

**Report of the
Comptroller and Auditor General of India
on
Social, Economic (Non-PSUs) and General Sectors
for the year ended 31 March 2019**



लोकहितार्थं सत्यनिष्ठा
Dedicated to Truth in Public Interest

Government of Assam
(Report No. 1 of 2021)

**REPORT OF THE
COMPTROLLER AND AUDITOR
GENERAL OF INDIA**

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FOR THE YEAR ENDED 31 MARCH 2019

GOVERNMENT OF ASSAM
(Report No. 1 of 2021)

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PREFACE

Preface

1. This Report of the Comptroller and Auditor General of India has been prepared for submission to the Governor under Article 151 of the Constitution of India for laying on the floor of the State Legislature.
2. This Report presents the results of the audit of the Departments of the Government of Assam under Social, Economic (Non-PSUs) and General Sectors.
3. The cases mentioned in this Report are those, which came to notice in the course of test audit during the year 2018-19 as well as those, which came to notice in earlier years, but could not be dealt with in the previous Reports.
4. The audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.

OVERVIEW

Overview

This Audit Report has been prepared in four Chapters. Chapters I to III deal with Social Sector, Economic Sector (other than the State Public Sector Undertakings) and General Sector respectively. Chapter IV deals with cases of misappropriation/ theft and compliances/ follow up of Audit Reports.

This Report contains 10 Compliance Audit paragraphs apart from Performance Audit on “**Outcomes of Minor Surface Irrigation Schemes in Assam**”. The draft audit paragraphs and draft Performance Audit Reports were sent to the Principal Secretary/ Commissioner of the Departments concerned with a request to furnish replies within six weeks. The views of the Government have been incorporated wherever received. The audit findings were also discussed in Exit Conferences held with the representatives of the Government of Assam and their views were duly acknowledged in the Report. A synopsis of the important findings contained in the Report is presented below.

SOCIAL SECTOR

Compliance Audit

Health and Family Welfare Department

Emergency trauma care facilities funded completely by the GoI were not operationalised by the Health Department for over eight years in five hospitals (Bongaigaon, Haflong, Diphu, Nalbari and Nagaon) due to non-deployment of requisite manpower leading to non-achievement of the objectives of the scheme and idle expenditure of ₹7.32 crore. TCCs at Guwahati and Silchar Medical Colleges were made functional with contractual staff.

(Paragraph 1.2.1)

Lack of co-ordination between National Health Mission (NHM) and Health and Family Welfare Department, Government of Assam led to dismantling of four buildings constructed by NHM at a cost of ₹2.36 crore on the land proposed for construction of Medical College and Hospital, Dhubri. Further, the dismantling cost of ₹13 lakh was also borne by the State Government.

(Paragraph 1.2.2)

“Establishment of Hospital Ship on the river Brahmaputra” a GoI funded novel project for providing health care services, remained incomplete and unfruitful after incurring an expenditure of ₹2.20 crore on the project.

(Paragraph 1.2.3)

The Cash collector of Silchar Medical College and Hospital (SMCH), appointed on contractual basis, misappropriated cash of ₹30.54 lakh by short depositing the cash.

Absence of supervision over cash collections especially of contractual staff and inadequate monitoring facilitated the defalcation of cash.

(Paragraph 1.2.4)

Higher Education Department

Principal BRM Government Law College did not record the details of fees collected from students and expenditure therefrom, in the Cash Book. Non depositing fees in Government Account led to misappropriation of cash of ₹74.04 lakh.

(Paragraph 1.2.5)

Welfare of Minorities and Development Department

The Director, Assam Minority Development Board (AMDB) irregularly disbursed Pre-Matric scholarship through Pay Direct Card of a private bank instead of directly transferring the scholarship amount to beneficiaries' bank account. Besides, funds of ₹18.60 crore were lying idle with the bank and ₹13.34 crore were lying idle with the Board.

(Paragraph 1.2.6)

ECONOMIC SECTOR

Performance Audit

Performance Audit on 'Outcomes of Minor Surface Irrigation Schemes in Assam'

GoA is implementing irrigation schemes to achieve outcomes such as higher agricultural growth, increase in cropping intensity, raising crop yield and diversification of crops and ultimately providing better livelihood for the farming community. The State had 1,144 completed minor irrigation projects with an irrigation potential of 3.86 lakh hectares. 62 Irrigation Projects having a total investment of ₹246.08 crore were discontinued/ dysfunctional.

A Performance Audit of the outcomes of Minor Surface Irrigation schemes completed during the period January 2011 to 31 March 2017 revealed that 25 *per cent* of the sampled 73 projects (18 projects) were non-functional due to various reasons, thereby reducing the irrigation potential and loss of investment of ₹74.74 crore on these Schemes.

Water Usage Associations whose role is to ensure participation of farmers in running of the Irrigation Schemes and their maintenance, were not functional. The State Government had not taken any action to review the outstanding dues of irrigation service charges, impacting maintenance of the Schemes.

The irrigation potential created (63 *per cent*) was largely utilised for Kharif Season's crops and hardly nine *per cent* of the irrigation water was used for pre-Kharif/ Rabi crops, when the season is dry and there is a need/ demand for irrigation water.

The beneficiary survey done by audit brought out important issues such as only 23.2 *per cent* of surveyed beneficiary farmers stated that they are receiving irrigation in dry season. An overwhelming majority of 88.4 *per cent* of the surveyed beneficiary farmers stated that they are willing to undertake multiple cropping but for want of adequate water from the projects.

(Paragraph 2.2)

Compliance Audit

Agriculture Department

Director of Agriculture, Assam procured black gram seed at exorbitant rates during the year 2016-17 and 2017-18 leading to excess procurement cost of a minimum of ₹5.80 crore to the Government of Assam.

(Paragraph 2.3.1)

Irrigation Department

The Bodoland Territorial Council procured 524.09 MT of Z-Type sheet piles worth ₹6.06 crore in excess of actual requirement leading to idle accumulation of the material.

(Paragraph 2.3.2)

GENERAL SECTOR

Compliance Audit

Personnel Department and Pension and Public Grievances Department

The Compassionate Appointment Scheme for State Government employees as implemented by GoA prior to 2017 was not effectively managed due to delays in appointment of eligible heirs of employees who died in harness/ compulsorily retired on medical grounds. The documentation of the CA scheme was also incomplete and deficient. Instead of correcting these deficiencies, the State instead introduced a Family Pension Scheme as a welfare measure, for their employees who died in harness. The new Family Pension Scheme which has entitlement features not only defies well laid down legal principles regarding compassionate appointments by the State, but is also a financial burden on the exchequer.

Government of Assam by providing Family Pension under **Compassionate Family Pension Scheme** to the dependant of Government employees dying in harness after April 2017, at a rate of 100 *per cent* of the last pay drawn until age of superannuation, has put an additional avoidable financial burden on the State Exchequer. The financial outgo under the Scheme has been ₹171.55 crore so far and audit has estimated an additional financial burden of ₹156.91 crore per annum on the State budget.

Further, the State Government have extended the CFP Scheme benefits to cover officers of All India Services, whose pension/ family pension liability is borne by the GoI, without consulting the GoI.

The State Government has not asked for separate budget allocation for the CFP Scheme and by booking the entire expenditure under “Pension” have violated Budget and Accounting Rules of a New Scheme.

The State needs to review the continuance of the CFP Scheme.

(Paragraph 3.2)

Printing and Stationery Department

Construction of Government press at Titabor, Jorhat remained incomplete for a period of four years after incurring expenditure of ₹80.45 lakh, due to lackadaisical approach of the Executive Engineer, PWD (Building), Jorhat and Director of Printing and Stationery. In addition, expenditure of ₹45.82 lakh was incurred on renovation of the existing rented premises of the Press.

(Paragraph 3.3.1)

CHAPTER-I

SOCIAL SECTOR

COMPLIANCE AUDIT

CHAPTER-I

SOCIAL SECTOR

1.1 Introduction

This Chapter contains findings based on audit of State Government departments/ offices under Social Sector.

During 2018-19, against a total budget provision of ₹57,418.03 crore, 19 departments, including three Autonomous District Councils under VI schedule areas, viz., the Bodoland Territorial Council (BTC) under Welfare of Plain Tribes and Backward Classes (WPT&BC) Department; North Cachar Hills Autonomous Council (NCHAC) and the Karbi Anglong Autonomous Council (KAAC) under Hill Areas Department incurred an expenditure of ₹40,301.23 crore.

Table 1.1 gives the details of Department-wise budget provision and expenditure incurred there against by these departments:

Table 1.1:-Department-wise details of budget provision and expenditure during 2018-19

(₹in crore)

Department	Grant No. and Name	Budget provision		Expenditure	
		Revenue	Capital	Revenue	Capital
Co-operation	43- Co-operation	107.42	51.29	87.80	13.85
Cultural Affairs	27- Art and Culture	101.03	63.35	70.60	15.59
	28-State Archives	2.23	0.13	1.43	0.10
Higher Education	26- Education (Higher Education)	3233.23	163.40	2342.42	36.93
Food, Civil Supplies and Consumers Affair	46-Weights and Measures	19.75	0.86	12.78	0.20
	37 – Food Storage, Warehousing	823.33	59.79	682.88	0.47
Health and Family Welfare	29- Medical and Public Health	6138.65	818.42	3985.49	380.43
	24-Aid Materials	0.00	--	--	--
Labour and Employment	36-Labour and Employment	319.71	67.44	226.72	21.45
Urban Development	31- Urban Development (Town and Country Planning)	692.47	--	124.31	--
	32-Housing Schemes	4.36	1.68	4.61	0.79
	34- Urban Development (Municipal Administration)	1110.16	3.96	409.21	1.75
Panchayat and Rural Development	56 Rural Development (Panchayat)	2169.51	--	837.89	--
	57- Rural Development	3700.95	--	1106.36	--
Public Health Engineering	30-Water Supply and Sanitation	709.25	2608.02	498.09	1378.84
	39-Social Security, Welfare and Nutrition	2559.69	2.00	1465.67	--
Social Welfare	40-Social Security and Welfare (Freedom Fighter)	84.76	--	30.06	--
	42-Other Social Services	339.35	1.50	118.45	0.43
Sports and Youth Welfare	74- Sports and Youth Services	158.70	34.47	98.25	14.07
Welfare of Plain Tribes & Backward Classes	38-Welfare of SC, ST and OBC	1452.34	177.83	711.83	10.28
	78-Welfare of Plain Tribes and BC (BTC)	2976.48	414.76	2909.27	804.17
Welfare of Tea Tribes	78-Welfare of Plain Tribes and BC (BTC)	0.12	--	0.05	--
	38-Welfare of SC, ST and OBC	26.02	--	21.80	--

Department	Grant No. and Name	Budget provision		Expenditure	
		Revenue	Capital	Revenue	Capital
Guwahati Development	73- Urban Development (GDD)	601.28	923.56	106.78	216.20
Secondary Education	71- Education (Elementary, Secondary etc.)	13593.39	674.00	11315.17	0.62
Elementary Education					
Pension and Public Grievances	23-Pension	8005.79	--	8104.08	--
Hill Areas	70- Hill Areas	5.50	5.24	1.94	--
	76- Hill Areas Department (KAAC)	1315.43	335.33	998.72	586.74
	77- Hill Areas Department (NCHAC)	652.38	107.72	449.92	95.74
Total		50903.28	6514.75	36722.58	3578.65
Grand total (Includes Charged)			57418.03		40301.23

Source: Appropriation Accounts 2018-19

1.1.1 Planning and Conduct of audit

The audit of this Sector is conducted in accordance with Annual Audit Plan. The departments/ offices are selected on the basis of risk assessment. Weighted parameters such as expenditure trends, serious objections found during previous audit, media reports, major activities/ scheme executed, etc. form the basis of categorisation of Departments/ offices as 'high' risk, 'medium' risk and 'low' risk. Inspection Reports are issued to the heads of offices as well as heads of departments after completion of audit. Based on the replies received, audit observations are either settled or further action for compliance is advised. Important audit findings are processed for inclusion in the Report of the Comptroller and Auditor General of India.

During 2018-19, out of 2,066 auditable units under Social Sector, we audited 476 auditable units¹ during the year involving an expenditure of ₹19,423.77 crore (including expenditure incurred in earlier years). This chapter contains six Compliance Audit paragraphs.

The major observations made in audit during the year 2018-19 are discussed in succeeding paragraphs.

Compliance Audit

Health and Family Welfare Department

1.2.1 Unfruitful Expenditure

Emergency trauma care facilities funded completely by the GoI were not operationalised by the Health Department for over eight years in five hospitals (Bongaigaon, Haflong, Diphu, Nalbari and Nagaon) due to non-deployment of requisite manpower leading to non-achievement of the objectives of the scheme and idle expenditure of ₹7.32 crore. TCCs at Guwahati and Silchar Medical Colleges were made functional with contractual staff.

Government of India (GoI), initiated a 100 per cent centrally funded scheme for development of trauma care facilities in Government hospitals located on national

¹ High risk auditable entities: 92, medium risk auditable entities: 180 and low risk auditable entities: 204.

highways during the 11th Plan period (2007-12) with the objective of upgrading the accidental and emergency care services in selected State Government hospitals located in accident prone areas on national highways. The main strategy was to ensure definitive treatment for the injured within the Golden Hour. The scheme was extended further to cover the 12th Plan period (2012-17).

GoI approved seven hospitals², based on the proposal of the State Government, for upgradation as providers of trauma care with appropriate level³ of infrastructure, equipment and manpower. The grants covered various components like civil works, equipment, manpower⁴, communication systems, training, legal assistance, etc., depending on the level of upgradation of a particular hospital. The TCCs were expected to be made operational within twelve months of the receipt of the grants from GoI.

GoI approved ₹9.63 crore (₹0.80 crore for construction of TCC building, ₹ five crore for equipment, ₹3.80 crore for manpower and ₹0.03 crore for others) for each Level II TCC and ₹4.78 crore (₹0.65 crore for construction of TCC building, ₹ two crore for equipment, ₹2.10 crore for manpower and ₹0.03 crore for others) for each Level III TCC.

GoI released (April 2009 to July 2013) ₹22.96 crore directly to the bank accounts of the seven hospitals concerned through demand draft and account transfer; of which, ₹16.40 crore was utilised by the hospitals as detailed in **Table-1.1 A**, and balance of ₹10.03 crore⁵ (including interest) was lying in bank account of the hospitals concerned.

Table- 1.1 A

(₹ in crore)

Component		Level III				Level II			Total
		Bongaigaon Civil Hospital	Haflong Civil Hospital	Diphu Civil Hospital	Nalbari Civil Hospital	Nagaon Civil Hospital	Silchar Medical College & Hospital	Guwahati Medical College & Hospital	
Construction	A	0.650	0.650	0.650	0.650	0.800	0.800	0.800	5.00
	R	0.650	0.650	0.650	0.290	0.800	0.800	0.800	4.64
	E	0.630	0.710*	0.670*	0.290	0.640	0.000	0.790	3.73
Equipment	A	2.000	2.000	2.000	2.000	5.000	5.000	5.000	23.00
	R	1.500	0.000	1.900	0.400	5.000	2.500	3.500	14.80
	E	1.480	0.000	1.890	0.390	0.000	2.700*	3.450	9.91
Manpower	A	2.100	2.100	2.100	2.100	3.800	3.800	3.800	19.80
	R	0.040	0.000	0.105	0.280	0.760	1.340	0.760	3.29
	E	0.140*	0.000	0.000	0.000	0.000	1.340	1.140	2.62
Others	A	0.025	0.025	0.025	0.025	0.030	0.030	0.030	0.19
	R	0.010	0.000	0.025	0.130	0.030	0.020	0.020	0.24
	E	0.020*	0.020*	0.090*	0.000	0.000	0.010	0.000	0.14

A: Approved; R: Released; E: Expenditure; Grand total approved = ₹47.99 crore, Grand total Released = ₹22.96 crore, Grand total expenditure = ₹16.40 crore *Expenditure including bank interest.

Source: Departmental records.

² Four TCC were of Level III category and three were of Level II category

³ **Level I:** 30 beds (10 ICU and 20 general trauma beds) providing the highest Level of definitive and comprehensive care for patients with complex injuries; **Level II:** 20 beds (10 ICU and 10 general trauma beds) providing definitive care for severe trauma patients; **Level III:** 10 beds (five ICU and five general trauma beds) providing initial evaluation and stabilisation (surgically if appropriate) to the trauma patient; **Level IV:** appropriately equipped and manned mobile hospitals/ambulances

⁴ The financial assistance for the contractual staff was only for three years, with the same being borne by the State Government/ Hospital Management Society after three years.

⁵ Diphu (May 2017), Haflong and Bongaigaon (March 2017), Nagaon, Silchar and Nalbari (December 2019), Guwahati (June 2017). The bank accounts were declared dormant due to non-transaction and hence updated status of balance amount could not be shown.

Audit found that though construction of Nalbari TCC and other six TCCs was completed⁶ and equipment also procured, manpower was not provided to these TCCs.

The status of utilisation of TCCs so constructed was as under:

Photographs of unutilised equipment at TCC building, Diphu Civil Hospital (13 June 2019)	
Trauma OT room & Resuscitation area, Bongaigaon is under lock & key and not in use. Equipment lying idle in closed Store Room (11 February 2020)	
TCC building, Nalbari is used by Addl. CM&HO. Equipment were kept in locked room (photograph taken on 24 & 27 January 2020)	
TCC building, GMCH is being used as orthopaedic and emergency ward (29 January 2020)	
Dressing room of TCC, Silchar used as Casualty. OT Room is under lock & key and not in use (05 February 2020)	

⁶ Nalbari TCC:-June 2005; other six TCCs:-during October 2010 to July 2014

It is evident from the above photographs, that the constructed buildings were being utilised for other purposes *viz.*, outpatient department, store room, emergency ward, *etc.* Equipment were also largely lying unutilised.

We observed from the report of National Crime Records Bureau, Ministry of Home Affairs that during the years 2014-18, Assam witnessed 35,358 cases of road accidents which claimed 12,816 lives and injured 30,711 persons - a fatality rate due to road accidents of 29.4 *per cent*.

The Superintendents of all seven hospitals stated (January–February 2020) that TCC had been non-functional due to non-deployment of manpower by the State. Out of seven TCCs, only two TCCs—those in Medical College and Hospital, Guwahati and in Silchar were functional during *w.e.f.* January 2011 to November 2012 and May 2011 to July 2019 respectively by engaging contractual staff and with internal arrangement.

Due to non-deployment of manpower, trauma care facilities in the identified hospitals remained non-functional and objective of the scheme largely remained unachieved in five hospitals (Bongaigaon, Haflong, Diphu, Nalbari and Nagaon) rendering expenditure to the tune of ₹7.32 crore (₹5.97 crore incurred by concerned Hospitals and ₹1.35 crore by DHS) unfruitful. Besides funds of ₹10.18 crore including accrued interest (₹10.03 crore with Hospitals and ₹0.15 crore with DHS) released by GoI for the purpose remained unutilised. Reasons for non-deployment of manpower though was taken up (January 2020 and February 2020) by audit but response in this regard is yet to be received.

The matter was reported to the Government in March 2020, the Commissioner and Secretary, Health and Family Welfare (H&FW) Department stated (September 2020) that Diphu TCC was merged with Hospital cum Medical College. On the issue of shortage of human resources, the Principal Secretary, H&FW assured that for human resources support, Assam Critical Care plan⁷ would be followed.

⁷ As per the information provided by Director Health Services, Assam Critical Care Plan has been prepared in the wake of Covid-19 pandemic for establishment of ICUs and posting of required manpower.

1.2.2 Wasteful Expenditure

Lack of co-ordination between National Health Mission (NHM) and H& FW Department, Government of Assam led to dismantling of four buildings constructed by NHM at a cost of ₹2.36 crore on the land proposed for construction of Medical College and Hospital, Dhubri. Further, the dismantling cost of ₹13 lakh was also borne by the State Government.

Government of Assam (GoA) decided (January 2011) to set up a Medical College and Hospital in Dhubri district. The decision was communicated to the Deputy Commissioner (DC), Dhubri and copy was also sent to the Mission Director, National Health Mission (MD, NHM). In the said communication, it was specifically mentioned that existing Civil Hospital of the district will be taken over as Hospital of the proposed Medical College. Further, DC, Dhubri forwarded (January 2012) copies of the proposal for acquisition of land and site plan for construction of the Medical College and Hospital to Additional Chief Secretary to the GoA, H&FW, Director of Medical Education (DME), Joint Director of Health Services (Jt. DHS), Dhubri and MD, NHM.

During audit (July 2018) and subsequent verification of records, we noted that during the same period (December 2010 to March 2016), MD, NHM, Assam took up construction of four health infrastructure buildings at Dhubri Civil Hospital (DCH) as shown in **Table 1.2**:

Table 1.2

Sl. No.	Name of the Works	Date of sanction	Date of Commencement of work	Physical progress (till March 2017)	Expenditure incurred (₹in lakh)
1.	Rural Health Block Pooling Complexes (2 units)	14.12.2010	01.03.2012	62 per cent	158.26
2.	61-bedded Male and Female Ward	30.12.2014	24.02.2015	NA	35.98
3.	District Early Intervention Centre	10.04.2015	01.11.2016	43 per cent	24.51
4.	10-bedded Geriatric Unit	09.03.2016	24.11.2016	50 per cent	17.54
Total					236.29

It was seen that the Commissioner & Secretary to the GoA, H&FW Department issued (26 March 2017) an order to stop all construction activities. Subsequently, the above-mentioned four buildings were dismantled after obtaining 'No Objection Certificate' (14 August 2017) from MD, NHM, Assam. The MD, however, claimed (27 October 2017) recoupment of ₹2.36 crore being the expenditure incurred by NHM on the said constructions. H&FW Department, GoA accorded (15 March 2018) sanction for the amount claimed as Grants-in-Aid which was drawn by the MD, NHM, Assam on 31 March 2018. Construction of the Medical College and Hospital commenced in (February 2017) at an approved cost of ₹189 crore, to be shared 90:10 between GoI and GoA and the construction work was ongoing.

MD, NHM, Assam stated (May 2019) to audit that advance information regarding construction of Medical College at DCH campus was not available to NHM nor there was any direction from Government or other authorities not to undertake any work in view of such proposal. However, the reply is not based on facts as DC and Jt. DHS are the Chairman and Member Secretary of District Health Society (DHS), NHM

respectively. MD, NHM despite being made aware (January 2011) of the fact of selection of the site for Medical College, had proceeded with the construction works.

Above observations point towards non coordination between the MD, NHM and the State Health Department which ultimately resulted in wasteful expenditure of ₹2.49 crore⁸ incurred on construction of health infrastructures which had to be dismantled midway. In addition, GoA had to bear the cost of dismantled construction.

The matter was reported to the Government in December 2019, the Principal Secretary stated (September 2020) that to upgrade Dhubri Civil Hospital to Medical College, the existing structure was not appropriate for the use of medical college, and there was no other option but to dismantle these four buildings, in view of the larger benefit supposed to accrue from a Medical College.

Recommendations: Both the cases at Paras 1.2.1 and 1.2.2 point out indifferent approach/ attitude towards programmes and projects funded by the GoI, though they were meant for the benefit of the State's citizens. The GoA may take necessary action to not only streamline the systems and coordination between all agencies, but also ensure that responsibility is fixed on officials whose action led to waste of government funds and non-utilisation of facilities created out of these funds.

1.2.3 Unfruitful Expenditure

“Establishment of Hospital Ship on the river Brahmaputra” a GoI funded novel project for providing health care services, remained incomplete and unfruitful after incurring an expenditure of ₹2.20 crore on the project.

Government of India (GoI), Ministry of Development of North Eastern Region (MDoNER) accorded (November 2009) Administrative Approval of ₹ four crore (₹ three crore for ship building and ₹one crore for equipment and machineries) to Government of Assam (GoA) for the scheme “Support for establishment of Hospital Ship on the river Brahmaputra by the Centre for North East Studies and Policy Research (C-NES)⁹, Guwahati”. Objective of the scheme was to provide quality health care services in the riverine and *char* areas¹⁰ with full time medical and pathological facilities. The funds were to be contributed by GoI and GoA in 90:10 ratio with ₹ 3.60 crore by GoI and ₹ 0.40 crore by GoA and the target date for completion of the project was 31 December 2011. GoI released ₹ 2.40 crore to GoA in two instalments during November 2009 (₹0.40 crore) and October 2012 (₹ two crore). Director of Medical Education (DME), Assam released ₹ 2.20 crore between December 2011 and April 2015 to the C-NES for implementation of the Project on the basis of demands raised by C-NES.

⁸ ₹2.36 crore on construction and ₹0.13 crore on dismantling

⁹ As per the website of C-NES (an NGO), it aims to develop strategies and policies to impact policies and perceptions and mobilise public opinion on issues relating to the North East across a broad range of areas: health, education, environment, infrastructure, connectivity, conflict, gender, civil society, culture and heritage, communications and as well as regional cooperation.

¹⁰ A riverine island locally known as char area.

Audit scrutiny of records (October 2018) of the Director, Medical Education (DME), Assam and information collected from C-NES (the implementing NGO) revealed that the C-NES took almost two years from the approval of project by GoI to finalise the tender and issued work order only in October 2011. The delay was attributed to delays in preparation of plan drawings and technical specification through a Naval Architect based in Kolkata and also delays in finalising the tender due to backing off by the initial bidders in the first round. Thus, delays in finalisation of plan estimates and tender delayed the commencement of the work.

The C-NES utilised ₹ 2.20 crore up to 2015-16 with physical progress of 62 *per cent* till date of audit (October 2018) as shown in the following photographs.



Photograph (26 July 2018) of incomplete hospital ship

Due to inordinate delays in completion of the project, GoI declared (February 2018) the project closed on 'as is where is basis' and directed the State Government to complete the left over work out of their own resources. The State Government did not take any further action to complete and utilise the project.

Thus, hospital ship sanctioned in November 2009 remained incomplete for almost 10 years (December 2019) mainly due to GoI's decision to award the work to an NGO without ascertaining its competence and disinterest on the part of GoA to complete the project. Despite an expenditure of ₹ 2.20 crore, the intended beneficiaries of riverine and *char* areas were deprived of the desired health care services expected on completion of the project.

DME stated (October 2018) that it was difficult to exercise check over the pace of execution as the implementing agency is an NGO, and DME has little control over them. The reply was not convincing since the project was for the benefit of the State's beneficiaries though the executing agency may have been selected by GoI and their order specifically mentioned that the project shall be monitored by the Health and Family Welfare Department, GoA.

The matter was reported to the Government in December 2019, the Commissioner & Secretary, H&FW stated (September 2020) that to run a Hospital Ship is very costly affair and so the concept of Hospital Ship has changed. However, the issue is being examined, and final decision on the incomplete project would be taken in consultation with C-NES.

Recommendation: *In keeping with the GoI directions, the State Government may take steps to complete the project expeditiously.*

1.2.4 Suspected Misappropriation of Cash

The Cash collector of Silchar Medical College and Hospital (SMCH), appointed on contractual basis, misappropriated cash of ₹30.54 lakh by short depositing the cash. Absence of supervision over cash collections especially of contractual staff and inadequate monitoring facilitated the defalcation of cash.

Rule 15 (Annexure III) of Schemes for delegation of Hospital Autonomy, H&FW Department, Government of Assam, Byelaws (August 2002) provides that all revenue realised by the Hospital Management Society (HMS) should be deposited in the Society Bank account the very next day and this will be the responsibility of the Member Secretary of HMS.

Rule 95 (2) of AFR states that each entry in the cash book should be verified daily by the head of the office or by a Gazetted Officer authorised by him. In either case the head of the office will be responsible for the accuracy of the cash book and of the cash balance.

The Silchar Medical College & Hospital receives service charges from patients against services like pathological tests and medical procedures, bed charges, cabin charges, ICU charges, *etc.* Charges were collected through seven Central Cash Counters¹¹ (CCC provided with computer system installed with a software¹² (operationalised since December 2010). The collector of each counter was assigned unique login ID and the cash collected was required to be deposited with the Cashier on a daily basis, who in turn was to record the same in the Cash book and subsequently deposit the same in the bank account of HMS on the following day.

During audit test check (September 2018) of records relating to user fees collected and deposited by all seven collectors for one randomly selected month, it was found that user fees collected by six cash collectors were being deposited with the cashier except by one collector (Shri Pappu Rabidas, a contractual employee) who had not regularly deposited the daily collections to the cashier. A detailed audit scrutiny revealed that whereas the said collector had collected cash of ₹2.88 crore during the period from April 2014 to August 2018, he had deposited only ₹2.58 crore with the cashier, leading to a short deposit of ₹30.54 lakh.

In this regard, Audit also observed several deficiencies in supervisory checks and monitoring mechanism over cash collections:

- Cashier did not have access to the daily login reports of the cash collectors manning the cash counters, till such time that the cash collector of a particular

¹¹ Till Sept 2017 there were five counters and after Sept 2017 there were seven counters.

¹² Integrated Hospital Management System.

cash counter deposited the total collection of the day along with collection statement. The cashier was entrusted with the reconciliation of daily collection report *w.e.f.* 15 November 2018 only *i.e.*, after being pointed out by audit.

- The cashier never objected to late deposit of funds by majority of the cash collectors and retention of money collected by them. Although, the cash book clearly showed such irregularities, the cashier failed to bring this to the notice of Medical Superintendent of the Hospital.
- Irregularity in cash handling by the same collector was also noticed by the Hospital Management during 2014-15, but he was allowed to continue as cash collector.

From the above, it is evident that the monitoring mechanism of the Superintendent of the Hospital was grossly deficient. Further, engagement and continuation of the same collector despite being aware of his past record of mishandling cash during 2014-15 showed poor financial risk management on the part of the Superintendent, HMS, SMCH, Silchar.

Thus, absence of supervision over cash collections especially of contractual staff and inadequate monitoring facilitated defalcation of cash of ₹30.54 lakh.

The matter was reported to the Government in November 2019; the Commissioner and Secretary, H&FW stated (September 2020) that an FIR was lodged against the cash collector after receiving the audit observation. The cash collector had been arrested and charge sheet had been filed. The Commissioner further added that the cashier was also arrested on the same issue. The Senior Deputy Superintendent was entrusted with the charge of daily collections of cash and its reporting since November 2018 at the instance of audit.

Higher Education Department

1.2.5 Suspected Misappropriation of Cash

Principal BRM Government Law College did not record the details of fees collected from students and expenditure therefrom, in the Cash Book. Non-depositing fees in Government Account led to misappropriation of cash of ₹74.04 lakh.

Rule 7(1) of Assam Treasury Rules stipulates that all moneys received by Government servants shall without delay be paid into the treasury or into the bank and shall be included in Public Account. Moneys received as aforesaid shall not be appropriated to meet departmental expenditure, nor otherwise kept apart from the public Account.

Rule 95 of the Assam Financial Rules (AFR) provides that a Cash Book should be maintained by all Departments for recording in separate columns all money received by Government servants in their official capacity, and their subsequent remittance to the treasury or to the bank as well as money withdrawn from the treasury or the Bank either

by bills or cheques, and their subsequent disbursement. Each entry in the cash book should be verified daily by the head of the office or by a Gazetted Officer authorised by him. In either case the Head of the office will be responsible for the accuracy of the cash book and of the cash balance.

Audit (May-June 2018) of records of the Principal, Bishnu Ram Medhi (BRM) Government Law College for the period 2013-14 to 2017-18 showed that there was a shortfall in deposit of cash relating to student fees collected. It was noted that though fees were collected by College through the year, they were only partially deposited into Government account. The deposits were done only thrice during the five year period of 2013-18.

The fees collected, and deposited in Treasury through challan is shown in **Table-1.3**.

Table-1.3

(Amount in ₹)

Financial Year	Fees Collected	Retention of fees		Fees deposited in Treasury	Details of balance		Date and mode of deposit in treasury
		In bank	In cash		In bank	In cash	
2013-14	31,88,100	Nil	31,88,100	18,00,000	Nil	13,88,100	On 08/11/14 by cash.
2014-15	33,69,250	Nil	33,69,250	17,00,000	Nil	16,69,250	
2015-16	35,63,300	Nil	35,63,300	14,00,000	Nil	21,63,300	On 11/02/16 by cash.
2016-17	35,24,650	23,90,200 ¹³	11,34,450	12,00,000	11,90,200	11,34,450	On 15/12/16 from bank.
2017-18	37,27,750	28,41,414 ¹⁴	8,86,336	Nil	28,41,414	8,86,336	Nil
Total	1,73,73,050	52,31,614	1,21,41,436	61,00,000	40,31,614	72,41,436	

Besides above, out of cash balance of ₹72.41 lakh, a sum of ₹2.38 lakh was paid to Gauhati University as 'Affiliation and Registration fees' and the remaining amount of ₹70.03 lakh was neither deposited nor found available in cash chest. Further, out of the bank deposit of ₹40.32 lakh¹⁵ shown above, a sum of ₹4.01 lakh was withdrawn through different self-cheques¹⁶ (during August 2017 to February 2018) for which no account was maintained.

Principal, BRM Government Law college accepted (November 2019) that of the total fees collected in this period, an amount of ₹43.63 lakh had been retained by the College for office expenses. The College however failed to produce any documents in support of any expenditure out of the retained fees or that it was recorded in the Cash Book. Moreover, for meeting office expenses, the College received ₹27.23 lakh during 2013-18 from State Government of which, ₹23.10 lakh was spent during the period.

As such, due to non-availability of the cash in chest nor any details of ₹74.04 lakh (₹4.01 lakh added to ₹70.03 lakh), misappropriation of the funds cannot be ruled out.

¹³ Deposited by college in Syndicate Bank A/c No. xxx013.

¹⁴ ₹1,96,000 was deposited in Syndicate Bank A/c No. xxx013 by the College and ₹26,45,414 collected through POS machine/deposited by students in Syndicate Bank A/c No. xxx181.

¹⁵ ₹26,45,414 in Syndicate Bank A/c No. xxx181 and ₹13,86,200 in Syndicate Bank A/c No. xxx013.

¹⁶ From bank account No. xxx181.

The suspected misappropriation was facilitated by deficient maintenance of the Cash Book by the College authorities, by not recording all the receipts and expenses incurred in violation of Rule 95 of Assam Financial Rules. System of cash verification was also missing in the college.

The Principal stated (November 2019) that post of Accountant cum cashier remained vacant since March 2014 and due to lack of knowledge, cash book was not maintained. After being pointed out in audit, presently the collection and deposit of fees are being recorded in the cash book (November 2019) and presently cash verification has been introduced.

The matter was reported to the Government in November 2019. The Secretary, Higher Education Department, while agreeing to the audit observation, submitted an action taken report and stated (September 2020) that show cause notices had been issued to two ex-Principals of the College who are still in Government service while the Department had sought for views from Pension and Public Grievance Department for an ex-Principal who had superannuated in 2015. Further, the Secretary stated that a written reply with up-to-date position would be forwarded shortly along with the copy of instructions relating to depositing of 70 *per cent* of college fees to the Government exchequer by all Government colleges.

Recommendations: Besides taking disciplinary action for the lapses pointed out, Government may also ensure that vacancies relating to cash matters are not kept for long.

Welfare of Minorities and Development Department

1.2.6 Irregularities in Disbursement of Scholarship

The Director, Assam Minority Development Board (AMDB) irregularly disbursed Pre-Matric scholarship through Pay Direct Card of a private bank instead of directly transferring the scholarship amount to beneficiaries' bank account. Besides, funds of ₹18.60 crore were lying idle with the bank and ₹13.34 crore were lying idle with the Board.

The Prime Minister's 15-point programme for the welfare of minorities announced in June 2006, provided for a pre-matric scholarship scheme for meritorious students from minority communities. Up to the year 2013-14, the funding for the scheme was shared between Government of India and Government of Assam in the ratio of 75:25. However, with effect from the year 2014-15, it became a central sector scheme with 100 *per cent* central funding.

The scholarship was to be awarded to the students including those studying in private schools, who have secured not less than 50 *per cent* marks in the previous final examination and annual income of whose parents/ guardian from all sources does not exceed ₹ one lakh. The amount of scholarship comprised of admission fee, tuition fee and maintenance allowance at the following rates:

Table- 1.4

Class	Maintenance allowance	Admission fee	Tuition fee	Total
I to V	@ ₹100 per month not exceeding 10 months in an academic year.	Nil	Nil	Up to ₹1,000 p.a.
VI to X	Same as above	@ ₹500 p.a. subject to actual	@ ₹350 p.m. subject to actual	Up to ₹5,700 p.a.

The Director of Assam Minorities Development Board (AMDB) made a proposal (December 2014) of pre-matric scholarship amounting to ₹51.34 crore for 1,32,981 students for the academic year 2014-15 on the recommendations of the district level beneficiary committee¹⁷. Based on the proposal, Government of India (GoI), Ministry of Minority Affairs allocated and released ₹51.54 crore¹⁸, as *grants-in-aid* to Government of Assam (GoA) for 1,32,981 students in two instalments¹⁹ (July 2014-January 2015). GoA subsequently released (September 2014-March 2015) the entire funds in two instalments²⁰ to the Director, AMDB.

GoI while sanctioning the grant instructed the State Government to ensure that the sanctioned fund is disbursed to the students' bank account within one month from the receipt of fund. GoA also instructed that the payment should be made through A/c payee cheques in favour of actual payee. The Chief Secretary to the GoA directed (September 2015) the Director, AMDB to complete the disbursement of scholarship to the students by 15 October 2015.

Director, AMDB, however, apprised (10 October 2015) the Chairman, AMDB that it would not be possible to transfer funds to the bank account of 1,32,981 students as the districts had not provided IFS Code of the bank branches where the students had their accounts. The Director, AMDB instead forwarded a proposal submitted, by ICICI Bank, Guwahati for disbursement of the scholarship through a Pay Direct Card²¹ (PDC). The Chairman, AMDB accepted the proposal and accordingly, an agreement (07 November 2015) was entered into with the bank, whereby PDCs should be issued to beneficiaries within 45 days of submitting required documents²².

Audit noticed (June 2018) that the Director, AMDB transferred ₹ 38 crore²³ to AMDB's savings account in ICICI Bank between October 2015 and March 2018. As per the bank statement, ₹ 19.40 crore was disbursed during March 2016 to March 2018 through PDC

¹⁷ Deputy Commissioner is the chairman and Inspector of Schools, District Elementary Education Officer, Chairman of Sub-Divisional Minority Development Board are the members of the committee.

¹⁸ Including Administrative expenses of ₹20 lakh.

¹⁹ ₹24.91 crore in July 2014 and ₹16.07 crore in January 2015 and unspent balance of 2013-14 amounting to ₹10.56 crore.

²⁰ ₹24.91 crore in September 2014 and ₹16.07 crore in March 2015 and unspent balance of 2013-14 amounting to ₹10.56 crore.

²¹ It is a prepaid Card through which amount can be drawn through ATM against the credited amount. The bank was to charge ₹ 1 5 0 (*Plus service tax*) from each student towards card issuance fee.

²² Required documents were Know Your Customer (KYC) including Name, Photograph, Husband/ Father's Name, Address, Date of Birth, and a Certificate of Authentication of the information as well as identity of the beneficiary by a Gazetted Officer of Central/ State Government along with letter of introduction of the beneficiary from the AMDB.

²³ ₹ 10 crore (29 October 2015); ₹ 10 crore (8 December 2015); ₹ five crore (31 December 2015); ₹ 10 crore (28 March 2017) and ₹ three crore (31 March 2018).

and the remaining amount of ₹18.60 crore was lying idle in the savings bank account of the Board. In addition, the remaining funds of ₹13.34 crore was lying in the savings bank of AMDB at Assam Gramin Vikash Bank.

Thus, the scholarship scheme was not implemented strictly as per the directions of the GoI since the scholarships were not disbursed directly into the bank account of students. Further, out of the list of 1,32,981 eligible students forwarded to the Ministry by the Board, only 71,851 applications were received from students for PDC despite wide publicity given to the Scheme, which suggests that the Board had not verified the number of beneficiaries as received from the districts.

There was delay in disbursement of scholarship for the period of four years from the date of release of fund by GoI against the stipulated time of one month only. Further, though the bank had issued 71,851 PDCs but money was loaded only against 63,220 cards by the bank and the balance funds were lying in the savings account with the bank.

Payment of scholarship through PDC also resulted in the cost of issue of the Card (₹150 plus taxes as applicable) being borne by each student.

Thus, though ₹19.40 crore was disbursed as scholarship to 63,220 student beneficiaries, the disbursal was in deviation of the guidelines since the funds were not disbursed to bank accounts but instead to pre-loaded cards. Besides, ineffective monitoring of the implementation of the scheme resulted in funds of ₹31.94 crore lying idle in bank accounts of the Board.

Director stated (December 2019) that PDC was introduced on the ground of urgency in disbursement of scholarship, but time required for submission of required documents and KYC of students was not considered by them.

Government in their reply stated (September 2020) that the balance amount would now be refunded to the Government of India after verifying the actual balance of the scheme. The reply was silent on the method of disbursal adopted.

Recommendation: The Department may refund the balance funds to the GoI and ensure disbursal of scholarship to bank accounts of the beneficiaries.

CHAPTER-II

ECONOMIC SECTOR

Performance Audit on “Outcomes of Minor Surface Irrigation Schemes in Assam”

COMPLIANCE AUDIT

CHAPTER-II

ECONOMIC SECTOR

2.1 Introduction

The findings based on audit of the State Government departments/ offices under Economic Sector feature in this chapter. During 2018-19, against a total budget provision of ₹34,213.72 crore, 18 departments incurred an expenditure of ₹21,581.14 crore. Table 2.1 gives Department-wise details of budget provision and expenditure incurred there against by the 18 departments under Economic Sector during 2018-19.

Table 2.1: Department-wise details of budget provision and expenditure during 2018-19

(₹in crore)

Department	Grant No. and Name	Budget provision		Expenditure	
		Revenue	Capital	Revenue	Capital
Agriculture	48-Agriculture	1463.67	462.51	833.73	24.02
	67-Horticulture	105.47	8.00	55.41	--
Finance	10-Other Fiscal Services	3.00	--	2.07	--
	5-Sales Tax & other taxes	582.88	51.79	375.88	10.43
	13-Treasury & Accounts Administration	124.98	22.35	88.48	6.52
	66-Compensation and Assignment to LBs and PRIs	448.67	--	273.89	--
	7-Stamps and Registration	49.11	--	29.15	--
	68-Loans to Govt. Servant	--	75.99	--	70.00
	8- Excise and prohibition	74.65	0.50	56.54	--
	Public Debt and Servicing of Debt	4422.40	6330.31	4073.43	3589.36
Fishery	54-Fisheries	76.24	85.18	55.15	60.25
Water Resources	63- Water Resources	338.78	802.14	261.62	449.16
Forest and Environment	55- Forestry and Wild Life	590.25	10.39	425.54	0.57
Handloom, Textiles and Sericulture	59- Village, Small Industries, Sericulture and Weaving	359.96	30.38	221.51	9.69
Industries and Commerce	58-Industries	379.16	392.63	154.92	228.65
	60-Cottage Industries	90.86	0.42	53.48	--
Irrigation	49- Irrigation	567.06	1143.71	453.56	83.73
Mines and Minerals	61- Mines and Minerals	20.98	1.14	11.94	0.15
Power	62- Power (Electricity)	4053.61	898.58	1646.31	499.14
Public Works Roads	64- Roads Bridges	2130.41	6055.16	1082.92	5129.96
Science and Technology	69- Scientific Services and Research	40.60	12.40	30.76	3.07
Soil Conservation	51- Soil and Water Conservation	60.66	137.11	52.62	87.29
Transport	9-Transport Services	280.83	268.62	247.79	187.69
Tourism	65- Tourism	82.40	21.36	71.86	12.50
Animal Husbandry and veterinary	52-Animal Husbandry	413.47	94.57	269.23	35.59
	53- Dairy Development	32.68	2.89	20.94	1.84
Information Technology	75-Information Technology	72.99	1.00	15.95	--
Public Works Building and National Highway	17-Administrative and Functional Buildings	290.66	80.66	181.05	19.31
	21-Guest Houses, Government Hostels etc.	61.26	--	23.63	--
	33-Residential buildings	4.24	2.00	2.57	0.29
Total		17221.93	16991.79	11071.93	10509.21
Grand Total (includes Charged):			34213.72		21581.14

Source: Appropriation Accounts 2018-19

2.1.1 Planning and Conduct of Audit

During 2018-19, out of 603 auditable units under Economic Sector (Non-PSUs), we audited 199 units²⁴ based on risk analysis involving an expenditure of ₹17,604.18 crore (including expenditure of earlier years). This Chapter contains one Performance Audit (PA) on ‘**Outcomes of Minor Surface Irrigation Schemes in Assam**’ and two Compliance Audit paragraphs.

The major observations made in audit during the year 2018-19 are discussed in succeeding paragraphs.

PERFORMANCE AUDIT

Irrigation Department

2.2 Performance Audit on Outcomes of Minor Surface Irrigation Schemes in Assam

Government of Assam (GoA) is implementing irrigation schemes with the objectives of achieving outcomes of higher agricultural growth, increase in cropping intensity, raising crop yield and diversification of crops with the ultimate goal of providing better livelihood for the farming community.

Performance Audit on ‘**Outcomes of Minor Surface Irrigation Schemes in Assam**’ revealed that the expected outcomes from implementation of minor irrigation projects are yet to be achieved fully. It has not led to any significant increase in cropping intensity, productivity and agricultural income of farmers. Non-operational projects coupled with deficiencies in functional projects led to creation and utilisation of less irrigation potential than envisaged, and water supply could not be ensured to farmers, especially in dry season, to facilitate multiple cropping. Outcome of irrigation schemes also suffered due to lack of coordination with the Agriculture Department for provision of required support services and inputs to farmers.

Highlights

The total irrigation potential in Assam had reached 9,53,540 ha by the end of March 2017, of which 6,74,117 Ha (70.6 per cent) was through Minor Irrigation projects. The total IP created through Minor Irrigation projects during 2010-11 to 2016-17 was 1,37,442 ha, which was 77.4 per cent of the total IP created in this period in Assam. The Incremental IP created in the State during the period 2010-17 was 14.4 per cent for Major Irrigation Projects and 20.4 per cent for Minor Irrigation Projects.

Out of the 1,144 Minor Irrigation Schemes completed during the period January 2011 to March 2017 at a cost of ₹3,273.58 crore, audit selected 73 completed surface minor irrigation projects constructed at a cost of approximately ₹300 crore. No major

²⁴ High risk units: 69, medium risk units: 119 and low risk units: 11.

cost overrun was noticed in these projects and the average cost per project for the sample worked out to ₹4.11 crore.

Out of these 73 selected projects, 18 projects (25 per cent) were non-operational due to defective construction, damages/ wear and tear of projects and want of repairs, etc. In addition, two approved projects were found to have been diverted for non-Irrigation purpose, and three had construction defects causing significant reduction in the Irrigation Potential (IP).

Several Irrigation Projects (14 projects) suffered canal blockades and 25 projects showed broken canal embankment walls which adversely impacted flow of water and consequent loss of irrigation potential. The total investment in 62 discontinued/ dysfunctional projects was to the tune of ₹246.08 crore.

(Paragraphs 2.2.5.2 & 2.2.5.3)

Out of the sample, there were 18 non-operational projects, of which seven projects remained non-operational since completion and 11 projects became non-operational due to damage and want of repair during the previous three to four years. An expenditure of ₹74.74 crore had been incurred on the non-operational projects and irrigation potential lost was of 7,529 Ha.

{Paragraph 2.2.5.2 (i) & (iii)}

The Department had incurred an expenditure of ₹37.91 crore during the period 2014-19, on maintenance of irrigation projects and all the test checked Divisions had found the funds insufficient for upkeep of the projects, which is borne out by the dysfunctional projects noticed during the audit.

{Paragraph 2.2.5.2 (ii)}

The monthly reports of the Irrigation Divisions indicated that IP in the sampled projects were utilised primarily in Kharif season which also has monsoon water available to a large extent whereas utilisation in the dry seasons of Rabi-Pre Kharif was very low i.e., less than 10 per cent only. The main reasons for the low usage in non-Kharif season is sufficient irrigation water not being available, despite there being a demand for water.

(Paragraph 2.2.7.1)

The monthly reports for monitoring IP Creation and utilisation were prepared by the Divisions in a routine manner, with many of the projects showing null/ no-value, or with the same value repeated month after month and IP utilisation was also found reported against non-operational projects.

(Paragraphs 2.2.7 & 2.2.7.2)

Beneficiary Survey of 1,135 beneficiaries done by the audit found that Kharif Crops accounted for 90.4 per cent of the irrigation water usage, while Rabi crops accounted for only 12.4 per cent. 15 per cent of the farmers were following a cropping pattern with multiple crops grown through the year while 68 per cent of the beneficiaries had received water from the irrigation projects. However, only 23 per cent of the surveyed

farmers stated that they received irrigation water during the dry season (October to March).

Increased crop production was seen in paddy, Sali paddy with an average post-irrigation increase of around 18 per cent and Boro paddy increased by 37 per cent. Around 60 per cent of the respondents reported increase in their income post-irrigation during the last five years. However, majority of the farmers responded to the survey stating that their agricultural income was insufficient to manage their livelihood. This underscores the need for successful implementation of irrigation projects.

(Paragraph 2.2.7.2)

Maintenance of projects suffered for want of funds and Water Users' Associations whose role is to ensure participation of farmers in running of the Irrigation Schemes and their maintenance, were not functional. The State Government had not taken any action to review the outstanding dues of irrigation service charges, which has impacted maintenance of the Schemes.

(Paragraph 2.2.8.3)

2.2.1 Introduction

Assam has bountiful rainfall, yet very large fallow lands in post monsoon period. The State receives high rainfall of average per annum over 2000 mm. The intensity of rainfall in the State is very high from April to October which is the traditional monsoon season. If water shortage occurs early crop development and maturity gets delayed thereby adversely affecting crop yield. Similarly, moisture shortage in the late growing season affects quality of produce to a great extent. The twin challenges of large fallow lands and lower productivity on account of erratic rainfall can be addressed through assured irrigation which is also highly essential in the context of Assam for farmers to engage in double/ multiple cropping and improving crop yields.

As of March 2019, Assam has a geographical area of 78.44 lakh hectare (Ha) with the ultimate irrigation potential (IP) being assessed at 27 lakh Ha. Out of this, 17 lakh Ha was proposed to be created through Minor Irrigation Schemes-10 lakh Ha from ground water and seven lakh Ha from surface water. The remaining 10 lakh Ha was planned to be covered through Major and Medium irrigation projects from surface water sources.

As of March 2019, out of 10.07 lakh Ha of IP actually created, 7.34 lakh Ha (78 per cent of the overall IP created) was through minor irrigation schemes. The State had fully exploited surface water as a source for minor irrigation schemes with respect to the ultimate irrigation potential assessed. The actual IP created in surface water minor irrigation schemes is 6.45 lakh Ha, which is 92 per cent of ultimate IP assessed and hence, audit considered it as the right time to assess the outcomes of surface water minor irrigation schemes in Assam.

Further, the coverage of Per Drop More Drop (Micro Irrigation) component of PMKSY (2017) in North Eastern and hilly region is low due to poor infrastructure and difficult

terrain. As per the Annual Action Plan for 2020-21 for the Micro Irrigation Component of Per Drop More Drop (PDMC) under PMKSY, the government has planned for Drip Irrigation and Sprinkler Irrigation system primarily for Horticultural crops like Strawberry, Vegetables, Sugarcane, Banana, Papaya, Assam Lemon, Ber, Litchi, Oil Palm, Cashew Nut, Flower, Mustard, Pulses, and Tea. In Assam, Micro Irrigation is not immediately planned for staple crops like Rice. The subject of our Audit, was Minor Irrigation projects based on Surface water, where Micro Irrigation Schemes are not implemented.

The State endeavours to double the farmer's income by 2022 and to increase the irrigation potential created to 27 lakh Ha by 2030.

2.2.2 Background information on Irrigation

The sources of Irrigation are (i) Surface Water (River and its tributaries) (ii) Ground Water and (iii) Rain fed or a combination of any of above sources. Rain-fed agriculture is most sensitive to variations in view of rainfall fluctuations. Irrigation purely dependent on ground water or a combination of ground water with rain is unreliable as wells may dry up if the groundwater levels fall too low. On the other hand, surface irrigation system is more reliable as it draws water from natural rivers or tanks/ reservoirs as source. The irrigation network would broadly include main canals, minor and sub-minor canals, and distributary network (up to field channels). The State's Surface Irrigation comprises of two types of schemes-

- i. **Surface Flow Irrigation Scheme (FIS)** is a type of Irrigation Scheme executed by constructing diversion weir²⁵ across the river to convey water through canal system by surface gravity flow.
- ii. **Surface Lift Irrigation Scheme (LIS)** is also taken up on surface water sources by lifting of water (through pump sets) from river, lake or pond, *etc.* and water is conveyed through canal system.

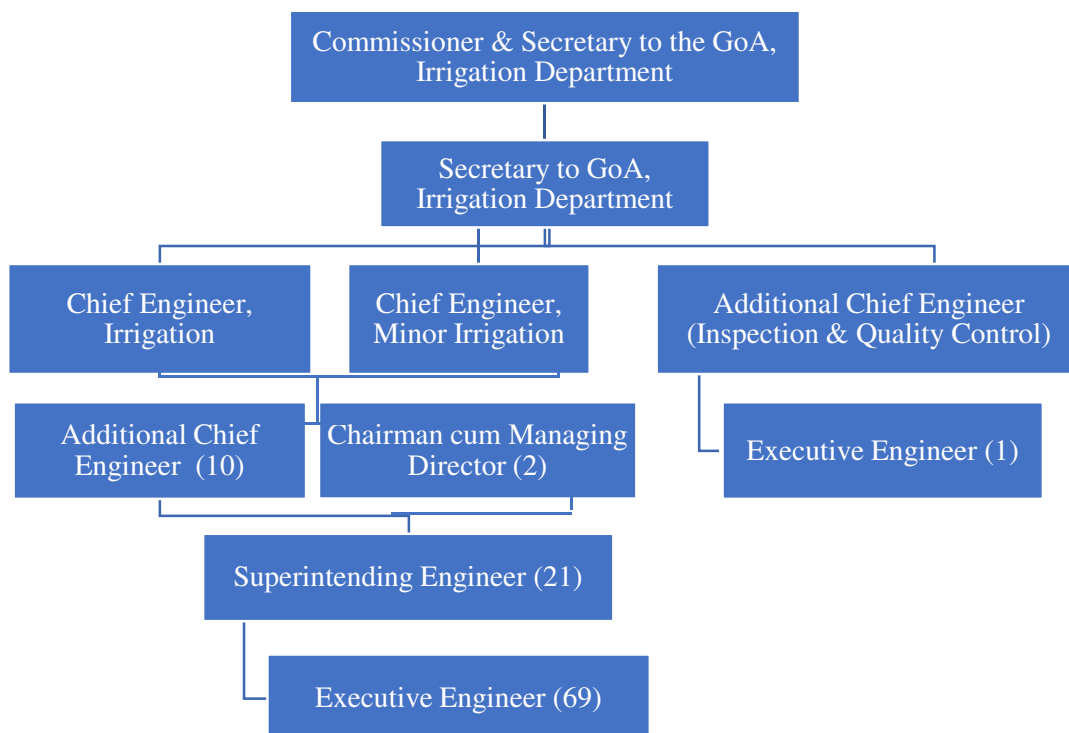
2.2.3 Department of Irrigation – Structure & Functions

The Department of Irrigation, Government of Assam (GoA) plans and implements irrigation schemes, classified as Major, Medium and Minor Irrigation Schemes based on the area²⁶ covered by the irrigation project, and is also responsible for their operation and maintenance. The Department's primary objective is to ensure the utilisation of created irrigation potential to increase agricultural production and also encourage multiple cropping by providing timely and assured irrigations. In execution of works undertaken by the Department, the Chief Engineer is assisted by various officers at different levels as shown in *Chart 2.1*.

²⁵ A weir or low head dam is a barrier across the width of a river that alters the flow characteristics of water and usually results in a change in the height of the river level.

²⁶ Major: Above 10,000 Hectares (ha), Medium: Between 2,000 and 10,000 ha, Minor: Below 2,000 ha

Chart 2.1: Organogram of the Department of Irrigation



2.2.4 Audit Framework

2.2.4.1 Audit Objectives

Audit on Outcomes in Surface Irrigation seeks an assurance that:

- Irrigation schemes were planned and executed effectively and economically;
- The Schemes were maintained properly and irrigation potential created was utilised efficiently;
- Coordination with all stakeholders was ensured at all stages for sustainable extension of scheme benefits to the targeted beneficiaries;
- Monitoring of IP creation and its utilisation was being done effectively.

2.2.4.2 Audit Criteria

The audit criteria was drawn from the following

- Assam Public Work Department Manual, APWD Code;
- The Assam Irrigation Act, 1983 and Assam Irrigation Rules, 1997;
- The Assam Irrigation Water Users' Act, 2004;
- Assam Financial Rules;
- Various irrigation scheme guidelines;
- Economic Survey Reports, Statistical Hand Books of Government of Assam;
- Other related circulars/ instructions issued by GoA, Ministry of Water Resources (MoWR), and Central Water Commission (CWC)

2.2.4.3 Audit Scope and Methodology

Outcomes in surface irrigation can be achieved and assessed only on completion of the project and hence the Minor Irrigation Schemes²⁷, which were completed between 01 January 2011 and 31 March 2017 were covered to evaluate the benefits accrued.

An entry conference (05 November 2019) with the representatives of the State Government Departments of Irrigation and Agriculture was held wherein audit methodology, scope of audit, audit objectives and audit criteria were explained. Test check of records for the period 2011-19 was carried out between August 2019 and March 2020 at the offices of the Chief Engineer (CE), Irrigation and Executive Engineers (EEs) of six Irrigation Divisions, selected by following the sampling methodology stated in the succeeding paragraph.

Apart from the Irrigation Department, audit also covered offices of the Director of Agriculture and District Agriculture Offices²⁸ in connection with selection of cropping pattern, supply of agricultural inputs, agricultural produce, extension and marketing services extended to farmers. We also conducted Joint site visits of sampled projects along with beneficiary surveys of farmers in the command area in order to assess the extent of achievement of anticipated outcomes at ground level.

Audit discussed (11 August 2020) the draft PA with the Government in the Exit Meeting and the views expressed by the representatives of GoA in the Exit meeting have been incorporated at appropriate places.

2.2.4.4 Sampling and audit coverage

Audit covered the minor irrigation projects completed during the period 01 January 2011 to 31 March 2017. Out of 2,134 minor surface irrigation schemes, 1,144 Minor Irrigation Schemes were completed during the audit period at the cost of ₹3,273.58 crore²⁹ creating IP of 3,86,009.18 Ha. Out of these, audit test checked 73 projects selected on the basis of Stratified Random sampling method as detailed in *Appendix 2.1*.

The sampling plan was formulated to arrive at a representative sample of projects which mirrors the geographical and agro-climatic diversity of Assam. Since each minor irrigation project is small, catering to a few villages, a stratified-clustering approach was followed for audit. The sample size is summarised in *Table 2.1 A*:

Table 2.1 A: Details of Sample Size

Total Irrigation Divisions in Assam	Irrigation Divisions selected	Projects completed during Audit period	Audit sample of completed projects	Total IP created in		Expenditure on 73 selected Projects (₹ in crore)
				1144 Projects	73 selected projects	
46	6	1,144	73	3,86,009 Ha	29,497 Ha	299.70

²⁷ Among Major, Medium and Minor schemes, only Minor Irrigation Schemes were completed during the period 01.01.2011 to 31.03.2017.

²⁸ DAO, Cachar, Chirang, Jorhat, Karbi Anglong, Kokrajhar, Morigaon and Udalguri

²⁹ ₹2,743.58 crore had been paid till March 2019, balance amount was to be paid.

The selected projects across six executing divisions covered seven districts (Kokrajhar, Chirang, Udalguri, Karbi Anglong, Morigaon, Jorhat, Cachar) out of 33 districts.

2.2.4.5 Audit Constraints

Proposals of irrigation projects have to be evaluated based on feasibility studies and field survey. After command area mapping, geotechnical investigation *etc.*, detail design estimate/ report are prepared for according technical sanction.

The Executive Engineer (EE) in the irrigation division has to prepare a Detailed Project Report (DPR) on the basis of feasibility studies and propose the minor irrigation project for Administrative Approval (AA) and Technical sanction (TS). Our scrutiny of DPRs of 73 sampled projects depicted that aforesaid feasibility studies were conducted based on which GoA had sanctioned the MI projects. However, supporting records³⁰ relating to the feasibility studies and field surveys were neither found on record nor produced to audit. As such, the technical feasibility of projects could not be verified in audit without the information relating to pre-project studies.

2.2.5 Audit Findings

2.2.5.1 Funding of Irrigation Schemes

The total expenditure on Irrigation³¹ during 2014-19 was ₹2,967.80 crore (₹2,043.30 crore under Revenue and ₹924.46 crore under Capital). GoA has tapped into multiple funding sources to develop irrigation potential of the State and achieve targets of increasing its irrigation potential. Minor irrigation projects are funded through schemes like Accelerated Irrigation Benefits Programme (AIBP), PM Krishi Sinchayi Yojana (PMKSY), assistance from Non-Lapsable Central Pool of Resources (NLCPR), Rural Infrastructure Development Fund (RIDF) of National Bank for Agriculture and Rural Development (NABARD), Command Area Development and Water Management (CADWM) schemes, North Eastern Council (NEC) schemes and from Assam Rural Infrastructure for Agriculture Services Program (ARIAS) funded by World Bank along with support from State Plan schemes. The total budget provision, during the period 2014-15 to 2018-19 was ₹7,219.48 crore and total expenditure was ₹2,922.97 crore under Medium Irrigation, Minor Irrigation and Command Area Development (CAD) and details of schemes are given in **Table 2.2**:

Table 2.2: Budget provision and expenditure

(₹ in crore)

Year		2014-15	2015-16	2016-17	2017-18	2018-19	Total	
Medium	Revenue	Allotment	120.38	121.89	112.74	117.32	120.72	593.05
		Expenditure	78.63	73.02	79.20	84.77	92.78	408.40
	Capital	Allotment	115.80	100.18	114.20	39.05	95.45	464.68
		Expenditure	69.67	55.02	7.09	1.36	2.94	136.08
Minor	Revenue	Allotment	432.80	421.58	376.92	446.65	441.00	2118.95
		Expenditure	308.55	292.56	315.22	343.24	356.78	1616.35
	Capital	Allotment	600.02	803.12	940.14	387.99	967.71	3698.98
		Expenditure	283.04	96.78	197.71	74.47	70.65	722.65

³⁰ Date of survey, location, source of river water data, rainfall data, persons engaged for conducting survey, *etc.*

³¹ Expenditure figures based on Grant No. 49 and 44.

Year		2014-15	2015-16	2016-17	2017-18	2018-19	Total	
CAD	Revenue	Allotment	4.09	4.42	4.09	5.16	5.33	23.09
		Expenditure	3.37	3.25	3.53	4.40	4.00	18.55
	Capital	Allotment	41.60	81.50	77.09	39.99	80.55	320.73
		Expenditure	1.79	0	6.27	2.73	10.15	20.94

In addition to above, an amount of ₹44.76 crore (capital expenditure) had also been spent out of NEC funds during the period 2014-19

Source: Detailed Appropriation Accounts

The scheme-wise expenditure for 73 sampled projects is given in **Table 2.3**:

Table 2.3: Scheme-wise expenditure of selected schemes

Sampled projects	Funding Source	Name of Scheme/ Funding Agency	Number of projects	Expenditure (₹ in crore)
73 Completed Minor Irrigation projects	Central	AIBP	52	246.42
		NEC	1	4.18
		NLCPR	1	19.14
	Institutional	NABARD	5	21.70
	State	SC Sub-Plan	11	6.76
		Tribal Sub-Plan	3	1.51
		Total	73	299.71

Source: Departmental records

As can be seen from the above data, as regards MI Schemes, the maximum source of funding was from the CS sponsored AIBP Scheme, followed by NABARD. The average cost of selected 73 Minor Irrigation Projects was ₹4.11 crore each. There was no cost variation noticed compared to the estimated cost. The cost of the sampled projects varied from ₹0.22 crore to ₹19.14 crore. The stratification of the projects by cost is shown in the table placed alongside.

Project Cost Slab	Number of Projects
Up to 2 crore	26
2-4 crore	11
4-6 crore	19
6-8 crore	8
8-10 crore	8
More than 10 crore	1
Total	73

2.2.5.2 Execution of Projects

The IP created through Government Irrigation Schemes by Irrigation Department was as under:

All figures in ha (Hectares)

Year	Major & Medium Irrigation	Minor Irrigation	Total
2010-11	4,426	16,456	20,882
2011-12	10,678	15,029	25,707
2012-13	270	9,485	9,755
2013-14	8,000	11,713	19,713
2014-15	16,170	38,774	54,944
2015-16	-	24,935	24,935
2016-17	640	21,050	21,690
Incremental IP Created in the 6 Year period	40,184	1,37,442	1,77,626
Total IP Created by end of March 2017	2,79,423	6,74,117	9,53,540
Incremental IP creation (in the period 2010-11 to 2016-17) share to total IP created up to March 2017	14.4 per cent	20.4 per cent	18.6 per cent



Source: Economic Survey Assam 2017-18 (Table 6-1, and 6-2)

It is evident from the table above that the total irrigation potential in Assam had reached 9,53,540 ha by the end of March 2017, of which 6,74,117 Ha (70.6 per cent) was through Minor Irrigation projects. The total IP created through Minor Irrigation projects during 2010-11 to 2016-17 was 1,37,442 ha, which was 77.4 per cent of the total IP created in this period in Assam. The Incremental IP created during the period 2010-17 was 14.45 for Major Irrigation projects and 20.4 per cent for Minor Irrigation Projects.

As per data provided by the Irrigation Department, there were 1,144 minor irrigation projects completed between January 2011 to March 2017. Audit selected, 73 completed minor irrigation projects of which, 52 projects were functional and 18 projects were non-operational. Further there were two projects³² were not related to irrigation as those were constructed for flood protection and redirection of river. Remaining one project³³ though shown physically completed in March 2016, was actually completed in June 2019 and put to use only in January 2020 due to non-construction of road culvert.

Out of 18 non-operational projects, seven projects remained non-operational since completion and 11 projects became non-operational due to damage and want of repair during the previous three to four years. An expenditure of ₹74.74 crore had been incurred on the non-operational projects and irrigation potential lost was of 7,529 Ha, the details of which are discussed in subsequent paragraphs.






(i) Projects lying non-operational since completion

<p>1. Bhorasora FIS (Kokrajhar district and Kokrajhar Division): The upstream right bank afflux bund³⁴ was breached at chainage 130 m in 1986. A fresh project was reconstructed including closure of the breach and completed in December 2013 incurring an expenditure of ₹8.83 crore. But, in August 2014 <i>i.e.</i>, during the subsequent rainy season, the newly constructed right afflux bund was once again breached at the same point and water flows under the aqueduct. The adjacent photograph shows dry aqueduct and the river flowing underneath.</p>	 <p>Latitude: 26.542342 Longitude: 89.911908 Elevation: 105.27m Accuracy: 1.9m Time: 11-02-2019 14:54 Note: Bhorasora FIS: HW aqueduct</p>
<p>2. Joypur FIS (Kokrajhar district and Kokrajhar Division): The Head work was completed on 29 May 2012 at a cost of ₹2.43 crore with eight cross regulators and one canal head regulator. The canal structure beyond the canal regulator was not constructed. The upstream left afflux bund was found breached and river diverted through the breached portion resulting in non-operation of the project.</p>	 <p>Latitude: 26.565311 Longitude: 90.319955 Elevation: 63.43m Accuracy: 0.6m Time: 12-11-2019 13:22 Note: Joypur FIS</p>

³² Bega FIS, Tangla and Sluice Gate at Kharjan, Jorhat

³³ Mahamaya FIS, Karbi Anglong

³⁴ Afflux bunds are provided on upstream and downstream to provide flood protection to low lying areas as a result of floods due to afflux created by the construction of bridge/structure

<p>3. Shyamdasguri FIS (Kokrajhar district and Kokrajhar Division): The project was completed on 31 March 2012 at a cost of ₹6.66 crore. The adjacent villages get inundated due to low height of the upstream afflux bund and the villagers did not allow closure of shutter gates of headwork.</p>	 <p>Latitude: 26.530302 Longitude: 93.972885 Elevation: 92.02m Accuracy: 1.2m GPSTime: 29-11-2019 11:54 Note: Shyamdasguri FIS H W</p>
<p>4. Dadra FIS (Chirang district and Kokrajhar Division): The project was completed on 31 March 2012 at a cost of ₹ two crore. During Joint site visit, it was noticed that canal head regulator was constructed on the right bank instead of left bank as per design of the project. Audit found that there was no command area adjacent towards the right bank of the river. As a result, the project remained inoperative due to execution of the project in violation of approved design.</p>	 <p>Latitude: 26.453035 Longitude: 93.465912 Elevation: 36.46m Accuracy: 1.8m GPSTime: 29-11-2019 15:01 Note: Dadra FIS</p>
<p>5. Jhargaon FIS (Udalguri district and Tangla Division): The project was completed on 31 March 2013 at a cost of ₹6.80 crore. The project contained two main canals viz. left main canal (LMC) and right main canal (RMC). During joint site visit, it was observed that the canal embankments were constructed with sandy soil due to which the embankment frequently got damaged and the project remained non-functional. The photograph shows no sign of canal.</p>	 <p>Latitude: 26.651157 Longitude: 92.07179 Elevation: 120.44m Accuracy: 3.4m GPSTime: 02-01-2020 13:09 Note: Jhargaon FIS Right MC at 150m</p>
<p>6. Chewni IS (Udalguri district and Tangla Division): The project was completed at a cost of ₹1.39 crore on 31 March 2010. The villagers of upstream villages did not allow the headwork shutter gates to be closed as ponding of water after closure of the shutter gates inundates the upstream villages overflowing the upstream left afflux bund. As such, the shutter gates of the headwork could not be closed and the project remained inoperative since completion.</p>	 <p>Latitude: 26.641435 Longitude: 91.801523 Elevation: 164.57m Accuracy: 3.5m GPSTime: 01-01-2020 12:10 Note: Chewni FIS Upstream</p>
<p>7. Phuluguri FIS (Udalguri district and Tangla Division): The work was completed at a cost of ₹9.90 crore on 31 March 2013. The headwork shutter gates were smaller in breadth and the gates could not be closed completely to regulate water flow. Due to this, water could not be released to the command area and the project remained non-operational since completion.</p>	 <p>Latitude: 26.784407 Longitude: 92.252129 Accuracy: 2500.0m Time: 22-01-2020 11:49 Note: Phuluguri FIS RMC</p>

(ii) Maintenance of Irrigation Schemes

The Chief Engineer (Irrigation), Assam incurred an expenditure of ₹37.91 crore under Maintenance for the period 2014-15 to 2018-19.




Year	Allocation	Fund released	Expenditure
	(₹ in crore)		
2014-15	9.19	6.97	6.97
2015-16	2.35	2.35	2.35
2016-17	12.22	12.22	12.22
2017-18	14.00	6.86	6.86
2018-19	18.59	9.51	9.51
Total	56.35	37.91	37.91

Source: Departmental figures

During audit, all the selected six divisions however, stated that funds under Operation and Maintenance (O&M) Plan were not received during 2014-15 to 2018-19. Audit also did not notice any expenditure incurred on maintenance by the selected divisions. The divisions also stated that O&M schedule was not prepared in the divisions. It was also noticed that 39 projects (out of 52 functional projects) could not utilise full irrigation potential due to want of repair of the broken and blockage of canal structure as discussed in the succeeding paragraph.

During Entry Meeting, the Government representative stated that funds under Maintenance and Repair needed to be increased for sustainability of the completed projects.



(iii) Projects lying non-operational due to damages

<p>1. Chandana FIS (Udalguri district and Tangla Division): The project was completed on 31 March 2012 at a cost of ₹4.99 crore. During joint site visit, canal was found filled with earth due to flood. The project remained inoperative since 2017.</p>	 <p>Latitude: 26.773555 Longitude: 92.01195 Elevation: 139.47m Accuracy: 2.8m GPS Time: 11-01-2020 11:37 Note: Chandana FIS AMC near 10km</p>
<p>2. Threeganga FIS (Cachar district and Silchar Division): The project was completed on 05 February 2014 at a cost of ₹4.98 crore. The headwork shutter gates were damaged in June 2014 due to flash floods. RMC was found not executed for 10m-15m at Ch.50m and Ch.70m respectively. LMC was found broken at Ch.30m.</p>	 <p>Latitude: 24.83875 Longitude: 92.91701 Elevation: 79.83m Accuracy: 5.6m Time: 15-02-2020 10:52 Note: Threeganga FIS RMC at 50m</p>
<p>3. Kadabil FIS (Udalguri district and Tangla Division): The project was completed on 31 March 2012 at a cost of ₹5.03 crore. The upstream of the headwork was found full of siltation due to flood. Canal embankments were not found existing at various chainages and water not released from the headwork since 2017.</p>	 <p>Latitude: 26.870679 Longitude: 92.281969 Accuracy: 3.00.0m Time: 22-01-2020 14:27 Note: Kadabil FIS</p>

<p>4. Maima Bund FIS (Udalguri district and Tangla Division): The project after incurring an expenditure of ₹1.16 crore was completed on 31 March 2016. The right upstream guide bund³⁵ was completely washed away/damaged for a length of 20 m due to which, the project was inoperative.</p>	 <p>Latitude: 26.22222 Longitude: 91.72413 Elevation: 13.84m Accuracy: 3.0m WGS84 MGRS: 1041 2650 14 23 Note: Maima FIS</p>
<p>5. FIS from Ullarkhal in Kaiajani (Cachar district and Silchar Division): The project after incurring an expenditure of ₹4.99 crore was completed on 20 February 2011. During joint site visit, the project was found inoperative. The right main canal was not found after ch.60 m and the left main canal was found damaged at various chainages.</p>	 <p>Latitude: 24.981417 Longitude: 92.236026 Elevation: 6.73m Accuracy: 1.5m WGS84 MGRS: 1440 2020 15 05 Note: Ullarkhal FIS LMC</p>
<p>6. FIS from Rokonala at Rokopur (Cachar district and Silchar Division): The project after incurring an expenditure of ₹4.49 crore was completed on 20 January 2014. The project is inoperative since August 2015 due to damage by heavy floods.</p>	
<p>7. Chaita Cherra nala FIS (Cachar district and Silchar Division): The project was completed on 30 June 2013 after incurring an expenditure of ₹0.40 crore. The project remained inoperative since 2015 as the canal system was severely damaged. During joint site visit, the canal system was found non-existent at many chainages.</p>	 <p>Latitude: 24.92027 Longitude: 92.614643 Elevation: 6.37m Accuracy: 1.5m WGS84 MGRS: 1440 2020 12 31 Note: Chaita nala FIS LMC</p>
<p>8. FIS from Sundaranala in Baintyapur (Cachar district and Silchar Division): The project after incurring an expenditure of ₹0.65 crore was completed on 15 April 2013. The project remained inoperative since 2016 due to wear and tear damage of the canal system at various chainages.</p>	 <p>Latitude: 24.974428 Longitude: 92.813122 Elevation: 49.36m Accuracy: 2.0m WGS84 MGRS: 1440 2020 12 19 Note: Sundara FIS RMC</p>
<p>9. Udori ELIS³⁶ (Morigaon district and Morigaon Division): The project after incurring an expenditure of ₹0.44 crore was completed on 31 March 2011. It was found from records that the project was not functioning since 2016 due to drying up of source and breakdown of transformer.</p>	 <p>Latitude: 26.166473 Longitude: 92.18402 Elevation: 50.64m Accuracy: 3.0m WGS84 MGRS: 15 01 2020 10 34 Note: msp</p>

³⁵ Guide bunds are provided for the purpose of guiding the river flow past the diversion structure without causing damage to it and its approaches. Afflux bunds extend from the abutment of guide bund.

³⁶ Electrical Lift Irrigation Scheme

<p>10. Improvement of Alternative FIS (Kokrajhar district and Kokrajhar Division): The project after incurring an expenditure of ₹8.75 crore was completed on 31 March 2012. It was noticed from the records that the headwork was damaged by flood in July 2018. The project was found inoperative during joint site visit.</p>	
<p>11. Rajagadhowa ELIS (Morigaon district and Morigaon Division): The project was completed on 31 March 2012 after incurring expenditure of ₹0.85 crore. During site visit, it was found that all of four pump sets were not in working condition and the canal structure was broken at various chainages. Local farmers stated that the project was inoperative for last three to four years.</p>	

(iv) Incorrect Reporting on Operational Status of Projects

The Executive Engineers (EE) of irrigation divisions prepare and submit a monthly progress report of the irrigation schemes to the Chief Engineer (CE), Irrigation which contains details such as the status of schemes, expenditure incurred and irrigation potential created and utilised. As per the monthly progress reports³⁷ made available to audit, the reports pertaining to 12 of the above 18 non-operational projects were showing that these projects were providing irrigation benefits. However, as explained above, they were not providing the desired irrigation benefits and outcomes and the monthly progress reports were invalid and incorrect. Further, the divisions and the Department were yet to decide on revival of the projects to regain the lost irrigation potential and salvage the investment. Division-wise break-up of non-operational projects is given in **Table 2.4**:

Table 2.4 Division-wise non-operational projects

Name of Division	Total Sampled Projects	Number of non-operational projects			
		Since completion	Due to damage	Total	Per cent
Tangla	25	3	3	6	24.00
Kokrajhar	22	4	1	5	22.73
Morigaon	6	0	2	2	33.33
Silchar	5	0	5	5	100.00
Karbi Anglong	12	0	0	0	0.00
Jorhat	3	0	0	0	0.00
Total	73	7	11	18	25

³⁷ All the monthly reports were not made available to audit. Records made available division-wise are: Tangla–Monthly progress report of all 25 selected projects (December 2019); Kokrajhar–three out of 22 selected projects (Flood Damage report); Morigaon–Monthly progress report of all six selected projects (March 2019); Silchar–Monthly progress report of all five selected projects (January 2020); Jorhat - Monthly progress report of all three selected projects (March 2019).

As seen in the table above, a high percentage (25 per cent) of sampled projects have become non-operation and in particular, all the sampled projects in Silchar division were non-operational.

It is recommended that the Department of Irrigation take steps to revive the projects wherever feasible and advise EEs of the concerned divisions to report facts correctly on status of the projects.

During Exit Conference, the Deputy. Secretary, Irrigation Department assured (August 2020) to take up the matter with all the Divisions.

2.2.5.3 Other Irregularities in Project Execution

(i) Defective construction of canal system

Audit observed defective construction of canals in three out of 52 functional projects as discussed below:

- a. **Dalkona FIS:** Height of bed crust of RMC was more than the LMC level. Moreover, the height of RMC was also above ponding level of water at the headwork site. As a result, water flows only through LMC and command area under RMC were not getting any water from the project. The project was constructed between June 2010 and March 2013 at a cost of ₹6.52 crore.
- b. **Kulshik FIS:** The LMC up to the chainage of 500 meter was constructed without maintaining gradient of the canal. As such, the canal was unable to carry water and thereby depriving the farmers covered under LMC due to non-release of water through the canal. The project was constructed between June 2012 and December 2014 at a cost of ₹19.14 crore.
- c. **Mahilapara FIS:** Water was overflowing the shutter gates although the shutter gates of headwork were closed. Despite overflow, water was not flowing through the RMC which was found dry and full of bushes and siltation. The project was constructed between February 2010 and March 2012 at a cost of ₹7.25 crore.

Further, audit also observed blockade of canals with soil, weed, garbage, etc. in case of 14 projects³⁸ (constructed between November 2008 and March 2016 at a cost of ₹56.71 crore) and breach of canal embankment walls in case of 25 projects³⁹ (constructed between February 2008 and March 2017 at a cost of ₹78.03 crore). These defects adversely impact the flow of water and leads to under-utilisation of irrigation potential. The Department should take effective steps to repair the defects and ensure full utilisation of irrigation potential.

³⁸ Amrit Dong, Dakhingaon Dable, Gilwbwr, Huntherlangso Lishing, Murakhat, Improvement of Polashguri (P-II) and Suresh Bund FISs, Chelabor (P-II), Kakijan (P-II)and Kangthilangso ISs, Improvement of Dongabari and Khudradal PCs, Kamandanga ELIS.

³⁹ Athaibari (P-III), Bairali Tablaijhora, Banderguri, Bhutia Pukhuri, Borjan(P-II), Brahmapara, Gargella Merbenchuba, Garobasti, Kahibari, Khangkhraimari, Longa (P-IV), Maojjihora, Mina, Patakata, Prasad Bund, Raijam Pai (P-II), Sapkata (P-II), Singrimari, Swapangaon and Tamadingdinga FISs, Khristanpara Dong Bund IS, Lakanabariand Makrapara ELISs, Thengbhanga PC No.5,Borjari PC-2.

During Exit Conference, the Deputy Secretary, Irrigation Department stated (August 2020) that Assam being a flood-prone State, very little fund was available for M & R.

(ii) Diversion of irrigation projects for other than irrigation purposes

Two out of 73 sampled projects were not irrigation projects but incurred expenditure from irrigation schemes. During joint site visit, it was found that one project⁴⁰ which projected 390 Ha of IP creation was for flood protection and another⁴¹ which projected 380 Ha of IP creation was for redirecting the flow of river and the villages to be benefited as mentioned in the DPR were three to four km downstream of the headwork and canal system works were not carried out. The above two approved projects sanctioned to provide irrigation facilities to the command area were found to have been diverted for other than irrigation purposes.

During Exit Conference, the CHD Kokrajhar, Irrigation Department stated (August 2020) that to revive the projects, another scheme was taken up.

2.2.6 Expected Outcomes

2.2.6.1 Outcomes of minor irrigation projects

The expected outcomes of minor irrigation projects are detailed in the DPRs of each project which are primarily an increase in crop production by way of creating new command area or extending the previous coverage area, availability of irrigation water in all seasons, increase in cropping intensity by adoption of multiple cropping, increase in crop yield and the resultant increase in income of farmers. Other outcomes like economic uplifting of farmers and command area, replacing the traditional temporary earthen dam across rivers, renovating the old projects were also mentioned in the DPRs.

2.2.6.2 High Benefit-Cost ratio Assumptions

Second Irrigation Commission, 1972 GoI, first endorsed the use of benefit cost ratio (BCR) for judging the economic soundness of irrigation projects. It is calculated by dividing the net annual benefits by annual cost. The net annual benefit is the difference of benefit accrued from pre and post irrigation calculated on the value of agricultural produce *minus* cost of production. Annual cost includes annualised capital cost of irrigation project, depreciation on capital cost and repair-maintenance cost. A project is considered beneficial if the BCR is more than one⁴².

Audit examined the DPRs of 62 of the sampled 73 projects that was made available, to see the assumptions which had gone into the computation of BCR. This was done with the aim of subsequently validating these assumptions through field audit and

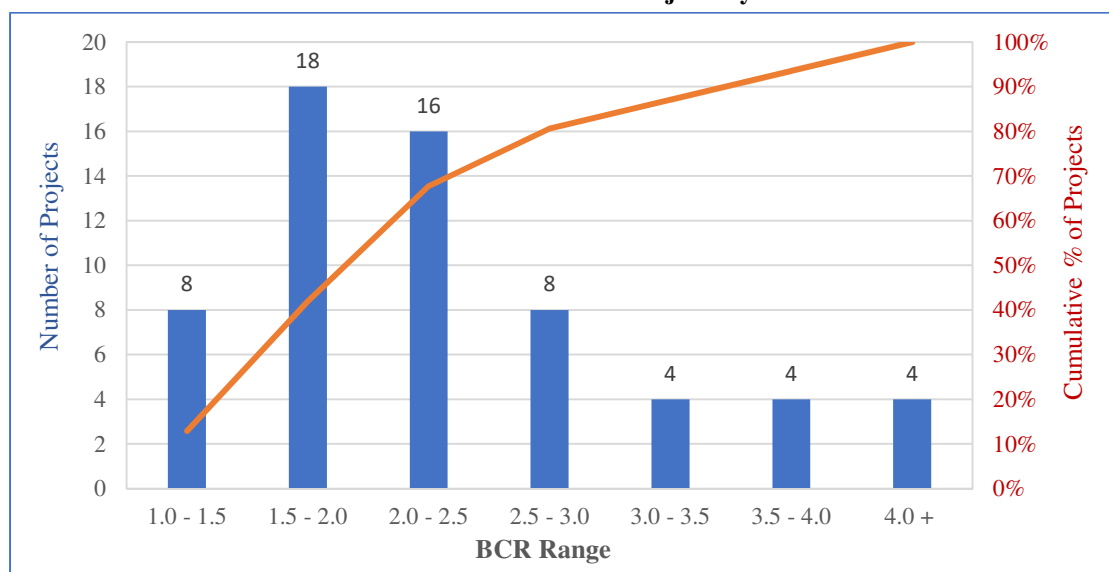
⁴⁰ Sluice Gate at Kharjan under SCSP 2011-12 (completed in March 2016 at the cost of ₹2.54 crore).

⁴¹ Bega FIS under AIBP 2008-09 (constructed between September 2009 and March 2012 at the cost of ₹1.15 crore).

⁴² Second Irrigation Commission, GoI recommended BCR of 1.5 for normal areas and 1 for Drought prone areas. However, AIBP guidelines recommends sanctioning of projects with BCR of more than 1.

beneficiary survey as to assess the extent to which the planned outcomes had materialised. The stratification of projects by the estimated BCRs at the time of Project approval can be seen in **Chart 2.2**.

Chart 2.2: Stratification of Projects by BCR



While the project selection criteria was for BCR to be greater than one, it can be seen that almost 60 per cent of the projects had projected a BCR more than Two, and 20 per cent projects had projected a BCR even greater than three.

(i) Assumed increase in farmer's income in DPR

The quantifiable financial benefits of these irrigation projects, which were leading to high BCRs, were on account of an assumed increase in farmer's income. We analysed this projected increase in farm income recorded in the DPRs, and noted that on average, the sampled projects assumed that the farmer's income would increase by 13.78 times *i.e.*, show a 1378 per cent increase. When considering the increase in median income, this estimated increase was of 5.57 times or 557 per cent. The district-wise projected increase for the selected projects is in **Table 2.5**:

Table 2.5: Income Increase Estimated in DPRs

District	No of Projects	Multiple (Average Income)	Multiple (Median Income)
Cachar	2	4.70	4.70
Jorhat	3	92.60	4.81
Karbi Anglong	10	21.06	20.88
Kokrajhar	22	6.16	5.62
Morigaon	5	4.98	4.84
Udalguri	17	9.10	4.40
Overall	59	13.78	5.57

As per the DPR, the increase in income of farmers was primarily on account of the following two anticipated benefits flowing from the implementation of the projects, *viz.*, 1) Increase in area under cultivation and 2) Increase in the yield of the crops cultivated. In addition, the DPR also assumed that non-cereal crops would also be cultivated.

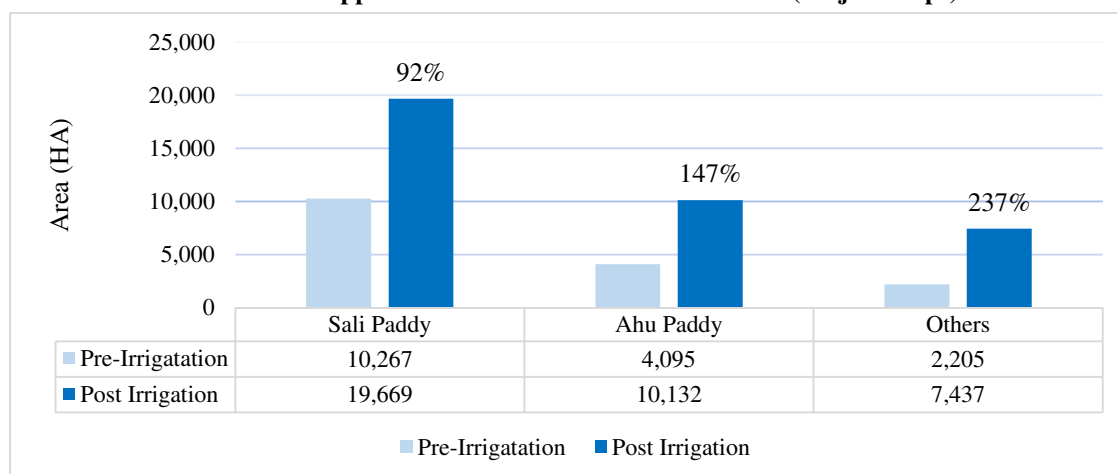
(ii) *Assumed increase in area under cultivation in DPR*

Overall, the DPRs assumed that the area under cultivation would increase by 125 per cent. Among the paddy crops, the largest percentage increase was estimated in case of Ahu Paddy—a Rabi-Pre Kharif crop by 147 per cent, and in crops other than paddy by 237 per cent.

Table 2.6: Cropped Area Increase Estimated in DPRs

Crop Group	Crop Name	Pre-Irrigation (Ha)	Post Irrigation (Ha)	Projected Increase (per cent)
Paddy	Ahu Paddy	4,095	10,132	147
	Sali Paddy	10,267	19,669	92
Sub Total		14,362	29,801	107
Other than Paddy	Wheat	375	1,457	288
	Jute	661	2,168	228
	Mustard	503	1,363	171
	Oilseeds	547	1,218	123
	Potato	20	260	1200
	Pulses	98	845	760
	Vegetables	0	126	-
Sub Total		2,205	7,437	237
Overall		16,567	37,238	125

Chart 2.3: Cropped Area Increase Estimated in DPRs (Major Crops)



During Exit Conference, the Deputy Secretary, Irrigation Department did not provide (August 2020) any specific reply.

(iii) *Assumed increase in Crop Yield in DPR*

The second factor leading to anticipated increase in farmer’s income post-irrigation project implementation was on account of the increase in yield of the crops cultivated. We analysed the data given in the DPR of the sampled projects, and noted the following assumed increase in yield:

Table 2.7: Crop yield increase estimated in DPR (Quintals per Hectare)

Crop Group	Crop Name	Avg. Pre-Yield	Avg. Post Yield	Average Increase (per cent)	Median Pre-Yield	Median Post-Yield	per cent Increase (Median)
Paddy	Sali Paddy	23.3	47.5	104	30.0	48.0	60
	Ahu Paddy	20.9	47.2	126	20.0	45.0	125
	Jute	16.0	26.5	66	20.0	30.0	50

Crop Group	Crop Name	Avg. Pre-Yield	Avg. Post Yield	Average Increase (per cent)	Median Pre-Yield	Median Post-Yield	per cent Increase (Median)
Other than Paddy	Mustard	12.0	28.8	141	15.0	30.0	100
	Oilseeds	3.4	9.3	173	1.5	8.0	433
	Potato	4.0	130.0	3150	0.0	135.0	-
	Pulses	1.5	12.4	727	0.0	7.0	-
	Vegetables	0.0	200.0	-	0.0	200.0	-
	Wheat	10.8	27.3	152	18.0	25.0	39

As can be seen in **Table 2.7**, significant increase in yield has been assumed in the DPR. If we look at only the two paddy crops, which are the main crops cultivated in the State, the average increase in yield has been taken as 104 per cent for Sali Paddy, and 126 per cent for Ahu Paddy. The percentage of increase of area and yield for All India and Assam for the period 2009-19 against the projections made in the DPR for Sali paddy was as under:

Table 2.8: Percentage increase of Paddy Area and Paddy Yield in DPR, Assam and All-India

Particular	All-India ⁴³			Assam ⁴⁴			DPR (62 projects)		
	2009-10	2018-19	per cent change	2009-10	2018-19	per cent change	Pre-Irrigation	Post-irrigation	per cent change
Paddy Area (’000 Ha)	41,920	43,790	4.5	2529	2425.18	-4.1	10.27	19.67	92
Paddy Yield (Qt/Ha)	21.25	26.59	25.1	17.66	22.71	28.6	23.3	47.5	104

Comparing the projections in DPR with actual increase in crop area and yield between the period 2009-10 and 2018-19 for Assam and All-India, it is observed that the DPR projections are unrealistic and the assumptions are high by any standard.

During Exit Conference, the Deputy Secretary, Irrigation Department stated (August 2020) stated that on the basis of comments of Agriculture Department, the DPR was prepared by the Irrigation Department. However, the Irrigation Department will check and instruct all to get the DPRs more realistic.

2.2.7 Assessment of Outcomes

2.2.7.1 Irrigation potential created and Irrigation potential utilised

Irrigation potential created is the total area which can be irrigated from a project on its full development and irrigation potential utilised is the actual irrigated area from a project during the period under consideration. As per DPRs of the 73 sampled projects, a total Net Irrigated Area of 29,497 Ha was planned to be created through the execution of the projects.

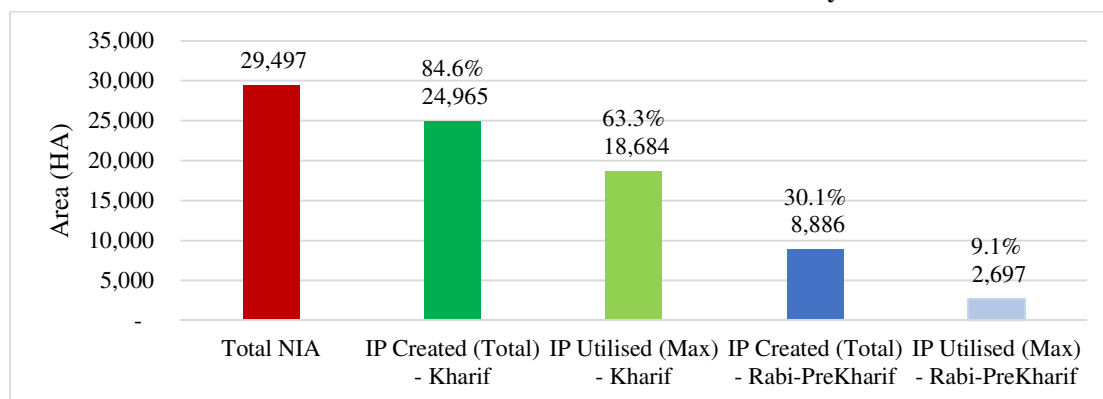
Audit examined the monthly reports rendered by the irrigation divisions for the two year period of April 2017 to March 2019 to see the extent of Irrigation Potential created and actually put to use for cultivation of various crops by the beneficiary farmers. It was

⁴³ Source: Agriculture Statistics at a glance, 2019 - Ministry of Agriculture and Farmers Welfare, GoI

⁴⁴ Statistical Handbook of Assam, Directorate of Economics and Statistics, GoA

found that the monthly reports were being prepared in a routine manner, as many of the projects were being reported with null/ no-value, or with the same value repeated month after month. However, for the purpose of analysis, we have taken conservative figures⁴⁵ for IP Created and Utilised. The summary of IP created and utilised for Kharif and Rabi-Pre-Kharif season is shown in **Chart 2.4**:

Chart 2.4: IP Creation and Utilisation Summary



Source: Departmental records

As can be seen in the chart, the stated IP Creation is at 84.6 per cent of the NIA for Kharif, and 30.1 per cent in case of Rabi-Pre Kharif season. The actual IP Utilisation, was at 63.3 per cent in case of Kharif, but for Rabi-Pre Kharif it was low 9.1 per cent. The low reported IP Utilisation in Rabi-Pre Kharif season, in a season when irrigation water is most required adversely impacts benefits of increased cultivation of crops.

Out of 73 sampled projects, we found that 18 projects were non-operational due to various reasons as explained in **paragraph 2.2.5.2**.

The IP Created and Utilised was also being reported against these non-operational projects, as shown in **Table 2.9**:

Table 2.9: IP created and utilised being shown in non-operational projects

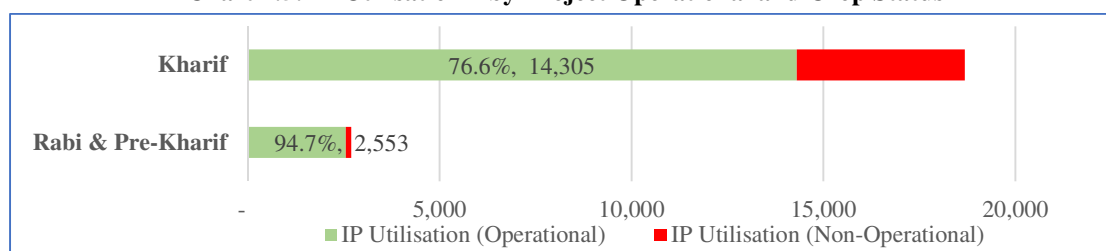
Report Season	Operational Status Group	Operational Status	No of Projects	Area NIA	IP Created (MAX)	IP Utilised (MAX)	IP Utilised (MEDIAN)
Kharif	Operational	Operational (Total)	52	20,808	19,347	14,305	11,038
	Non-Operational	Non-Operational (Total)	21	8,689	5,618	4,379	2,941
		Non-operational since completion	7	4,392	1,727	1,370	695
		Non-operational due to damages	11	3,137	3,686	2,861	2,117
		Others (Non-Irrigation Use)	2	770	205	148	129
		Delayed completion (June 2019)	1	390	0	0	0

⁴⁵ For IP Created – the Maximum stated value, (which is the also same as the Minimum in most cases) has been taken. For IP Utilised, this has been taken as the Maximum Utilised value, though the median value is also being reported here

Report Season	Operational Status Group	Operational Status	No of Projects	Area NIA	IP Created (MAX)	IP Utilised (MAX)	IP Utilised (MEDIAN)
Rabi & Pre-Kharif	Operational	Operational (Total)	52	20,808	7,556	2,553	1,247
	Non-Operational	Non-Operational (Total)	21	8,689	1,330	144	52
		Non-operational since completion	7	4,392	578	58	22
		Non-operational due to damages	11	3,137	592	60	18
		Others (Non-Irrigation Use)	2	770	160	26	12
		Delayed completion (June 2019)	1	390	0	0	0

The breakup of IP Utilisation on Operational and non-Operational projects among the 73 sampled projects can be seen in the following chart. The IP utilised on account of operational projects in case of Kharif season was around 76.6 *per cent* of the total IP created. The recorded reasons for less utilisation of IP were general wear and tear of the projects, natural calamities, erratic power supply, change of river course, damage of canal system, lack of demand from farmers, *etc.*

Chart 2.5: IP Utilisation – by Project Operational and Crop Status



Analysis of the IP Utilisation report shows that the Irrigation Potential has been created and utilised primarily during the Kharif Season. The low IP utilisation in the Rabi-Pre Kharif season in the sampled projects being less than 10 *per cent*, would have a detrimental effect on the efforts in increasing cropping intensity through cultivation of crops successfully in the dry seasons of Rabi-Pre Kharif.

During Exit Conference, the Chief Engineer, Irrigation Department did not provide (August 2020) any specific reply.

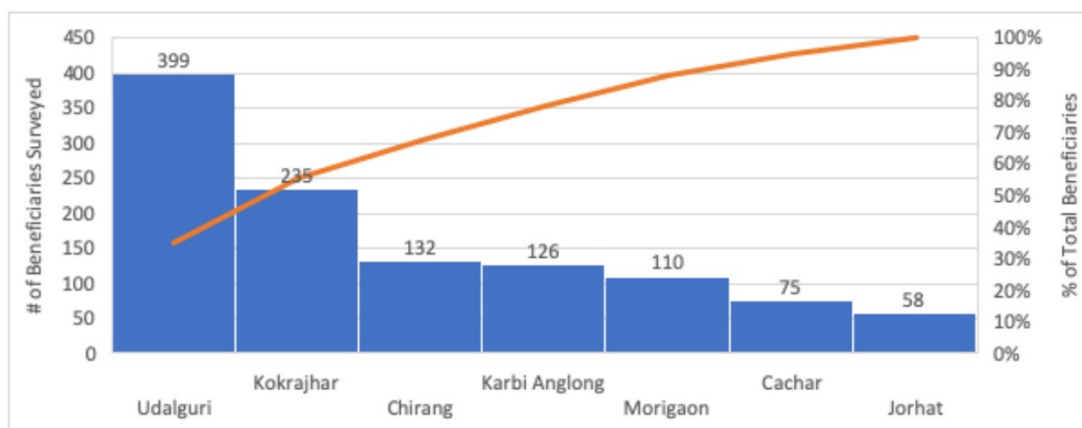
2.2.7.2 Impact of Outcomes on Beneficiaries

The 73 sampled projects considered for assessment covers a net irrigated area of 29,497 Ha providing benefit to 20,899 farming families in 415 villages surrounding the command area. We surveyed 1,135 Beneficiaries across seven Districts⁴⁶ of Assam where water from the sampled Minor Irrigation Scheme projects was being provided. The beneficiaries were selected based on audit's judgement of accessibility and availability of farmers. The beneficiary survey proved to be a vital tool for audit in absence of the basic project-wise and crop-wise records in the sampled offices of GoA.

⁴⁶ While sampled projects were selected from six Irrigation Divisions, Beneficiary Survey includes seven Districts, as Chirang District comes within Kokrajhar Division, one of the six Sampled Divisions

The beneficiaries were surveyed on various parameters and outcomes relating to irrigation and the results are discussed in succeeding paragraphs.

Chart 2.6: Surveyed Beneficiaries



(i) Profile of Beneficiaries

The surveyed farmer beneficiary had an average land holding of 14.4 Bighas⁴⁷. Larger average landholding was seen in Udalguri. Almost 60 per cent of the farmers surveyed had Marginal or Small landholdings of less than two Hectares or 15 Bighas. Around 92 per cent of the landholding was put under cultivation by the surveyed beneficiary farmers. Of this cultivated land, Kharif Crops accounted for 90.4 per cent of the usage, while Rabi crops accounted for only 12.4 per cent of the usage as given in **Table-2.10**:

Table 2.10: Land under Kharif and Rabi crops

District	Number of Beneficiaries	Total Landholding	Land Cultivated (per cent)	Land Used for (per cent)	
				Kharif Crop	Rabi Crop
Cachar	75	837.5	97.4	96.6	6.6
Chirang	132	1,667.5	76.3	94.1	6.2
Jorhat	58	680.5	99.9	65.6	34.3
Karbi Anglong	126	1,282.0	98.8	99.1	0.1
Kokrajhar	235	2,521.5	88.0	90.7	15.2
Morigaon	110	1,402.0	82.2	35.2	94.5
Udalguri	399	7,982.7	95.7	98.1	0.9
Overall	1,135	16,373.7	91.9	90.4	12.4

The land usage for Kharif and Rabi crops by District, and also by landholding size is shown in **chart 2.7**:

⁴⁷ 1 Hectare = 7.475 Bighas

Chart 2.7: Kharif and Rabi crops land usage by District

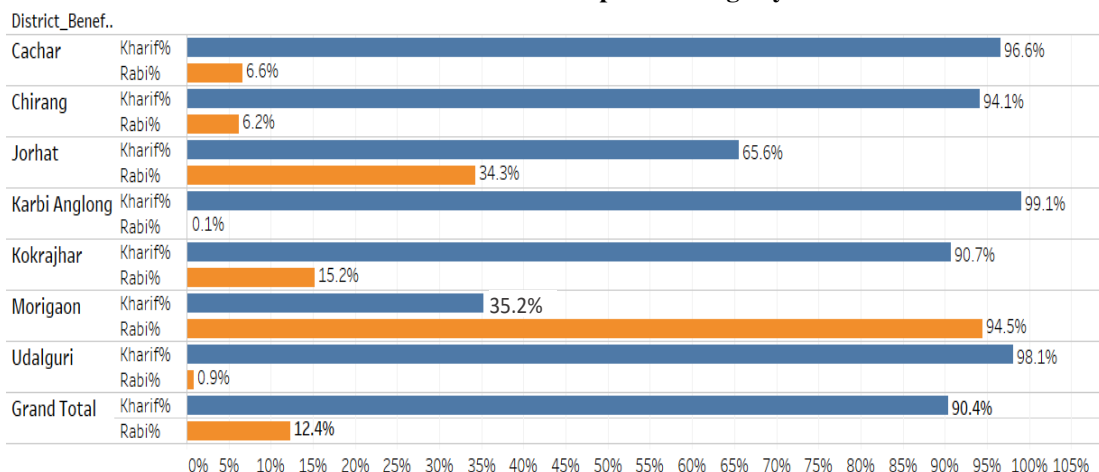
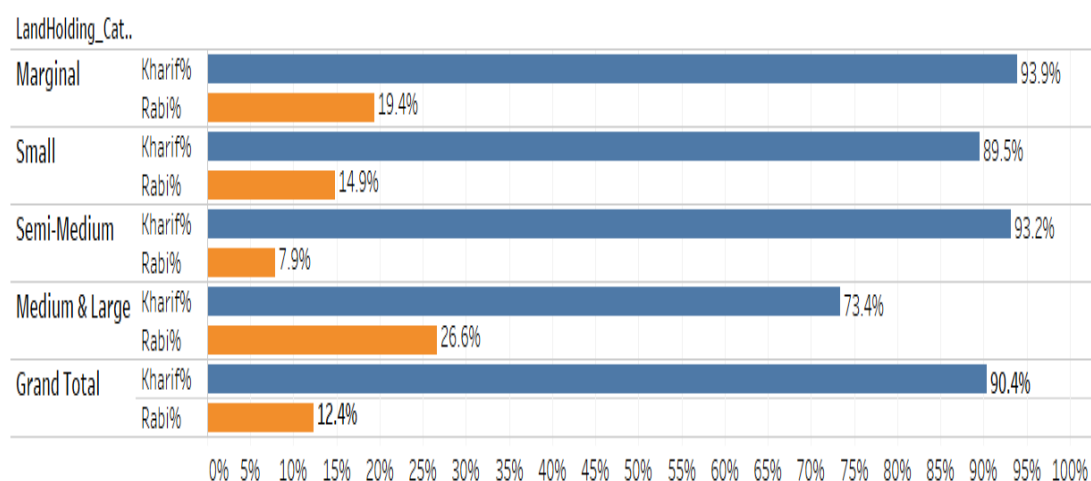


Chart 2.8: Kharif and Rabi crops land usage by Landholding size



Thus, the above charts indicate that irrigation had not led to greater production of Rabi crops, with most districts showing Rabi crops land usage of less than 10 *per cent*, and Kharif crops remaining the principal crop.

(ii) Cropping pattern

One of the objectives of providing irrigation is to enable increased cropping intensity, with the farmer being able to cultivate multiple crops in a year on the same stretch of irrigated land, thereby increasing agricultural output and income. Audit found through the beneficiary survey that only around 15 *per cent* of the farmers were following a cropping pattern with multiple crops grown through the year as shown in **Table 2.11**.

Table 2.11: Cropping Pattern followed by Surveyed Beneficiary Farmers (SBF)

Cropping Pattern	Number of SB Farmers	per cent of SBF
Single	966	85.1
Double	149	13.1
Thrice	13	1.1
Multiple (>3)	7	0.6
TOTAL	1,135	100.0

This finding is in keeping with fact that near 84*per cent* of the surveyed farmers reported that they were cultivating the crops for less than six months as shown in **Table 2.12**.

Table 2.12: Number of Months cultivated by SBF

Months Cultivated	Number of SB Farmers	per cent of SBF
Three Months	6	0.5
Six Months	942	83.0
Nine Months	97	8.5
Twelve Months	90	7.9
TOTAL	1,135	100.0

In response to our question from farmers who were cultivating only a single crop as to whether they desired to cultivate multiple crops, an overwhelming majority⁴⁸ of nearly 88.4 per cent of the farmers said they were willing to do so, and gave the following reasons for not being able to go for multiple cropping:

Table 2.13: Reasons for Inability to do Multiple Cropping

Reason for Multiple Cropping Inability	Number of SBF	per cent of SBF
Water scarcity/ Irrigation water not sufficient from the project	780	91.3
Irrigation water not available during dry season from the project	775	90.7
Assistance from Agriculture Department not received	728	85.2

Thus, over 90 per cent of the farmers stated inadequacy of irrigation water, and insufficiency of water in dry season as the primary reason for not doing multiple cropping, despite their willingness to do so. Most of these farmers (85.2 per cent, 728 respondents) also stated they had never been encouraged by the Agriculture Department or State Irrigation Department to adopt multiple cropping methods.

(iii) Availability of Irrigation water

As per our Survey, over 68 per cent of the Beneficiary Farmers stated that they are receiving irrigation water from the projects. This varied across the districts, as given in **Table 2.14**, with a high of 92 per cent in Udalguri, and a low of four per cent and 5.2 per cent in Cachar and Jorhat respectively.

Table 2.14: Status of Receipt of irrigation water during Rainy Season

District	Yes: Receiving	No: Not Receiving	Null Response	Total SB Farmers	per cent Receiving Irrigation Water
Cachar	3	72		75	4.0
Chirang	76	53	3	132	58.9
Jorhat	3	54	1	58	5.3
Karbi Anglong	98	28		126	77.8
Kokrajhar	174	60	1	235	74.4
Morigaon	54	56		110	49.1
Udalguri	367	32		399	92.0
Grand Total	775	355	5	1,135	68.6

However, only 23.2 per cent of the surveyed farmers stated that they received irrigation water during the dry season (October to March), with the highest percentage being reported in Morigaon at 67.5 per cent. District wise response is shown in **Table 2.15**:

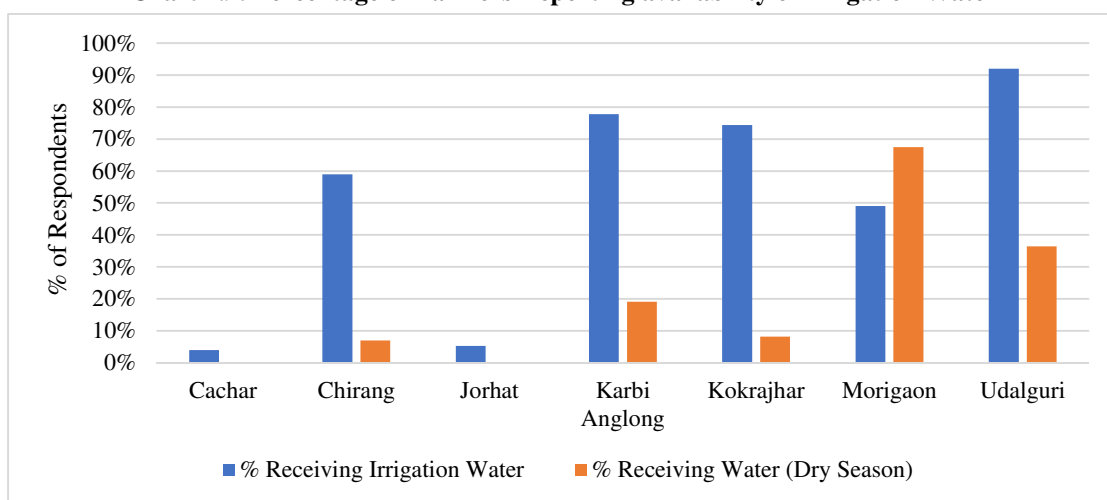
⁴⁸ 854 out of the 966 SBF with Singe Cropping

Table 2.15: Status of receipt of Irrigation Water during Dry Season

District	Yes: Receiving	No: Not Receiving	Null Response	Total SB Farmers	per cent Receiving Water (Dry Season)
Cachar	0	75		75	0.0
Chirang	9	121	2	132	6.9
Jorhat	0	40	18	58	0.0
Karbi Anglong	22	93	11	126	19.1
Kokrajhar	19	213	3	235	8.2
Morigaon	54	26	30	110	67.5
Udalguri	144	251	4	399	36.5
Overall	248	819	68	1,135	23.2

Chart 2.9 shows the percentage of surveyed farmers stating availability of irrigation water.

Chart 2.9: Percentage of Farmers Reporting availability of Irrigation Water



The non-availability of irrigation water during dry season was further borne out by the farmers in their response to specific queries on timeliness and sufficiency of irrigation water during the two primary crop seasons of Kharif, and Rabi-Pre Kharif. While around half of the respondents stated that water availability was timely and available during Kharif season, this was only around 20 per cent in case of Rabi-Pre Kharif season. District wise summary of responses in percentage terms is given in Table 2.16.

Table 2.16: Timeliness and Sufficiency of Irrigation Water

District	Kharif (per cent)		Rabi -Pre Kharif (per cent)	
	Timely	Sufficient	Timely	Sufficient
Cachar	2.7	2.7	0.0	0.0
Chirang	54.5	40.9	3.8	1.5
Jorhat	0.0	0.0	0.0	0.0
Karbi Anglong	66.7	43.7	14.3	11.1
Kokrajhar	63.0	47.2	9.4	5.5
Morigaon	36.4	36.4	48.2	46.4
Udalguri	72.7	49.1	32.8	29.8
Overall	56.0	40.4	20.2	17.5

While Timeliness and Sufficiency of supply of irrigation water has been less than satisfactory, the situation is far worse in the Rabi-Pre Kharif season, when water is needed the most to enable multiple cropping.

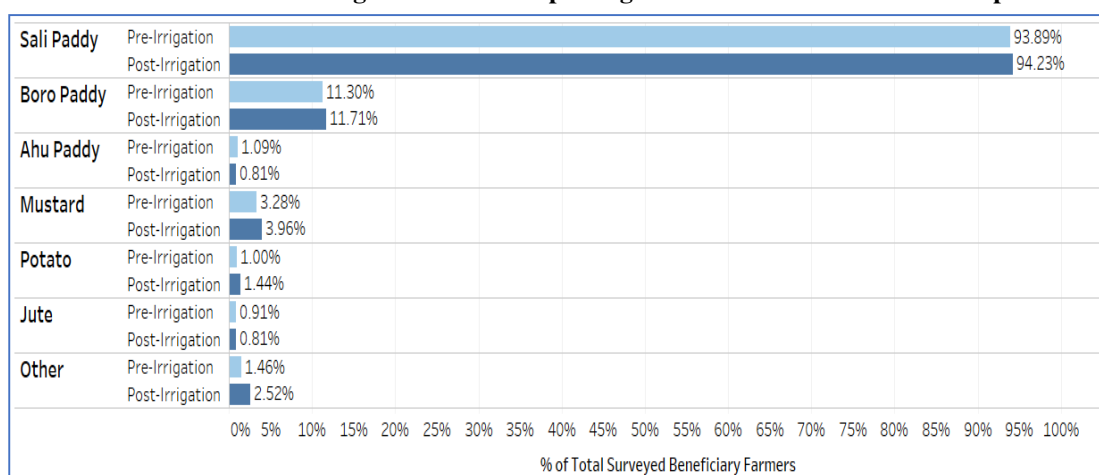
(iv) Assessment of increase in Productivity due to Irrigation

One of the primary intended outcomes of implementing the Minor Irrigation Schemes was the increase in yield of crops leading to an increased income of the farmers. Each of the selected project had a BCR of greater than 1, based on an assumption of increased farmer income through increased yield, increased cropping intensity, diversification of crops, and increased area brought under cultivation.

Audit asked the farmers about the crops and their yield before and after availability of irrigation water from the project. The following findings flow from an analysis of their response.

The mix of crops grown by the farmers remained virtually unchanged before and after the implementation of the irrigation scheme. This can be seen in **Chart 2.10**:

Chart 2.10: Percentage of Farmers Reporting Cultivation of a Particular Crop



Paddy remained the staple crop of the farmers, with Sali paddy remaining the predominant crop. There was no increase seen in the cultivation of Boro and Ahu paddy, which are grown in other than the Kharif season—an area where significant gains were expected through the implementation of the irrigation schemes. Further, there has not been any significant uptake in cultivation of other crops such as Mustard, Jute and Potato.

In case of paddy, many of the farmers reported an increase in yield post-irrigation. While Sali paddy showed an average increase of around 18 per cent, this increase was even higher in case of Boro paddy, with a reported increase⁴⁹ in yield by 37 per cent.

The average yield (in Quintals per Hectare) and the increase in average yield as reported by the farmers is shown in the figure below—the reported yield increase was far below the 100 per cent plus increase projected in the DPRs.

⁴⁹ This is based on a small sample of respondents growing Ahu Paddy, and caution may be exercised

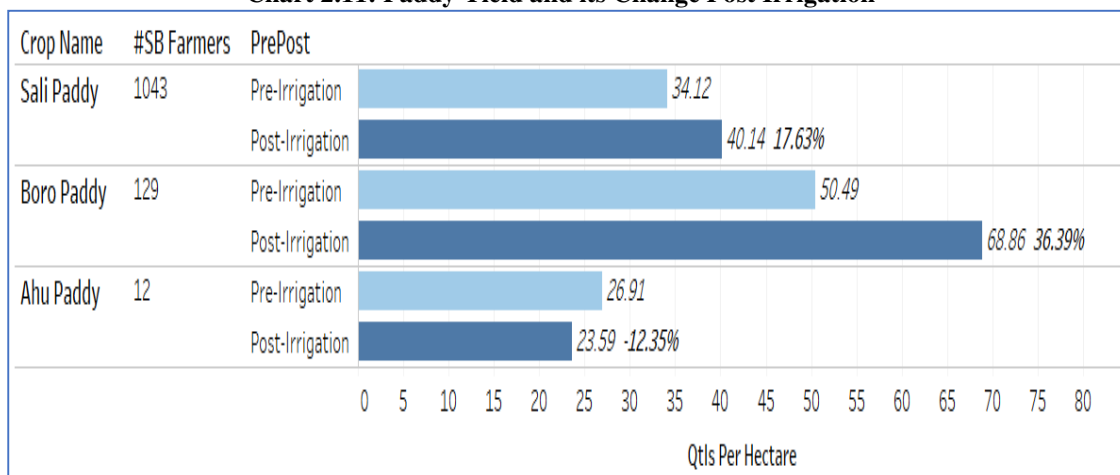
Chart 2.11: Paddy Yield and its Change Post Irrigation

Table 2.17 shows the district wise change in yield reported by the surveyed beneficiary farmers:

Table 2.17: Paddy Yield and its Change Post Irrigation (By District)*Figures in Quintals per Hectare*

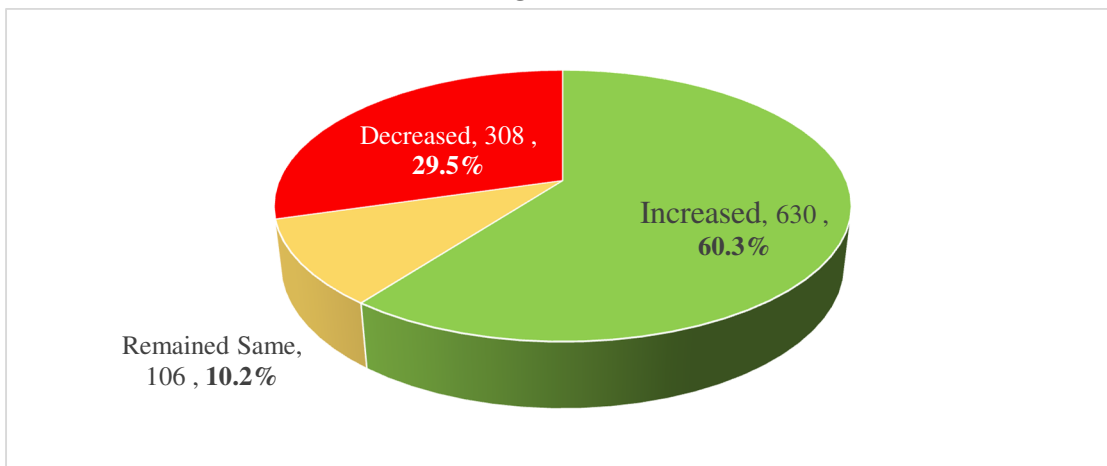
District	Sali Paddy		Boro Paddy		Ahu Paddy	
	Pre-Irrigation	Post-Irrigation	Pre-Irrigation	Post-Irrigation	Pre-Irrigation	Post-Irrigation
Cachar	41.80	44.65	--	--	26.31	25.41
Chirang	28.37	30.92	--	--	--	--
Jorhat	33.01	40.79	39.99	62.79	12.96	16.94
Karbi Anglong	40.69	49.01	--	--	--	--
Kokrajhar	36.01	40.47	41.86	53.82	29.90	29.90
Morigaon	33.66	45.62	51.80	70.31	--	--
Udalguri	31.63	38.49	89.70	71.76	46.34	--
Overall	34.12	40.14	50.49	68.86	26.91	23.59
Overall per cent Change	17.63 per cent		36.39 per cent		-12.35 per cent	

(v) **Changes in income of farmers**

Although change in farmer's income is dependent on many variables and it cannot be solely attributed to availability of irrigation facilities, we tried to get the farmers' views on increase/ decrease in their income in the last five years as a result of irrigation project.

While around 60 per cent of the respondents stated that there had been an increase in their income, there were also another 30 per cent who stated that their income had shown a decrease. This can be seen in **Chart 2.12**.

Chart 2.12: Self-Assessed change in Income in last 5 Years – Overall⁵⁰



The response of the farmers by District, and by Landholding category is shown in **Table 2.18**. Among Districts, the farmers in Morigaon had the highest percentage of 80 per cent reporting an increase in income, with the lowest percentage being reported in Karbi Anglong.

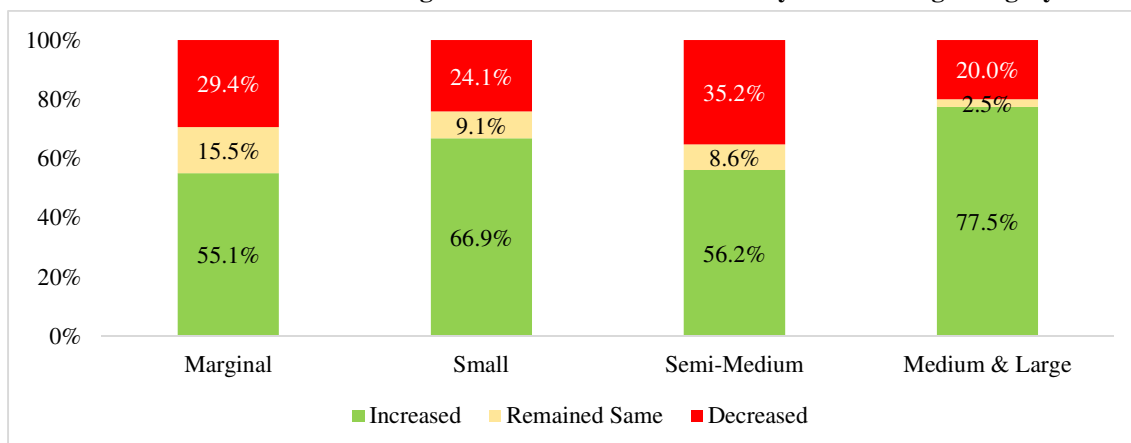
Table 2.18: Self-Assessed change in Income in last 5 Years–By District

District	Increased	Remained Same	Decreased	Null Response	Total SBF	<i>per cent Reporting Increase in Income</i>
Cachar	37	13	25	--	75	49.3
Chirang	83	7	38	4	132	64.8
Jorhat	33	7	18	--	58	56.9
Karbi Anglong	28	22	21	55	126	39.4
Kokrajhar	164	18	51	2	235	70.4
Morigaon	97	8	5	--	110	88.2
Udalguri	188	31	150	30	399	50.9
Overall	630	106	308	91	1,135	60.3

When the response is analysed by the landholding category, it is seen that reported increase in income is also strongly associated with larger landholding. While only 56 per cent of the Marginal farmers reported an increase in income, it was far higher at 78 per cent in case of Medium and Large landholding farmers.

⁵⁰ No response was received from 91 SBF

Chart 2.13: Self-Assessed change in Income in last 5 Years – By Landholding Category



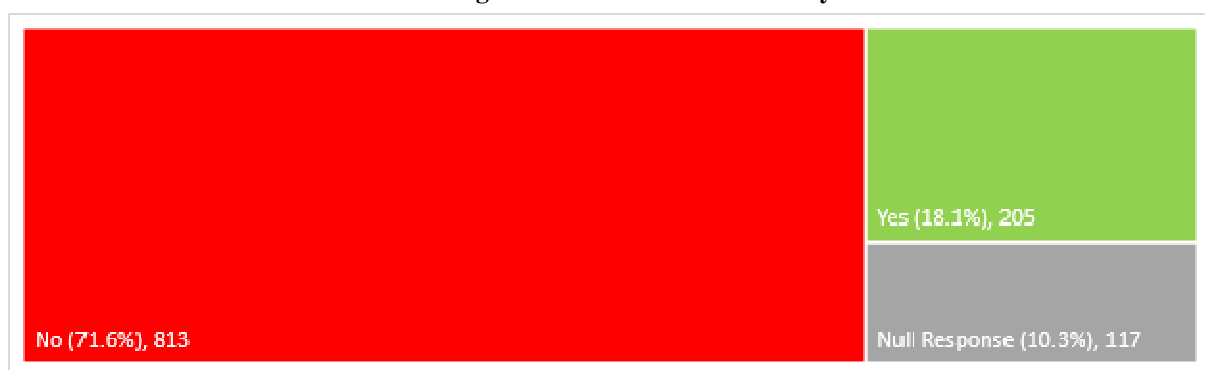
Of the farmers who had stated an increase in income, 28.1 *per cent* attributed the increase to reasons other than increase in crop production.

Table 2.19: Reason Stated for increase in Income

Stated Reason for Increase in Income	SB Farmers	<i>per cent</i> SB Farmers
Due to Increase in Production of Crops	294	46.7
Due to Income from Other Sources	177	28.1
Null Response	159	25.2
Total SB Farmers stating increase in Income	630	100.0

Around 72 *per cent* of the farmers responded that the income from agriculture was insufficient to manage their family livelihood, as shown in **Chart 2.14**:

Chart 2.14: Income from Agriculture Sufficient for Family Livelihood



In keeping with the above response, 71.9 *per cent* of the farmers stated that they took up other jobs/ works to supplement their income. This percentage was even higher at 94.3 *per cent* for the respondents who had stated that income from agriculture was insufficient for managing family livelihood which underscores the importance of successful implementation of irrigation projects, and provision of other support leading to increased farm income.

During Exit Conference, the Deputy Secretary, Irrigation Department stated that since the rivers were not perennial, ponding of water was not possible during dry season.

2.2.8 Coordination with other stakeholders

2.2.8.1 Role of Agriculture Department

In order to augment the cropping pattern as envisaged in DPRs and achieve the intended objectives, it is highly desirable that Department of Irrigation and Department of Agriculture work in close cooperation with each other. As per the Guidelines for preparation of DPR of irrigation projects, Department of Agriculture is to be consulted in calculation of BCR and in deciding the cropping pattern. This cooperation is necessary as the Department of Agriculture, GoA can distribute seeds and fertilisers to farmers as per cropping pattern. State Irrigation Department has also formed State level co-ordination committee as well as District level co-ordination committee with the officials of Agriculture Department and other concerned Departments/organisations to motivate farmers for optimum use of water, go for multiple cropping using assured irrigation.

During audit, it was observed that though Agriculture Department issued agri-inputs from time to time, they were not issued as per the cropping pattern planned in the DPRs. Further, Agriculture Department maintained records of distribution and crop-cutting experiments agricultural circle-wise, however the project-wise details were neither available with them or the Irrigation Department and hence, the impact of agri-assistance on the irrigation project remained unassessed.

In reply, Agriculture Department stated that the cropping pattern of the projects were prepared by Irrigation Department and certified by Agriculture Department. However, the Irrigation department did not intimate details of irrigation outcome on completion of projects in terms of command area covered, villages covered, targeted farmers, *etc.* Due to this, Agriculture department did not have all the information for providing required assistance at their end.

Moreover, records in support of periodical meetings of the co-ordination committee, conduct of training, motivational programme, *etc.*, also could not be made available to audit either by Agriculture Department or Irrigation Divisions. Thus, close coordination between the two Departments appeared lacking, and needed to be revived and strengthened.

2.2.8.2 Marketing support from Government

Marketing of agriculture produce is a serious problem for the farming community. Increased farm income also depends upon the availability of opportunity for selling the agricultural produce at the right time and place. For this purpose, farmers would need access to transport facility, and suitable agricultural markets.

In response to our questions on the above issues, 84.1 *per cent* of the farmers stated they were not aware that Government provides facilities for transportation (*thela*, tractor, *etc.*) of agriculture produce to their desired place of marketing, and only 1.6 *per cent* responded saying that they had actually received such transport support facility.

2.2.8.3 Participatory Irrigation Management (PIM) and Role of Water User Association (WUA)

Participatory Irrigation Management (PIM) aims to increase framers' participation in the management of precious irrigation water in the command area. Through PIM, the beneficiary cultivators are expected to form the Water Users' Associations (WUAs) who will take part in the planning pertaining to management and distribution of water including collection of irrigation service charges with the help of departmental staff. All the completed irrigation projects have to be handed over to the WUAs who will be responsible for their operation and maintenance. In order to streamline the PIM activities in the State, Assam Irrigation Water Users' Act, 2004 was enacted. Handing over of the completed projects to the WUAs were pre-requisite for PIM, operation and maintenance.

The DPRs of sampled projects stated that on completion of the project, the same would be handed over to the WUA. However, during checking of records, it was observed that none of the projects had been handed over to WUAs, and wherever formed, the PIM was yet to commence. It was seen that WUAs were registered with Registrar of Societies, but WUAs were not functioning as per the provisions of WUA Act, 2004 which mandated streamlining of PIM activities. As such, the very objective of participation of farmers in the day to day running and maintenance of projects were not met.

Collection of water charges

Section 40 (a) & (b) of the Assam Irrigation Act, 1983 and Paragraph 25 of Assam Irrigation Rules, 1997 provides for realisation of water charges from the owners of land where water was supplied. State Irrigation Department has introduced the system of realisation of service charges from the beneficiary cultivators since 1993. The rates of irrigation service charges were revised during 2000-01 to cope up with the increasing cost of maintenance and in accordance with the Fiscal Reform Measures of the State Government. The current rates of irrigation service charges are in **Table 2.20**:

Table 2.20: Rates of Irrigation service charges

Crops	Rate/Bigha (Rs.)	Rate/Hect (Rs.)
Kharif	37.50	281.24
Wheat and other Rabi	75.00	562.50
Ahu	100.00	751.00
Jute	20.00	150.00
Sugarcane	29.60	222.00

In order to improve the position of realisation of service charges, the State Irrigation Department enacted the Assam Irrigation Water Users' Association Act, 2004 and planned district-wise farmers' motivational training programme for creating awareness.

Collection of water charges in the State was very less as against the dues as shown in **Table 2.21**:

Table 2.21: Collection of water charges

(₹ in crore)

Year	Realisable amount as per crop wise utilisation during the year	Service charges actually realised during the year	Balance service charges to be realised for the year	Percentage of recovery
2014-15	7.87	0.07	7.80	0.92
2015-16	8.06	0.08	7.98	0.95
2016-17	8.55	0.11	8.44	1.29
2017-18	8.82	0.12	8.70	1.36
2018-19	8.58	0.08	8.50	0.93

Source: Departmental figures furnished in whole rupees

Out of selected six divisions, only Kokrajhar division collected water charge of ₹0.03 crore against the target of ₹0.09 crore, during the period 2016-2019. Karbi Anglong division waived off water charge being in an Autonomous District Council and as per the decision of the Karbi Anglong Autonomous Council. Other four divisions did not maintain any record on collection of water charge. The State Government needs to review the outstanding dues and take action for recovery.

During beneficiary survey, audit asked the farmers about their awareness of the need to pay water charges for usage of irrigation water. Only 27.8 per cent of the respondents stated that they were aware of the same. The response is summarised in **Table 2.22**:

Table 2.22: Awareness of Water Charges Payment

	Number of SB Farmers	per cent of SB Farmers
Yes – Aware	316	27.8
No – Not Aware	693	61.1
Null Response	126	11.1
TOTAL	1,135	100.0

Among the farmers who were aware of the need for paying water charges, 33.5 per cent were unaware of the entity to whom water charges were to be paid. Thus, it is clear that the Irrigation Department had not taken adequate steps for recovery of service charges from the farmers and had allowed some of the projects to languish for want of maintenance.

2.2.9 Conclusion

GoA is implementing irrigation schemes to achieve outcomes such as higher agricultural growth, increase in cropping intensity, raising crop yield and diversifying into pulses and oilseeds and ultimately providing better livelihood for the farming community. The State had 1,144 completed minor irrigation projects with an irrigation potential of 3.86 lakh hectares. The total IP created under Minor Irrigation projects was 6,74,117 hectares and the incremental IP created during the period 2010-17 was 20.4 per cent of the total IP created.

A Performance Audit of the outcomes of minor surface irrigation schemes completed during the period January 2011 to 31 March 2017 revealed that 25 per cent of the sampled 73 projects (18 projects) were non-functional due to various reasons, thereby reducing the irrigation potential. Maintenance of projects suffered for want of funds and the reporting on irrigation potential created and utilised was deficient. Water Users' Associations whose role is to ensure participation of farmers in running of the Irrigation

Schemes and their maintenance, were not functional. The State Government had not taken any action to review the outstanding dues of irrigation service charges, which has impacted maintenance of the Schemes.

The irrigation potential created (63 *per cent*) was largely utilised for Kharif Season's crops and hardly nine *per cent* of the irrigation water was used for pre-Kharif/ Rabi crops, when the season is dry and there is a need/ demand for irrigation water. The expected outcomes of the projects as per DPRs were found to be over optimistic and unrealistic in measuring the cost benefit ratio of the projects as well as farmer's incomes.

The beneficiary survey done by audit brought out important issues such as only 23.2 *per cent* of surveyed beneficiary farmers stated that they are receiving irrigation in dry season. There was dissatisfaction on timeliness and sufficiency of irrigation water. An overwhelming majority of 88.4 *per cent* of the surveyed beneficiary farmers stated that they are willing to undertake multiple cropping but were unable to do so due to inadequacy of water from the projects. Majority of the farmers stated that their agricultural income was insufficient to manage their livelihoods.

These findings underscore the importance of improving the functioning of irrigation projects to make more irrigation water available to the farmers to improve their cropping pattern, diversity and yield of the crops leading to overall increase in farmers' income. This was necessary in order to achieve the outcomes as per their own DPRs prepared at the time of planning for irrigation projects.

2.2.10 Recommendations

- *DPRs may be prepared on realistic and feasible assumptions based on technical and economic feasibility studies, spell out the timelines for project completion and for the outcomes to materialise; design defect in projects need to be identified early by the Department for correction before execution is completed*
- *Department of Irrigation may ensure operation of all completed irrigation projects and take steps to revive the non-operational projects;*
- *Government may consider making provision of certain percentage of project cost for maintenance of schemes in the DPRs, as being done for road projects, so that the project maintenance is sustained.*
- *Maintenance of records needs to be improved in the irrigation divisions to report factual status of IP being utilised;*
- *To ensure equitable distribution of irrigation water, a good practice is the warabandhi system⁵¹ in Uttarakhand which can be followed by Assam;*
- *The end goals of Irrigation Department and Agriculture Department are similar which is to improve the livelihood of the farmers. Hence, it is imperative that Irrigation Department should coordinate its works with Agriculture Department. It is*

⁵¹ a system of distribution of water allocation to water users by turn, according to an approved schedule indicating the day, duration and time of supply.

recommended that a formal MoU can be prepared in consultation with both the departments so that a system is put in place;

- *Participatory Irrigation Management should be encouraged and the Assam Irrigation Water Users Act, 2004 to be implemented effectively by GoA. Water usage charges need to be levied and collected regularly so that irrigation schemes do not suffer for want of maintenance funds.*

COMPLIANCE AUDIT

Agriculture Department

2.3.1 Excess Procurement Cost to the Government

Director of Agriculture, Assam procured black gram seed at exorbitant rates during the year 2016-17 and 2017-18 leading to excess procurement cost of a minimum of ₹5.80 crore to Government of Assam.

Assam Financial Rules, 1939 {Rule 466 (1)} stipulates that every public officer should exert the same vigilance in respect of public expenditure and public funds generally as a person of ordinary prudence would exercise in respect of expenditure and the custody of his own money. Section 4 (1) (c) of the Assam Public Procurement Act, 2017 stipulates that in relation to a public procurement, the procuring entity shall have the responsibility and accountability to ensure professionalism, economy and efficiency, from officials involved in the procurement process.

Assam Seed Corporation Limited (ASCL), a State Government agency, *inter-alia* carries on business as seed merchant, to buy, sell, grow, prepare for market, import, export and deal in seeds of all kinds. Government of Assam, Director of Agriculture (DoA) places indent for various kinds of agricultural inputs and seeds to ASCL as per requirements under various Central and State Schemes. ASCL calls for tenders to finalise the procurement of various kind of seeds and other agricultural inputs.

In this regard, audit observed (October–November 2018) that:

ASCL, had called for tenders, and had fixed sale price of black gram seed (PU-31 variety) at the rate of ₹8,301 per quintal for the year 2016-17 and ₹8,143.97 for the year 2017-18. The rates included transportation (one *per cent*), Value Added Tax (VAT) (five *per cent*)⁵² and corporation margin (four *per cent*) based on rates offered by L1 bidder.

As per the bid conditions and rates, in case the quantity required by the purchaser exceeds the quantity offered by the lowest evaluated bidder (which will be determined from the quantity offered by the bidder in the price bid), the next lowest bidder shall be offered the opportunity for supplying the quantities for which he has submitted the bid but at the accepted price of the lowest bidder. Thus, on failure of the L1 bidder not

⁵² During 2017-18, after introduction to GST, there was no VAT and the item was GST exempted.

supplying the required quantity, ASCL can ask other bidders to supply at lowest/negotiated rates.

It was seen that ASCL expressed (December 2016) its inability to supply the required quantities to the Department as the L1 bidder backed out. DoA did not make any enquiry with the ASCL for the year 2017-18 without any recorded reasons.

Instead of directing ASCL, which is their own State PSU to supply the seeds from other bidders, DoA placed supply orders (February 2017 for the year 2016-17 and during August-September 2017 for the year 2017-18) on Regional Manager (RM), National Seed Corporation Limited (NSCL), Kolkata (Central PSU) for procurement and supply of seeds to various districts.

Audit noticed that Government of Assam, Director of Agriculture (DoA) accordingly procured 2,524.60 quintal and 4,928.72 quintal black gram seeds at a cost of ₹6.62 crore (@ ₹26,240 per quintal) and ₹9.61 crore (@ ₹19,500 per quintal) during 2016-17 and 2017-18 respectively from NSCL. The offered sale price of ₹26,240 per quintal for both the years, was revised for 2017-18 (August 2017) *suo-moto* by NSCL to ₹19,500 per quintal on account of exemption of GST on seeds. DoA released payments directly to the authorised dealers incurring total expenditure of ₹16.23 crore.

Audit compared the rates at which the dealers had supplied the seeds during 2016-17 and 2017-18 with that of the rates received⁵³ by ASCL in 2016-17 for black gram seeds (PU-31 variety) as detailed below:

Year	Rates received by ASCL (₹/quintal)		Rates offered by NSCL (₹/Quintal)	Quantity procured (Quintal)	Excess procurement cost to GoA (₹in crore)	
	L2 (Minimum)	Maximum			Maximum	Minimum
1	2	3	4	5	6 $\{(4*5)-(2*5)\}$	7 $\{(4*5)-(3*5)\}$
2016-17	8,962	14,000	26,240	2524.60	4.36	3.09
2017-18	8,962	14,000	19,500	4928.72	5.19	2.71
Total				7458.32	9.55	5.80

It is evident from the above table that, had the ASCL asked other bidders to supply the seeds, even at the prices offered by them, the Department's procurement of seeds would have been economical. They would have saved on the excess expenditure incurred which ranged between ₹9.55 crore and ₹5.80 crore, when compared to the much higher rates offered by NSCL and accepted by the Department.

Interestingly, the major quantity of seeds supplied on behalf of NSCL at ₹26,240 per quintal was the same dealer (L1)⁵⁴ selected by ASCL for the year 2016-17 who had offered 1,100 quintal black gram (PU-31) seeds at the rate of ₹8,301.70 per quintal all inclusive.

Despite being aware of the wide divergence between the price offered by ASCL (₹8,301.70 per quintal) and the price quoted by NSCL (₹26,240 per quintal), the DoA did not make any effort to negotiate the prices with NSCL or to instruct the ASCL to

⁵³ Other than L1 bidder's rates were considered as the L1 bidder refused to supply the seeds.

⁵⁴ M/S AJB Merchantile, Guwahati.

explore the possibility of supplies at the rates offered by other bidders of the 2016-17 tender. The DoA's action was in contravention of financial rules and thus against the financial interest of the State Government, which resulted in excess procurement cost to the GoA of a minimum of ₹5.80 crore as explained in the table above.

The matter was reported to the Government in March 2020, the Joint Director, Agriculture stated (August 2020) that the rates were fixed by Tendering Committee and rates for black gram seed had increased many folds during that year. The reply is not acceptable in view of the rates received by ASCL in the tender called for supply of seeds for the year 2016-17 and 2017-18.

Recommendations: Government may review the entire procurement process of its own State PSU, ASCL and ensure that they strictly abide by tender and procurement guidelines and complete the procurements. Else the existence of the PSU itself needs to be reviewed for their failure to assist the Department in procuring seeds, which is the sole objective for which they were set up. Government may also consider fixing responsibility on DoA for causing financial loss to the State Exchequer by procuring seeds at exorbitant rates.

Irrigation Department

2.3.2 Idling of Z-Type Sheet Piles

The Bodoland Territorial Council procured 524.09 MT of Z-Type sheet piles worth ₹6.06 crore in excess of actual requirement leading to idle accumulation of Z-Type sheet piles.

Rule 466 (1) of Assam Financial Rules, 1939 stipulates that every public officer should exert the same vigilance in respect of public expenditure and public funds generally as a person of ordinary prudence would exercise in respect of expenditure and the custody of his own money. Further, 'Note' under Rule 219 of Assam Financial Rules provides that stocks of individual items are regulated on a consideration of actual requirements of the near future and with due regard to the average consumption of the past.

The Bodoland Territorial Council (BTC), Kokrajhar, Irrigation Department accorded Administrative Approvals (April 2013 and February 2015) for procurement of 2,937.04 MT⁵⁵ of Z-type pile sheets⁵⁶ under AIBP⁵⁷ Minor Irrigation schemes for three divisions⁵⁸ under BTC area.

The Council Head of Department (CHD), Irrigation Department, BTC, Kokrajhar issued⁵⁹ supply orders to a contractor⁶⁰ for supply of 1,466.46 MT Z-type pile sheets

⁵⁵ AIBP 2012-13-1,635.95 MT for 91 schemes and AIBP 2013-14-1,301.09 MT for 60 schemes.

⁵⁶ Z-type sheets pile are sheet piles driven at upstream and downstream floor of the weir/barrage of irrigation structures constructed across the river which functions as curtain wall to stop the seepage flow/sub-surface flow below the floor of structure.

⁵⁷ Accelerated Irrigation Benefits Programme

⁵⁸ Kokrajhar, Borolia and Tangla

⁵⁹ During April 2013- November 2014 for AIBP 2012-13 and February 2015 for AIBP 2013-14

⁶⁰ Shri Manaranjan Brahma

@ ₹1,02,000 per MT for the schemes under AIBP 2012-13 and 1,234.64 MT of Z-type pile sheets at ₹1,23,500 per MT for the schemes under AIBP 2013-14 based on the rates of CE, Irrigation Department, Assam and as fixed by Purchase committee, BTC. Executive Engineer (EE), Kokrajhar Irrigation Division paid (April 2018) ₹30.21 crore⁶¹ to the contractor against supply (August 2013–March 2016) of the sheets pile.

Scrutiny of records⁶² showed that against the supplied quantity of 2,701.1 MT⁶³ of Z-type sheet piles, 524.09 MT worth ₹605.58 lakh⁶⁴ were lying idle as of December 2019. This was due to improper assessment of requirement against 135 projects as per following details:

	AIBP 2012-13			AIBP 2013-14		
	No. of projects	Assessed (in MT)	Issued (in MT)	No. of projects	Assessed (in MT)	Issued (in MT)
Issued as per assessment	10	141.75	141.75	--	--	--
Issued less than assessment	36	882.90	665.98	30	1,079.64	679.83
Issued more than assessment	20	356.17	404.59	10	145	224.54
Assessed but not issued	10	148.64	0	11	76.35	0
Issued without assessing	8	0	68.23	--	--	--
Total	84	1,529.46	1,280.55	51	1,300.99	904.37

(Details in Appendix-2.2)

In reply, the EE stated that the procurement was done after taking into account all the schemes under all the divisions of BTC. However, due to change of specification in the works subsequently, the sheets were not utilised. The reply was not acceptable as procurement was made without accessing the actual requirement leading to idle accumulation.

Thus, due to improper assessment of the requirement, 524.09 MT Z-type sheet plies worth ₹6.06 crore were lying idle with the Divisions since the last five years and deterioration of the quality of these sheets with the passage of time cannot be ruled out.

The matter was reported to Government in March 2020, the Chief Engineer stated (August 2020) that the rates are normally fixed by Departmental Purchase Committee for one year and rates continue till the next DPC is held. However, the CE assured to forward a detailed reply.

⁶¹ ₹14.96 crore for 1,466.46 MT @ ₹1,02,000 plus ₹15.25 crore for 1,234.64 MT @ ₹1,23,500

⁶² Stock, Site Account, Bin cards

⁶³ 1,466.46 MT for AIBP 2012-13 plus 1,234.64 MT for AIBP 2013-14.

⁶⁴

Sl. No.	Particulars	Balance quantity Z-type sheet piles (in MT)	Rate as per payment Voucher (₹ in lakh)	Value of materials (₹ in lakh)
1.	Previous Balance	7.91	1.02	8.07
2.	AIBP 2012-13	185.91	1.02	189.63
3.	AIBP 2013-14	330.27	1.235	407.88
	Total:	524.09		605.58

CHAPTER-III

GENERAL SECTOR

COMPLIANCE AUDIT

CHAPTER-III GENERAL SECTOR

3.1 Introduction

The findings based on audit of State Government Departments/ offices under General Sector feature in this Chapter.

During 2018-19, against a total budget provision of ₹16,858.58 crore, 15 departments incurred an expenditure of ₹10,448.92 crore. **Table 3.1** gives details of budget provision and expenditure incurred there against by these departments during 2018-19:

Table-3.1: Department-wise details of budget provision and expenditure

(₹ in crore)

Department	Grant No. and Name	Budget provision		Expenditure	
		Revenue	Capital	Revenue	Capital
Administrative Reforms and Training	22-Administrative Training	19.74	7.86	14.35	1.57
Border Protection and Development	50- Other Special Areas Programme	6.12	155.27	1.54	36.84
Election	4-Election	200.86	9.00	185.86	8.89
General Administration	12-District Administration	535.73	130.20	278.35	81.71
	25-Miscellaneous General Services	3467.91	871.00	1846.24	104.53
	47-Trade Adviser	1.49	--	1.23	--
Home and Political	14-Police	5077.49	188.67	3871.12	109.08
	15-Jails	103.07	25.29	81.40	7.25
	18-Fire Services	132.03	71.33	126.03	33.73
	19-Vigilance Commission & others	475.90	11.05	378.16	3.41
	20-Other Administrative Services	286.90	0.20	239.82	0.19
Judicial	3- Administration of Justice	493.58	177.72	335.52	109.24
Legislative	1-State Legislature	83.45	57.12	59.16	42.87
Governor's Secretariat	Head of State	11.90	--	8.30	--
CM Secretariat	2-Council of Ministers	9.61	--	6.88	--
Printing and Stationery	16- Printing and Stationery	45.70	2.64	29.95	1.11
Revenue and Disaster Management	6-Land Revenue and Land Ceiling	409.84	15.00	257.10	4.85
	41- Natural Calamities	1283.08	--	949.54	--
	72- Social Security and Welfare	20.02	--	17.42	--
Secretariat Administration	11- Secretariat and Attached Offices	1026.37	5.00	786.04	--
Information and Public Relations	35- Information and Publicity	65.58	--	57.91	--
Personnel	Public Service Commission	15.20	--	11.42	--
Transformation and Development	45-Census, Surveys and Statistics	84.06	2.64	38.88	2.64
	44- North Eastern Council Schemes	23.96	1249.00	3.06	315.73
Total		13879.59	2978.99	9585.28	863.64
Grand total (Includes Charged)			16858.58		10448.92

Source: Appropriation Accounts 2018-19

3.1.1 Planning and Conduct of audit

During 2018-19, out of 436 auditable units under General Sector, the Office of the AG (Audit), Assam conducted audit of 183 units⁶⁵ involving an expenditure of

⁶⁵ High risk units: 10, medium risk units: 23 and low risk units: 150.

₹5,270.13 crore (including expenditure of earlier years). This Chapter contains two Compliance Audit paragraphs.

The major observations made in audit during the year 2018-19 are discussed in the succeeding paragraphs.

Compliance Audit

Personnel Department and Pension and Public Grievances Department

3.2 Compassionate Family Pension Scheme *in-lieu* of Compassionate Appointment

3.2.1 Introduction

The Government of Assam (GoA)'s Compassionate Appointment Scheme (CAS), provides for appointment on compassionate grounds to a dependant family member of a deceased Government servant or who is retired on medical grounds. The purpose of the Scheme is to relieve the family of the Government servant concerned from financial destitution. The CAS is being implemented in Assam since September 1983. As per the scheme guidelines, an eligible dependant family member of the deceased employee who died in harness or retired on medical grounds, and missing Government servant subject to certain conditions may be appointed to a post of Class III service (Not above the level of Junior Administrative Assistant) or in a Class IV service. However, there was a limit that not more than five *per cent* of the cadre strength of the above mentioned eligible posts can be filled up through Compassionate Appointment.

The Supreme Court (SC) in a plethora of cases⁶⁶ has held that consideration for appointment on compassionate ground is to be construed as violation of Articles 14 and 16 of the Constitution of India and is only in the nature of concession and therefore does not create a vested right in favour of the claimant.

While Article 14 provides for equality before the law or equal protection of the laws within India, Article 16 expands on this and provides for equality of opportunity in matters of public employment. Specifically, Article 16(2) says that "No citizen shall, on grounds only of religion, race, caste, sex, descent, place of birth, residence or any of them, be ineligible for, or discriminated against in respect or, any employment or office under the State Territory prior to such employment or appointment".

The applicants seeking Compassionate Appointment are exempted from recruitment procedure only but otherwise they should be eligible and suitable for appointment to the post. The appointment is in addition to the normal Family Pension/ Pension entitlement of the deceased Government Servant/ Compulsory Retired Government

⁶⁶ State of Haryana and Others vs Rani Devi and others (JT 1996 (6) SCC 646), I.G. (Karnik) and others vs Prahalad Mani Tripathi ((2007) 6 SCC 162), Umesh Kumar Nagpal vs State of Haryana ((1994) 4 SCC 138).

Servant and applicable dearness relief and other entitlements admissible as per Assam Service (Pension) Rules, 1969.

Government of Assam (GoA) launched (April 2017) a new scheme namely “Compassionate Family Pension Scheme (CFPS)” *in-lieu* of the Compassionate Appointment Scheme (CAS) on the grounds that the existing Compassionate Appointment Policy did not fully serve the desired objectives of supporting the family income of the employee who died-in-harness. It was felt that the terms and conditions of the CAS resulted in very often the legal heir failing to get an appointment immediately due to practical difficulties such as lack of educational qualifications and non-availability of vacancies within the stipulated five *per cent* of total vacancies, delays in appointment, *etc.* The CFPS is further discussed in detail in **paragraph 3.2.6** of the Report.

3.2.2 Audit objectives

The objectives of the Thematic Audit were to assess the extent to which:

- Compassionate Appointment in the State was implemented effectively in compliance with the prescribed policy, rules and guidelines; and
- The Compassionate Family Pension Scheme of 2017 was in keeping with the principles and legal guidelines regarding Compassionate Appointments. Scheme implementation was consistent with norms of prudent financial management and how it compared with the earlier Appointments Scheme.

3.2.3 Audit Criteria

The criteria against which the Audit findings were benchmarked were derived from the following sources:

- Assam Service (Pension) Rules, 1969;
- Policy, rules, guidelines in respect of scheme of appointment on Compassionate grounds;
- CCS (Pension) Rule, 1972;
- Guidelines on implementation of Compassionate Family Pension Scheme and;
- Memorandums/ orders/ notifications/ circulars, etc. issued by GoI/ GoA.

3.2.4 Scope of Audit and Audit Methodology

We conducted the Thematic Audit (TA) covering the period 2014-15 to 2018-19 during November 2019 to January 2020. The CA scheme was implemented Department wise; as such, information on compassionate appointment were collected from all 56 departments under GoA. Test check of records of compassionate appointment was carried out based on the available data and records. The records relating to CFP were also audited in the office of the Directorate of Pension and Director of Accounts and Treasury.

An entry conference was held (November 2019) with the representatives of the Personnel, Pension and Public Grievances and Finance Department (FD) of GoA

wherein the audit objectives, audit criteria, scope and methodology of TA were discussed.

Audit discussed (10 August 2020) the draft Audit Report with the Government in the Exit Meeting and the views expressed by the representatives of GoA in the Exit meeting were incorporated in the Report at appropriate places.

3.2.5 Compassionate Appointment Scheme

3.2.5.1 Implementation procedure

The application for compassionate appointment was to be submitted by the dependants within three months⁶⁷ from the date of death of employee in the office where the deceased or the person incapacitated or missing government servant worked. The concerned office was required to examine the applications/ documents and send the same for evaluation by the District Level Committee (DLC)⁶⁸. The recommendation of the DLC was to be considered by the State Level Committee (SLC)⁶⁹ for final recommendation of the cases for appointment. In case of Sixth Schedule areas, the applications for compassionate appointments were to be forwarded to SLC through the district and territorial councils constituted by its own District Level Committee excluding Deputy Commissioner and Superintendent of Police but with the competent officers of equivalent rank under control of the Council.

In June 2015, the GoA had issued consolidated instructions on Compassionate Appointment which were consistent with the overall philosophy of Compassionate Appointment as espoused time and again by various Supreme Court/ High court orders. It reiterated that compassionate appointment is not a matter of right, and is subject to eligibility and other conditions so that the compassion of the State is shown only on the deserving and needy.

3.2.5.2 Status of recommended/ rejected cases

Out of 56 departments, 34 departments made appointments on compassionate ground and 21 departments furnished a nil report for the audit period 2014-19. The CA cases falling under the remaining one Department (Hill Area), which is the Administrative Department for Karbi Anglong Autonomous Council (KAAC) and North Cachar Hill Autonomous Council (NCHAC) did not forward CA cases for consideration and approval of the SLC as the same were finalised by the ADCs themselves.

In 34 departments in which the appointments were made, total 6,161 cases were reviewed in the SLC's meetings, of which, the SLC had recommended 3,260 cases

⁶⁷ Revised to one year from the date of death of employee after Hon'ble HC order

⁶⁸ DLC: It consisted of Deputy Commissioner and Superintendent of Police of the district concerned, with district head of departments (in which applications were received) co-opted as Additional Member of the Committee.

⁶⁹ SLC: GoA had prescribed a State Level Committee for final recommendation of the Cases for appointment on compassionate ground. The SLC consisted of Chief Secretary to the Government of Assam (Chairman), Commissioner and Secretary to the Government of Assam, Finance Department (Member) and Commissioner & Secretary to the Government of Assam of Administrative Department (Member Secretary)

(53 per cent) for appointment and 2,901 cases (47 per cent) were not considered for various reasons viz., delay in receipt of application, dearth of vacancy, non-submission of requisite information, etc.

3.2.5.3.1 Audit Findings

(i) Deferment of cases

On scrutiny of SLC minutes, we noticed that SLC deferred 371 cases pertaining to 19 departments to be discussed in the subsequent SLC's meetings for various reasons like non-submission of documents, lack of vacancy, need for further scrutiny, etc. Of the 371 cases so deferred, 48 cases were on the ground of non-submission of required information/ document, which suggests absence of proper scrutiny of the case files at DLC, Department and office levels before submission of the same to the SLC for final recommendation for appointment. Deferment of cases, without recording reasons was not justified, since the SLC had to take a final view on the appointments against the referred cases.

(ii) Delay in Selection of Candidates

GoA vide OM (June 2015), directed that the meetings of SLC were to be convened once in three months by the Commissioner and Secretary (Member Secretary of SLC) of the respective Department to which the cases for compassionate appointments pertained. These instructions on regular conduct of the SLC meetings were in keeping with the Gauhati High Court order⁷⁰ dated 03 August 2006, which had given detailed instructions for addressing Compassionate Appointment cases in a time bound manner.

Scrutiny of records, however, revealed that despite these directions, the SLC meetings were not convened regularly. Against a total of 20 meetings required to be held by each Department during 2014-15 to 2018-19, only one to seven meetings were convened during the period.

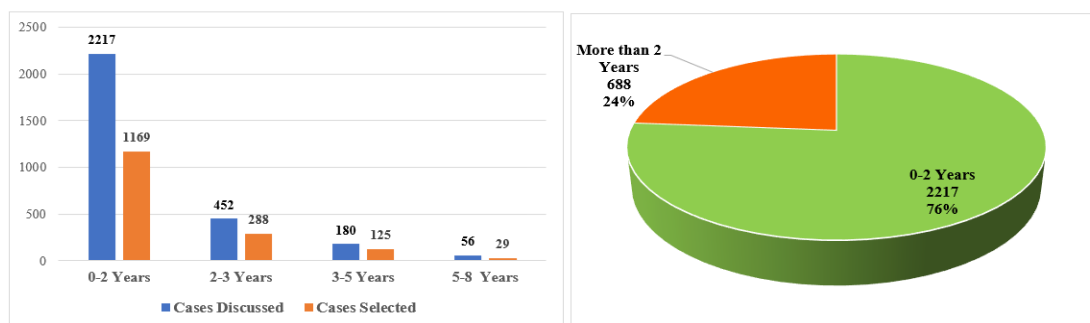
Further, GoA's OM dated 01 June 2015 stipulated that the applications of eligible candidates that remained pending and which could not be considered due to want of vacancies for a period of two years from the date of application, will require no further consideration and must be understood to have spent their force. This instruction too was in keeping with the Gauhati High Court order of 2006.

Audit analysed the timeliness in recommending candidates on compassionate grounds for appointment, based on available data pertaining to 15 departments. It was seen that out of the 2,905 cases reviewed by the SLC, 688 cases (24 per cent) were reviewed and 442 cases (15 per cent) were recommended for appointment after two to ten years from the date of recommendation of the cases by the DLC. Cases reviewed/ recommended for appointment and time taken thereto are shown in **Chart-3.1**. Department-wise details of number of SLC meetings held, cases reviewed, cases recommended for appointment and cases rejected by SLC are shown in **Appendix-3.1**.

⁷⁰ In the order of 2006 against Writ Petition no.3875 of 2005

Thus, by delaying the meetings and providing appointment after a delay of more than two years from the date of submission of applications, the departments had not complied with extant norms of GoA's OM, based on the Gauhati High Court order of 2006, which had observed that "Delay in making such appointment would be fatal; with the passage of time, the State and the Courts must understand that the family of the deceased has been able to meet the crisis caused by the death of the sole bread-earner. If the applications or eligible candidates remain pending and cannot be considered due to want of vacancies for a period of two years from the date of making such applications, all such applications will require no further consideration and must be understood to have spent their force".

Chart 3.1: Time period between the dates⁷¹ of SLC and DLC's meetings



Thus, the objective of relieving the family of the deceased Government servant, who died in harness or who was retired on medical grounds, from financial destitution by providing Government job on compassionate ground was not effectively achieved in the delayed cases as brought out in the chart above.

(iii) Poor documentation under CA Scheme

Audit scrutiny of 6,161 cases reviewed by the SLC showed the following:

- a. Name of the deceased Government Servant was not mentioned in 1,390 cases (23 per cent), out of which, 602 cases were finally recommended by the SLC;
- b. Date of death of the Government Servant was not mentioned in 6,061 cases (98 per cent), out of which, 3,215 cases were finally recommended by the SLC;
- c. Name of the office where the deceased Government Servant served, was not mentioned in 3,171 cases (51 per cent), out of which, 1,248 cases were finally recommended by the SLC;
- d. Relation of the applicant with the deceased Government Servant was not mentioned in 3,291 cases (53 per cent), out of which, 1,424 cases were finally recommended by the SLC;
- e. Out of 2,260 cases (37 per cent) rejected by the SLC, reasons for rejection were not mentioned in 103 cases; and
- f. Out of 641 cases (10 per cent) deferred by the SLC, reasons for deferment were not mentioned in 23 cases.

⁷¹ Time period/gap should be assessed from the date of Application, however due to lack of this data in the SLC minutes, the date of DLC has been considered. The delay in selection would be larger if the gap is taken from the date of Application.

Thus, in absence of complete documentation an assurance that the cases were finalised for appointments as per the terms and conditions of the Scheme could not be obtained to the extent of deficiencies pointed out.

3.2.6 Compassionate Family Pension Scheme - Origin

To address the shortcomings in the Compassionate Appointment scheme, primarily the delays in finalising the appointment, the State Government announced a new scheme, called the 'Scheme for Compassionate Family Pension *in-lieu* of Compassionate Appointment' or CFP Scheme, in replacement of the CA Scheme in the Budget Speech of FY 2017-18, and the scheme was notified on 14 September 2017. As mentioned later, there was no separate budget outlay for the Scheme.

The CFP Scheme is applicable to all employee who die in harness on/ after 1 April 2017 and has completed a minimum of one year of continuous service, as was the case in Normal Family Pension (NFP) as per Assam Service (Pension) Rules, 1969. The dependant of the deceased employee is entitled to receive family pension equal to 100 *per cent* of the last pay drawn by the deceased employee, to be paid for a period up to the date of deemed superannuation of the deceased employee. Apart from above, the dependant will also get the applicable dearness relief and other reliefs admissible under NFP as per the Assam Service (Pension) Rules, 1969. On attaining the age of deemed superannuation, the CFP would be converted into normal family pension fixed at 50 *per cent* of the CFP till 67 years of age of the deceased employee. On completion of 67 years, the pension shall be reduced to 30 *per cent*.

3.2.6.1 A quick comparison of the two Schemes – CA & CFP

While the CA Scheme extended the compassion of the State to the needy and the genuinely deserving legal heirs of government servant to the extent possible. Moreover, the State also got the services of the eligible heir on their employment with the Department concerned. Whereas, the CFP scheme is a pure entitlement based scheme which gives 100 *per cent* of the last pay drawn as family pension to the eligible legal heir of the government servant as shown in the comparison drawn in **Table-3.2**:

Table-3.2: Comparison of CA & CFP Schemes

Criteria	Compassionate Appointment Scheme (as per OM-June 2015)		Compassionate Family Pension Scheme (as per OM-September 2017)
	Compassionate Appointment	Family Pension	Family pension
Benefits under Scheme			
Rights Criteria	CA is not a matter of right	All employee who die in harness or retired compulsorily on medical grounds are entitled	All employees who die in harness are entitled.
Eligibility Criteria	Eligibility criteria specified as given below:	No eligibility criteria specified	No eligibility criteria analogous to CA was specified
Vacancy Availability	Limited to maximum of five <i>per cent</i> of the sanctioned strength	No limitation by vacancy	No limitation by vacancy
Service Left	The deceased employee should have balance of minimum three years of service	All employees who have put in a minimum of one	All employees who have put in a minimum of one year of service are eligible

Criteria	Compassionate Appointment Scheme (as per OM-June 2015)		Compassionate Family Pension Scheme (as per OM-September 2017)
	Compassionate Appointment	Family Pension	Family pension
Benefits under Scheme		year of service are eligible	
Financial eligibility	Strict Financial eligibility conditions to show weak financial position	No financial eligibility condition	No financial eligibility condition
DCRG	There is no stipulation in regard to minimum length of service rendered. Death Gratuity is based on the number of years of service put in by the deceased government servant.	--	There is no stipulation in regard to minimum length of service rendered. Death Gratuity is based on the number of years of service put in by the deceased government servant.
Financial benefits (pension as per cent to last pay drawn)	NA	Up to the time period from the death of the Government servant	Up to the time the Government servant would have attained the age of
100 per cent		NA	60 years
50 per cent		10 years ⁷² or 67 years of age, whichever is less	67 years
30 per cent		Beyond 10 years ⁷³ or 67 years of age, whichever is early	After 67 years
Benefit Limitation Criteria	CA only to Grade-III and Grade-IV posts	Based on the last pay drawn, and not limited to Grade-III or Grade-IV pay level	Based on the last pay drawn, and not limited to Grade-III or Grade-IV pay level
Time Limitation Criteria	CA application which are pending for more than two years for want of vacancies should not to be considered as these have spent their force	No such time limit	No such time limit

NA:-Not Applicable

3.2.6.2 Audit Findings

The CFP scheme has been in operation since 01 April 2017. Audit examined the data pertaining to sanction of CFP in the period April 2017 to October 2019—a period of over two and a half years. Since the implementation of the Scheme in the State, 2,302 dependants of deceased government employees were provided CFP. Department-wise break-up cases are provided in **Appendix-3.2**. The Audit findings are discussed below:

⁷² Since April 2016. Prior to April 2016, up to the date the deceased Government Servant would have attained the age of 67 years

⁷³ Since April 2016. Prior to April 2016, 30 per cent of the last pay drawn was allowed after the deceased Government Servant would have attained the age of 67 years

(i) *Financial Liability under CFP Scheme*

The CFP scheme primarily provides direct financial support to the family of employees dying in harness through the provision of a higher rate of pension than is normally admissible as Family Pension, was given, terming this benefit as Compassionate Family Pension. Actual outgo on 2,302 cases since the inception of CFP Scheme (April 2017 to October 2019) was ₹171.55 crore as detailed in the table placed alongside. The total additional outgo⁷⁴ (₹21.45 crore) under the CFP scheme during 2018-19 constituted 0.04 *per cent*⁷⁵ of the Revenue Expenditure of the State. As a result, the Revenue Expenditure of the State increased by ₹21.45 crore which could have otherwise, been utilised for other productive purposes.

Year	Total outgo on CFP (₹ in crore)
2017-18	127.94
2018-19	42.89
2019-20 (up to October 2019)	0.72
Total	171.55

Audit also estimated the annual additional liability of operation of the CFP Scheme at ₹156.91 crore. The annual additional liability of ₹156.91 crore was arrived at by calculating the difference between liabilities on account of CFP Scheme *vis-à-vis* payment due as NFP for 2,302 cases till the deceased employee would have attained the age of 67 years. The additional liability was computed for the CFP Scheme cases arising between April 2017 to October 2019 (31 months), which worked out to ₹405.34 crore for these 2,302 cases. This translates to an annual additional liability of ₹156.91 crore for GoA due to introduction of CFP Scheme *vis-à-vis* NFP, by dividing the total liability by 2.58 (two years and seven months converted to years), assuming further that the rate of cases every year would remain the same.

The breakup of the lifetime financial benefit equivalent to the CFP for the 2,302 cases is given in *Table-3.3*:

Table 3.3: Financial Benefit through CFP

Lifetime Financial Benefit equivalent to CFP	Number of Cases	Percentage of Total Cases	Total Outgo	Percentage of Total Outgo
0-5 Lakh	429	18	10,58,40,223	3
5-15 Lakh	698	30	68,43,77,697	17
15-25	544	24	1,07,85,89,157	27
25-50	596	26	1,99,31,89,662	48
50+	35	2	19,14,47,078	5
TOTAL	2,302		4,05,34,43,817	

The table above shows that in 48 *per cent* of the cases, the financial benefit given is less than ₹15 lakh; while in 28 *per cent* cases the benefit given was in excess of ₹25 lakh, this group accounting for 54 *per cent* of the total outgo.

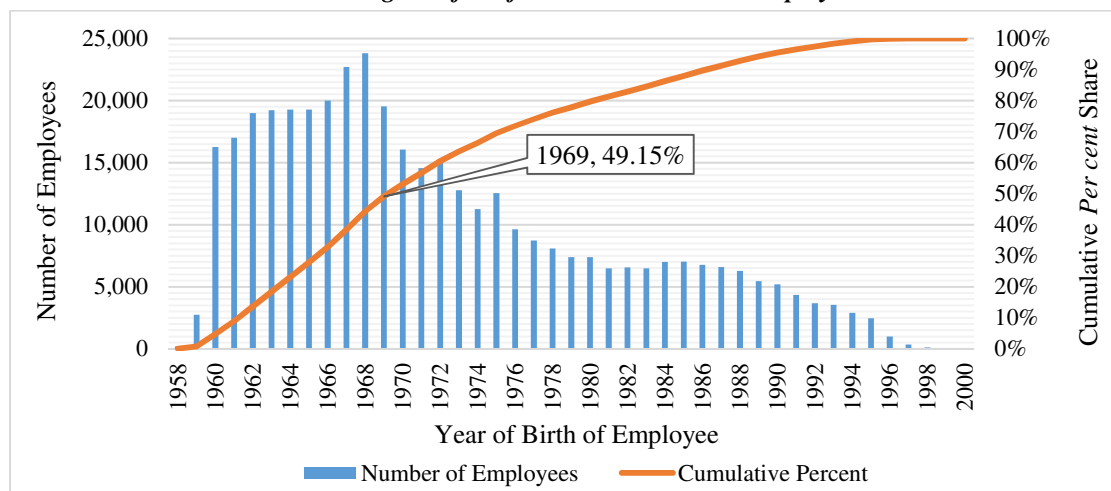
Audit analysed the age profile of Assam Government employees as made available by Finance Department. The stratification by age of the employee, given below, shows that over 50 *per cent* of the employees are above 50 years of age. However, this group

⁷⁴ The difference between Normal family Pension (@50 *per cent* of last pay drawn) and CFP (@100 *per cent* of the last pay drawn) is the additional outgo under the CFP scheme.

⁷⁵ Additional outgo of ₹21.45 crore as *per cent* of Revenue Expenditure of ₹56,899 crore.

constituted 74 per cent of the cases of death in harness, indicating a higher mortality rate in this group. Thus, it is very likely that the financial outgo on CFP would increase in the days to come if the current trend continues.

Chart 3.2: Age Profile of Assam Government Employees⁷⁶



Thus, apart from the significant financial burden of the CFP Scheme on the State, the Scheme violates the basic tenements of Compassionate Schemes by assuring 100 per cent pension to legal heirs of eligible employees. The CA Scheme to reiterate could not employ more than a maximum of five per cent of the vacant posts that too in deserving cases. Further, no comparable family pension scheme, of either GoI or any State Government, to the best of our knowledge, offers 100 per cent of the last pay drawn as family pension till age of superannuation. The State Government has thus invited an avoidable financial burden on itself by implementing this Scheme.

(ii) Extension of CFP Scheme to employees covered under National Pension System

Government of Assam introduced (January 2010) the ‘National Pension System’ (NPS) applicable to all new entrants joining State Government Service on regular basis against vacant sanctioned post(s) on or after 01 February 2005. State Government gave an option to the existing employees to either opt for the system with retrospective effect (from February 2005) or from January 2010. Provisions of Assam Service (Pension) Rules, 1969 are not applicable to employees appointed under the NPS; as such, are not entitled for grant of regular pension.

The Government OM, which had notified the CFP Scheme has vide paragraph 5.9, extended the benefit under the scheme to all State Government employees under NPS category. The State Government has created additional financial liability by extending the benefits of CFP Scheme to State Government Employees under NPS category.

⁷⁶ There were 4,06,613 State Government employees as per data obtained from Finance Department, GoA. However, Chart 3.5 excludes 1,678 employees (0.4 per cent) because of gaps in data.

(iii) Extension of CFP Scheme to AIS Officers

The Government OM, which had notified the CFP Scheme has vide paragraph 5.9, extended the benefit under the scheme to All India Services (AIS) officers borne on Assam cadre. In this context, it is pertinent to note that the pension liability of AIS officers under present arrangements is that of Government of India. The State Government has extended the CFP scheme to AIS officers, without having any consultation with the GoI.

(iv) Total outgo under CFP Scheme booked under Pension

Audit noticed that the State Government, while allowing a higher rate of pension than was normally admissible under the CFP, did not ask for separate budgetary allocation and the entire expenditure on CFP was treated as Pension. The additional financial outgo has been subsumed within the grant for Pension. This is misleading since this is not a superannuation scheme and being a separate Scheme with intended objectives, a separate budget outlay and accounting of expenditure under the Scheme is necessary. The State Government needs to correct this anomaly.

3.2.7 Conclusion

The Compassionate Appointment Scheme as implemented by GoA prior to 2017 was not effectively managed due to delays in appointment of eligible heirs of employees who died in harness/ compulsorily retired on medical grounds. The documentation of the CA scheme was also incomplete and deficient. Instead of correcting these deficiencies, the State introduced Compassionate Family Pension Scheme for employees who died in harness which has ‘**entitlement features**’ and hence not in keeping with well laid down legal principles, regarding compassionate appointments by the State.

Government of Assam by providing Family Pension under CFP Scheme to the dependant of Government employees dying in harness after April 2017, at a rate of 100 *per cent* of the last pay drawn until age of superannuation, has put an additional avoidable burden on the State Exchequer. The financial outgo under the Scheme has been ₹171.55 crore so far and audit has estimated an additional financial burden of ₹156.91 crore per annum on the State budget.

Further, the State Government have extended the benefits under the CFP Scheme to cover officers of AIS, whose pension/ family pension liability is borne by GoI, without consulting the GoI.

The State Government has not made separate budget allocation for the CFP Scheme and by booking the entire expenditure under “Pension” have violated Budget and Accounting Rules applicable to a New Scheme and have also camouflaged the expenditure as normal Pension.

Moreover, in the wake of the current ‘COVID-19’ pandemic and the high rate of positive cases as well as mortality rate, the financial burden on the State Exchequer may increase to an unbearable proportion in the years to come. Scarce financial resources

need to be utilised for welfare schemes for its people and not only for government servants dying in harness who are otherwise taken care of under the existing family pension scheme.

3.2.8 Recommendations

It is therefore recommended that:

- Government may reconsider the design of the CFP scheme by limiting the benefits under the Scheme to that of the Normal Family Pension as admissible under Assam Service (Pension) Rules, 1969. Any incremental expenditure beyond the existing family pension, needs to be separately budgeted and classified by the State.
- The Scheme though introduced as a welfare measure for the State Employees has imposed an additional financial burden on the State by increasing their revenue expenditure when there is a need to spend more on creation of infrastructure and on capital expenditure and hence the State Government may review the continuance of the Scheme.

Printing and Stationery Department

3.3.1 Idle Expenditure

Construction of Government press at Titabor, Jorhat remained incomplete for a period of four years after incurring expenditure of ₹80.45 lakh, due to lackadaisical approach of the Executive Engineer, PWD (Building), Jorhat and Director of Printing and Stationery. In addition, expenditure of ₹45.82 lakh was incurred on renovation of the existing rented premises of the Press.

The State has two Presses at Dispur and Jorhat for undertaking printing works for Assembly Secretariat as well as Civil Secretariat, Dispur and printing of Schedule and Non-Schedule forms of different Government offices, catering to the needs of the offices particularly in the Upper Assam region.

The Government Press in Jorhat was functioning in a rented shed of Assam Industrial Infrastructure Development Corporation at Cinnamara, Jorhat since September 1990. It was decided to construct Jorhat Branch Press building in a meeting (October 2012) chaired by the Minister, Printing and Stationery Department (PSD), Assam, along with the Secretary, Joint Secretary and Director of PSD. PSD accorded (February 2014) administrative approval of ₹400.00 lakh for construction of branch of Assam Government Press at Titabor, Jorhat. The work was to be executed by State Public Works Department (PWD).

The Chief Engineer (CE), PWD, Assam allotted (July 2014) the work to a Company at a tendered value of ₹354.26 lakh with the stipulation to complete the work within 12 months from the date of allotment of the work. The Executive Engineer (EE), PWD (Building) Division, Jorhat was the supervising agency for the work. The work commenced on 10 December 2014 and as of December 2015, only 39 *per cent* physical

progress was achieved and the contractor was paid ₹80.45 lakh⁷⁷. As per the records of EE, the contractor stopped the work (October 2016) due to low-lying earthen approach road. Our scrutiny of records (May 2019) revealed the following deficiencies:

Though it was decided in the first meeting itself (October 2012) that an approach road was necessary for the Press building, the work estimate prepared did not include this item. The CE submitted the estimate of ₹52.75 lakh to the Commissioner & Special Secretary, (PWD) GoA for approval only in October 2019 and the same was yet to be approved (September 2020). There were no recorded reasons for the initial exclusion and the delays in preparing the estimates.

Carrying of construction materials and work execution became difficult due to the low-lying approach road becoming muddy and frequently submerged under rainwater, thereby, delaying progress of the work.

The contractor's payments for executed works were delayed by two years. The additional items like boundary wall, which were executed at the behest of the PSD, were not approved by the PWD.



Date of photograph:-20 June 2019

The work remained incomplete even after four years from the stipulated date of completion (June 2015) and expenditure of ₹80.45 lakh (major items of work: Supplying, fitting and fixing in position reinforcement bars for RCC-₹25.37 lakh, Providing and laying plain reinforced cement concrete work-₹22.45 lakh, materials-₹18.70 lakh) incurred on construction of the Government Press became idle. The press continued to function from the rented premises and the Department had to incur an expenditure of ₹45.82 lakh on renovation of premises.

Thus, the project was executed without proper planning; the work estimates prepared were faulty due to omission of necessary items, which were required by the Department *ab-initio*. The project execution by the State PWD was lackadaisical with delays at every stage and no follow up for getting required approvals. Neither did the Administrative Department (PSD) take any initiative to get the work completed.

On this being pointed out, the Director stated (May 2019) that the matter would be taken up with the PWD for early completion of the work.

⁷⁷ Including secured advance of ₹18.70 lakh.

The matter was reported to the Government in November 2019; their reply had not been received (September 2020).

Recommendation: The Department may take necessary steps to approve the work estimates, provide adequate funding and complete the project

CHAPTER-IV

GENERAL

CHAPTER-IV

General

4.1 Cases of Theft, Misappropriation and Losses

Audit observed 562 cases of theft, misappropriation, and losses involving Government money amounting to ₹257.77 crore (up to March 2019) on which final action was pending. The Department-wise breakup of pending cases and age-wise analysis and nature of those cases is given in *Appendix-4.1*.

Table 4.1 summarises age-profile of pending cases and the number of cases pending in each category *i.e.*, theft, misappropriation and losses of Government material *etc.*

Table 4.1:-Profile of cases of theft, misappropriation and loss

(₹ in lakh)

Age Profile of the Pending cases			Nature of the Pending Cases		
Range in Years	Number of cases	Amount involved	Nature/ characteristics of the cases	Number of cases	Amount involved
0-5	220	12244.60	Theft	26	243.40
5-10	207	10295.22			
10-15	106	3039.30	Misappropriation/ Loss of material etc.	536	25533.47
15-20	21	179.26			
20-25	6	7.96	Total	562	25776.87
25 and above	2	10.53	Cases of loss written off during the year	1	Nil
Total	562	25776.87	Total cases as on 31 March 2019	561	25776.87

Source: Inspection Reports

Further analysis indicated that the reasons for which the cases were outstanding could be classified in the categories listed in *Table 4.2*.

Table 4.2:-Reasons for outstanding cases of theft, misappropriation and losses

Reasons for the Delay of Outstanding Pending cases	Number of Cases	Amount (₹ in lakh)
(i) Non-receipt of reply or want of reply from Department	156	8,797.11
(ii) Non-submission of specific/ proper/ appropriate reply by Department	406	16,979.76
Total	562	25,776.87

Source: Inspection Reports

Of the 562 cases above, the First Information Report (FIR) in respect of only 30 cases⁷⁸ involving ₹17.51 crore was lodged where the investigation was in process. Government may take necessary action to institute enquiries/ lodge FIR in all the remaining cases also, and logically conclude the misappropriation cases. Besides, Government should consider putting in place an effective mechanism to ensure monitoring and speedy settlement of cases relating to theft, misappropriation and losses, in their own financial interests.

4.2 Follow up on Audit Reports

Non-submission of suo-moto Action Taken Notes

In terms of the resolution (September 1994) of the Public Accounts Committee (PAC), the administrative Departments were required to submit *suo-moto* Action Taken Notes (ATNs) on paragraphs and reviews included in the Audit Reports, within three months of presentation of the Audit Reports to the Legislature to the PAC with a copy to Principal Accountant General (PAG) (Audit) without waiting for any notice or call from the PAC, duly indicating the action taken or proposed to be taken. The PAC, in turn, is required to forward the ATNs to PAG (Audit) for vetting before its comments and recommendations. The State Level Apex Committee in a meeting (August 2001) chaired by the Chief Secretary of Assam also instructed all departments to submit replies on paragraphs and reviews included in the Audit Reports as soon as the Audit Reports are presented to the Legislature. Assam Legislative Assembly reiterated the same instructions in September 2014 and October 2018.

However, only seven *suo-moto* replies/ explanatory notes were received against 1,804 paragraphs and reviews included in the Audit Report on Social, General and Economic (Non-PSUs) sectors up to 2017-18 from the respective departments.

As of March 2019, PAC discussed 1,203 out of 1,804 paragraphs and reviews pertaining to the years 1983-84 to 2017-18. Consequently, 601 audit observations/ comments included in those paras/ reviews were yet to be discussed by the PAC as of March 2019.

4.3 Action Taken on Recommendations of the PAC

The PAC made 564 recommendations in its 55th to 152nd Reports with regard to 45 departments. The PAC settled 252 paragraphs based on action taken by the respective departments on the recommendations made by the PAC and as such, no further action was required to be taken against those paragraphs. Thus, 312 recommendations were pending for settlement as of March 2019 due to non-receipt of ATNs/ Reports from various departments.

⁷⁸ In respect of one case, amount of the articles stolen not known and not recorded in the FIR.

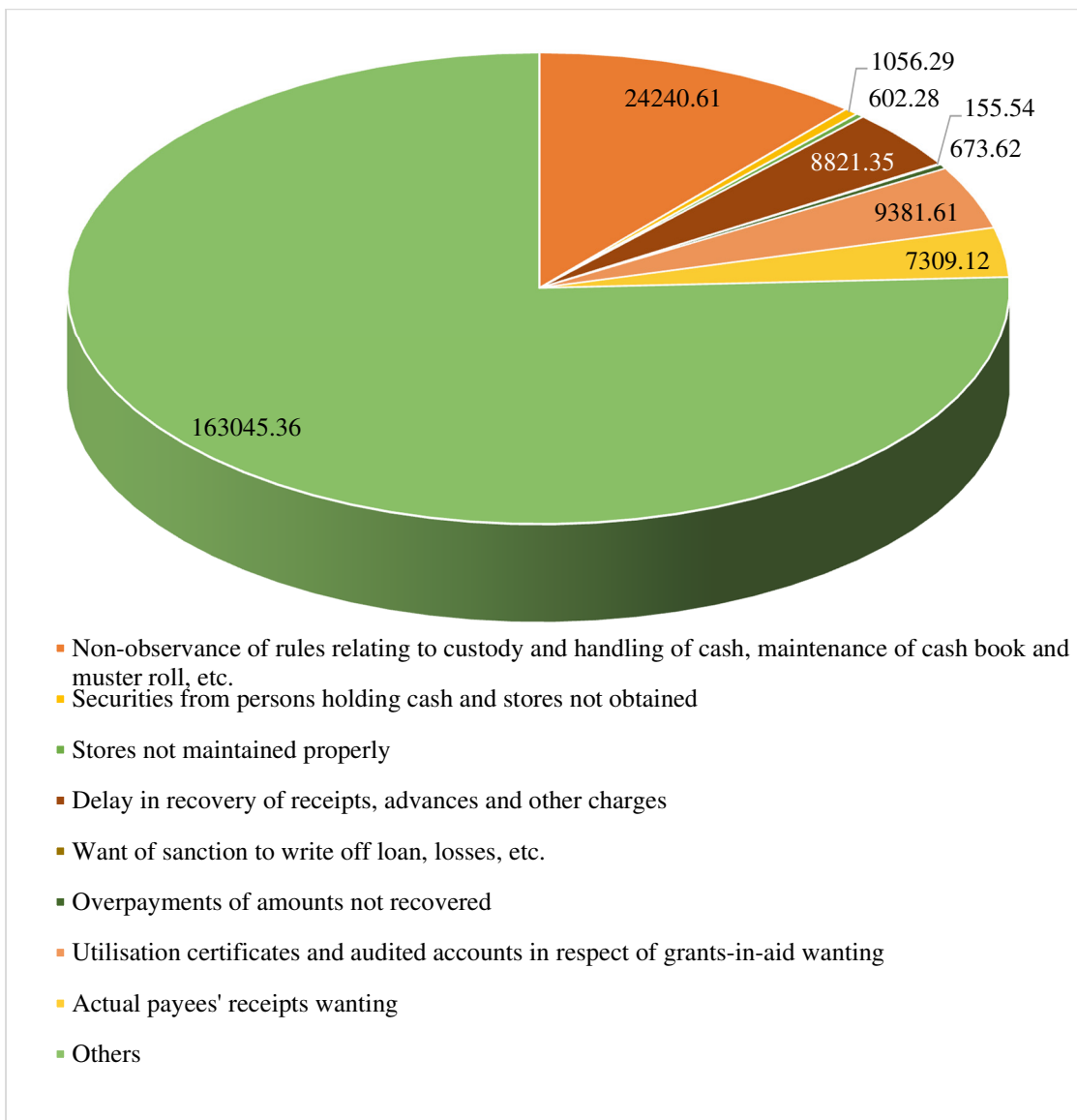
4.4 Response to Audit Observations and Compliance thereof by Senior Officials

The PAG arranges to conduct periodical inspection of Government departments to test-check the transactions and verify the maintenance of significant accounting and other records according to prescribed rules and procedures. When important irregularities detected during inspection are not settled on the spot, Inspection Reports (IRs) are issued to the Heads of the concerned offices with a copy to the next higher authority. The State Government (March 1986) has advised Departments to provide prompt response to the IRs issued by the PAG and to ensure that remedial action is taken in compliance with the prescribed rules and procedures. The authorities of the offices and departments concerned were required to examine the observations contained in the IRs in the light of the given audit findings in the paras. They were also required to rectify the defects and omissions promptly wherever called for and report their compliance to the PAG. The PAG sends half-yearly report of pending IRs to the Commissioners and Secretaries of the Departments concerned from time to time. This report is sent to facilitate monitoring of the audit observations contained in the pending IRs.

We report that on IRs issued up to December 2018, 39,479 paragraphs pertaining to 6,385 IRs were outstanding for settlement at the end of June 2019, pertaining to Civil Departments/ Public Health Engineering Department/ Public Works Department/ Water Resource Department/ Irrigation and Inland Water Transport Department. Of these, 1,208 IRs containing 5,262 paragraphs had not been replied to/ settled for more than 10 years. Even the initial replies, which were required to be received from the Heads of Offices within four weeks from the date of issue, were not received from 55 departments in respect of 2,734 IRs containing 20,575 paragraphs issued between 1994-95 and 2018-19. As a result, serious irregularities commented upon through 39,591 paragraphs involving ₹2,15,285.77 crore, had not been addressed as of June 2019 as shown in **Chart-4.1:**

Chart-4.1

(₹ in crore)



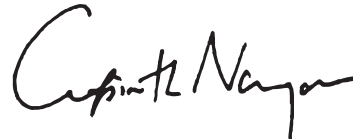
Non-receipt of replies to the IRs in respect of the 55 Departments were indicative of the failure on the part of the Heads of Departments (Directors/ Executive Engineers) to initiate action with regard to defects, omissions and irregularities pointed out by Audit. The Commissioners and Secretaries of the Departments concerned, who were informed of the position through half-yearly reports, also failed to ensure prompt and timely action by the officers of the Departments concerned.

The above mentioned facts also indicated inaction against the defaulting officers thereby facilitating continuation of serious financial irregularities and potential loss to the Government though these were pointed out in Audit.

Audit Objection Committee (AOC) is constituted by the Government every year at State level for consideration and settlement of outstanding audit observations relating to Civil and Works Departments. Government had constituted (May 2018) one AOC for discussion of outstanding audit objections up to 2017-18. Altogether, 159 meetings

(Social Sector: 93; Economic Sector: 39; and General Sector: 27) of the Committee were held on different dates up to March 2019. The AOC discussed total of 1,102 IRs and 5,512 Paragraphs, of which 91 IRs and 981 Paragraphs were settled.

It is recommended that Government should review the matter and ensure that effective system exists for (a) action against defaulting officials who fail to send replies to IRs/ Paragraphs as per the prescribed time schedule; (b) action to recover loss/ outstanding advances/ overpayments in a time bound manner; and (c) revamp the system to ensure prompt and timely response to the audit observations.



(K. S. GOPINATH NARAYAN)
Principal Accountant General (Audit), Assam

Guwahati
The 23 February 2021

Countersigned



(GIRISH CHANDRA MURMU)
Comptroller and Auditor General of India

New Delhi
The 03 March 2021

APPENDICES

Appendix-2.1

(Reference to paragraph – 2.2.4.4)

Sampling and Stratification of projects

Audit took a sample of 73 projects from all six agro-climatic regions of Assam. The summary of projects selected is shown in the Table below:

SI No	Agro Climatic Zone	Division	Number of Projects
1	Barak Valley	Silchar	5
2	Hills	Karbi Anglong	12
3	Lower Brahmaputra	Kokrajhar	22
4	North Plain	Tangla	25
5	Plain	Morigaon	6
6		Jorhat	3
TOTAL			73

The stratification of projects by size can be seen in the table below:

Project Size	Number of Projects	Avg. Expenditure (Actual)	Amount in ₹lakh	
			Total Expenditure (Actual)	Amount (TS)
0-250 HA	23	94.41	2,171.38	2,494.85
250-500 HA	34	505.41	17,184.05	18,464.01
500-750 HA	8	408.00	3,263.99	3,407.67
750-1000 HA	3	790.87	2,372.62	2,438.85
1000-1250 HA	0	0.00	0.00	0.00
1250-1500 HA	3	1,122.48	3,367.44	3,407.38
1500-1750 HA	1	665.72	665.72	665.72
1750-2000 HA	1	945.05	945.05	981.00
TOTAL	73	410.55	29,970.25	31,859.48

Appendix-2.2

(Reference to paragraph -2.3.2)

Statement of project-wise assessment and issuance of Z-sheet piles

Sl. No.	Name of Project	Quantity assessed in MT	Quantity issued in MT	Difference in MT
AIBP for 2012-13				
Quantity Issued more than assessed				
Name of Division: Borolia				
1.	No. 1 Kowli LIS	19.63	21.09	1.46
2.	Ajaladong FIS at Ulubari	10.53	12.12	1.59
3.	Sarendong FIS	12.28	12.94	0.66
4.	Mayandi FIS	11.60	14.36	2.76
5.	Harangpar-Simuhathai	47.09	51.08	3.99
6.	Ahopa-Dekadong--Jalagaon	22.42	25.58	3.16
A) SUB-TOTAL		123.55	137.17	13.62
Name of Division: Kokrajhar				
1.	Odlaguri FIS	8.00	18.11	10.11
2.	Dawbobil FIS	8.00	14.35	6.35
3.	Simbargaon FIS	15.00	18.11	3.11
4.	Dangarkuthi FIS	17.36	17.55	0.19
5.	Khalasi FIS	18.00	18.72	0.72
6.	Majoti Rabhapara FIS	8.00	9.60	1.60
7.	Hell FIS	16.18	16.61	0.43
8.	Tinmukhi FIS	20.00	23.70	3.70
9.	Ouguri FIS	24.97	25.95	0.98
10.	Laukuriguri FIS	27.76	32.00	4.24
11.	Lakhipur FIS	21.83	22.05	0.22
12.	Bhutuni FIS	18.50	20.71	2.21
13.	Dadrijhora FIS	21.02	21.05	0.03
14.	Juilaga FIS	8.00	8.91	0.91
B) SUB-TOTAL		232.62	267.42	34.80
Issued without assessing				
Name of Division: Borolia				
1	Bahbari dong FIS	0	9.58	9.58
2.	Laldong FIS at Kachubari	0	9.00	9.00
3.	Moradong FIS at Barangbari	0	6.73	6.73
4.	Howlikadong FIS	0	8.36	8.36
5.	Bonchola Deojara	0	7.83	7.83
6.	Alagjhar-kamalkur-Pallapam	0	7.98	7.98
C) SUB-TOTAL		-	49.48	49.48
Name of Division: Kokrajhar				
1.	Bilw Budung FIS	0	9.43	9.43
2.	Karigaon Balajan FIS	0	9.32	9.32
D) SUB-TOTAL		-	18.75	18.75
Quantity Issued lesser than assessed				
Name of Division: Borolia				
1.	Goroimari FIS	12.46	9.62	2.86
2.	Khanakurajan FIS	9.71	9.43	0.28
3.	Mouji FIS	11.45	10.09	1.36
4.	Bathowpuri Swibari FIS	15.15	12.36	2.79
5.	Dongobima FIS	12.65	9.60	3.05
6.	Digaldong-Ujirbari-Tihunadi FIS	28.82	20.99	7.83
7.	Sirishbari FIS	12.29	9.71	2.58
E) SUB-TOTAL		102.53	81.8	20.75

Sl. No.	Name of Project	Quantity assessed in MT	Quantity issued in MT	Difference in MT
Name of Division: Kokrajhar				
1.	Humaishri FIS	48.00	47.21	0.79
2.	Dakshin Kajalgaon FIS	120.00	101.71	18.29
3.	Mahamaya FIS	86.00	30.52	55.48
4.	Burichattam palasguri FIS	30.00	25.00	5.00
5.	Naodra Dwisa FIS	12.00	9.46	2.54
6.	West Bhadrampur FIS	18.00	13.82	4.18
7.	Chhataguri FIS	15.00	13.78	1.22
8.	Dudumari FIS	8.00	6.00	2.00
9.	Bonsjhora FIS	15.00	7.42	7.58
10.	Lalpur FIS	7.40	6.20	1.20
11.	Daomasa Dwisa FIS	6.00	4.50	1.50
12.	North Moligaon FIS	18.00	9.46	8.54
13.	Kamalsing FIS	16.00	12.87	3.13
14.	Lapoti Jampha Raja FIS	20.00	18.00	2.00
15.	Akaisika FIS	30.00	26.57	3.43
16.	Ai-Bhanari FIS	22.00	18.52	3.48
17.	Aminpara Demdema FIS	20.00	18.20	1.80
18.	Gagra Dwisa FIS	31.27	28.50	2.77
19.	Rampati FIS	20.00	17.73	2.27
20.	Tingkhaguri-Jiling FIS	39.25	31.01	8.24
21.	Rangijhora FIS	30.00	23.64	6.36
22.	Harsa FIS	14.99	13.80	1.19
23.	Udalguri FIS	11.00	9.19	1.81
24.	Kumbund FIS	31.04	17.95	13.09
25.	Sampati FIS	30.00	20.80	9.20
26.	Dubribari FIS	9.68	9.67	0.01
27.	Silbari Ulubari FIS	32.56	20.96	11.60
28.	Narang Dwisa FIS	23.27	13.55	9.72
29.	Kalibhadur FIS	15.91	8.14	7.77
F) SUB-TOTAL		780.37	584.18	196.19
Quantity Assessed but not issued				
Name of Division: Borolia				
1.	Ikrabil Pataldong FIS	21.03	0	21.03
2.	Bogulamari FIS (Ph-II)	8.11	0	8.11
G) SUBTOTAL		29.14	-	29.14
Name of Division: Kokrajhar				
1.	Khomabari FIS	12.50	0	12.50
2.	Letumochra FIS	12.00	0	12.00
4.	Sitoka FIS	8.00	0	8.00
5.	Demdema Sonamukhi FIS	7.00	0	7.00
6.	Gangia FIS	40.00	0	40.00
7.	Bhurpar FIS	18.00	0	18.00
8.	Dorogaon FIS Ph II	22.00	0	22.00
H) SUB-TOTAL		119.50	-	119.50
Quantity Issued as per assessment				
Name of Division: Borolia				
1.	Bhehguridong FIS	9.91	9.91	0
2.	Bhuidong FIS	11.67	11.67	0
3.	Beakarbund FIS	12.81	12.81	0
4.	Bheterkur FIS	9.76	9.76	0
5.	Thanguri lakhibund FIS	10.76	10.76	0
I) SUB-TOTAL		54.91	54.91	-
Name of Division: Kokrajhar				
1.	Tintila FIS	11.75	11.75	0
2.	Borjhora Rabhapara FIS	11.35	11.35	0

Sl. No.	Name of Project	Quantity assessed in MT	Quantity issued in MT	Difference in MT
3	Baghmara FIS	24.60	24.60	0
4	Baldi FIS	23.93	23.93	0
5	Deborbil FIS	15.21	15.21	0
J) SUBTOTAL		86.84	86.84	-
TOTAL (A+B+C+D+E+F+G+H+I+J)		1,529.46	1,280.55	-

Total quantity supplied: 1,466.46 MT, Total quantity issued: 1,280.55 MT, Balance: 185.91 MT

Sl. No.	Name of Scheme	Quantity assessed in MT	Quantity issued in MT	Difference in MT
AIBP for 2013-14				
Quantity Issued more than assessed				
Name of Division: Kokrajhar				
1.	Sishubari FIS	20.00	20.40	0.40
2.	Polashguri FIS	7.00	18.90	11.90
3.	Doraiggabnai FIS	10	32.90	22.90
4.	Hazarika II FIS	10.00	24.50	14.50
5.	Borobadha FIS	6.00	13.90	7.90
6.	Laska River FIS	16.00	24.40	8.40
7.	Choutaki naljibari FIS	12.00	14.91	2.91
8.	Kainamati FIS	7.00	7.81	0.81
9.	Panwari FIS	50.00	54.20	4.20
10.	Boshguri FIS	7.00	12.62	5.62
A) SUB-TOTAL		145	224.54	79.63
Quantity Issued lesser than assessed				
Name of Division: Borolia				
1.	Gangadevi Matanga FIS	26.00	8.20	17.80
2.	Laodong Pakriguri FIS	30.00	18.35	11.65
3.	Kuhumajan FIS	16.00	7.45	8.55
4.	Hapakhurajan KK FIS	35.00	14.60	20.40
5.	Santapara Silar Bund FIS	48.00	47.00	1.00
6.	Karemura Puran Golding Tihu nadi FIS	43.00	21.86	21.14
7.	Panbari, Omajanoi FIS	28.00	17.00	11.00
8.	Niramal Mundabasti Dongobima FIS	34.00	21.12	12.88
9.	Mainao Amlaguri Amingaon FIS	41.00	21.03	19.97
10.	Sitontola, paltan, Dindangpara, Bahbari FIS	45.00	36.00	9.00
11.	Ketrab, Kandulimari, lakhibund, Daobobil FIS	40.00	30.20	9.80
12.	Kuhipar, Barkajuli FIS	42.00	15.70	26.30
13.	Kaliakur new nai FIS	36.00	25.40	10.60
14.	Teklibhanga FIS	25.00	15.15	9.85
B) SUB-TOTAL		489	299.06	189.94
Name of Division: Kokrajhar				
1.	Kaliagaon FIS	28.00	23.30	4.70
2.	Deotari Teklo Bund FIS	35.90	24.50	11.40
3.	Union FIS	44.00	33.70	10.30
4.	Maoti FIS	26.00	21.50	4.50
5.	Theikerjhora	152.00	73.80	78.20
6.	Maopar FIS	40.00	28.22	11.78
7.	Kharkhari FIS	55.00	51.20	3.80
8.	Bostamjhro FIS	22.35	18.90	3.45
9.	Dighiliapara FIS	25.00	21.07	3.93
10.	Aanthihara FIS	8.00	4.80	3.20
11.	Molandubi FIS	20.00	18.70	1.30
12.	Buri FIS	12.00	8.80	3.20
13.	Gambhirakhata FIS	6.00	4.00	2.00
14.	Pokjalagi FIS	14.39	12.63	1.76
C) SUB-TOTAL		488.64	345.12	143.52

Sl. No.	Name of Scheme	Quantity assessed in MT	Quantity issued in MT	Difference in MT
Name of Division: Tangla (12 Nos Schemes)				
		102		66.35
1	Kuruakhanda		19.30	
2.	lachit		16.35	
	D) SUBTOTAL	102	35.65	66.35
	Quantity Assessed but not issued			
Name of Division: Kokrajhar				
	Chaulmari Baragaon FIS	10	0	10
	Total (A+B+C+D+E)	1234.64	904.37	

Total quantity supplied: 1234.64 MT, Total quantity issued: 904.37 MT, Balance: 330.27 MT

Appendix-3.1

(Reference to paragraph 3.2.5.3 (ii))

Department-wise details of number of SLC meetings held, cases reviewed, cases recommended for appointment and cases rejected by SLC

Sl. No.	Name of Department	Cases Reviewed by SLC	Cases recommended for appointment by SLC	Cases rejected/deferred by SLC	SLC meetings held during 2014-15 to 2018-19	No. of cases rejected due to dearth of vacancy	No. of cases deferred but not discussed further
1	Administrative Reforms & Training	1	1	0	01	00	00
2	Agriculture	83	50	33	03	18	05
3	Cooperation	36	31	5	03	01	04
4	Cultural Affairs	5	5	0	04	00	00
5	Elementary Education	1608	737	871	04	260	212
6	Environment & Forest	857	250	607	04	00	01
7	Excise	35	5	30	02	28	05
8	Fishery	11	10	1	01	00	00
9	Food, Civil Supplies & Consumer Affairs	6	1	5	01	00	04
10	General Administration	68	57	11	02	00	04
11	Handloom Textiles & Sericulture	72	30	42	02	29	00
12	Health & Family Welfare	170	73	97	05	83	01
13	Higher Education	39	25	14	01	02	07
14	Home	1020	714	306	04	78	41
15	Industries & Commerce	6	4	2	01	00	00
16	Irrigation	261	216	45	06	08	02
17	Labour & Welfare						
18	Skill, Employment and Entrepreneurship	18	13	5	03	05	00
19	Mines and Minerals	1	1	0	01	00	00
20	Panchayat & Rural Development	240	101	139	04	33	01
21	Printing & Stationery	1	1	0	01	00	00
22	Public Health Engineering	107	62	45	02	08	22
23	Public Works (Road)	171	43	128	04	67	01
24	Public Works NH & Building	106	55	51	03	30	12
25	Revenue & Disaster Management	72	61	11	04	00	00
26	Secretariat Administration	19	10	9	04	04	00
27	Secondary Education	486	333	153	06	17	36
28	Soil Conservation	87	20	67	03	13	06
29	Transformation & Development	22	9	13	02	12	00
30	Transport	44	31	13	03	11	00
31	Urban Development	2	2	0	01	00	00
32	Veterinary	205	82	123	02	121	00
33	Water Resource	268	215	53	07	13	06
34	Welfare of Plain Tribes & Backward Classes	34	12	22	02	01	01
	Total	6161	3260	2901		842	371
35	Hill Area	412	229	183			

Appendix-3.2
(Reference to paragraph 3.2.6.2)

Details of Department-wise beneficiaries under CFP

Department	Number of CFP Cases
Provincialised Employees	654
Home Department	386
Public Works Department	230
Health and Family Welfare Department	158
Public Health Engineering Department	153
Irrigation Department	138
Forest Department	77
Handloom, Textile & Sericulture Department	49
Agriculture Department	48
Education (General) Department	47
Transport Department	47
Water Resources Department	46
Animal Husbandry and Veterinary Department	33
General Administration Department	24
Judicial Department	17
Panchayat & Rural Development Department	17
Education (Technical) Department	15
Soil Conservation Department	13
Social Welfare Department	12
Secretariat Administration Department	12
Finance Department	12
Industry & Commerce Department	12
Labour & Employment Department	11
Revenue Department	10
Other Departments (24) with less than 10 Cases each	81
Grand Total	2302

Appendix-4.1

(Reference to paragraph: 4.1)

Department-wise/duration-wise/category-wise breakup of the cases of theft, misappropriation, defalcation etc.
(Cases where final action was pending at the end of 31 March 2019)

(₹ in lakh)

Sl. No.	Name of the Department/ Directorate	Upto 5 years		5 to 10 years		10 to 15 years		15 to 20 years		20 to 25 years		More than 25 years		Total		Theft cases		Misappropriation/ Loss to Government	
		N	A	N	A	N	A	N	A	N	A	N	A	N	A	N	A	N	A
1	Agriculture	0	0	3	60.25	2	1.69	2	53.43	5	6.63	2	10.53	14	132.53	5	7.31	9	125.22
2	Animal Husbandry & Veterinary	2	57.04	4	8.67	0	0	3	10.20	0	0	0	0	9	75.91	3	15.07	6	60.84
3	Autonomous Bodies ⁷⁹	26	672.34	32	1794.44	0	0	0	0	0	0	0	0	58	2466.78	1	5.95	57	2460.83
4	Border Areas	0	0	1	22.41	0	0	0	0	0	0	0	0	1	22.41	0	0	1	22.41
5	Co-operation	7	23	2	34.03	0	0	0	0	0	0	0	0	9	57.03	0	0	9	57.03
6	Cultural Affairs	1	2.96	1	65.28	0	0	0	0	0	0	0	0	2	68.24	1	2.96	1	65.28
7	Cultural Affairs (Library)	1	89.72	0	0	0	0	0	0	0	0	0	0	1	89.72	0	0	1	89.72
8	Dairy Development	0	0	1	301	0	0	0	0	0	0	0	0	1	301	0	0	1	301
9	General Administration (DCs)	36	1670.78	7	220.12	4	453.45	5	50.47	0	0	0	0	52	2394.82	0	0	52	2394.82
10	Education (Elementary)	6	33.33	2	57.75	0	0	0	0	0	0	0	0	8	91.08	0	0	8	91.08
11	Education (Secondary)	4	73	2	109.16	0	0	0	0	0	0	0	0	6	182.16	1	106.30	5	75.86
12	Education (Higher)	1	963.30	2	21.61	0	0	0	0	0	0	0	0	3	984.91	0	0	3	984.91
13	Education (Tech)	2	5.51	1	2.43	0	0	0	0	0	0	0	0	3	7.94	0	0	3	7.94
14	Education (SCERT)	2	477.50	1	0.37	0	0	0	0	0	0	0	0	3	477.87	1	0.37	2	477.50
15	Fisheries	0	0	0	0	2	1.55	0	0	0	0	0	0	2	1.55	1	0.75	1	0.80
16	Food & Civil Supply	3	101.99	2	133	0	0	0	0	0	0	0	0	5	234.99	0	0	5	234.99
17	Guwahati Development	2	186.91	0	0	0	0	2	34.83	0	0	0	0	4	221.74	0	0	4	221.74

⁷⁹ Sarba Sikha Abhijan under Elementary Education, Guwahati University under Higher Education, Assam State Housing Board under Urban Development, National Games Secretariat under Sports and Youth Welfare (NGS), District Rural Development Authority under Panchayat and Rural Development, Guwahati Metropolitan Development Authority under Guwahati Development Department, Hospital Management Society, National Rural Health Mission, District Health Society under Health and Family Welfare Departments, Assam Energy Development Agency (AEDA), Assam Apex Weavers & Artisans Co-operative Federation (ARTFED).

Sl. No.	Name of the Department/ Directorate	Upto 5 years		5 to 10 years		10 to 15 years		15 to 20 years		20 to 25 years		More than 25 years		Total		Theft cases		Misappropriation/ Loss to Government	
		N	A	N	A	N	A	N	A	N	A	N	A	N	A	N	A	N	A
18	Handloom & Textile	0	0	2	11.65	2	9.10	1	8.57	0	0	0	0	5	29.32	2	9.10	3	20.22
19	Health & Family Welfare (General)	14	584.49	5	37.26	0	0	0	0	0	0	0	0	19	621.75	0	0	19	621.75
20	Health & Family Welfare (Medical Education Group)	6	209.60	3	50.50	0	0	0	0	0	0	0	0	9	260.1	0	0	9	260.10
21	Health & Family Welfare (Family Welfare)	2	2.75	4	91.65	0	0	0	0	0	0	0	0	6	94.40	0	0	6	94.40
22	Hill Areas	7	71.26	22	1162.92	0	0	0	0	0	0	0	0	29	1234.18	0	0	29	1234.18
23	Industries	2	68.32	0	0	1	505.19	0	0	0	0	0	0	3	573.51	0	0	3	573.51
24	Information & Public Relations	0	0	2	797	0	0	0	0	0	0	0	0	2	797	1	N/A ⁸⁰	1	797
25	Inland Water Transport	3	9.75	1	12.29	0	0	0	0	0	0	0	0	4	22.04	0	0	4	22.04
26	Irrigation	5	205.56	2	98.91	5	71.67	0	0	0	0	0	0	12	376.14	4	16.78	8	359.36
27	Skill, Employment & Entrepreneurship Department	4	314.05	1	249.66	0	0	0	0	0	0	0	0	5	563.71	0	0	5	563.71
28	Director of Audit, Local Fund	0	0	0	0	0	0	1	1.51	0	0	0	0	1	1.51	0	0	1	1.51
29	Panchayat & Rural Development	33	4097.03	60	2222.8	60	1675.41	0	0	0	0	0	0	153	7995.24	2	30.16	151	7965.08
30	Public Health Engineering	1	293.50	0	0	0	0	0	0	0	0	0	0	1	293.50	0	0	1	293.50
31	P.W.D. (Building)	1	11.80	0	0	0	0	0	0	0	0	0	0	1	11.80	0	0	1	11.80
32	P.W.D. (NH)	1	97.09	0	0	0	0	0	0	0	0	0	0	1	97.09	0	0	1	97.09
33	PWD (Roads)	7	737	8	2073.89	0	0	0	0	0	0	0	0	15	2810.89	0	0	15	2810.89
34	General Administration {SDO (Civil)}	0	0	0	0	2	66.25	4	9.18	1	1.33	0	0	7	76.76	0	0	7	76.76
35	Sericulture	1	3.55	1	5.19	0	0	0	0	0	0	0	0	2	8.74	1	5.19	1	3.55
36	Social Welfare	11	387.63	4	176.62	0	0	0	0	0	0	0	0	15	564.25	0	0	15	564.25

⁸⁰ Amount of the articles stolen not known and not recorded in the FIR.

Audit Report on Social, Economic (Non-PSUs) and General Sectors for the year ended 31 March 2019

Sl. No.	Name of the Department/ Directorate	Upto 5 years		5 to 10 years		10 to 15 years		15 to 20 years		20 to 25 years		More than 25 years		Total		Theft cases		Misappropriation/ Loss to Government	
		N	A	N	A	N	A	N	A	N	A	N	A	N	A	N	A	N	A
37	Sports and Youth Welfare	0	0	1	5.92	0	0	0	0	0	0	0	0	1	5.92	0	0	1	5.92
38	Home (The Commandant, 4 th APBn)	0	0	1	4.87	0	0	0	0	0	0	0	0	1	4.87	0	0	1	4.87
39	Tourism	1	0.89	1	0.48	0	0	0	0	0	0	0	0	2	1.37	0	0	2	1.37
40	Urban Development (Town & Country Planning)	2	4.37	1	4.30	0	0	0	0	0	0	0	0	3	8.67	0	0	3	8.67
41	Urban Development (Municipal Administration)	9	424.12	19	376.04	27	243.06	3	11.07	0	0	0	0	58	1054.29	0	0	58	1054.29
42	Water Resources	1	18.31	2	31.53	1	11.93	0	0	0	0	0	0	4	61.77	3	43.46	1	18.31
43	WPT&BC	10	236.45	0	0	0	0	0	0	0	0	0	0	10	236.45	0	0	10	236.45
44	WPT&BC (BTC)	6	109.70	6	51.22	0	0	0	0	0	0	0	0	12	160.92	0	0	12	160.92
Total		220	12244.60	207	10295.22	106	3039.30	21	179.26	6	7.96	2	10.53	562	25776.87	26	243.40	536	25533.47

N-number; A-amount.

Source: Inspection Reports.

GLOSSARY OF ABBREVIATIONS

Glossary of Abbreviations

BTC	Bodoland Territorial Council
WPT&BC	Welfare of Plain Tribes and Backward Classes
NCHAC	North Chachar Hills Autonomous Council
KAAC	Karbi Anglong Autonomous Council
GDD	Guwahati Development Department
GoI	Government of India
NHM	National Health Mission
GoA	Government of Assam
DC	Deputy Commissioner
MD	Mission Director
DHS	Director of Health Services
DCH	Dhubri Civil Hospital
MDoNER	Ministry of Development of North-Eastern Region
C-NES	Centre fo North East Studies and Policy Research
DME	Director of Medical Education
SMCH	Silchar Medical College and Hospital
HMS	Hospital Management Society
AFR	Assam Financial Rules
BRM	Bishnu Ram Medhi
ADMB	Assam Minority Development Board
PDC	Pay Direct Card
IP	Irrigation Potential
PDMC	Per Drop More Drop
FIS	Surface Flow Irrigation Scheme
LIS	Surface Lift Irrigation Scheme
MoWR	Ministry of Water Resources
CWC	Central Water Commission
CE	Chief Engineer
EE	Executive Engineer
AA	Administrative Approval
TS	Technical Sanction
AIBP	Accelerated Irrigation Benefits Programme
PMKSY	Pradhan Mantri Krishi Sinchayi Yojna
NLCPR	Non-Lapsable Central Pool of Resources
RIDF	Rural Infrastructure Development Fund
NABARD	National Bank for Agriculture and Rural Development
CADWM	Command Area Development and Water Management
NEC	North Eastern Council
ARIAS	Assam Rural Infrastructure for Agriculture Services Programme
BCR	Benefit Cost Ratio
SBF	Surveyed Beneficiary Farmers
PIM	Participatory Irrigation Management
WUA	Water User Association
ASCL	Assam Seed Corporation Limited

VAT	Value Added Tax
DoA	Director of Agriculture
RM	Regional Manager
CHS	Council Head of Department
CAS	Compassionate Appointment Scheme
SC	Supreme Court
CFPS	Compassionate Family Pension Scheme
TA	Thematic Audit
FD	Finance Department
DLC	District Level Committee
SLC	State Level Committee
NFP	Normal Family Pension
AIS	All India Services
PSD	Printing and Stationary Department
FIR	First Information Report
ATN	Action Taken Notes
PAC	Public Account Committee
AOC	Audit Objection Committee

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