

FOURTEENTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE
ON
PUBLIC ACCOUNTS
(2016-2019)**

FIRST REPORT
(Presented on 8th March, 2017)



**SECRETARIAT OF THE KERALA LEGISLATURE
THIRUVANANTHAPURAM
2017**

FOURTEENTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE
ON
PUBLIC ACCOUNTS
(2016-2019)**

FIRST REPORT

on

**Paragraphs relating to Revenue Department contained in the Report of the
Comptroller and Auditor General of India for the financial year
ended 31st March 2012 (Economic Sector)**

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INTRODUCTION

I, the Chairman, Committee on Public Accounts, having been authorised by the Committee to present this Report, on their behalf present the First Report on paragraphs relating to Revenue Department contained in the Report of the Comptroller and Auditor General of India for the year ended 31st March, 2012 (Economic Sector).

The Report of the Comptroller and Auditor General of India for the year ended 31st March, 2012 (Economic Sector) was laid on the Table of the House on 8th July 2013.

The Committee considered and finalised this Report at the meeting held on 8th February, 2017.

The Committee place on records their appreciation of the assistance rendered to them by the Accountant General by the examination of the Audit Report.

Thiruvananthapuram,
8th March, 2017.

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

REPORT

REVENUE DEPARTMENT

AUDIT PARAGRAPH

Irregular payment for supply of drinking water against bogus tripsheets

Tahsildar Chittur released payment of ₹ 19.95 lakh to the contractor for supply of drinking water in drought hit areas on unauthenticated trip-sheets.

In order to address the problems of habitants of drought affected areas, the Government approved (February 2009) a scheme for providing drinking water. The scheme was implemented by the District Collectors in drought-hit areas. The places for supply of drinking water were to be identified by local bodies and the people's representatives/officials of local bodies and were required to verify the actual supply and authenticate the trips-sheets. The Village Officers-as functionary of revenue department-was required to approve the claim and forward to the *Tahsildar* for payment. Thus the stipulation of joint certification by three authorities* from local bodies along with village officer was to ensure that the payments were genuine.

Palakkad district was one of the drought affected areas identified by the department. The *Tahsildar, Chittur* awarded (May 2009) the work, supply of drinking water in tanker lorries having capacity of 12000 litres in 16 Grama Panchayats⁺ and one Municipality[±] in Chittur Taluk, to the lowest bidder.[#] The rates provided in the estimates ranged from ₹ 810 to ₹ 1,290 per trip depending on the distance from water source in drought affected area to the supply point. The same contractor supplied drinking water for one more year at the same rates.

A test check (February 2012) of the records of the office of *Tahsildar, Chittur* relating to the period from 1st April 2009 to 31st March 2011 revealed that the *Tahsildar Chittur taluk* paid ₹ 3.89[§] crore to the contractor for the supply of drinking water in the taluk during the years 2009-10 and 2010-11.

* *Panchayat* authorities or their authorised representatives, *Panchayat* ward member, Presidents of local bodies.

+ Nallepally, Kozhinjampara, Vadakarapathy, Eruthempathy, Perumatty, Pattancherry, Puthunagaram, Vadavannur, Koduvayur, Pallassana, Kollagode II, Muthalamada, Elavanchery, Nenmara, Ayiloor and Nelliambathy

± Chittur-Thathamangalam

Aboobacker Siddique S/o Bappootty, Mutharathodiveedu, Vadanamkurussy, Palakkad District

§ ₹ 1.25 crore and ₹ 2.64 crore for this purpose in 2009-10 and 2010-11 respectively.

As per the notice inviting tenders/ agreement the drinking water was to be supplied in tanker lorries having capacity to carry 12000 litres. Audit, however, cross verified registration numbers of vehicles recorded in the trip sheets with that of the registration details available in the Motor Vehicles Department and found that four vehicles reportedly used as tanker lorries, were actually three motorcycles (1031 trips) and a car (424 trips) as shown below:

Table 3.2: Details of payments of fake claims

Sl. No	Vehicle No. & Type	Name of village	Number of trips					Total No. of Trips	Rate/ Trip (₹)	Transportation Charges Paid (₹)
			03/10	04/10	05/10	06/10	07/10			
1	KL-08 H-792 Motor Cycle	Eruthempathy	0	30	31	0	0	61	1290	78,690
		Kollangode II	0	0	93	90	60	243	1285	3,12,255
2	KL 07 N-792 Motor Cycle	Kollangode II	0	90	0	0	0	90	1285	1,15,650
		Vadakarapathy	10	0	0	0	0	10	1290	12,900
3	KL 07 L-1077 Motor Cycle	Vadavannur	110	150	155	150	155	720	1280	9,21,600
		Kollengode II	7	0	0	0	0	7	1285	8,995
4	KL 08 H-8155 Motor Car	Kollangode II	0	120	124	120	48	412	1285	5,29,420
		Pattancherry	12	0	0	0	0	12	1285	15,420
Total									19,94,930	

Further, it was observed that the required certification by authorities from local bodies were absent in all the bills as the claims were signed by the village officer only. In the absence of certification by local bodies/authorities there was no mechanism to verify the genuineness of the supply/trips made. The trip sheets signed by village officer instead of joint certification were accepted by the *Tahsildar* for payment.

Thus failure of the *Tahsildar* in observing the scheme guidelines facilitated release of the payment of ₹ 19.95 lakh on unauthenticated trip-sheets.

The matter was referred to Government in April 2012. Government stated (September 2012) that a detailed enquiry would be conducted into the irregularities in the supply of drinking water in Chittur Taluk through Vigilance and Anti-Corruption Bureau.

[Audit paragraph 3.1.5 contained in the report of the C&AG of India (Economic Sector) for the financial year ended 31st March 2012].

Notes received from Government on the above audit paragraph is included as Appendix II.

1. When enquired about the current status of the case, the Secretary, Revenue Department informed that in the light of the allegations, the case was kept in abeyance and the amount had not been released. The Vigilance Department already registered a case and the matter was under investigation. The Principal Secretary, Revenue Department underscored the chances for malpractice in the current system of water supply in drought hit areas both at official and contractor's level. He then detailed about the measures adopted in Alappuzha District, where GPS devices were installed in tanker lorries so that the lorries could be located thereby production of bogus trip-sheets could be prevented. The Land Revenue Commissioner informed that in many cases, water supplied through the tanker lorries were not used for domestic purposes. An enquiry by the Vigilance and Anti-corruption Bureau in Palakkad district revealed that some tanker lorries were plying with registration number of motorcycles. The Committee directed the Revenue Department to take steps to map drought prone areas to prevent these malpractices. The Principal Secretary, Revenue Department assured to develop a new system with the aid of modern technologies which could minimise chances for malpractice.

Conclusion/Recommendation

2. The Committee directs the Revenue Department to take steps to map drought prone areas and to develop a new system with the aid of modern technologies, which could minimise chances for malpractice in connection with supply of drinking water in tanker lorries.

FISHERIES AND PORTS DEPARTMENT**AUDIT PARAGRAPH****Unfruitful expenditure on construction of wharf**

A newly constructed wharf at Vizhinjam port at a cost of ₹ 8.87 crore could not be used due to structural defects and lack of infrastructure facilities. Vizhinjam port is a minor port in Thiruvananthapuram District under the Fisheries and Ports Department with an old 'Leeward wharf' which could handle small vessels. Harbour Engineering Department (HED) was formed as the specialised department to carry out all the investigation, planning, design, evaluation, execution, operation, maintenance and management and related marine engineering and technical works for the development schemes of the Fisheries and Ports Department. The HED proposed construction of a cargo berth at Vizhinjam under the scheme for modernisation of Ports at an estimated cost of ₹ four crore in September 2002 and the Government issued Administrative Sanction (AS) in December 2002. The proposal comprised construction of 104 metre long wharf along Seaward, approach road, compound wall and other facilities such as transit shed, water tank, security room apart from maintenance of approach road etc. The construction work after completing the tender process was awarded (May 2003) to the lowest tenderer but the contractor did not execute the work. Subsequent tenders (May 2004 and June 2005) awarded at the risk and cost of the first contractor was not accepted by Government for the reason that the lowest rate offered was very high.

The Secretary to Government, Ports Department and the Chief Engineer, HED, in a joint meeting decided (February 2006) to include the works under Tsunami Emergency Assistance Programme (TEAP) as the non-functional existing structure was damaged by Tsunami disaster 2004.

Accordingly, a fresh estimate costing ₹ 5.10 crore was prepared by CE, HED who was to execute the work for the user department. Though the technical specifications and estimate of the work was similar to the estimate sanctioned in 2002 but the length of the wharf was reduced to 66 metres apart from deleting the provision for compound wall due to shortage of funds. The State Level Monitoring Committee (SLMC) on disaster management under Revenue Department, accorded (March 2007) AS for construction of the wharf and allied facilities under TEAP

utilizing Asian Development Bank (ADB) loan. The CE issued (March 2008) technical sanction for the work and the Superintending Engineer (SE), Harbour Engineering South Circle, Thiruvananthapuram awarded (April 2008) the work to a contractor*

In the meantime, the Government (November 2008) decided to extend the length of wharf at Vizhinjam from 66 metres to 87 metres by utilizing ₹ 2.19 crore from the work awarded at Neendakara Minor Port which was terminated due to poor response from the contractor. Government (January 2009) accorded sanction for the additional work of increasing water depth for ₹ 1.62 crore stipulating its completion by 31st March 2009. The contractor completed (June 2009) the construction of the wharf at a cost of ₹ 8.87 crore.

On a test check of the records of the office of the CE, HED revealed the following points:

After taking over the wharf from the HED, the Port Department (October 2009) reported some major structural defects to the wharf due to which it could not be put to use notwithstanding the fact of non-availability of facilities like compound wall, transit shed, storage facility etc. for the newly constructed wharf. On the request of the Ports Department, the Government constituted (July 2010) a technical committee headed by a Professor of IIT Chennai to conduct safety audit of the newly constructed wharf. The Committee, recommended rectification measures costing ₹ 87 lakh to strengthen the new wharf. Government while accepting the recommendations directed the CE to carry out the rectification works. The contractor rectified some defects like crack on the stub columns etc. but refused to rectify the balance items recommended by IIT, Chennai stating that the recommendations included additional strengthening which was outside the purview of agreement of contract.

Thus, a new wharf constructed at a cost of ₹ 8.87 crore could not be used due to Non-rectification of defects and lack of infrastructural facilities.

On this being pointed out, the CE (September 2012) stated that the defects might be due to poor workmanship or due to bending of steel rods from the struts while placing reinforcement of deck beam prior to curing of concrete. While the Port Department stated (May 2012) that the HED had constructed the wharf without consulting them, CE (HED) stated (October 2012) the Port Department had recommended the project report to Government for issuing AS in December 2002.

* Shri P. K. Kammad Kutty, PKK Constructions

The reply of the CE is not acceptable as the HED had not conducted any new feasibility study or called for requirements from Port Directorate, while proposing the construction work of the wharf in 2006 under TEAP. The structural defects point to lack of supervision by engineers of the HED. The rectification works proposed by safety audit committee for strengthening the wharf had not been executed so far. The department did not conduct any detailed enquiry or take any action against the poor workmanship.

The matter was referred to the Government in October 2012; the reply had not been received (April 2013).

[Audit paragraph 3.1.7 contained in the report of the C&AG of India (Economic Sector) for the financial year ended 31 March 2012]

Notes received from Government on the above audit paragraph is included as Appendix II.

3. Regarding the audit paragraph, the Witness, Director, Ports Department informed that in 2002, it was decided to modernise the fishing harbours in Kerala. As part of the modernisation, it was envisaged to construct cargo berths at fishing harbours in Vizhinjam, Thankasserri and Azheekkal. The work at Vizhinjam was initiated in 2008 under the Tsunami Rehabilitation Programme and accordingly wharf having 95 metre length was completed in 2009. Even after completion of the work, the port remained unused. In 2012, the then Port Director submitted a report indicating that the construction was improper and could not be used. But later a study of the IIT Chennai, revealed that concrete portion had enough strength and it recommended to provide adequate strengthening of lower 2-stud column and beam with 4-inch additional concrete. Accordingly the work was entrusted with the same contractor and he was reluctant to take over the work as the case was pending before the High Court. The Director pointed out that the early stance of the department that berthing could not be carried out due to the faulty construction was not correct because a vessel having a weight of 2900 Ton was recently unloaded in that wharf. He submitted that the lethargic attitude of the Ports Department in making the port functional, invited audit objection. He continued that proposal for similar construction in ports at Kollam, Azheekkal, Beypore etc. were under consideration

4. To a query of the Committee, the Director, Ports Department submitted that as there was no scope for port operation, the Department plans to construct a marina at Alappuzha, and added that now the Kollam port functions like an international port with all customs facilities. In the light of the explanation, the Committee decided to drop the audit objection.

Conclusion/Recommendation

No comments.

Thiruvananthapuram,
8-3-2017.

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

APPENDIX I

Summary of Main Conclusion/ Recommendation

Sl. No.	Para No.	Department Concerned	Conclusion/ Recommendation
(1)	(2)	(3)	(4)
1	3	Revenue	The Committee directs the Revenue Department to take steps to map drought prone areas and to develop a new system with the aid of modern technologies, which could minimise chances for malpractice in connection with supply of drinking water in tanker lorries.

GOVERNMENT OF KERALA
DISASTER MANAGEMENT (REVENUE - K) DEPARTMENT
STATEMENT OF ACTION TAKEN ON THE REPORT OF THE CONTROLLER AND AUDITOR GENERAL OF INDIA
ECONOMIC SECTOR FOR THE YEAR ENDED 31ST MARCH 2012

Sl. No.	Para No.	Recommendations	Action taken by the Government
1	3.1.5	<p><i>Tahsildar Chittur released payment of Rs.19.95 lakh to the contractor for supply of drinking water in drought hit areas on unauthenticated trip-sheets.</i></p> <p>In Order to address the problems of habitants of drought affected areas, the Government approved (February 2009) a scheme for providing drinking water. The Scheme was implemented by the District Collectors in drought hit areas. The places for supply of drinking water were to be identified by local bodies and the people's representatives/officials of local bodies and were required to verify the actual supply and authenticate the trip-sheets. The village officers- as functionary of revenue department – was required to approve the claim and forward to the tahsildar for payment. Thus the stipulation of joint certification by three authorities (<i>Panchayath authorities or their authorised representatives, Panchayath ward member, Presidents of local bodies</i>) from local bodies along with village officer was to ensure that the payments were genuine.</p> <p>Palakkad district was one of the drought affected areas identified by the department. The tahsildar, Chittur awarded (May 2009) the work, supply of drinking water in tanker lorries having capacity of 12000 litres in 16 <i>grama panchayats</i> (Nallepally, Kozhinjampara, Vadakarapathy, Eruthempathy, Perumatty, Pattancherry, Puthunagaram, Vadavannur, Koduvayur, Pallassana, Kollagode II, Muthalamada, Elavanchery, Nenmara, Ayiloor and Nelliabathy) and one municipality (<i>Chittur-Thathamangalam</i>) in Chittur taluk, to the lowest bidder (<i>Aboobacker Siddique, S/o Bappooty, Mutharathodiveedu, Vadanamkurussy, Palakkad District</i>). The rates provided in the estimates ranged from Rs. 810 to 1,290 per trip depending on the distance from water source in drought affected area to the supply point. The same contractor supplied drinking water for one more year at the same rates.</p>	<p>Action taken report on para 3.1.5 in the report of C & AG for the year ended 31st March 2012 (Economic Sector) on irregular payment for supply of drinking water against bogus trip-sheets in connection with drinking water distribution in Chittur Taluk, Palakkad district.</p> <p>In para 3.1.5 of the report of C & AG for the year ended 31st March 2012 (Economic Sector) reported the irregular payment for supply of drinking water against bogus trip-sheets in connection with drinking water distribution in Chittur Taluk, Palakkad district, Vigilance Department was requested for conducting enquiry in this matter through Vigilance & Anti Corruption Bureau. It is informed that the vigilance enquiry on the allegation against officials of village and taluk in the supply of drinking water in the drought affected areas in Chittur Taluk was completed and on the basis of the findings of the enquiry, the Director, Vigilance & Anti Corruption Bureau has accorded sanction to the DYSP.</p>

A test check (February 2012) of the records of the office of tahsildar, Chittur relating, to the period from 1 April 2009 to 31 March 2011 revealed that the tahsildar Chittur taluk paid Rs. 3.89 crore (Rs.1.25 crore and Rs. 2.64 crore for this purpose in 2009-10 and 2010-11 respectively) to the contractor for the supply of drinking water in the taluk during the year 2009-10 and 2010-11.

As per the notice inviting tenders/agreement the drinking water was to be supplied in tanker lorries having capacity to carry 12000 litres. Audit, however, cross verified registration numbers of vehicles recorded in the trip sheets with that of the registration details available in the Motor Vehicle Department and found that four vehicles reportedly used as tanker lorries, were actually three motorcycles (1031 trips) and a car (424 trips) as shown below.

Table 3.2: Details of payments of fake claims

Sl No.	Vehicle No. & Type	Name of village	Number of trips					Total no. of trips	Rate/ trip (Rs.)	Transportation charge paid (Rs.)
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		Kollengode II	7	0	0	0	0	7	1285	8,995
4	KL-08 H-8155 Motor Car	Kollengode II	0	120	124	120	48	412	1285	529,420
		Pattancherry	12	0	0	0	0	12	1285	15,420
Total									1,994,930	

Further, it was observed that the required certification by authorities from

vigilance & Anti Corruption Bureau, Palakkad to register a vigilance case against the officers responsible and accordingly a case in VC/04/14/PKD has been registered at Vigilance & Anti Corruption Bureau, Palakkad unit on 22.04.2014.

local bodies were absent in all the bills as the claims were signed by the village officer only. In the absence of certification by local bodies/authorities there was no mechanism to verify the genuineness of the supply/trips made. The trip sheets signed by village officer instead of joint certification were accepted by the *tahsildar* for payment.

The failure of the tahsildar in observing the scheme guidelines facilitated release of the payment of Rs.19.95 lakh on unauthenticated trip-sheets.

The matter was referred to Government in April 2012. Government stated (September 2012) that a detailed enquiry would be conducted into the irregularities in the supply of drinking water in Chittur taluk through Vigilance and Anti-Corruption Bureau.

**Statement of Remedial measures taken on Audit para 3.1-7 of the Report of
Comptroller and Auditor General of India on Economic sector for the year
ended March 2012**

Para	Subject	Remedial measures taken
3.1-7	Unfruitful expenditure on construction of wharf at Vizhinjam	<p>1. The Harbour Engineering Department is constituted as Service Department for the Fisheries Department and the Department for Ports for the design, estimation and execution of works for these Departments. The Director of Ports vide their letter No. C1-2452/2002 dated 26.06.2002 referring to the Budget Speech proposals requested details regarding the additional berth facility at Leeward Side and Seaward side at Vizhinjam Port from the Chief Engineer, Harbour Engineering Department Thiruvananthapuram. In response, the Chief Engineer, Harbour Engg. Department Thiruvananthapuram vide letter No. 163/D7/2002/CE dated 10.9.2002 forwarded to the Director of Ports with the copies of project proposals for the construction of Cargo Berth at Vizhinjam, Thangassery and Beypore. It was also requested to verify the proposals and suggestion or alteration to be incorporated if any to be informed for taking up for necessary action. The copy of the said letter of the Director of Ports is annexed herewith as <u>Annexure (a)</u> and that of the Chief Engineer, Harbour Engg. Dept. referred above is annexed as <u>Annexure (b)</u>.</p> <p>2. Govt. issued Administrative Sanction for the construction of Cargo Berth at Vizhinjam vide G.O(Rt)No.447/02/F&PD dated 4.12.2002 for an amount of Rs.400 lakhs. Thereafter the Technical Sanction was issued and the work was tendered, awarded and agreement executed as per Agreement No.1/HESC/2003-04 dated</p>

		<p>22.05.2003. The Director of Ports vide his letter No.A1-381/04 dated 20.02.2004 addressed the Chief Engineer, Harbour Engg. Dept. and Executive Engineer, Harbour Engg. Division Vizhinjam about the progress of construction at Vizhinjam and also the details of berth. A copy of the same is enclosed herewith as <u>Annexure (c)</u>. The Executive Engineer, Harbour Engg. Division Vizhinjam replied to Director of Ports vide his letter No. D4/2622/01/EE dated 17.03.04 annexed herewith as <u>Annexure (d)</u>. Though the site was taken over on 11.06.2003, the work was not commenced by the contractor. Later the work awarded as per the agreement stated above was terminated for re-arrangement at the risk and cost of the original contractor as per order No. D3-1030/02/SE dated 19.03.2004 of the Superintending Engineer, Harbour Engg. South Circle, Thiruvananthapuram. After termination of tenders under the system of pre-qualification were invited, 5 tenders received and 4 were pre-qualified. The lowest rate was 97% above estimate rate. But the Kollam Labour Contract Co-operative Society who was not pre-qualified approached the Hon'ble High Court of Kerala and the Hon'ble Court issued interim order to open the bid of the Society. The rate offered by the Society was 89.60% above estimate rate on negotiation. On negotiation the 97% offeror reduced his rate to 89% above estimate rate. Though the tender was submitted for sanction, the same was not issued due to exorbitant Rate.</p>
		<p>3. As a result open tenders were invited as directed by Chief Engineer, HED vide letter No.4745/D1/04/CE dated 26.04.05. Tender was invited fixing last date on 4.06.05. 15 tenders were</p>

sold out and 6 were received back and the lowest rate offered was 69.40% above estimate rate which the tenderer was not ready to reduce the rate. At this juncture, the Tsunami waves hit on the Kerala Coast on December 2004 and severe damages caused to the Vizhinjam Port for the Break Waters and the existing wharf. The old wharf constructed over the concrete blocks placed which was disarranged due to wave action of Tsunami waves. Here it is to be taken into account that there was a stipulation in the Administrative Sanction issued vide G.O(Rt)No.447/2002/F&PD dated 04.12.2002 that the expenditure for the current year should be limited to 35 lakhs. A copy of the said order is annexed as Annexure(e). In the meantime the original contractor filed W.P© No.13989/2004 before the Hon'ble High Court of Kerala and on dismissal of the same filed O.S No.476/2004 before the Hon'ble Sub Court, Thiruvananthapuram challenging the termination of the contract awarded for re-arrangement at his risk and cost.

4. As the existing wharf at the Vizhinjam was damaged in the Tsunami Waves impact, it was decided by the Govt. to take up the work of construction of cargo berth at Vizhinjam through the Tsunami damage assistance by Scheme TEAP. Accordingly Administrative Sanction was issued by Govt. as per G.O(Ms)No.73/2007/DMD dated 02.03.2007 for an amount of Rs.510 lakhs for the work Vizhinjam Port – Re-construction of Wharf and Transit Shed. Technical Sanction was issued as TS No.22/2006-07/CE dated 25.01.2007 by the Chief Engineer HED as follows.

		<p>1.Construction of wharf - 44450725</p> <p>2.Construction of Transit Shed - 4930075</p> <p>3.Unforeseen items - <u>1619200</u></p> <p style="text-align: right;">Total = 5,10,00,000</p> <p>The work was tendered , awarded and agreement executed as Agreement No. 4/HESC/2008-09 dated 10.04.2008. The work of wharf was completed in all respects by 10.06.2009. After completion of the work, Port Department had reported some defects to the wharf & on the request of the Director of Ports Govt. constituted a committee under the Chairmanship of Dr. R. Sundara vadivelu, Professor, Department of Ocean Engineering, IIT Chennai for conducting a safety audit of newly constructed wharf at Vizhinjam Port as per GO(Rt)No.545/2010/F&PD dated 13.07.2010. The said committee recommended the rectification measures costing Rs.87 lakhs and IIT has recommended to carry out the defect rectification work accordingly. It may be noted that the items covering under the above estimate includes rectification works and additional protection works of which only rectification works comes under the responsibility of the contractor. Govt. vide their letter No. 13662/E1/10/F&PD dated 06.04.2011 forwarded the safety Audit Report to the Chief Engineer, Harbour Engineering Department and directed him to carry out the rectification works through the original contractor within the defect liability period of the work as per the agreement.</p>
		<p>5. The contractor was given notice by the Superintending Engineer,</p>

Harbour Engg. South Circle, Thiruvananthapuram with copy of report of IIT, Chennai and directed to attend to the works/rectification suggested by IIT Chennai within the defect liability period itself as per the agreement. As the contractor did not attend to the works suggested by IIT, Chennai it was decided to prepare the estimate for the rectification work and execute by the Department at the risk and cost of the original contractor and also to forfeit the Bank Gurantee to the tune of 22,20,000/- furnished by the contractor for the work. A final notice in this regard was issued to the contractor by the Superintending Engineer, Harbour Engg. South Circle, Thiruvanthapuram vide letter No. D3-3218/2009/SE dated 11.05.2012. Consequent to the said notice the contractor filed WP(C)No. 11970/2012 before the Hon" High Court of Kerala and the Hon: Court by interim order stayed the forfeiting of the Bank Guarantee of the contractor and also the further actions. However, a demand within the meaning of the term for forfeiting the Bank Guarantee furnished by the contractor to the tune of Rs.22,20,000/- was issued to the Federal Bank Branch Puthiara, Kozhikode as per letter No. D3-3218/09/SE dated 05.06.2012 subject to further orders of the Hon: Court was issued by the Superintending Engineer, Harbour Engg. South Circle Thiruvananthapuram.

6. The matter challenged by the contractor before the Hon: High Court of Kerala in WP(C)NO.11970/2012 is that the works suggested by the report of the safety Audit Committee is not coming under the purview of the contract agreement executed by him for the work. The detailed counter affidavit for the

respondents (State) is filed in the case well countering the stand of the contractor. An additional petition is also filed by the Department to implead the Bank-M/s Federal Bank Ltd. Branch Puthiara, Kozhikode- as an additional respondent so as not to release the amount of Bank Guarantee furnished by the contractor. The stand of the Department is that the works suggested by the Safety Audit committee should be done by the contractor as the defects on the works executed are notified to the contractor within the defect liability period as per agreement executed. The WP(C)11970/2012 is still pending disposal on the files of the Hon'ble Court. The matter of liability of the contractor is decided and the final action will be taken subject to the final verdict of the Hon'ble court No. Writ Petition(C)11970/2012. As the matter is under judicial review, the further action of arrangement of the rectification works suggested by safety audit at the risk and cost of the original contractor could not be done now. Here it is to be taken into account that the Bank Guarantee to the tune of Rs. 22,20,000/- as Bid security furnished by the contractor is now with Department but could be materialized only after disposal of the matter by the Hon'ble High Court of Kerala.

As the matter is now pending disposal before the Hon'ble High Court of Kerala in WP(C)No.11970/2012, the explanation may be accepted and further action in the matter may be dropped.

Annexure (a)

Copy of letter No. C1-2452/2002 dated 26.6.2002 from the Director of Ports, Directorate of Ports, Thiruvananthapuram addressed to the Chief Engineer, Harbour Engineering Department, Thiruvananthapuram.

11.

Sub :- Port Department - Budget Speech-
Proposals - Reg.

Ref :- Your letter No. A1-2256/02/CE dated
29.4.2002.

Please refer to the above. The details regarding additional berth facility at Leeward side and Seaward side at Vizhinjam Port, Construction of one wharf at Thangassery Port and Munambam Port development project report (to be drawn up in consultation with port Department) may be informed this office.

Yours faithfully,
Sd/-

Director of Ports,
In-charge.

Enclt. No. A1-2256/02/CE Dated : 26/7/2002

Copy forwarded to the Superintending Engineer, Harbour Engineering South Circle, Thiruvananthapuram and Superintending Engineer, Harbour Engineering Project Circle, Mallam for urgent report.

HARBOUR ENGINEERING DEPARTMENT, FOR CHIEF ENGINEER
THIRUVANANTHAPURAM

Copy to the Executive Engineer, Vizhinjam/Thangassery/
Munambam for urgent action.

Copy to D1, D2, D3 section.

FROM

THE CHIEF ENGINEER,

TO

THE DIRECTOR OF PORTS
TRIVANDRUM

Re,

Sub :- Construction of Cargo Wharf at Vizhinjam,
Thengassery and Beypore.

Ref :-

I am forwarding herewith the copies of Project proposal for the construction of cargo berth at Vizhinjam, Thengassery and Beypore amounting to Rs. 400 lakhs, Rs. 700 lakhs and Rs. 123 lakhs respectively. I request that the proposal may be verified any suggestion or alteration incorporated may be informed for taking further action.

Encl :- As above

Yours faithfully,

CHIEF ENGINEER.

Copy to D1 section and D2 section in this office for information and follow up action.

4/13/04
12/10

Annexure
(e) 754
2/27/04

No. A1 381/04

Directorate of Ports, Kerala,
Thiruvananthapuram - 695 010.
Dated 20-02-2004.

From: The Director of Ports.
Date: 20-02-2004
To: 1. The Chief Engineer,
Harbour Engineering Department,
Thiruvananthapuram.
S S 82. The Executive Engineer,
713 Fishing Harbour Project, Vizhinjam.
D A
Sr.

Sub: Port Department - Vizhinjam Fishing Harbour Project
Division - Monthly progress report on Plan schemes -
construction of Berth and seaward breakwaters - details -
Regarding.
Ref: Letter No.D4-1354/03/EE-2 dated 18-12-03 from the
Executive Engineer, Harbour Project Division, Vizhinjam.

Please refer to the letter cited. I request you to please intimate the
progress of construction and details of Berth at seaward breakwater at
Vizhinjam urgently.

Yours faithfully,


For Director of Ports.

Copy to: Purser, Vizhinjam
C4 section

Annexure (d)

No. D/2622/01/EE.

OFFICE OF THE EXECUTIVE ENGINEER,
Harbour Project Division,
Vishakhapatnam, Dtd: 17/3/2004.

From

The Executive Engineer,

To

The Director of Ports,
Thiruvananthapuram

Sir,

Re - Vishakhapatnam - Construction of cargo
berth at Kandan breakwater to req.Ref - That office letter No. AJ/361/04
dt: 20/3/2004

Kind attention is invited to the reference cited. The above work was awarded but the contractor had not commenced the work till now even after repeated directions. A final notice is served to the contractor to commence the work from the Superintending Engineer's office. Details of proposed berth are also submitted herewith for favour of further action.

Yours faithfully,


EXECUTIVE ENGINEER

Encl: as above

Copy submitted to the Chief Engineer, Harbour Deptt.
Department, Thiruvananthapuram for favour of
kind information.

Copy submitted to the Superintending Engineer, Harbour
Deptt. South Circle, Thiruvananthapuram for favour of
kind information.

Annexure (d)

Details of items, with brief description included
in Garo berth

(1) Construction of wharf:-

The wharf is proposed having length of 100m and 12m width for vessels of 2000 tons. The berth side of second breakwater. The construction of wharf is proposed as a pile and slab structure.

(7) The deck slab is supported on a row of R.C.C. castin
 g piles with a center to center of 100m. The provision of
 expansion joint is provided in the middle of the
 deck slab.

(2) Construction of water tanking and providing

water supply system for the consistent supply of fresh water is required at the harbour. Hence it is proposed to construct an overhead water tank of capacity 20,000 litres supported on R.C.C. columns.

(3) Construction of Lavatory block

Lavatory block is proposed to construct in brick wall and R.C.C. roof. The block consists 6 Nos. Bath/R.C. of size 1.50m x 2.0m and one urinal of size 1.50m x 0.9m. Separate block is proposed for gents and ladies. Latrine, Urinal and bath are separately provided.

(4) Construction of compound wall and Gate

As the port is to be kept as a protected area compound wall, gates etc. are to be constructed. It is proposed to construct the compound wall about 100m vi-
 long from the second breakwater side up to the moorage with 2 Nos. cast iron gates as shown in the layout attached.

(5) Construction of security post:-

A security post is proposed at the main entrance to the wharf of size 3m x 2m for the proper control of vehicles and people. Superstructure of the building is proposed in brick walls with R.C.C. roof.

Annexure (d)

: 2 :

(6) Construction of septic tanks:-

R.C.C. septic tank of size 5,00x1,60x1,50m and a soakpit of size 1,50x1,00x1,00m is proposed for disposal of sewage from toilet.

(7) Maintenance of Approaching roads:-

Provision is given for maintenance of existing road from Ahhaliam to seaward breakwater. Provision is given for pot hole filling and providing 20mm chipping carpet.

1/2
EXECUTIVE ENGINEER

Annexure (e)

GOVERNMENT OF KERALA
ABSTRACTPort Department--Construction of Cargo Harbour at Vizhinjam--
Administrative Sanction accorded--Orders Issued.

FISHERIES AND PORTS (E) DEPARTMENT

G.O. (rt) 447/2002/F&P

Dated, Thiruvananthapuram 4.12.2002

Read: 1. Lr. No. 3026/D1/02/CE dated 3.9.02 from the
Chief Engineer, Harbour Engineering Department,O R D E R

The Chief Engineer, Harbour Engineering Department in his letter read above has requested Government to accord Administrative Sanction for the construction of Cargo Harbour at Vizhinjam amounting to Rs. 600/- lakhs. He has reported that the construction of Fishery Harbour at Vizhinjam is nearing completion. Government have decided in principle to develop the Fishing Harbour to facilitate cargo operation by utilizing the facilities available. It is proposed to construct a cargo wharf with ancillary facilities to handle cargo from Vizhinjam Ports. Government have sanctioned an amount of Rs. 235 Lakhs (Rupees Thirty five lakhs only) to the current year's budget.

After having examined the proposal of Chief Engineer Harbour Engineering Department in detail, Government are pleased to accord Administrative Sanction for the construction of Cargo Harbours at Vizhinjam subject to the condition that the expenditure for the current year should be limited to the available budget provision of Rs. 35/- Lakhs (Rupees Thirty five Lakhs only) under the Head of Account 2505 Capital Outlay on Ports and Light Houses 800 Development of Vizhinjam Ports.

(By Order of the Governor)

K. Jayachandran
Under SecretaryThe Chief Engineer, Harbour Engg. Dept., Tvpm.
Accountant General, Audit/A&E, Tvpm.This issues with the concurrence of Finance Department
Planning and Economic Affairs Dept.Lr. No. 10943/42/Plg. dated 26.10.2002
The Finance Dept., Lr. No. 93152/Dev. 2/02/Fin.
dated 16.11.2002)

S. V. G. C.

Forwarded/ By Order
Sd/-

Section Officer

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2017

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