber depots etc., and major causes of accidents were careless smoking, electrical short circuit, open fire from stoves in kitchen etc. The loss of property and number of deaths recorded in these incidents were Rs. 82.02 crore and 1237 respectively.

Fire incidents reported and attended, property lost and human lives lost during 1998-2003 in respect of 18 FRS test checked were 5048, Rs. 16.23 crore and 70 respectively. The valuation of the property lost was done by the fire station staff who were not qualified or trained in the job and hence the authenticity of the amount could not be relied upon.

Analysis of 26 specific fire incident reports revealed several drawbacks like non-utilisation of all the available vehicles and personnel in major incidents, lack of effective technology for dealing with chemical and industrial fires, heavy loss of property despite use of all the resources, etc. The fire incident reports did not disclose significant information on human or mechanical lapses in prevention of fire.

Test-check of the reports received by the Commandant General and State Government revealed that no evaluation of fire incident reports received by them was done nor instructions/methodology to be adopted in future to contain fire effectively and to save lives and properties, etc., were issued as required.

Response Time

Test-check of 5048 fire reports of 18 FRS revealed that in 16 FRS 1898 numbers of fire incidents had occurred in places within distances ranging from 10 to 72km of the FRS. Hence it was evident that the response time of 3-5 minutes prescribed could not be adhered to in these cases.

Fire and Rescue Stations

As per SFAC guidelines, the State Government was expected to provide fire service cover for every place with a population of 50,000. As against the requirement of 145 FRS, only 67 FRS were in existence on 31st March 2003. Average population served by each FRS in the districts varied from 2.7 lakh to 7.9 lakh, the State average being 4.5 lakh people per FRS. As many as 60 out of the 67 FRS were in the urban areas with a population of 83 lakh and only 7 were in rural areas with a population of 236 lakh.

Considering the necessity of FRS Government sanctioned (between July 1990 and April 1999) construction of 13 FRS buildings, of which 12 buildings were completed as of March 2003. There was however a delay of 1-10 years in the construction and establishment of these FRS.

Inadequacy of equipment at Fire and Rescue Station

Non-utilisation of GIC loans and GOI funds

Government of Kerala obtained a loan of Rs. 17.75 crore (at rates of interest ranging from 9.75 to 13 *per cent*) from General Insurance Corporation (GIC) during 1993-2002 to procure fire fighting equipment and construction of fire station buildings, to be utilised within six months from the date of drawal in each case. However, out of Rs. 17.75 crore, only Rs. 1.86 crore was spent by KFRS as of March 2003 and Rs. 15.89 crore remained unutilised.

Rupees 6 crore, received from Government of India as financial assistance for construction of FRS as per awards of Tenth and Eleventh Finance Commissions was placed at the disposal of Public Works Department (PWD) during 1998-2003 for construction of 17 FRS buildings. It was observed that PWD had spent Rs. 3 crore for construction of 10 out of the targeted 12 FRS. The department stated (August 2003) that out of the remaining five cases, work was started in respect of three FRS, one work had since been tendered and land in respect of another was handed over to PWD.

Pumping Units

The yardstick prescribed was one pumping unit* for a population of 50,000. In the 60 FRS in urban area there were 70 pumping units cover 83 lakh population against the requirement of 166 units, as per yardstick. The available pumping units were therefore insufficient for optimum coverage for urban as well as rural population. Thus, it was evident that there was huge shortage of pumping units in the FRS in urban areas on one hand while on the other nearly 90 *per cent* of GIC loan was not utilised for several years.

Equipment

As against the requirement of 145 water tenders as per norms, the department possessed only 137 tenders, of which, 19 were out of commission. Fifteen out of 95 portable pumps, four out of 23 trailer pumps and three out of 15 crash foam tenders were out of commission as of March 2003. In 10 out of 18 FRS test checked, it was found that different types of pumps, tenders, turn tables, ladders, etc., acquired at cost ranging from Rs. 0.50 lakh to Rs. 42 lakh each and rendered unserviceable during the period between July 1995 and

* A pumping unit is as self propelled motor fire engine or a tractor fire pump complete with towing vehicle.

December 2002 still remained to be replaced. Even though Government had accorded sanction in July 1998 for the purchase of 16 water tenders for eight new single unit FRS, the equipment had not been purchased due to non finalisation of design, drawing and fabrication and tender procedures (March 2003).

Overaged Vehicles

As per SFAC norms, maximum life span of a firefighting vehicle is 5000 hours of operation or 10 years, whichever is earlier. Out of 179* vehicles in the 67 FRS as of March 2003, as many as 113 (63 *per cent*) were over 10 years old. Out of this, 47 were between 10 and 15 years and 66 were over 15 years old.

Ladders

It was noticed that none of the 18 FRS test checked had 50 to 60 feet fire escape and hook ladders for use in extinguishing fire in buildings with two or more upper floors.

KFRS had a Turn Table Ladder (TTL) and a Snorkel** to combat fire in high rise buildings. Snorkel was allotted to Ernakulam whereas TTL which was off the road from July 1995 was retained in Thiruvananthapuram. Action taken to get the TTL repaired (August 2000) was not successful. As a result, there was only one vehicle in the State to combat fire in high rise buildings. The arrangement for fire fighting in high rise buildings was therefore grossly inadequate.

Water Sources

The source of water supply available for fire fighting were hydrants, static water tanks, canals, ponds, rivers, etc.

It was noticed that 29 FRS had no hydrants of any specification. In the 18 test checked FRS, only 111 out of 354 hydrants installed were in working condition, the percentage of unserviceable hydrants varied from 23 to 100. In six of the FRS, (Neyyattinkara, Gandhinagar, Mattanchery, Meenchantha, Thalassery and Tirur) none of the fire hydrants were in working condition. The unserviceable condition of the fire hydrants was noticed during the departmental inspections conducted between October 1995 and November 2002. In the absence of regular quarterly inspections, the actual date from which the hydrants had gone unserviceable could not be ascertained.

In Mattanchery FRS all the 17 static tanks were damaged and not usable whereas in Thalassery FRS only one out of ten was usable. Department stated

* Water tenders (137), Crash foam tenders (15), Industrial tenders (11), Emergency tenders (16)

** Snorkel-Tall ladder mounted on a vehicle for fire fighting in high rise building.

(August 2003) that a number of major fire hydrants were buried on the roads at the time of widening and tarring due to lack of co-ordination among Water Authority, PWD and the Fire and Rescue Department.

Man Power Analysis

Operational staff

The men in position of operational staff as of January 2003 in the 67 FRS were only 1318 as against the sanctioned strength of 1793, the percentage of shortfall being 26. In 10 of the test checked FRS, shortage of firemen (80) with reference to sanctioned strength (251) ranged from 25 to 42 *per cent*. Maximum shortage of 42 *per cent* was noticed in Changanacherry and Chalakkudi FRS.

Government sanctioned one clerk each for all FRS to attend to clerical work of the station. But as all of them were deployed at Assistant Divisional Officer's (ADO) office at district headquarters on full time working arrangement, clerical duties had to be assigned to one fireman at each FRS designating him as Station Writer. This resulted in shortage of one fireman at each FRS for fire fighting operation. As against the requirement of 201 driver mechanic, 65 are in position. In 5 FRS no Driver Mechanic is in position.

Lack of adequate staff quarters

As "continuous duty system" was in vogue in KFRS, all personnel in a fire station were required to stay on the premises of FRS, 378 staff quarters available in the Department were, however, confined to 19 of the 67 FRS.

Non establishment of departmental workshop and delay in repairing of vehicles

KFRS did not have a central workshop or regional workshops. The repairs and maintenance works of the defective fire fighting equipment were got done through outside agencies and the payment made towards repair charges during 1998-2003 was Rs. 1.12 crore.

Inordinate delay ranging from 1 to 4 years was noticed in the repair of vehicles in private workshops. 6 vehicles of 5* FRS, which went off the road during December 1998 to January 2001 and docked for repairs, still remained to be returned by the workshops (March 2003). The delay was attributable to cumbersome administrative procedures and non-availability of funds.

Monitoring

As per standing orders, the Divisional Officer was required to inspect all FRS under his jurisdiction once in a year.

| | | | |
|----------------|-------------------|-------------|------------------|
| * Gandhi Nagar | - 2 crash tenders | Meenchantha | - 1 crash tender |
| Vadakara | - 1 water tender | Shoranur | - 1 water tender |
| Karunagappally | - 1 water tender | | |

During 1998-03 in the Northern Division with 24 FRS, five stations were not inspected and only one inspection was conducted in 14 stations. In Central Division with 19 FRS, seven stations were not inspected, 10 stations were inspected one and two stations were inspected twice during the period.

The Assistant Divisional Officer (ADO) was required to conduct field inspection of FRS once in six months. Out of 18 FRS test checked, ADO had not conducted any inspection in respect of two FRS (Mattancherry and Aluva) during 1998-03 and had conducted only one inspection in respect of three FRS each in the Northern and Central divisions. Only one FRS was inspected twice by him during the period.

Conclusion and Recommendations

The services of the department had not been effective due to inadequate number of FRS, vehicles, equipment and staff. Therefore it is recommended that :

- The State should be zoned in terms of fire hazard and adequate number of FRS set up in a phased manner properly equipped with vehicles, equipment and trained staff. Adequate numbers of FRS should be established as per SFAC norms.
- Enactment of Fire Prevention and Safety Act/Rules which has been pending from 1962 should be done on priority. Administrative procedures should be simplified so that loans specifically obtained for procurement of fire fighting equipment and construction of FRS buildings are used only for the intended purpose without delay.
- Periodic inspection of high rise buildings in cities to ensure monitoring of adequate fire safety measures should be done.
- Fire audit and follow up after every major fire incident should be made a statutory obligation.
- Internal control system should be strengthened by regular inspections and monitoring of the FRS.

The above points were referred to Government in July 2003; reply has not been received (December 2003).

[Paragraph 3.6 contained in the Report of the Comptroller & Auditor General of India for the year ended 31st March, 2003 (Civil)]

Notes furnished by Government on the above audit paragraph is included as Appendix II.

12. The Committee observed that Government was showing total neglect towards Kerala Fire and Rescue Services (KFRS) inspite of their applaudable service to the people.

13. Agreeing to the observation the witness, Principal Secretary, Home Department informed that the meagre budget allotment for the wing disabled them from purchasing even the equipments that were utmost essential for their day to day affairs.

14. The Committee sought to clarify whether a prescribed fee could be collected from cinema halls and like establishments for the services rendered to them.

15. The witness replied that it was impracticable and would lead to unnecessary legal complications.

16. The Committee found no justification for the failure on the part of the Department in framing rules under the Kerala Fire Force Act, 1962 and enquired about the reason for the delay in framing rules, there under.

17. The witness could not give a satisfactory reply in the matter and informed that a Committee has been set up for the purpose under the Chairmanship of the fire force director and they were expected to submit the draft rules within three months. The witness then called the attention of the Committee to the absence of a penal provision in the Act which curtails them from enforcing the various provisions. Eventhough the prescribed precautionary measures were not seen taken by almost all the owners of high rise buildings, no action could be taken against them and all the work done in this regard became futile. The witness also enlightened the Committee of the grave situation that has arisen due to the non conduct of inspections as envisaged in the Act on account of insufficient manpower.

18. The operative part of an Act being the Rules, the Committee emphasized the importance of the preparation of the same and directed the Department to expedite the action taken in this regard so that the many problems now being faced by the KFRS could be put to an end.

19. On an enquiry regarding the method adopted by the KFRS in assessing loss to property, the witness replied that usually the section officer who attended the site of incident would assess the loss. He also informed that there was no prescribed norms for the assessment.

20. Considering the possibility of malpractice in the matter, the Committee stressed the need for fixing norms for the assessment and directed the Department to frame rules accordingly.

21. The Committee then desired to know the total number of Fire stations in the State and the number of stations where shortage of manpower is felt.

22. It was pointed out that out of 82 stations in the State, 6 Stations do not have necessary staff strength and in such stations redeployment of staff was done to ensure smooth functioning. More than 1000 vacancies have been reported to Public Service Commission and action was being taken by Public Service Commission to fill up the same.

23. The Committee underlined the need of acquiring sufficient equipments and staff for each fire station and urged the Department to initiate necessary action to make KFRS a well equipped wing.

24. Regarding para 3.6.4, the Committee criticised the Finance Department for not allotting financial assistance received from Government of India for KFRS in time resulting in under utilisation of the amounts sanctioned by GOI and GIC. Hence the Committee directed the Finance Department to furnish a detailed report regarding the loan assistance received from GIC (till date), the amount sanctioned to KFRS and the date/dates of allotment etc.

25. The Committee observed that the number of pumping units (70) with KFRS were insufficient and were much below the optimum requirement. Hence the Committee urged the Department to furnish the details regarding number of pumping units now available with the Wing and the present position of the action taken to raise the number of units as per the yardstick.

26. From the audit para, the Committee came to know that there was acute shortage of essential fire fighting equipments in the Wing. Since the allotment for maintenance and repairs was negligible, there was no timely maintenance of vehicles. The Committee also observed that 63% of the vehicles available with the Wing were not roadworthy.

27. The Committee recommended for more budget allotment and demanded the Department to forward within fifteen days, the details regarding the number of vehicles now available with the Wing, the number of vehicles to be replaced and the amount required for the repair and replacement.

28. Regarding para 3.6.5., the Committee suggested that if the fire hydrants were destroyed or damaged by works related to Public Works Department or Water Authority, then the loss should be made good from the Department concerned. Directions should also be given to the above departments to protect the hydrants from such works in future.

29. The Committee while examining para 3.6.7 came to know that inordinate delay occurred in the repair of vehicles in private workshops due to cumbersome administrative procedures and nonavailability of funds. In order to avoid such delay in future, the Committee urged the Department to simplify the procedures relating to the repair of specialised equipments and speed up the setting up of the three centralised workshops for which action has already been initiated.

30. The Committee also suggested that if the shortage of staff was the reason for the shortfall in conducting periodical inspections, then the Department should insist for more staff in accordance with the increase in the number of fire stations.

31. The Committee while stressing the need for the overall improvement and modernisation of KFRS, directed the Department to issue guidelines for the systematic conduct of fire audit and follow up after every fire incident.

Conclusions/Recommendations

32. The Committee wish to point out that Government is showing total neglect towards Kerala Fire and Rescue and Services (KFRS), a Wing that is rendering applaudable service to the society during fire outbreaks and other emergencies. The Wing cannot offer its service to the full extent, due to shortage of essential fire fighting equipments, vehicles and staff.

33. The Committee understands that periodical inspections of high rise buildings to check fire safety measures as envisaged in Building Rules are not being conducted after the issuance of final NOCs. The Department, in its reply has stated that periodical inspections could be conducted after obtaining Government sanction. The Committee desires to be informed whether periodical inspections of high rise buildings have since been conducted. The outcome of the inspections (in detail) should be furnished to the Committee.

34. The Committee finds that since the value of property lost on account of fire incidents is assessed by fire station staff who are not trained in the job, the veracity of the amount could not be relied upon. At present there are no specific norms to assess loss to property. Hence the Committee recommends to incorporate specific guidelines for the same in the Fire Manual which is under preparation.

35. The Committee notices that penal provisions in the Kerala Fire Force Act could not be enforced due to the absence of specific Rules in this regard. Hence the Committee is of the opinion that the Rules under the Kerala Fire Force Act should be framed without further delay.

36. The Committee sees that fire incident reports did not contain significant information on fire prevention and they were not properly evaluated by the Commandant General as required. The Committee suggests that a detailed evaluation of the fire incident reports should be undertaken and effective methodology to contain fire incidents should be evolved. The Committee is of the opinion that fire audit and follow up after every major fire incident should be made a statutory obligation.

37. The Committee notes that Government has approved a priority list of 34 places where new fire stations are to be opened as per G.O.(Rt)No. 2060/03/ Home. dated 28-10-2003. Since 4 stations have already been opened, the Committee desires to be informed of the present status of the remaining 30 fire stations.

38. The Committee finds that Government had obtained a loan of Rs. 17.75 crore from GIC during 1993-2002 for purchasing fire fighting equipments and constructing fire station buildings. Eventhough the loan was to be utilised within six months from the date of drawal in each case, only Rs. 1.86 crore was spent by KFRS as of March 2003 and Rs. 15.89 crore remained unutilised. The Committee suspects that the delay in allotting the loan amount to KFRS might be the reason for the underutilisation of the loan amount and the delay might have occurred with Finance Department. The Committee opines that such unjustifiable delay on the part of Finance Department cannot be excused and opines that repetition of such incidents should be avoided in future. The Committee learns from the Government reply that a lion's share of the loan have since been utilised for the purpose for which it was availed. The Committee would like to know whether any loan has been availed from GIC for KFRS after 2002 and if so the details of amount sanctioned to KFRS and the amount to be sanctioned, should be furnished to the Committee. The purpose for which the loan has been utilised should also be intimated to the Committee.

39. The Committee notes that the number of pumping units available with KFRS in 2003 is far below the optimum requirement (i.e. 70 pumping units against the required 166 units). The Department has stated that action is in progress for raising the number of pumping units as per the yardstick. The Committee desires to be informed of whether the required number of pumping units have been acquired for KFRS.

40. The Committee notices that the Department has initiated action to replace the over aged vehicles. The outcome of the action taken should be intimated to the Committee. The Committee finds that only one vehicle is now available with KFRS to prevent fire accidents in high rise buildings which is

grossly inadequate. The Committee desires that at least three such vehicles be made available in the State (one each in Thiruvananthapuram, Ernakulam and Kozhikode). The Committee urges the Department to intimate the present position of the action taken to purchase 50 to 60 ft. extension ladders.

41. The Committee is given to understand that most of the fire hydrants have become nonfunctional due to widening and tarring of roads and neither the Public Works Department nor Water Authority has taken any precautionary measures to protect the hydrants from damages. Underlining the necessity for a co-ordination among Water Authority, PWD and KFRS, the Committee suggests that the three Wings should take a combined effort to see that fire hydrants are not destroyed during works in future. The Committee also suggests that in future if fire hydrants are damaged during the course of any work, the repairing charges should be realised from the Department responsible for the same.

42. The Committee understands that since continuous duty system is prevailing in KFRS, all personnel in a fire station is required to be stayed in the premises of the FRS. Sufficient number of staff quarters should be built attached to all Fire and Rescue Stations. The Committee desires to know whether the family quarters already completed have been allotted for occupancy. The present position of the quarters nearing completion in various Fire and Rescue Stations should also be intimated to the Committee.

43. The Committee urges the Department to intimate the present position of the proposal for establishing the three centralised workshops. The Committee suggests that positive steps should be taken by the Government for modernising KFRS.

AUDIT PARAGRAPH

Non-occupation of Police quarters for want of basic amenities

Seventy two quarters constructed for police personnel at a cost of Rs. 2.45 crore remained unoccupied for over two years

Government entrusted (April 1996) construction of building for Police under Tenth Finance Commission awards to the Kerala Police Housing and Construction Corporation Limited (KPHCC), a Government company. Under the scheme, 36 units of family type quarters were constructed (June 2000) at Keezhariyoor in Koyilandy taluk of Kozhikode district at a cost of Rs. 1.14 crore. Another 36 quarters were also constructed (January 2001) under the scheme at Mylapra in Pathanamthitta district at a cost of Rs. 1.31 crore.

Though the quarters in Kozhikode and Pathanamthitta were handed over to the department by KPHCC in December 2000 and January 2001 respectively, the department could not provide water connection and approach roads as of March 2003. Thus 72 quarters constructed at a cost of Rs. 2.45 crore remained unoccupied even two years after take over due to failure of the department to provide the necessary basic amenities. The department is also incurring an avoidable expenditure of Rs. 0.13 lakh per month towards House Rent Allowance to the police personnel who would have been allotted these quarters, besides loss of revenue due to non-collection of license fee on these quarters.

Government stated (June 2003) that sanction was accorded for purchase of land for construction of approach road at Keezhariyoor and that all the 36 quarters at Mylapra had been allotted to police personnel. The fact remains that the delay of over 5 years in granting sanction by Government for acquisition of land sought by Director General of Police in August 1997 was the primary reason for the inordinate delay in allotting completed quarters at Keezhariyoor. Further, as per report of Superintendent of Police, Pathanamthitta, 9 quarters at Mylapra remained unallotted even in July 2003 and the facility for water supply was inadequate.

[Paragraph 4.5.2 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March 2003 (Civil)].

Notes furnished by Government on the above audit paragraph is included as Appendix II.

44. The witness explained that scarcity of drinking water was the main reason for the non-occupation of 36 quarters constructed in Koyilandy taluk of Kozhikode district. Pipeline work was in progress but the 10 kg. pipe that was required for the work was not available in the markets. Hence the manufacturers of 10 kg. pipes have been requested to supply the same. Acquisition of land has been completed for the construction of the approach road. The 36 quarters constructed in Mylapra were being occupied by the allottees.

45. The Committee pointed out that inordinate delay of 5 years in granting sanction by Government for acquisition of land for approach road sought by the then DGP in 1997 was the main reason for the delay in allotting quarters at Keezhariyoor. The Committee desired to know the authority responsible for the delay and the present position of the construction of the approach road.

Conclusion/Recommendation

46. The Committee criticised the action of the Government in acquiring the land at Keezhariyoor without ascertaining the availability of basic amenities like drinking water, approach road etc. The Committee finds that there was inordinate delay on the part of the Government in granting administrative sanction for acquisition of land for constructing the approach road and that delay was the main reason for the delay in allotting the quarters at Keezhariyoor. Hence the Committee urges the Department to intimate the authority responsible for the delay and desires that responsibility be fixed against the delinquents. The action taken in this regard should be intimated to the Committee. The Committee also desires to be informed of the present position of the construction of the approach road. The Committee also desires to be informed of whether the 36 quarters at Keezhariyoor have been allotted to police personnel.

AUDIT PARAGRAPH

Non-utilisation of River Management Fund

District Collectors did not undertake river bank protection works though Rs. 37.65 crore was available in the River Management Fund

River sand is an essential raw material for building construction. The indiscriminate and uncontrolled removal of sand from the rivers causes large scale river bank sliding and disturbs the biophysical environment system of the rivers in different degrees. To ensure protection of river banks, Government set up a River Management Fund in November 1998. Subsequently, Government enacted the Kerala Protection of River Banks and Regulation of Removal of Sand Act, 2001 (Act) and notified the related Rules in April 2002 (Rules).

According to the Rules, the corpus of the Fund consisted of fifty per cent of the amount collected by the Local Self Government Institutions through sale of sand, grants given by Government, donations or contributions from public or from non-governmental agencies, penalties imposed under the Act, etc. The District Collector (DC) was responsible for maintaining and operating the Fund. The District Expert Committee (DEC) with the approval of Government was to implement the River Bank Development Plan for establishing, co-ordinating and protecting river banks within the district.

During the period 1998 to 2003 (as of 31 December 2003) the amount of Rs. 38.58 crore received by the 14 DCs were deposited in the Treasury Public (TP) Accounts. Out of this Rs. 0.93 crore were spent by the 11 DCs towards fuel charges, hiring of speed boats, etc., and the balance of Rs. 37.65 crore was

retained in the TP accounts. Though Government approved the plan in four districts[@] the protection work was taken up only in Pathanamthitta district as of January 2004. In six districts[#] plans were pending approval by Government and in four districts[§] plans were under preparation.

Despite availability of funds DEC's under the Chairmanship of District Collectors failed to formulate and implement riverbank protection works even after a lapse of two years. Government also failed to monitor and ensure timely utilisation of the funds collected for the intended purpose. Considering the serious deterioration caused to riverbanks and biophysical environment system of rivers, Government need to set up an effective internal control mechanism to monitor implementation of such schemes meant to prevent ecological disasters.

The matter was referred to Government in April 2004, reply has not been received (November 2004).

[Paragraph 4.5.6 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March 2004 (Civil)].

Notes furnished by Government on the above audit paragraph is included as Appendix II.

47. The Committee observed that eventhough the river management fund was to be used for the protection of river banks, Government has failed miserably to undertake and implement river bank protection works eventhough Rs. 37.65 crore was available as the fund. When enquired about the details regarding the receipt and disbursement of the Fund the witness, Principal Secretary, Revenue Department informed the Committee that out of the total receipt of Rs. 80 crore 80 lakhs, Rs. 33 crore 77 lakhs were spent for the protection of river banks and for the payment of Travelling Allowance and Dearness Allowance to non official members. Rs. 33 crore was spent for undertaking projects in 8 districts.

48. The Committee directed the Department to furnish a detailed report regarding the projects for which the fund was utilised, the amount spent for Travelling Allowance and Dearness Allowance and the reason for the non-utilisation of the balance amount. The Committee then enquired about the present position of the projects pending completion.

49. The witness deposed that no works were pending with the Central Committee. The District Committees set up in 2002 ceased to function due to the expiry of their term. Action was being taken to reconstitute the District Committees within a week.

[@] Kottayam, Wayanad, Pathanamthitta and Malappuram

[#] Kollam, Alappuzha, Ernakulam, Thrissur, Palakkad and Kozhikode

[§] Thiruvananthapuram, Idukki, Kasaragod and Kannur

50. The Committee desired to have the details regarding the number of projects sanctioned by the Central Committee, the number of projects rejected and the reasons for the same and the present position of the sanctioned projects. The Committee also stressed the need for giving preference to works to be undertaken for the protection of the rivers from which sand was mined.

51. The Committee also urged the Department to furnish within two weeks the details regarding the number of works undertaken in each district the number of works completed, the works pending completion and the total expenditure incurred in this regard.

Conclusions/Recommendations

52. **The Committee observes that the District Expert Committees under the chairmanship of District Collector have miserably failed to implement riverbank protection works in time, despite the availability of funds. The Committee disagrees with the Government reply that the delay in clearance of schemes was to ensure appropriate and effective utilization of funds. The Committee opines that inordinate delay has occurred in the constitution of the High Level Committee at state level which is empowered to scrutinize work proposals in detail before issuing administrative sanction. The Committee understands from the Government reply that the State Level Committee has cleared proposals for the riverbank development programmes in all the 14 districts. The Committee requires the Department to intimate the details regarding the number of works undertaken in each district, the works already completed, the works pending completion and their present position and the total expenditure incurred in this regard.**

53. **The Committee also desires to have the details regarding the number of projects sanctioned by the Central Committee, the number of projects rejected and the reasons for the same and the present position of the sanctioned projects.**

54. **The Committee finds that the District Expert Committees have not been constituted in all districts since the expiry of their term in 2005. The Committee was informed that action was in progress for setting up District Expert Committees. The Committee urges the Department to inform whether District Expert Committees have been constituted in all districts.**

AUDIT PARAGRAPH

Overpayment of pension and family pension

Improper maintenance of accounts and ineffective control mechanism in the Public Sector Banks led to overpayment of Rs. 44.88 lakh

The scheme for payment of pension to the Kerala State Pensioners through the Public Sector Banks (PSBs) was introduced from 1 December 1984.

The PSBs were required to maintain pension payment accounts properly showing the relevant information such as Pension Payment Order number, amount commuted, residual pension payable, period up to which enhanced family pension was payable, updating of family pension while revising the pensionary claims, etc.

Scrutiny of records during November 2003 and April 2005 relating to payment of pension and family pension through 60 paying branches of six PSBs[#] in eight^{*} districts revealed improper maintenance of pension payment accounts, resulting in overpayment of pension and family pension aggregating Rs. 44.88 lakh between 1999 and 2004 as detailed below:

- According to the Kerala Service Liberalized Family Pension Scheme, enhanced family pension equivalent to 50 per cent of the basic pay last drawn subject to a maximum of twice the family pension was admissible for a period of seven years from the date of death or till the date on which the employee would have reached the age of 62 years whichever period is shorter, and at ordinary rates thereafter. PSBs were required to maintain a register to watch the payment of enhanced family pension for the relevant period. It was, however, seen that the register of Payment of Pension, Index register, Disburser's portion of the pension Payment Orders and Payment scrolls were not maintained properly in the banks. Details of relevant entries such as basic pension, period up to which enhanced family pension was payable, reduced pension after commutation, etc. were not recorded in the Register of Payment of Pension by the banks and this resulted in overpayment of Rs. 41.10 lakh in 82 cases.
- Consequent on revision of pay scales of the Government employees with effect from 1st March 1997, pension and family pension was revised by consolidating the existing pension and family pension, dearness relief, interim relief and fitment benefit. It was noticed that the amounts of dearness relief, interim relief and fitment benefit were not reckoned correctly and revision of pension and family pension was made wrongly in 18 cases resulting in excess payment of Rs. 2.75 lakh.
- According to the Kerala Service (Pension) Rules, if a pensioner commuted a part of his pension, the amount of pension should be

[#] State Bank of Travancore: 43, State Bank of India: 2, Canara Bank:1, Syndicate Bank: 9, Union Bank of India: 2, Indian Overseas Bank: 3

^{*} Kannur, Kozhikode, Malappuram, Palakkad, Thrissur, Pathanamthitta, Kollam and Thiruvananthapuram

reduced to that extent. Scrutiny revealed that the date of commutation of pension was not recorded in the Register of Payment of pension and in six cases commuted portion of pension was not reduced from the original pension, resulting in excess payment of pension of Rs. 1.03 lakh.

Thus, failure of the system to maintain pension payment accounts properly in the PSBs led to overpayment of Rs. 44.88 lakh; the PSB commenced recoveries on this being pointed out in audit.

Government stated (August 2005) that the matter was taken up with the PSBs concerned for necessary action.

[Paragraph 4.1.2 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March 2005 (Civil)].

Notes furnished by Government on the above audit paragraph is included as Appendix II.

55. The Committee observed that lack of effective control and supervision by Government had led to overpayment of pension by banks amounting to Rs. 44.88 lakh. Cases of overpayment of pension through treasuries were pointed out by Accountant General in their previous audit reports. The repetition of such incidents was a clear indication of the absence of effective control by Government in the matter. The Committee observed that the internal audit done by banks were ineffective and enquired about the reasons for the excess payment and the steps taken by Government to check such overpayments in future.

56. The witness, Principal Secretary, Finance Department agreed with the audit observation and replied that out of 3,50,000 pensioners of the State about 1 lakh receive pension through nationalised banks and the rest through treasuries. Now pension disbursement through treasuries were fully computerised and hence the pension payment accounts were up-to-date. Normally chances of malpractices in pension disbursing accounts were less. Errors in payment occur only when there was pension revision or when Dearness Allowance arrears were allowed. After 1997, pension was revised in 2006. Now pension revision was done in two stages to avoid possible errors in computation. Preliminary revision was done by treasuries and banks and the final revision was done by the Accountant General. Overpayment of pension pointed out by Audit occurred during the period from 1997 to 2004. Out of 82 cases pointed out by audit, majority occurred in various branches of State Bank of Travancore. Branch Managers of the concerned SBTs had been directed to

recover the excess amount from the pensioners and they have reported that necessary action had been taken to recover the same. In certain cases where excess payment amounted to Rs.1 lakh, orders have been issued to recover the amount in two or three instalments and in some cases within two to three years.

57. The Committee was dissatisfied with the reply and was concerned at the loss accrued to Government by way of interest in cases where lakhs of rupees were given as overpayment. The Committee desired to know the action taken by the Government to recover the interest on the overpayments.

58. The witness informed that Reserve Bank of India has been requested to issue guidelines in the matter and their reply is awaited. In the absence of any agreement between Government and banks regarding payment of interest, banks were not bound to pay interest on overpayments and Government could not insist on interest. Government was studying the situation that has arisen due to the failure by public sector banks in maintaining proper pension payment accounts and necessary action could be taken after the study.

59. The Committee wanted to know whether Government had taken any action to check overpayments made by banks other than those pointed out by Audit.

60. The witness, Principal Secretary, Finance Department informed the Committee that even though enquiries were not conducted in the matter, directions have been issued to all pension disbursing banks to take appropriate action to prevent such instances in future. He further stated that pension disbursement was done, through 500 branches of banks of which 400 were the branches of State Bank of Travancore. The pension disbursing accounts of all the branches have not been checked.

61. The Committee directed the Department to conduct a detailed enquiry into the pension payments made through the 400 branches of State Bank of Travancore and forward the report regarding the number of cases in which overpayments were detected and the amounts so far recovered.

62. The witness, Principal Secretary, Finance Department pointed out that banks usually forward a statement showing the expenditure incurred for disbursement of pension and the same would be reimbursed by Government and credited to the pension account. The statement does not disclose the individual particulars. Hence, it was very difficult to ascertain the amount given to each person at the time of revision.

63. The witness, Director of Treasuries explained that if Government enters into an agreement with the Banks to conduct audit of pension disbursement, then such instances of overpayment could be avoided to a great extent.

64. The Committee stressed the need for such an agreement and directed the Department to initiate action to recover the interest that accrued on overpayments from the concerned banks.

65. Regarding the overpayments made through treasuries, the Committee desired to have a detailed report regarding the number of cases of overpayments detected, the amount of excess payment, the amount recovered and the action taken to recover the balance amount. The Committee also directed to recover the interest on overpayments from the officer who had authorised the payment and the witness answered in the affirmative.

Conclusion/Recommendation

66. The Committee observes that lack of effective supervision by Government has led to overpayment of pension and family Pension by the Public Sector Banks (PSBs) to the tune of Rs. 44.48 lakh. From the Audit Para, the Committee understands that failure by PSBs to maintain pension payment accounts properly had led to the overpayment. The Committee finds that the internal audit done by the banks were ineffective to check the overpayment and the absence of any agreement between Government and banks regarding payment of interest, banks were not bound to pay interest on overpayments. The Committee desires to know the amount that has been recovered so far from the excess payment and the steps taken to ensure non occurrence of such incidents in future. The Committee also urges the Department to inform the action taken to ascertain the overpayments in Banks other than those checked by Audit.

AUDIT PARAGRAPH

Nugatory expenditure due to delay in issuing orders of posting

Period of compulsory waiting varying between 31 and 166 days for posting orders treated as duty in the case of 75 Gazetted Officers resulted in nugatory expenditure of Rs. 29.31 lakh

Rules provide that when Government servant on return from leave, training, foreign service or on termination of previous appointment, has compulsorily to wait for orders of posting, the interval between the date of report and the date on which he/she takes charge of his/her duties shall be treated as "duty" provided that the interval between the date of receipt of orders and his/her assumption of duties does not exceed the admissible joining time. The rules also lay down that avoidable delay in giving posting orders in such cases shall render the authorities concerned liable for the excess expenditure, if any, caused thereby.

Mention was made in Paragraph 3.9 of the Report of the Comptroller and Auditor General of India for the year 1983-84 about nugatory expenditure in a number of cases where Gazette Officers had compulsorily to wait for posting orders. Recurrence of such instances was brought to the notice of the Government by audit in September 2003 and the Chief Secretary issued a circular (November 2003) directing all departments to ensure that the period of compulsory waiting for posting was minimized and if avoidable delay was noticed, the excess expenditure should be recovered from the persons responsible. Scrutiny of the Government Orders in audit relating to Gazetted Establishment during the period 2000-05 revealed that the period of compulsory waiting treated as duty varied between 31 days and 166 days in 75 cases under 12 departments and salaries and allowances were paid in a routine manner. The nugatory expenditure incurred on such idle manpower amounted to Rs. 29.31 lakh. In the sanctions issued for treating the waiting period as duty, either no reasons were given for the delay in issuing posting orders or the delay was merely stated to be due to administrative reasons. No responsibility for delay in issuing posting orders had been fixed so far. Consequently, recovery as directed by the Chief Secretary from the officials responsible also could not be made.

The facts were confirmed (July/August 2005) by the departments. Meanwhile, the Finance Department stated that the delay in issuing posting orders occurred due to reasons beyond the control of the officers concerned and due care would be taken to guard against such lapses in future.

[Paragraph 4.4.1 contained in the Report of the Comptroller and Auditor General of India for the year ended 31 March 2005 (Civil)].

Notes furnished by Government on the above audit paragraph is included as Appendix II.

67. The Committee observed that inspite of repeated audit observations of nugatory expenditure due to delay in issuing posting orders to Government servants who returned from leave, training, foreign service or on termination of previous appointment, the situation has not changed considerably. Inexcusable delay in issuing posting orders to gazetted officers ranging from 31 to 166 days in 75 cases resulted in unnecessary expenditure of Rs. 29.31 lakh. The Committee also noted that there was a clear violation of the circular issued by Chief Secretary in the matter in 2003. The Committee could not agree with the Government reply that if avoidable delay was noticed in issuing posting orders in future, the excess expenditure incurred would be recovered from the persons responsible. The Committee wanted to know why the authorities were not held responsible in the instant cases for the delay and the amount recovered from them.

68. The witness, Principal Secretary, Finance Department deposed that all the cases pointed out by Audit were of Senior Officers and a decision regarding their posting should be taken at the Minister's level and Cabinet level and in such cases delay could not be avoided. The administrative procedure would take upto one month. The Department was pursuing all possible ways to reduce the delay.

69. Disagreeing with the Government reply, the Committee pointed out that a person's date of return from deputation could be ascertained by the parent department and hence delay in issuing posting orders in such cases could not be excused. The Committee stressed the need for including a condition in the order itself directing the incumbent to intimate the Department his proposed date of return from leave/deputation sufficiently early (ie. within one or two months) so as to avoid delay in issuing posting orders in future and the witness answered in the affirmative.

Conclusion/Recommendation

70. The Committee wish to point out that inspite of repeated audit observations regarding nugatory expenditure due to delay in issuing posting orders to government servants, Government has failed miserably to take appropriate action to avoid recurrence of such instances. The Committee disagree with the Government reply that delay in issuing posting orders was due to cumbersome administrative procedures. In order to avoid delay in issuing posting orders in future, the Committee directs the Department to include a condition in the relieving order itself directing the incumbent to intimate his proposed date of return from leave/deputation sufficiently early (that is within one or two months).

Thiruvananthapuram,
17th March, 2008.

ARYADAN MUHAMMED,
Chairman,
Committee on Public Accounts.

APPENDIX I

Summary of Main Conclusions/Recommendations

| <i>Sl.No.</i> | <i>Para No.</i> | <i>Department Concerned</i> | <i>Conclusions/Recommendations</i> |
|---------------|-----------------|---------------------------------|--|
| (1) | (2) | (3) | (4) |
| 1 | 9 | Social Welfare | The Committee finds that even though the National Old Age Pension Scheme (NOAPS) was introduced by Government of India with the good intention of lending a helping hand to the destitutes of and above the age of 65, the target could not be achieved by the State Government due to the inability in identifying the beneficiaries and failure in giving sufficient publicity for the scheme resulting in loss of central assistance to the tune of Rs. 22.98 crore. The Committee, from the additional information furnished by Government vide letter No.12508/C1/06/SWD. Dated 13-2-2007 (included as Appendix-III) notes with dismay that even in 2006, Government could not achieve the targeted number of beneficiaries. The Committee observes that being the Nodal Officers for the implementation of the Scheme the District Collectors were vested with the responsibility for giving wide publicity to the scheme. The Committee is of the opinion that, had the achievement being monitored each year by the District Collectors such a state of affairs could have been avoided. |
| 2 | 10 | ” | The Committee understands that the funds under the scheme are made available by the District Collectors to |

| (1) | (2) | (3) | (4) |
|-----|-----|----------------|---|
| | | | <p>the local bodies and payments are effected by them. However, no action is seen taken by the District Collectors to verify the records relating to payment of pension before issuing utilisation certificates. Hence the Committee recommends that necessary directions be given to the District Collectors to conduct a periodical review regarding the implementation of the scheme and take necessary steps to see that the pension reaches the hands of all deserving persons.</p> |
| 3 | 11 | Social Welfare | <p>The Committee notes that as per the GOI guidelines, pension under the scheme can be sanctioned only to a person who is above 65 years of age and whose yearly income does not exceed Rs. 11,000. Since it is disclosed by the Witness that low income category is decreasing day by day, the Committee recommends that the Government should examine the feasibility of increasing the income ceiling to Rs.22,000 per annum for entertaining applications under NOAPS as adopted in many other welfare schemes.</p> |
| 4 | 32 | Home | <p>The Committee wish to point out that Government is showing total neglect towards Kerala Fire and Rescue Services (KFRS), a Wing that is rendering applaudable service to the society during fire outbreaks and other emergencies. The Wing cannot offer its service to the full extent, due to shortage of essential fire fighting equipments, vehicles and staff.</p> |

| (1) | (2) | (3) | (4) |
|-----|-----|------|--|
| 5 | 33 | Home | The Committee understands that periodical inspections of high rise buildings to check fire safety measures as envisaged in Building Rules are not being conducted after the issuance of final NOCs. The Department, in its reply has stated that periodical inspections could be conducted after obtaining Government sanction. The Committee desires to be informed whether periodical inspections of high rise buildings have since been conducted. The outcome of the inspections (in detail) should be furnished to the Committee. |
| 6 | 34 | „ | The Committee finds that since the value of property lost on account of fire incidents is assessed by fire station staff who are not trained in the job, the veracity of the amount could not be relied upon. At present there are no specific norms to assess loss to property. Hence the Committee recommends to incorporate specific guidelines for the same in the Fire Manual which is under preparation. |
| 7 | 35 | „ | The Committee notices that penal provisions in the Kerala Fire Force Act could not be enforced due to the absence of specific Rules in this regard. Hence the Committee is of the opinion that the Rules under the Kerala Fire Force Act should be framed without further delay. |
| 8 | 36 | „ | The Committee sees that fire incident reports did not contain significant information on fire prevention and they |

| (1) | (2) | (3) | (4) |
|-----|-----|------|--|
| | | | <p>were not properly evaluated by the Commandant General as required. The Committee suggests that a detailed evaluation of the fire incident reports should be undertaken and effective methodology to contain fire incidents should be evolved. The Committee is of the opinion that fire audit and follow up after every major fire incident should be made a statutory obligation.</p> |
| 9 | 37 | Home | <p>The Committee notes that Government has approved a priority list of 34 places where new fire stations are to be opened as per G.O.(Rt.) No.2060/03/Home dated 28-10-2003. Since 4 stations have already been opened, the Committee desires to be informed of the present status of the remaining 30 fire stations.</p> |
| 10 | 38 | „ | <p>The Committee finds that Government had obtained a loan of Rs.17.75 crore from GIC during 1993-02 for purchasing fire fighting equipments and constructing fire station buildings. Even though the loan was to be utilised within six months from the date of drawal in each case, only Rs.1.86 crore was spent by KFRS, as of March 2003 and Rs.15.89 crore remained unutilised. The Committee suspects that the delay in allotting the loan amount to KFRS might be the reason for the underutilisation of the loan amount and the delay might have occurred with Finance Department. The Committee opines that such unjustifiable delay on the part of Finance Department cannot be excused and opines that repetition of such incidents should be</p> |

| (1) | (2) | (3) | (4) |
|-----|-----|------|--|
| | | | <p>avoided in future. The Committee learns from the Government reply that a lion share of the loan have since been utilised for the purpose for which it was availed. The Committee would like to know whether any loan has been availed from GIC for KFRS after 2002 and if so the details of amount sanctioned to KFRS and the amount to be sanctioned, should be furnished to the Committee. The purpose for which the loan has been utilised should also be intimated to the Committee.</p> |
| 11 | 39 | Home | <p>The Committee notes that the number of pumping units available with KFRS in 2003 is far below the optimum requirement (ie. 70 pumping units against the required 166 units). The Department has stated that action is in progress for raising the number of pumping units as per the yardstick. The Committee desires to be informed of whether the required number of pumping units have been acquired for KFRS.</p> |
| 12 | 40 | „ | <p>The Committee notices that the Department has initiated action to replace the overaged vehicles. The outcome of the action taken should be intimated to the Committee. The Committee finds that only one vehicle is now available with KFRS to prevent fire accidents in high rise buildings which is grossly inadequate. The Committee desires that at least three such vehicles be made available in the State (one each in Thiruvananthapuram, Ernakulam and Kozhikode). The Committee urges the</p> |

| (1) | (2) | (3) | (4) |
|-----|-----|------|---|
| | | | Department to intimate the present position of the action taken to purchase 50 to 60 ft. extension ladders. |
| 13 | 41 | Home | The Committee is given to understand that most of the fire hydrants have become non functional due to widening and tarring of roads and neither the Public Works Department nor Water Authority has taken any precautionary measures to protect the hydrants from damages. Underlining the necessity for a co-ordination among Water Authority, PWD and KFRS, the Committee suggests that the three Wings should take a combined effort to see that fire hydrants are not destroyed during works in future. The Committee also suggests that in future if fire hydrants are damaged during the course of any work, the repairing charges should be realised from the Department responsible for the same. |
| 14 | 42 | „ | The Committee understands that since continuous duty system is prevailing in KFRS, all personnel in a fire station is required to be stayed in the premises of the FRS. Sufficient number of staff quarters should be built attached to all Fire and Rescue Stations. The Committee desires to know whether the family quarters already completed have been allotted for occupancy. The present position of the quarters nearing completion in various Fire and Rescue Stations should also be intimated to the Committee. |

| (1) | (2) | (3) | (4) |
|-----|-----|---------|---|
| 15 | 43 | Home | The Committee urges the Department to intimate the present position of the proposal for establishing the three centralised workshops. The Committee suggests that positive steps should be taken by the Government for modernising KFRS. |
| 16 | 46 | „ | The Committee criticised the action of the Government in acquiring the land at Keezhariyoor without ascertaining the availability of basic amenities like drinking water, approach road etc. The Committee finds that there was inordinate delay on the part of the Government in granting administrative sanction for acquisition of land for constructing the approach road and that delay was the main reason for the delay in allotting the quarters at Keezhariyoor. Hence the Committee urges the Department to intimate the authority responsible for the delay and desires that responsibility be fixed against the delinquents. The action taken in this regard should be intimated to the Committee. The Committee also desires to be informed of the present position of the construction of the approach road. The Committee also desires to be informed of whether the 36 quarters at Keezhariyoor have been allotted to police personnel. |
| 17 | 52 | Revenue | The Committee observes that the District Expert Committees under the chairmanship of District Collector have miserably failed to implement river bank protection works in time, despite the availability of funds. The Committee disagrees with |

| (1) | (2) | (3) | (4) |
|-----|-----|---------|--|
| | | | <p>the Government reply that the delay in clearance of schemes was to ensure appropriate and effective utilization of funds. The Committee opines that inordinate delay has occurred in the constitution of the High Level Committee at State level which is empowered to scrutinize work proposals in detail before issuing administrative sanction. The Committee understands from the Government reply that the State Level Committee has cleared proposals for the river bank development programmes in all the 14 districts. The Committee requires the Department to intimate the details regarding the number of works undertaken in each district, the works already completed, the works pending completion and their present position and the total expenditure incurred in this regard.</p> |
| 18 | 53 | Revenue | <p>The Committee also desires to have the details regarding the number of projects sanctioned by the Central Committee, the number of projects rejected and the reasons for the same and the present position of the sanctioned projects.</p> |
| 19 | 54 | „ | <p>The Committee finds that the District Expert Committees have not been constituted in all districts since the expiry of their term in 2005. The Committee was informed that action was in progress for setting up District Expert Committees. The Committee urges the Department to inform whether District Expert Committees have been constituted in all districts.</p> |

| (1) | (2) | (3) | (4) |
|-----|-----|---------|---|
| 20 | 66 | Finance | <p>The Committee observes that lack of effective supervision by Government has led to overpayment of pension and family pension by the Public Sector Banks (PSBs) to the tune of Rs. 44.48 lakh. From the Audit Para, the Committee understands that failure by PSBs to maintain pension payment accounts properly had led to the overpayment. The Committee finds that the internal audit done by the banks were ineffective to check the overpayment and in the absence of any agreement between Government and banks regarding payment of interest, banks were not bound to pay interest on overpayments. The Committee desires to know the amount that has been recovered so far from the excess payment and the steps taken to ensure non occurrence of such incidents in future. The Committee also urges the Department to inform the action taken to ascertain the overpayments in Banks other than those checked by Audit.</p> |
| 21 | 70 | „ | <p>The Committee wish to point out that inspite of repeated audit observations regarding nugatory expenditure due to delay in issuing posting orders to Government servants, Government has failed miserably to take appropriate action to avoid recurrence of such instances. The Committee disagrees with the Government reply that delay in issuing posting orders was due to cumbersome administrative procedures. In order to avoid delay in issuing</p> |

| (1) | (2) | (3) | (4) |
|-----|-----|-----|---|
| | | | posting orders in future, the Committee directs the Department to include a condition in the relieving order itself directing the incumbent to intimate his proposed date of return from leave/ deputation sufficiently early (that is within one or two months). |

APPENDIX II

**Remedial Measures Taken on the Report of the Comptroller and Auditor
General (Civil) for the year ended 31-3-1999**

| Ref. No. | Report | Remedial Measures Taken |
|---|--|--|
| (1) | (2) | (3) |
| Audit Para No. 3.19 (Implement- ation of National Old Age Pension Scheme) | 3.19 Implementation of National Old Age Pension Scheme Due to delay in identifying beneficiaries Central assistance of Rs. 22.98 crore for the very poor segment of the society could not be availed of Government of India (GOI) introduced (August 1995) the 100 per cent Centrally Sponsored scheme "National Social Assistance Programme", comprising three components, viz., National Old Age Pension Scheme (NOAPS) National Family Benefit Scheme and National Maternity Benefit Scheme. The State Government (Government) Accorded (December 1995) sanction to implement all the three components from November 1995. The component NOAPS envisaged payment of a monthly pension of Rs. 75 each to the destitute of and above the age of 65. GOI also fixed the ceiling on the total number of beneficiaries of old age pension for Kerala at 1,44,500 for which Central assistance would be provided. The old age pension scheme already in existence in the State was merged with NOAPS. State Government decided to pay Rs. 25 per month (enhanced to Rs. 35 per month | Through public awareness at local level, the number of old age pensioners have been increased and at present the target fixed by GOI have been exceeded. A list showing the target fixed by GOI for 2001-02 and the achievement by the State is enclosed. While implementing the scheme the procedure for maintaining records have also been prescribed. The District Collectors have now reported that they are now maintaining these records. The District Collectors or the officer authorised by him is the sanctioning authority for the old age pension. So all the records relating to the pensioner will come up at District level for scrutiny. Regarding the checking of payments, action will be taken to inspect the officers of local bodies. The funds are made available to the local |

(1)

(2)

(3)

with effect from 1 August 1996) to the destitute pensioners, in addition to the Central assistance of Rs. 75. The District Collectors (DCs) are the Nodal Officers for the implementation of NOAPS and they are responsible to give wide publicity to the scheme. Audit scrutiny revealed that during the first year of implementation of the scheme (1995-96) the coverage was only 23 percent of the targeted beneficiaries as shown below.

| Year | Target | Achievement | Percentage of achievement |
|---------|------------------------|------------------------------|---------------------------|
| | (No. of beneficiaries) | (No. of pensions sanctioned) | |
| 1995-96 | 144500 | 33209 | 23 |
| 1996-97 | 144500 | 63483 | 44 |
| 1997-98 | 144500 | 96256 | 67 |
| 1998-99 | 133800 | 118974 | 89 |

During 1995-96, assistance under NOAPS was not given to even the then existing 56809 beneficiaries of the State's old age pension scheme. A test check of records of five District Collectorates, revealed retention of huge scheme money (Rs. 3.59 crore) in 5 districts as on March 1999. The following irregularities were also noticed: (i) delay in various stages in identifying beneficiaries and sanctioning pensions to them (ii) absence of prescribed procedure for maintenance of records (iii) absence of effective

bodies by the District Collectors and the local bodies are making payments. So far there is no complaint that the funds of pension are diverted. The utilization certificate were issued by the District Collectors after the audit report prepared by Chartered Accountants. As the Accounts are maintained in nationalised banks, the reconciliation accounts shows that the amounts were distributed to concerned local bodies. However directions will be issued to District Collectors that before the issue of utilisation certificate they should ensure that actual payments were made by the local bodies.

(1)

(2)

(3)

checks by the District Collectors to verify the records relating to sanction and payment of pensions by the panchayats (iv) issue of utilisation certificates by the the DC to the GOI without ascertaining actual disbursement of pension. Government attributed (June 1999) the shortfall in coverage mainly to the inexperience of the officers, the availability of pension scheme to several sectors of the employees and the time-consuming guidelines/ procedures prescribed for processing the applications. Thus, due to the inability of the State Government to identify sufficient number of beneficiaries under the scheme, especially in the early stages and to streamline procedures resulted in non-availing of Central assistance of Rs. 22.98 crore during 1995-99 for the implementation of the scheme.

Statement showing the details of number of National Old Age Pensioners

| Sl. No. | Name of District | Physical target (Number of persons to be covered) fixed by Govt. of India for 2001-02 | Physical Achievement (Number of persons covered in 2001-02) |
|---------|--------------------|--|---|
| 1 | Alappuzha | 8312 | 7560 |
| 2 | Kannur | 7511 | 10987 |
| 3 | Ernakulam | 17525 | 17389 |
| 4 | Idukki | 350 | 5360 |
| 5 | Kasaragod | 5007 | 5495 |
| 6 | Kottayam | 9013 | 10673 |
| 7 | Kozhikode | 8512 | 7367 |
| 8 | Malappuram | 17024 | 17000 |
| 9 | Palakkad | 14020 | 16211 |
| 10 | Pathanamthitta | 2504 | 3496 |
| 11 | Kollam | 16023 | 15294 |
| 12 | Thiruvananthapuram | 9013 | 9253 |
| 13 | Trissur | 14020 | 14000 |
| 14 | Wayanad | 2003 | 1398 |
| | Total | 133992 | 141479 |

FORMAT FOR FURNISHING ACTION TAKEN NOTES ON COMPTROLLER
AND AUDITOR GENERAL'S REPORTS
(AS PER GOVERNMENT CIRCULAR)
No. 56/2003/Fin. dated, 2-7-2003

- I. a. Department : Fire and Rescue Services, Kerala
- b. Subject/Title of the review/
Paragraph : Review on prevention and control of
Fire
- c. Paragraph number : 3.6.1 to 3.6.9 (9 Paras)
- d. Report number and year : No Civil DP 42/2003-2004/194 dated,
21-7-2003
- II. a. Date of receipt Draft Paragraph/
Review/in the Department : 30-7-2003
- b. Date of Department's reply : 23-8-2003 vide letter No. E1-9850/2003
- III. a. List of Paragraph/Review : 3.6.1 - Introduction
3.6.2 - Fire prevention
3.6.3 - Fire Fighting
3.6.4 - In adequacy of
equipments and non
utilization of GIC Loans
and GOI funds
3.6.5 - Water Sources
3.6.6 - Man power analysis and
Operation staff
3.6.7 - Non-establishment
of Departmental
workshops
3.6.8 - Monitoring
3.6.9 - Constructions and
Recommendations.
- IV. a. Does the Department agree with
the facts & figures included in
the paragraph : Partially agreed
- b. If not please indicate the areas of
disagreement and also attach
the copies of the relevant
documents in support : Parawar remarks are furnished below

Para 3.6.1

- a. Agreed
- b. No remarks

Para 3.6.2

- a. Fire Prevention

Para (1)(a) : Agreed

(b) : No remarks

Para (2)(a) : Agreed

(b) : No remarks

Para (3)(a) : Partially agreed High rise buildings will be conducted after obtaining Government sanction

Para (4)(a) : Not agreed

(b) : Fire and Rescue personnels are well Trained in tracing out the cause of Fire. The Officer in charge will assess the scene of Fire with available evidences and arrive at a decision regarding the cause of fire. All the details of fire are recorded in the general diary of the Station immediately after the return to the Station from the fire spot.

Para (5)(a) : Agreed

(b) : Action is intimated to frame the rule as well as fire Manual. A committee has already constituted for the said purpose.

Para 3.6.3. Fire Fighting

Para (1)(a): No remarks

(2) (a) : Not agreed

(b) : The Fire Force personnel are well trained and they are competent to assess the value of property lost and request that the authenticity of the amount of loss assessed by us can be relied upon.

Para (3)(a) : Disagreed

(b) When major fire calls and incidence call occur, the assistance is sought from Fire Stations by detailing the vehicles with crew to the spot. At the same time one vehicle with crew will be reserved in the parent Station for meeting any emergency occur simultaneously.

Para(4) (a) : Agreed

(b) All Officers in charge of Fire and Rescue Stations were directed to sent a copy of major Fire and incidents report to Headquarters Office. Instructions issued in audit remarks will be noted for guidance.

Response Time

(a) : Disagreed

(b) : 3-5 minutes prescribed can be adhered only if the Fire Stations are situated within 10 km distance from the spot of fire or incident. It is a policy matter and only Government can be given directions in this matter. Government had published a priority list of 34 places where new Fire Stations to be opened within 2 years. Out of 344 numbers had already opened.

Fire & Rescue Stations

(a) : Agreed

(b) : According to norm 159 Fire Stations are required in the State. At present Government have approved a Priority list of 34 places for opening new Fire Stations vide G. O. (Rt.) No. 2060/03/Home dated, 28-10-2003. Four Fire Stations have already opened. Administrative Sanction is awaiting for opening of Fire and Rescue Stations. At present we have 75 Fire Stations and one Training School at Fort Kochi. Action is in progress for finding our lands and buildings for opening of new Fire Stations at 15 places.

Para 3.6.4. Inadequacy of equipments at Fire and Rescue Stations and non utilization of GIC funds.

Para (a) : Not fully agreed

(b) : 9.94 crores were sanctioned for the purchase of Equipments. Out of this 6.96 crores were expended for the purpose during reign of present Government equipments and appliances worth 5.55 crores were purchased. But we are not aware that whether the amount is provided through GIC or not. Details related to this matter can be had from Finance Department, Kerala.

Para (2) : (a) Agreed

(b) : Action is in progress for raising number of pumping units as per yard stick

Equipments

(a) : Disagreed

(b) : Now we have purchased 87 Nos. of new water Tenders, 22 chassis are also purchased and about to hand over for fabrication.

Para (3) Over aged vehicles

(a) : Agreed

(b) : Action is already taken for replacing 179 vehicles which are over aged.

Para (4) Ladders

(a) : Partially agreed

(b) : Action is already initiated for purchasing 50 to 60 ft. extension ladders. It is also intended to purchase of 32 to 40 meters. Sky Lifts for rescue and extinguishing fire hazards related to high rise buildings.

Para 3.6.5.

(a) : Agreed

(b) : *Water Sources* : Fire Hydrants are quarterly checked by Station Officer in charge of Fire & Rescue Stations they are also directed to contact PWD and Civil authorities for the proper maintenance of fire hydrants. Lot of fire hydrants are barred in roads due to widening and tarring of roads. Hence the Public Works Department, Panchayat, Municipality and Corporation have been reminded to provide new hydrants.

Para 3.6.6. Man Power Analysis

Para(1) (a) : Partially agreed

(b) : Most of the vacancies are filled by the recruitment through Kerala Public Service Commission. Now training is going on and the entire existing vacancies will be fully filled within 6 months.

Para(2) (a) : Agreed

(b) : Policy decision will be taken after considering all confronting situation in Assistant Divisional Officers.

Para(3) (a) : Agreed

(b) : To overcome the situation new additional post of driver Mechanics have to be created proposal to Government regarding the matter will be submitted shortly.

Para (4) Lack of Family Quarters

(a) : Agreed

(b) : Family quarters constructed at Meenchantha, Club Road, Ernakulam have been commissioned and handed over to personnel for occupancy. Family quarters newly constructed at Perinthalmanna also allotted to personnel. Action is in progress in regarding the family quarters at Painavu in Idukki District, 19 numbers of family quarters at Fire and Rescue Station, Thrissur is nearing completion. 11 Family quarters are completed at the site of Fire Service Training Institute at

Viyyur. Government has also accorded Administrative Sanction of the construction of 88 numbers of family quarters at Gandhinar at a cost of 703 lakh vide G.O.(Rt.) No. 1497/03/Home dated, 29-7-2003.

Para 3.6.7.

(a) : Agreed

(b) : Action is in progress for establishing 3 centralised workshops in 3 divisions through the financial assistance of 12th Financial Commission.

Para 3.6.8.

(a) : No Remarks

Para (2) Now regular inspections have been conducted by Divisional Officers and Assistant Divisional Officer. Strict instructions are also issued for conducting inspection in time.

Par 3.6.9.

Para (1) Noted

Para (2) Noted

(3) Noted

(4) Noted

(5) Noted for future guidance

- V a. Does the Department agree with the audit conclusions : Agreed
- b. If not please indicate the specific areas of disagreement and also attach relevant documents where necessary : N.A.

- VI. Remedial action taken : Improvement in system and procedures including internal controls.
- Action has been taken to improve the day to day function of fire and Rescue Service. Now vehicles and equipments have been purchased. Sophisticated equipments like Hydraulic Rescue Tools, Life Detector etc. have been purchased. New recruitment through Kerala Public Service Commission have strengthened the man power of the service. A modern Training Institute at Viyyur will be commissioned shortly. Regular inspection by Divisional Officers and Assistant Divisional Officers have Strengthened internal control as well as to maintain the disciplines of the services. A Committee has already constituted to frame rules and Fire and Rescue Service manual. Proposal for establishing 3 centralised workshops in 3 Divisions will be submitted. Construction work of Fire and Rescue Stations are also in good progress.
- VII. 2. Recovery of over payment pointed out by audit : Nil
3. Recovery of under assessment short levy/other due : Nil
4. Modifications in the schemes and programmes including financing pattern : Nil
5. Review of similar case/complete Scheme/Project in the light of findings of sample check by audit : Nil

- I. a. Department : Home Department
- b. Subject/Title of the Review/
Paragraph : Non occupation of Police Quarters for
want of basic amenities
- c. Paragraph Number : 4-5-2
- d. Report Number and date : Report of the C& AG for the year ended
31-3-2003 (Civil)
- II. a. Date of Receipt of the Draft
Paragraph/ Review in the
Department : 6-8-2004
- b. Date of Department Reply :
- III. List of Paragraph Review : *Seventy two quarters constructed for
police personnel at a cost of Rs. 2.45
Crore remained unoccupied for over
two years. Government entrusted
(April 1996) Construction of building
for Police under Tenth Finance
Commission awards to the the Kerala
Police Housing and Construction
Corporation Limited (KPHCC), a
Government Company. Under the
scheme, 36 Units of family type
quarters were constructed (June 2000)
at Keezhariyoor in Koyilandy taluk of
Kozhikode district at a cost of Rs. 1.14
Crore. Another 36 quarters were also
constructed (January 2001) under the
scheme at Mylapra in Pathanamthitta
district at a cost of Rs. 1.31 Crore.
Though the quarters in Kozhikode and
Pathanamthitta were handled over to
the department by KPHCC in
December 2000 and January 2001
respectively, the department could not
provide water connection and
approach roads as of March 2003. Thus
72 quarters constructed at a cost of Rs.
2.45 crore remained unoccupied even*

two years after take over due to failure of the department to provide the necessary basic amenities. The Department is also incurring an avoidable expenditure of Rs. 0.13 lakh per month towards House Rent Allowance to the Police Personnel who would have been allotted these quarters, besides loss of revenue due to non-collection of license fee on these quarters.

Government stated (June 2003) that sanction was accorded for purchase of land for construction of approach road at Keezhariyoor and that all the 36 quarters at Mylapra had been allotted to police personnel. The fact remains that the delay of over 5 years in granting sanction by Government for acquisition of land sought by Director General of Police in August 1997 was the primary reason for the inordinate delay in allotting completed quarters at Keezhariyoor. Further, as per report of Superintendent of Police, Pathanamthitta, 9 quarters at Mylapra remained unallotted even in July 2003 and the facility for water supply was inadequate.

- IV. a. Does the Department agree with the facts and figures included in paragraph : Yes
- b. If not, please indicate the areas of disagreement and also attach copies of relevant documents in Support : N.A.

- V a. Does the Department agree with the conclusion : Yes
- b. If not, please indicate specific areas of disagreement with reasons for disagreement and also attach of relevant documents, where necessary : N. A.
- Remedial Action Taken
- VI. 1. Improvement in system and procedure including internal Control : There were 72 Police Quarters Constructed at Kozhikkode Rural District and Pathanamthitta District Out of this 36 are at Keezhariyoor in Koyilandy Taluk. These quarters could not be allotted to the personnel as there was no proper approach road to the quarters and since drinking Water was not available for the occupants.
2. Recovery of overpayment pointed out by Audit. : Government have since accorded sanction for the purchase of land for the approach road and the construction is in progress
3. Recovery of under assessment Short levy or other dues : For providing drinking water a piece of land was purchase nearby and digging of well also is in progress. The 36 quarters at Mayilapra in Pathananthitta District were allotted to the Police Personnel by 1-9-2003.
4. Modifications in the schemes and programmes including financing pattern :
5. Review of similar cases/complete Scheme/project in the light of findings if sample check by Audit :

ACTION TAKEN REPORT ON THE AUDIT PARA 4.5.6 NON-UTILISATION
OF RIVER MANAGEMENT FUND

| Name of Para | Action Taken Report |
|---|---|
| <p><i>4.5.6 Non-Utilization of River Management Fund District Collectors did not undertake River Bank Protection works thought Rs. 37.65 Crores was available in the River Management Fund.</i></p> <p>River sand is an essential raw material for building construction indiscriminate and uncontrolled removal of sand from the rivers causes large scale river bank sliding and disturbs the biophysical environment system the rivers in different degrees. To ensure protection of river banks Government set up a River Management Fund in November 1998 subsequently, Government enacted the Kerala Protection of River Banks and Regulation of Removal of Sand Act, 2001 (Act) and notified the related Rules in April 2002 (Rules).</p> <p>According to the Rules, the corpus of the Fund consisted of fifty percent the amount collected by the Local Self Government Institutions through sale of sand, grants given by Government donations or contributions from public or from non/governmental agencies, penalties imposed under the Act, etc. The District Collector (DC) was responsible for maintaining and operating the Fund. The District Expert Committee (DEC) with the approval of Government was to implement the River Bank Development plan for establishing co-ordinating and protecting river banks within the district.</p> | <p>The River Management Fund constituted as per G. O. (P) No. 114/2002/RD. dated, 27-4-2002 is to meet all necessary expenses towards management of “Kadavu” or river bank and implementation of River Development Plan. As per G. O. (P) No.187/2002/RD. dated, 29-5-2002, Government constituted District Expert Committees in 14 district of monitoring River Bank Development Scheme in the respective Districts. The Schemes approved by the Committee are to be examined at Government level and approval granted. The regular Secretarial set up is not geared to examination of such projects. As it was felt necessary to scrutinise the work proposal in detail before issuing administrative sanction for works, government have constituted a High Level Committee at State Level with the following members.</p> <ol style="list-style-type: none"> 1. Principal Secretary, Revenue— Chairman 2. Commissioner or Deputy Commissioner for land Revenue — Member 3. Director, CESS—Member 4. Superintending Engineer (Buildings and local works) Public Works Department— Member 5. Special Secretary (Law)— Member |

During the period 1998 to 2003 (as of 31st December 2003) the amount of Rs. 38.58 crores received by the 14 DC's were deposited in the Treasury Public (TP) Accounts. Out of this Rs. 0.93 crore were spent by the 11 DCs towards fuel charges, hiring of speed boats, etc., and the balance of Rs. 37.65 crore was retained in the TP accounts. Though Government approved the plan in four districts, the protection work was taken up only in Pthanamthitta district as of January, 2004. In six district plans were pending approval by Government and in four districts plans were under preparation.

Despite availability of funds DECs under the Chairmanship of District Collectors failed to formulate and implement river bank protection works every after a lapse of two years. Government also failed to monitor and ensure timely utilisation of the funds collected for the intended purpose. Considering the serious deterioration caused to river banks and biophysical environmental system of rivers, government need to set up an effective internal control mechanism to monitor implementation of such schemes meant to prevent ecological disasters.

The matter was referred to Government in April 2004, reply has not been received (November 2004).

Orders constituting the High Level Committee was issued only in June, 2004, vide G. O. (MS) No.222/2004/RD. dated, 28-6-2004. In the two meetings conducted since the formation of the State Level Committee River Bank Development proposals of 8 Districts amounting to Rs. 6.104 Crores, utilising the River Management Fund were cleared. The third meeting of the High Level Committee held on 16th December 2004 cleared proposals for the River Bank development Programme in six districts. The delay in clearance of schemes was to ensure appropriate and effective utilisation of funds.

**Remedial Measures Taken Statement on audit paragraph
By Finance Department**

(Intarim Reply)

- | | | | |
|------|--|---|--|
| I. | (a) Department | : | Finance Department |
| | (b) Subject/Title of Review/ Paragraph | : | Over payment of pension and Family pension |
| | (c) Paragraph number | : | 4.1.2 |
| | (d) Report, Number and Year | : | Report of C and AG for the year ended on 31-3-2005 |
| II. | (a) Date of receipt of Draft Paragraph/Review in the Department | : | 18-6-2005 |
| III. | List of Paragraph | : | Improper maintenance of accounts and ineffective control mechanism in Public Sector Banks led to over-payment of Rs. 44.88 lakh |
| IV. | (a) Does the Department agree with the facts and figures included in the paragraph | : | N.A. |
| | (b) If not, please indicate the areas of disagreement and also attach relevant document where necessary | : | N.A. |
| V. | Does the Department agree with the Audit conclusions | : | Yes |
| VI. | Remedial Action Taken | : | As a remedial measure 6 Public Sector Banks (as mentioned in the Audit Report) SBT, SBI, Canara Bank, Syndicate Bank, Union Bank of India and IOB were requested to recover the excess payment of pension/Family pension made by them. They reported that they are making necessary arrangements for the recovery of excess payment. |

Reserve Bank of India has been requested to accord sanction for an agreement between Government of Kerala and Public Sector Banks for reimbursement of excess pension payments by the banks to the Government, due to the failure of the system to maintain pension payment accounts properly in the Public sector Banks. Final reply from RBI and banks in this regard are awaited.

Hence a final reply in this para will be furnished as soon as a final reply is received from RBI.

**Remedial Measures Taken Statement on audit paragraph
By Finance (PAC) Department**

- | | | | |
|------|--|---|--|
| 1. | (a) Department | : | Finance Department |
| | (b) Subject/Title of Review/ Paragraph | : | Nugatory expenditure due to delay in issuing orders of posting |
| | (c) Paragraph number | : | 4.4.1 |
| | (d) Report, Number and Year | : | Report of C and AG for the year ended on 31-3-2005 |
| II. | (a) Date of receipt of Draft Paragraph/Review in the Department | : | 18-6-2005 |
| | (b) Date of Reply | : | 25-7-2005 |
| III. | List of Paragraph | : | period of compulsory waiting varying between 31 and 166 days for posting orders treated as duty in the case of 75 Gazatted Officers resulted in nugatory expenditure of Rs. 29.31 lakh |
| IV. | (a) Does the Department agree with the facts and figures included in the paragraph | : | Yes |
| | (b) If not, please indicate the areas of disagreement and also attach relevant document where necessary | : | N.A. |
| V. | (a) Does the Department agree with the Audit conclusions | : | Yes |
| VI. | Remedial Action Taken | : | This is a general paragraph covering all the Administrative Departments. Finance Department is one among them. Finance Department is giving all necessary instructions to all Departments concerned to avoid delay in giving posting orders resulting in idle man power and nugatory expenditures. |

As per Circular No. 56/2005/Fin. dated 3-10-2005 all the Departments were directed to avoid nugatory expenditure due to delay in issuing posting orders. As per letter 101533/PAC.A2/05/Fin. dated 16.10.06, Principal Secretary (Finance) has addressed all the Government Secretaries to ensure that the period of compulsory waiting for posting shall be minimised and also reiterated the Government directions in this regard that if avoidable delay is noticed in issuing posting orders the excess expenditure be recovered from the persons responsible.

APPENDIX III

GOVERNMENT OF KERALA
Social Welfare (C) Department,

No. 12508/C1/06/SWD.

Dated, Thiruvananthapuram 8th March 2007.

From,

The Secretary to Government.

To,

The Secretary to Government,
Kerala Legislature Secretariat,
Thiruvananthapuram.

Sir,

Sub :—Social Welfare Department—Committee on Public Accounts (2006-2008)—Examination of audit paragraph*Ref* :—Your letter no-12864/PAC A2/06/Legi dt. 13-11-2006.

I am to invite your attention to the reference cited. In the meeting held on 22-11-2006 the Chairman, Committee on Public Accounts has directed to furnish the following details.

1. Expenditure on NOAP from 2002-2003 to 2005-06 and yearwise number of beneficiaries and target given by Government of India.
2. Whether specific guidelines regarding the implementation of this Scheme have been issued by Government of India and if so to issue the same with copy to the committee.
3. Whether State level Review of the implementation of the Scheme and District level Review by District Collectors is being carried out regularly.
4. Whether the income ceiling is still Rs. 11000 pa and whether the present BPL income ceiling is being adopted (being higher) if not whether Government of India has been addressed to revise the ceiling.

I am therefore to furnish the following details for information and necessary.

(i). (a) Expenditure on NOAP from 2002 to 2003, 2005-2006

| | |
|-----------|---------------|
| 2002-2003 | 1509.28 lakhs |
| 2003-2004 | 1548.98 lakhs |
| 2004-2005 | 1727.62 iakhs |
| 2005-2006 | 1871.35 lakhs |

(b) Year wise number of beneficiaries

| | |
|------|--------|
| 2002 | 131385 |
| 2003 | 134600 |
| 2004 | 130459 |
| 2005 | 131346 |
| 2006 | 131912 |

(c) The ceiling on the total number of Old Age Pensioners for the purpose of claiming central assistance for the State of Kerala has been fixed by the Central Government as 144500. Based on the above ceiling the number of Old Age Pensions that can be sanctioned for each district had been fixed as per G.O.(P)No. 47/95 dated 13-12-1995 as shown below :

| | |
|--------------------|--------|
| Thiruvananthapuram | 14628 |
| Kollam | 11935 |
| Pathanamthitta | 5903 |
| Alappuzha | 9909 |
| Kottayam | 9083 |
| Ernakulam | 13996 |
| Idukki | 5360 |
| Thrissur | 13612 |
| Palakkad | 11826 |
| Malappuram | 15394 |
| Kozhikode | 13010 |
| Wayanad | 3340 |
| Kannur | 11174 |
| Kasaragode | 5330 |
| Total | 144500 |

(ii) Regarding the district level review of the implementation of the scheme by the District Collectors, the details are being gathered from the District Collectors.

(iii) As per G.O.(Ms)No. 14/98/SWD dated 22-4-1998, Government have ordered that the annual house hold income ceiling of the below poverty families would be considered as Rs. 11,000 for entering the applications in respect of NOAP, NFBS and NMBS. No further Government orders revising the annual income ceiling of Rs. 11,000 for NOAPs, have been issued. The income ceiling is still Rs.11,000 per annum for entertaining applications for NOAP.
