

FOURTEENTH KERALA LEGISLATIVE ASSEMBLY

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

THIRTY FIFTH REPORT
(Presented on 5th December, 2018)



**SECRETARIAT OF THE KERALA LEGISLATURE
THIRUVANANTHAPURAM
2018**

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PUBLIC ACCOUNTS
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THIRTY FIFTH REPORT

On

**Action Taken by Government on the Recommendations
contained in the 131st Report of the Committee on
Public Accounts (1995-96)**

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COMMITTEE ON PUBLIC ACCOUNTS

(2016-2019)

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Shri A. Jafar Khan, Under Secretary.

INTRODUCTION

I, the Chairman, Committee on Public Accounts, having been authorised by the Committee to present this Report, on their behalf present the 35th Report on Action Taken by Government on the Recommendations contained in the 13th Report of the Committee on Public Accounts (1995-96).

The Committee considered and finalised this Report at the meeting held on 3rd December, 2018.

Thiruvananthapuram,
3rd December, 2018.

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

REPORT

This Report deals with the Action Taken by the Government on the recommendation contained in the 131st Report of the Committee on Public Accounts (1995-96).

The 131st Report of the Committee on Public Accounts (1995-96) was presented to the House on 19th March, 1996. The Report contained only one recommendation relating to Science and Technology Department. The Government was addressed on 2nd April 1996 to furnish Statement of Action Taken on the recommendation contained in the Report and the final reply from the Government was received on 1-10-2015.

The Committee considered the replies as well as the circular No. 5377/R2/2014/P&ARD dated 26-3-2014, issued by the Chief Secretary according to the direction of the Committee in its meetings held on 4-8-2010, 6-3-2013 and 20-9-2017 respectively and decided not to pursue further action. The recommendation and the Government replies are incorporated in this Report.

SCIENCE AND TECHNOLOGY DEPARTMENT**Recommendation**

(Sl. No.1, Para No. 6)

The Committee understand that the scheme originally drawn by Government in 1978 for the establishment of a Teak Museum and Research Centre with the objective of educating the forest personnel and the public on the use of Teak remains unfulfilled even after the lapse of 17 years, after spending a huge capital of ₹ 44 lakh against the estimated amount ₹ 5.7 lakh. The explanation put forward by the Department for the delay is the lack of effort and situation created by the compulsory retirement of the Executive Engineer of the Institute. The Committee cannot approve this explanation and they denounce the tendency of finding excuses for this kind of long and inordinate delay caused due to the negligent discharge of duties assigned to the officers. The Committee observe that although administrative sanction had been accorded for the construction in 1978 the work was awarded to the Kerala State Construction Corporation only in December 1983 with the condition to complete the work within 24 months. The Committee find administrative delay and lack of proper follow up action with Kerala State Construction Corporation to complete the work in time. The Committee recommend to fix responsibility and take action against the persons responsible for the lapse. The Committee would like to strike a cautious note against the inordinate delay in completion of works undertaken by Kerala State Construction Corporation and recommend that Government should check this delay and take appropriate remedial action to avoid this delay by incorporating penal provision in the agreement for execution as a precaution against delay and consequent escalation of cost.

Action Taken

Based on the report of Public Accounts Committee, an Action Taken Statement has been prepared on the irregularities in the construction of Teak Museum, Nilambur and the same has been forwarded to Office of the Accountant General with 5 Volumes of the file relating to construction of Teak Museum. This Department's file and the 5 Volumes of Kerala Forest Research Institute files are

missing from Office of Accountant General. A vigilance enquiry has been ordered to trace the file (File No. 1702/A2/96/S&TD). The file itself has not been received back from the Office of the Principal Secretary, Vigilance. The Director, Vigilance & Anti-corruption Bureau has been requested to furnish the present status of the case.

Further Information Sought

The Committee recommends to conduct a detailed vigilance enquiry on the missing of files in a time bound manner.

Action Taken

In the conclusion/recommendation of Public Accounts Committee (PAC 1995-96) on the Audit para 7.7 pertaining to construction of Teak Museum and Research Centre at Nilambur, it was ordered to fix responsibility and take action against the persons responsible for causing administrative delay and not taking proper follow up action in completing the construction work of Teak Museum, Nilambur within the stipulated time, thereby inflicting huge loss on exchequer.

In this regard, based on the recommendation of the PAC, the Action Taken Report was prepared on irregularities in the construction of works and the same was forwarded to the Accountant General with 5 volumes of the file relating the construction of the Museum. This Department's file and the 5 volumes of files of the Kerala Forest Research Institute (KFRI) were however not returned from the Accountant General's Office. A vigilance enquiry was ordered to trace out the files. The file (File No.1702/A2/96/STED) itself has not been received back from the Office of the Principal Secretary, Vigilance Department.

The Director, Vigilance & Anti-corruption Bureau had conducted a Vigilance Enquiry into the allegation of missing of 5 volumes of file on Teak Museum, Nilambur and forwarded this report to Government on 27-11-2007. The Director, Vigilance and Anti-corruption Bureau recommended Departmental action against Smt. P. Santhamma, the then Assistant, A2 Seat, Science & Technology Department. Accordingly, the Government initiated disciplinary action against her, but exonerated her from the charges leveled against her but could not be proved conclusively.

The Accountant General (Civil & Comml. Audit) in his letter dated 2-12-2010 reiterated his earlier stand that the five volumes of files relating to Teak Museum were not received in his office and returned the Action Taken Statement without vetting. In the absence of the aforesaid files, this department is not in a position to initiate action on the conclusion/recommendation of the Hon'ble PAC with respect to the irregularities in the construction of Teak Museum in Nilambur by KFRI.

In this regard it may also be brought to the kind notice of the PAC that eventhough, there was some delay in the implementation of the Government's decision for the establishment of the teak museum, the KFRI, the implementing agency, had successfully built a state of the art teak museum devoted for teak. The department took prompt and earnest steps in establishing the museum, as soon as the construction of the building was completed by the Kerala State Construction Corporation.

This position has been reported more than a couple of times both to the Legislature Secretariat to bring to the notice of the PAC and to the Accountant General.

It is to be noted that, the institute had commendably executed the decision of the Government to set up the Museum, which has become a major attraction for visitors and tourists to the Malabar region. Through its wide ranging exhibits providing every aspect of teak including its distribution, ecology, cultivation, utilization etc. the Museum has become an important means of environmental education. In fact, it is the only Museum in the world devoted to teak. Economically too the museum has achieved self sustainability as the income generated by the Museum is sufficient for its running costs. By attracting a number of tourists, the Museum has meaningfully contributed the overall tourism potential of the Malabar area. While admitting the delay in implementing the decision of the Government, the efforts undertaken in organising various components of the Museum could not be over looked. Eventhough, the missing of the connected files hinder all possibilities of initiating action against the responsible officials, the department had taken earnest efforts in locating the missing files and to initiate action against the responsible officers for the inordinate delay and consequent escalation of costs. Despite earnest efforts, concerned files could not be traced out.

Further Information Sought

The Committee expresses its strong displeasure on the reply furnished by the Government and opines that cases of missing of files related to corruption became very common in every department and should be viewed seriously. The Committee directs that the matter should be informed to the Chief Secretary with a direction to give strict instruction to every department not to repeat such cases in future.

Action Taken by the Government

Based on the recommendation of the PAC, the Action Taken Report was prepared on the irregularities in the construction of works and the same was forwarded to the Accountant General with 5 volumes of the file relating to the construction of the Museum, KFRI, Nilambur in January 1992. The Office of the Accountant General had intimated that the letter was not accompanied by 5 volumes of files. Hence, a Vigilance enquiry has been ordered by Vigilance Department on the missing of files. The said file (File No.1702/A2/1996/STED) is also seen missing from the office of the Principal Secretary (Vigilance). The Director, Vigilance & Anti-corruption Bureau had conducted a Vigilance Enquiry into the allegation of missing of 5 volumes of file on Teak Museum, Nilambur and forwarded this report to Govt. on 27-11-2007. The Director, Vigilance and Anti-Corruption Bureau recommended Departmental action against Smt. P. Santhamma, the then Assistant, A2 Seat, Science, Technology and Environment Department. Accordingly, the Govt. initiated disciplinary action against her, but later exonerated her from the charges levelled against her but could not be proved conclusively.

The Accountant General (Civil and Comml. Audit) in his letter dated, 2-12-2010 reiterated their earlier stand that the five volumes of files relating to Teak Museum were not received in his office and returned the Action Taken Statement without vetting. In the absence of the aforesaid files, this Department is not in a position to initiate action on the conclusion/recommendation of the Hon'ble PAC with respect to the irregularities in the construction of Teak Museum in Nilambur by KFRI.

In this regard it may also be brought to the kind notice of the PAC that eventhough, there was some delay in the implementation of the Government's decision for the establishment of the teak museum, the KFRI, the implementing agency, had successfully built a state of the art teak museum devoted for teak. The department took prompt and earnest steps in establishing the museum, as soon as the construction of the building was completed by the Kerala State Construction Corporation.

It is to be noted that, the institute had commendably executed the decision of the Government to set up the Museum, which has become a major attraction for visitors and tourists to the Malabar region. Through its wide ranging exhibits providing every aspect of teak including its distribution, ecology, cultivation, utilization etc. the Museum has become an important means of environmental education. In fact, it is the only Museum in the World Devoted to teak. Economically too the museum has achieved self sustainability as the income generated by the Museum is sufficient for its running costs. By attracting a number of tourists, the Museum has meaningfully contributed to the overall tourism potential of the Malabar area. While admitting the delay in implementing the decision of the Government, the efforts undertaken in organising various components of the Museum could not be over looked. Eventhough, the missing of the connected files hinders all possibilities of initiating action against the officials responsible, the department had taken earnest efforts in locating the missing files and to initiate action against the responsible officers for the inordinate delay and consequent escalation of costs. Despite earnest efforts, concerned files could not be traced out.

This position has already been intimated to the Accountant General and PAC through a D.O. letter from Ex-Officio Principal Secretary, Science & Technology Department. The Hon'ble PAC has also been requested to drop the objections. The Hon'ble PAC considered the request and directed that the matter should be informed to the Chief Secretary with a direction to give strict instruction to every department not to repeat such cases in future. Based on this direction from the Hon'ble PAC, Chief Secretary has issued strict instructions to all departments to strictly adhere to the provisions for safe custody of files/disposals and their

maintenance as per the provisions in the Kerala Secretariat Office Manual, District Office Manual and the Manual of Office Procedure. It was also reiterated that any lapse in this regard would be viewed as serious dereliction of duty and stringent action under Kerala Civil Services (Classification, Control and Appeal) Rules, 1960 would be taken against the officials responsible for. Copy of the circular issued by Chief Secretary is enclosed as Annexure.

The matter in question being very old, Government are not be in a position to take further actions based on the recommendations. Hence Hon'ble PAC is requested to drop the objections raised in this regard based on the action taken by Government so far.

Conclusion

The Committee condemns the misplacement of five volumes of files related to the construction of Teak Museum and observes that this deliberate misdeed paved the way for the corrupted officials to escape and led to the non-recovery of loss suffered by Public Exchequer. The Committee insists that, in future stringent action should be taken against the officials responsible for delaying the implementation of ongoing projects and ensure that all departments should strictly adhere to the circular No.5377/R2/2014/P&ARD, regarding the self custody of files, dated 26-3-2014 issued by Chief Secretary, in order to avoid the cases of missing of files in future.

Thiruvananthapuram,
3rd December, 2018.

V. D. SATHEESAN,
CHAIRMAN,
COMMITTEE ON PUBLIC ACCOUNTS.

ANNEXURE

GOVERNMENT OF KERALA

Personnel and Administrative Reforms (Rules) Department

CIRCULAR

No. 5377/R2/2014/P&ARD. Dated, Thiruvananthapuram, 26th March, 2014.

Sub:—Committee on Public Accounts (2011-14)—131st Report of Public Accounts Committee (1995-1996) Para No. 6—Recommendation—Implementation regarding.

Ref:—Letter No. 9601/PAC-B2/96/Leg. dated 20-1-2014 from the Secretary, Kerala Legislature Secretariat.

The Public Accounts Committee (2011-14) while considering the 6th Para of the 131st Report of Public Accounts Committee (1995-1996) has observed that cases of missing of files relating to corruption have become common in every Department, which should be viewed very seriously. The Committee, therefore, directed to give strict instructions to all Departments in the matter to not repeat such cases in future.

The provisions for safe custody of files/disposals and their maintenance are detailed in the Kerala Secretariat Office Manual, District Office Manual and the Manual of Office Procedure. Government therefore, reiterate that the said provisions shall be strictly adhered to and any lapse in this regard will be viewed as serious dereliction of duty. Stringent disciplinary action under Kerala Civil Services (Classification, Control and Appeal) Rules, 1960 will be taken against the officials responsible for such any lapse in this regard.

E. K. BHARAT BHUSHAN,
Chief Secretary to Government.

To.

- All Heads of Department and Offices.
 All Departments/All Sections of Government Secretariat (including Law & Finance)
 The Secretary, Kerala Public Service Commission (with CL).
 The Secretary, Kerala Legislature Secretariat (with CL).
 The Secretary to Governor, Kerala Raj Bhavan, Thiruvananthapuram (with CL).
 The Registrar, High Court of Kerala, Ernakulam (with CL).
 The Registrar, Kerala Administrative Tribunal, Thiruvananthapuram (with CL).
 The Advocate General, Kerala, Ernakulam/Thiruvananthapuram Branch (with CL).
 The Registrar, All Universities (with CL).
 The Secretary, Kerala State Electricity Board (with CL).
 The General Manager, K.S.R.T.C. (with CL)
 The State Information Commissioner, Thiruvananthapuram (with CL).
 All Additional Chief Secretaries/Principal Secretaries/Secretaries/Special Secretaries/Additional Secretaries/Joint Secretaries/Deputy Secretaries/Under Secretaries to Government.
 The Private Secretary to the Chief Minister and all other Ministers.
 The Private Secretary to the Leader of Opposition (with CL).
 The Additional Secretary to the Chief Secretary.
 The I&PR (Web & New Media) Department (for wide publicity)
 SF/OC.

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