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**FOURTEENTH KERALA LEGISLATIVE ASSEMBLY**

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

**EIGHTY EIGHTH REPORT**

(Presented on 21st January, 2021)



SECRETARIAT OF THE KERALA LEGISLATURE  
THIRUVANANTHAPURAM

2021

FOURTEENTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE  
ON  
PUBLIC ACCOUNTS  
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**On**

**Action Taken by Government on the Recommendations  
Contained in the Hundred and Ninth Report of the  
Committee on Public Accounts**

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COMMITTEE ON PUBLIC ACCOUNTS  
(2019-2021)

**Composition**

*Chairman:*

Shri V. D. Satheesan.

*Members:*

Smt. P. Aisha Potty

Shri P. K. Basheer

Shri James Mathew

Shri K. Kunhiraman

Shri Mathew T. Thomas

Shri A. Pradeepkumar

Shri Mullakkara Retnakaran

Shri Roshy Augustine

Shri Saji Cherian

Shri V. S. Sivakumar.

*Legislature Secretariat:*

Shri S. V. Unnikrishnan Nair, Secretary

Smt. Manju Varghese, Joint Secretary

Shri R. Venugopal, Deputy Secretary.

## INTRODUCTION

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

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

Thiruvananthapuram,  
20<sup>th</sup> January, 2021.

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

## **REPORT**

This Report deals with the Action Taken by Government on the recommendations contained in the 109<sup>th</sup> Report of the Committee on Public Accounts (2008-2011).

The 109<sup>th</sup> Report of the Committee on Public Accounts (2008-2011) was presented to the House on 22<sup>nd</sup> March 2010. The Report contained twenty recommendations related to Health & Family Welfare, Co-operation, Social Justice and General Education Departments. The Report was forwarded to the Government on 29-3-2010 seeking the Statements of Action Taken on the recommendations contained in the Report and the final reply was received on 15-7-2019.

The Committee examined the Statement of Action Taken received from the Government at its meetings held on 1-8-2012, 27-2-2013, 27-8-2013, 26-11-2014, 6-1-2016, 13-12-2017, 31-10-2018 and 18-9-2019.

The Committee decided not to pursue further action in the light of the replies furnished by the Government. The recommendations of the Committee and the Action Taken by Government are included in this Report.

### **CO-OPERATION DEPARTMENT**

#### **Recommendation**

*(Sl. No. 1, Para No. 38)*

The Committee observes from the audit findings that there was a huge gap between the revenue receipts and expenditure of the Institute during 1997-2000 and that the situation was worsening with the advancement of years. Even though certain steps were taken by the Government to increase the receipts of the Institute, it had not fetched the desired results. Opining that such a state of affairs should not be allowed to continue indefinitely, the Committee calls for serious efforts from the part of the department to reduce the gap between the revenue receipts and expenditure of the Institute, so that it could be converted into a self-reliant one.

### **Action Taken**

The Government had provided financial assistance to reduce the gap between receipt and expenditure. The year wise assistance provided to the institute is indicated below:

Year	Item	Amount (In Rs.)
2002-03	Subsidy & Share Capital	1,50,05,000
2003-04	Share Capital	1,37,50,000
2005-06	Subsidy	1,12,50,000
2009-10	Grant	1,00,00,000

### **Recommendation**

*(Sl. No. 2, Para No. 39)*

The Committee is upset to find that even though certain serious irregularities in the civil works relating the the Medical College and hospital complex were pointed out by the Accountant General, the department had not taken any effective action against the offenders but was trying to justify the action of the delinquents which is clear in the reply furnished to the Committee. Even at the time of examination of audit paragraph, the officers who had represented the department were not competent enough to enlighten the Committee about the latest position of the action taken on the different factors pointed out in the audit paragraph.

### **Recommendation**

*(Sl. No. 3, Para No. 40)*

The Committee is perturbed to note that the Project Manager of the Institute had included all special conditions withdrawn by the contractor in the notice of selection of contractor resulting in avoidable reimbursement of sales tax to the tune of Rs. 1.12 crore. It is equally appalling to see that the contract which was terminated at the risk and cost of the contractor (Larsen and Toubro) in August 1996 due to the unusual delay in its execution and completion was not only re-entrusted to the same



contractor in July 1997 but an escalation of 12.5% in the rates was also allowed. This is viewed very seriously by the Committee. Even though the contractor was eligible for a profit of 15% and overheads as per the terms and conditions of the contract executed in 1994, the benefit was extended to extra items also in the supplemental agreement executed in October 1997 when the enhancement in rates was intended only for the balance quantities of work. This incident amounts to a naked violation and flagrant subversion of the terms of the contract. The Committee also perceives that out of the total amount of Rs. 6.08 crore on extra items, Rs. 45.48 lakh was towards enhancement wrongly allowed in respect of extra items.

**Recommendation**

*(Sl. No. 4, Para No. 41)*

The Committee at the time of examination of the audit paragraph, had appealed to forward the details regarding the amount that has been paid to the contractor in excess of the total value of Rs. 6.08 crore. But the Committee regrets to note that no reply has been forwarded by the department even after a lapse of one year. Hence the Committee implores the department to provide a detailed report regarding the amount that has been extended to the contractor in excess of Rs. 6.08 crore, the total amount paid at the enhanced rate of 12.5% and the date of last payment.

**Recommendation**

*(Sl. No. 5, Para No. 42)*

The Committee notices that in the part bills paid to the contractor the value of work was estimated without deducting the cost of departmental materials thereby unjustifiably allowing an amount of Rs. 1.01 crore to the contractor. The Committee views this as a sheer transgression of the tender conditions.

**Recommendation**

*(Sl. No. 6, Para No. 43)*

The Committee was informed at the time of audit paragraph examination that an investigation team consisting of five members from the Co-operation Department had been constituted to probe into the widespread corruption and that the enquiry was progressing. The Committee requires the department to include all the irregularities

pointed out by the Accountant General within the purview of the inquiry. The action taken by the Government to fix responsibility against the officials who were involved in the whole affair and to recover the loss from them should also be intimated to the Committee within no time.

### **Action Taken on**

*(Para Nos. 39, 40, 41 42, & 43)*

These paras (paras 39, 40, 41, 42 & 43) are relating to Committees observations, based on which the Committee recommended to conduct vigilance enquiry on irregularities in connection with civil works of Pariyaram Medical College vide para 44. Government have already taken steps to conduct Vigilance Enquiry in to the irregularities pointed out by the Committee which contained in paras mentioned above vide Lr. No. 9096/B2/11/Vig. Dated 11-10-2011 and the Vigilance & Anti-Corruption Bureau Director vide letter No. E13 (VE.07/2011/KNR)28135/11 dated: 5-11-2011 directed the Deputy Superintendent of Police, Vigilance & Anti-Corruption Bureau, Kannur to conduct Vigilance Enquiry into the irregularities; pointed out vide Government letter No. 9096/B2/11/Vig. Dated: 11-10-2011.

As requested by the Vigilance & Anti-Corruption Bureau, Finance Inspection Wing, Thiruvananthapuram is conducting enquiry on the construction of building in Pariyaram Medical College. The Vigilance Enquiry has not completed till date.

### **Recommendation**

*(Sl. No. 7, Para No. 44)*

The Committee learns that the files which were called for by the Vigilance Department, were returned after enquiry indicating that there was no case before them in the matter. Hence the Committee insists the need for a detailed Vigilance enquiry into all the aspects of the work pointed out in the audit paragraph relating to infrastructure development activities giving special emphasis to the reasons for the mistakes in preparing the design and estimates, the excess and avoidable payments effected during the work, the enhancement of 12.5% in the rates for departmental supplies provided to the contractor and the reasons for the enhancement given to the original contractor for completing the work which was terminated at risk and cost.

**Action Taken**

Government in Letter No. 9096/B2/11/Vig. Dated: 11-10-2011 have given necessary direction to the Director, Vigilance & Anti-Corruption Bureau to conduct a Vigilance Enquiry as per the recommendation of the PAC (2008-2011) in para 44 of the 109<sup>th</sup> report.

## SOCIAL JUSTICE DEPARTMENT

**Recommendation**

*(Sl. No. 8, Para No. 91)*

The Committee understands that action is in progress to prepare a comprehensive State Policy for the Disabled as insisted upon by the Central Government. The Committee requires the department to inform the present position in this regard.

**Action Taken**

The Draft Policy submitted by the State Commissioner for Persons with Disabilities was examined by the Government and he has been requested to revise the same.

**Further Recommendation**

The Committee recommends that action should be expedited to finalise the draft of State Policy for Persons with Disabilities within time limit.

**Action Taken**

Government as per G.O. (P) No. 60/2015/SJD dated: 22-9-2015 (P15CF have adopted the Kerala State Policy for Persons with Disabilities- 2015).

## GENERAL EDUCATION DEPARTMENT

**Recommendation**

*(Sl. No. 9, Para No. 92)*

The Committee is disappointed to see that most of the Teachers Training Centers for the physically challenged are in the private sector and that the fees levied by these

institutions in various disciplines cannot be afforded by the common man. Sensing the need for more such centers in the public sector, the Committee urges the department to examine the practicability of starting more training centers under the auspices of General Education Department.

#### **Action Taken**

As present steps are taken to start 4 Special School Teachers Training Centres under Government sector namely (1) Government Special School Teachers Training Centre, Vidya Nagar, Kasargode (2) Government Special School Teachers Training Centre, Parappanangadi (3) Government Special School Teachers Training Centre, Ottappalam and (4) Government Special School Teachers Training Centre, Olassa, Kottayam. Out of the above, two centres have already been started and steps for starting the others are taken and sufficient funds are provided in the Budget for the same.

#### **Recommendation**

*(Sl. No. 10, Para No. 93)*

As far as the raising of fund in respect of the programme 'Sponsored Walk', the Committee desires to know whether any enquiry had been conducted to confirm that all the money raised by the schools was given to the Kerala Federation of the Blind.

#### **Action Taken**

As per the existing records it is seen that no such enquiry was conducted to confirm that all the money raised by the schools was given to the Kerala Federation of the Blind, Balance Sheet as on 31-3-2003 is only seen as record. Copy of the same is enclosed (Appendix I).

#### **Observation of the Committee**

The Committee directed that the department should take utmost caution in keeping the accounts and in transferring the money to intended Department in time.

### **Recommendation**

*(Sl. No. 11, Para No. 94)*

The Committee observes that an amount of Rs. 2.19 lakh allotted by the DPI to the School of Visually Impaired, Thiruvananthapuram for the benefit of the visually impaired children could not be utilised for the intended purpose since the amount was not placed at the disposal of the Headmaster at the appropriate time. The Committee laments the irresponsible attitude of the department in a matter requiring urgent action and demands the department to initiate stringent disciplinary action against the officers who were responsible for the serious lapse.

### **Action Taken**

A sum of ₹ 2.19 lakh was allotted to the Deputy Director of Education, Thiruvananthapuram from the O/o DPI on 24-2-1999. On receiving the said amount of 1-3-1999, the Deputy Director of Education re-allotted the amount to the Headmaster, Government School for Visually Impaired, Vazhuthacaud only on 29-3-1999 and the Headmaster received it on 31-3-1999. The amount was sanctioned for providing learning and teaching equipment for the benefit of the Visually Impaired children. Since there was no sufficient time for purchasing the equipment by observing Store Purchase Rules, this amount was not utilised. There was lapse on the part of the officials in the O/o Deputy Director of Education, Thiruvananthapuram in re-allotting the amount at right time.

It is reported that Smt. T. Jamma, the then Accounts Officer, Smt. Valsamma Kunjukunju, Junior Superintendent and Shri Sensor, UD clerk in the O/o DDE were responsible for the delay in re-allotting the fund of ₹ 2.19 lakh to the Headmaster, Government School for Visually Impaired, Thiruvananthapuram. Smt. T. Jamma and Smt. Valsamma Kunjukunju retired from service. Disciplinary action cannot be initiated against retired officers as per the existing rules. The serving employee Shri Sensor caused 24 days delay in re-allotting the Plan fund to concerned school. A punishment of 'Censure' was awarded to Shri Sensor vide order No. V4/40894/11/DPI dated: 23-4-2013 (Appendix XII). The Director of Public Instructions has reported that in the succeeding years funds were allocated in time.

## SOCIAL JUSTICE DEPARTMENT

**Recommendation**

*(Sl. No. 12, Para No. 95)*

The Committee was informed by the Director, Social Welfare Department that a Committee had been constituted for framing rules to lay down conditions for the registration of institutions under the Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995. The Committee desires to be informed of its present position.

**Action Taken**

As per G.O. (Ms.) 45/08/SWD dated 11-7-2008 an expert Committee has been constituted for preparation of rules for Registration of institutions under the PWD Act, 1995. The Expert Committee was convened on 29-12-2011 and the Action Taken Report on the minutes of the meeting has been called for from the Director, Social Welfare.

**Recommendation**

*(Sl. No. 13, Para No. 96)*

The Committee finds that the Non Governmental Organisations (NGOs) receiving grant-in-aid can renew its registration only after filing the utilisation certificate of the previous year and the Auditor's statement. But such formalities are not essential if a particular organisation is not submitting a fresh application. The Committee opines that if such organisations are not made accountable for the assistance they receive, then Government will not be able to detect any sort of embezzlement of funds by them. Hence the Committee implores the department to make it obligatory for all NGOs whether they submit new application for grant-in-aid or not, to file the utilisation certificate and the Auditor's statement for the funds already received by it.

**Action Taken**

It is insisted by the Director of Social Welfare that there should be 15 documents including Utilization Certificate & Audit Statement for sanctioning Government of India Grant for NGOs as per the guidelines issued by Government of India from time to time.

## HEALTH AND FAMILY WELFARE DEPARTMENT

**Recommendation***(Sl. No. 14, Para No. 97)*

The Committee is distressed to note that the Society for Rehabilitation and Communicative Disorders, Thiruvananthapuram had misappropriated and diverted the funds provided by Government of India to meet the capital cost of establishment of a model unit for the rehabilitation of children with language disorders and for purchase of equipments. This act of the Society had defeated the very intention of the assistance rendered by the Central Government. The Committee, at the time of witness examination had called for urgent disciplinary action against the culprits who had intentionally squandered Government money. The Committee insists upon the department to communicate the action taken on the Committee's suggestion.

**Action Taken**

The Society for Rehabilitation of Cognitive and Communicative Disorders (SRCCD) is a Charitable Society registered under the Travancore- Cochin Litrary, Scientific and Charitable Societies Act 1955. The financial assistance to Society for Rehabilitation of Cognitive and Communicative Disorders (SRCCD) referred to in para 97 was not Central Government funds, but Grant from State Government provided by way of Supplementary Demand Grant. Institute for cognitive and Communicative Neurosciences (ICCONS) the institution under SRCCD started functioning from 1999-2000 onwards and the account section at that time was dealt by temporary hands and all those staff have left the institution and hence no disciplinary action has been taken against them.

The ICCONS has not pursued any action against the officials as they had left the institution. All the procurements were inevitable for the smooth functioning of ICCONS, the first of its kind of institutions in the field of cognitive and Communicative Neurosciences in Asian Countries.

**Further Recommendation**

The Committee desires to be informed whether Model Unit for the Rehabilitation of Children with Language Disorders had started functioning.

**Action Taken**

എസ്.ആർ.സി.സി.ഡി.യുടെ കീഴിലുള്ള ഐക്കോൺസിന്റെ തിരുവനന്തപുരം, ഷൊർണ്ണൂർ സെന്ററുകൾ യഥാക്രമം 1999-ലും, 2000-ലുമാണ് പ്രവർത്തനം ആരംഭിച്ചത്. തിരുവനന്തപുരം ശ്രീചിത്തിര തിരുനാൾ ഇൻസ്റ്റിറ്റ്യൂട്ടിൽ അസിസ്റ്റന്റ് പ്രൊഫസറായിരുന്ന ഡോ.പി.എ.സുരേഷ് എം.ഡി., ഡി.എം. (ന്യൂറോ) എന്ന വ്യക്തിയുടെ നേതൃത്വത്തിൽ പാലക്കാട്, മലപ്പുറം ജില്ലകളിലെ 10 പഞ്ചായത്തുകളിലെ വിദ്യാർത്ഥികളിൽ നടത്തിയ ഒരു സർവ്വേയുടെ കണ്ടെത്തലുകൾക്ക് ആവശ്യമായ തുടർനടപടിക്കായിട്ടാണ് ഒരു 'Model Unit for the Rehabilitation of Children with Language Disorders' എന്ന രീതിയിൽ സർക്കാരിന്റെ ഗ്രാന്റോടുകൂടി പ്രവർത്തനം ആരംഭിച്ചത്. കുട്ടികളിലും മുതിർന്നവരിലും കാണുന്ന മാനസികവും, ഭാഷാപരവും ആശയപരവുമായ വൈകല്യങ്ങൾ, ഓട്ടിസം, ബുദ്ധിമാന്ദ്യം, സെറിബ്രൽ പാൾസി, പഠന വൈകല്യം, ശ്രവണ വൈകല്യം കൂടാതെ പ്രായമായവരിൽ പക്ഷാഘാതംമൂലമുണ്ടാകുന്ന വൈകല്യങ്ങൾ, ഡിമെൻഷ്യ എന്നീ അസുഖങ്ങളാൽ വിഷമത അനുഭവിക്കുന്നവർക്ക് ചികിത്സയും പുനരധിവാസവും ഇത്തരം അസുഖങ്ങളെ സംബന്ധിച്ച ഗവേഷണങ്ങളും നടത്തുക എന്ന ലക്ഷ്യത്തോടെയാണ് ഈ മോഡൽ യൂണിറ്റ് പ്രവർത്തനം ആരംഭിച്ചത്.

വളരെ എളിയ നിലയിൽ പ്രവർത്തനം ആരംഭിച്ച ഈ സെന്റർ ഇപ്പോൾ ഒരു ലക്ഷം ചതുരശ്ര അടി വിസ്തൃതിയിലുള്ള ഒരു ന്യൂറോ സ്പെഷ്യാലിറ്റി സെന്ററായി വളർന്നിട്ടുണ്ട്. ഇന്ത്യയിലെ ആദ്യത്തെ NABH Accreditation നേടിയ ഏക ന്യൂറോളജി സെന്ററാണ് ഐക്കോൺസ്, ന്യൂറോളജി ഇ.എൻ.ടി., പീഡിയാട്രിക്സ്, പീഡിയാട്രിക് ഓർത്തോ, സ്പീച്ച് ആന്റ് ഓഡിയോളജി ഡിപ്പാർട്ട്മെന്റ്, സൈക്കോളജി ഡിപ്പാർട്ട്മെന്റ്, ഫിസിയോ തെറാപ്പി ഡിപ്പാർട്ട്മെന്റ് എന്നീ വകുപ്പുകൾ ഷൊർണ്ണൂർ ഐക്കോൺസിൽ പ്രവർത്തിച്ചുവരുന്നു. ഇതിന് പുറമെ സ്ത്രീകളുടെയും പുരുഷന്മാരുടെയും, കുട്ടികളുടെയും വാർഡുകൾ ന്യൂറോ ജനറ്റിക്സ്, ന്യൂറോ ഇലക്ട്രോഫിസിയോളജി ലാബുകൾ, സ്റ്റോക്ക് വാർഡ്, ഐ.സി.യു. ഓപ്പറേഷൻ തിയറ്ററുകൾ, സി.ടി. സ്കാൻ തുടങ്ങിയ സൗകര്യങ്ങളും ഐക്കോൺസിൽ നിലവിൽ ഉണ്ട്.

റിഹാബിലിറ്റേഷൻ കൗൺസിൽ ഓഫ് ഇന്ത്യയുടെ അംഗീകാരത്തോടെ കേരള ആരോഗ്യ സർവ്വകലാശാലയുടെ കീഴിൽ ബാച്ചിലർ ഇൻ ഓഡിയോളജി ആന്റ് സ്പീച്ച് ലാംഗ്വേജ് പാതോളജി എന്ന പാരാമെഡിക്കൽ കോഴ്സ് ഐക്കോൺസ് ഷൊർണ്ണൂർ സെന്ററിൽ 2000 മുതൽ നടത്തിവരുന്നു. DSIR അംഗീകാരമുള്ള ഈ സ്ഥാപനം ധാരാളം ഗവേഷണങ്ങളും ഏറ്റെടുത്ത് നടത്തിവരുന്നു. 1999-2000-ൽ എളിയതോതിൽ പ്രവർത്തനം ആരംഭിച്ച മോഡൽ യൂണിറ്റാണ് ഇന്ന് വളർന്ന് വികസിച്ച ഈ വിഭാഗം രോഗികളുടെ ആശ്രയമായുള്ള കേരളത്തിലെ ഏക സ്പെഷ്യാലിറ്റി സെന്ററായി മാറിയിട്ടുള്ളത്.



## SOCIAL JUSTICE DEPARTMENT

**Recommendation***(Sl. No. 15, Para No. 98)*

The Committee notices that FAITH-INDIA, Ernakulam had fraudulently received an assistance of Rs. 27.09 lakh during 1998-99 to 2002-03 for meeting the expenses of running a hostel even though in reality, the institution was not running the same. Such assistance could be obtained by the institution only on the recommendation of the Social Welfare Department. This incident is a clear revelation of the lack of an effective mechanism in the department to monitor the activities of the NGOs receiving central assistance. Hence the Committee stresses the need for an effective system to conduct periodical inspections of these institutions to ascertain that the NGOs are not misusing the funds received by them and that the money is being expended as per the criteria laid down by Government of India. The Committee also directs the department to lay down specific norms for obtaining and utilising the Central Government funds by Non-Government Organisations.

**Action Taken**

An enquiry has been conducted by the Regional Assistant Director, Social Welfare Department, on the functioning of Faith-India, Ernakulam and reported that Institution has not been running a hostel for the beneficiaries, and the grant to them has been released only after getting the amount from Government of India, and the records are not properly maintained. Strict instructions have been given by the Director of Social Welfare to the institution for rectifying those defects and for accommodating the beneficiaries in the institutions itself, and warned against recurrences of such lapses in future. Instructions have also been given to the concerned Officers for conducting periodical inspections in the institution. Usually State Government recommends the application for Grant from Government of India on the basis of the recommendations of State Level empowered Committee and Regional Assistant Director. It has already been insisted that the institutions getting grant from Government of India should maintain registers of accounts which can be inspected by Officers responsible, and which will be audited by the Accountant General. In addition to the above, strict instructions have been given to all the Regional Assistant Directors for monitoring the functioning of institutions getting grant from Government of India.

### **Further Recommendation**

The Committee recommends that necessary action should be initiated against Faith-India, Ernakulam, which had fraudulently received financial assistance from Government of India for a non-existing hostel.

### **Action Taken**

The incident stated in the report had occurred during the period 1998-2003. The said institution started functioning in the year 1989 under the leadership of Prof. K. R. Chandrasekharan. But the institute was handed over to a managing committee under the leadership of Shri P. Sasikumar in 2012 along with all accrued assets due to severe debt. Even after thorough enquiry, no evidence has been received on the details relating to Managing Committee members in whose period the incident occurred. It is also not fair to take action against the present members of the Managing Committee for whom the case is still not known.

It is learnt that now around 50 students are being trained under the institute. Of this, 40 students are staying in the hostel owned by the institute itself. No defects has been found while inspecting the registers, records and classroom by the Regional Assistant Director of Social Justice Department.

It is also found that now the institute is functioning as per the existing guidelines, Moreover, the institute is taking earnest efforts to empower the differentially abled.

In addition to the above, strict instructions have already been given to the concerned for monitoring the functioning of institutions getting grant from Government of India.

### **Recommendation**

*(Sl. No. 16, Para No. 99)*

The Committee understands that a legal issue is existing in the non-appointment of the 160 disabled persons who were interviewed by the District Collectors before the appointments were handed over to the Kerala Public Service Commission and that the Advocate General had agreed to forward a clarification on the subject within a week. The Committee would like to the informed of the action taken by the department in this respect.

**Action Taken**

The appointment of physically handicapped candidates to Public Service has been entrusted to Kerala Public Service Commission with effect from 2004 onwards. Government as per G.O. (Ms.) 37/09/SWD dated: 26-8-2009 has ordered that the District Collectors shall ascertain the backlog vacancies upto 31-12-2003 which are still unfilled and to give appointment to the physically handicapped candidates from the rank lists prepared by the District Collectors, as per the then existing scheme, strictly according to their rank, and the number of vacancies available. So the aggrieved persons specifically mentioned in the recommendation might have been covered in the rank list prepared by the District Collectors, but their appointment shall be strictly according to their rank, and the number of vacancies available.

**HEALTH & WELFARE DEPARTMENT****Recommendation**

*(Sl. No. 17, Para No. 100)*

The Committee observes that during the period of audit there was acute shortage of staff in the Mental Health Centres at Thrissur and Thiruvananthapuram. Even though the situation is much better now-a-days, the number of clinical and paramedical staff has not been raised to the optimum level due to scarcity of eligible candidates. The Committee urges the department to do the needful in the matter urgently. The Committee also impleads the department to sanction sufficient number of posts of clinical and paramedical staff to both the Mental Health Centres as per requirement.

**Action Taken**

No posts of Part Time Sweeper, Hospital Attendant Gr.I and Gr.II, Nursing Assistant etc. are vacant in mental Health Centre, Thrissur. Such posts vacant in Mental Health Centre, Thiruvananthapuram were filled up by appointing Daily Wages staff. Hence sufficient staff are available in both Mental Health Centres. Action is also being taken to fill up the vacancy by regular hands. Proposal to create additional staff at Mental Health Centre, Thrissur is under consideration of the Government.

**Recommendation**

*(Sl. No. 18, Para No. 101)*

The Committee perceives that the funds received under Special Additional Central Assistance and allocated by Kerala State Mental Health Authority to the Mental Health Centre, Thrissur in August 2002 could not be utilised for the intended purpose during the year due to treasury restrictions and the delay in transferring the funds to the Public Works Department. Such a state of affairs cannot be allowed to continue unheeded. Hence the Committee requires the department to take appropriate action to see that the funds received from Government of India are not placed within the ambit of treasury restrictions.

**Action Taken**

Now-a-days as there is no treasury ban, it does not affect the release of central funds.

**Recommendation**

*(Sl. No. 19, Para No. 104)*

The Committee is displeased to see that the Government had not taken any serious efforts on its earlier recommendation to provide sufficient funds to hospitals for meeting water charges and electricity charges in time. The Committee reiterates its earlier stand and insists upon the Government to earmark adequate provision in the budget every year towards this expense.

**Action Taken**

More budgetary allocation has been provided in subsequent years for meeting water charges and electricity charges. Hence the intensity of the payment of surcharge on electricity and water charges have been considerably reduced.

The payments of surcharges is Nil in respect of Medical College, Kottayam from 2009 onwards. Surcharges on electricity charges are not being paid from 2012 onwards in respect of institution IMCH & MCH, Kozhikode. At Medical College, Kozhikode, the magnitude of the surcharge paid is much less.

In order to avoid surcharges, deemed HT connection are converted to HT consumer and TOD meters are installed in Medical College, Kozhikode. The installation of Advanced Power Factor Correction Panel (APFC) is in progress and expected to be commissioned shortly. Once TOD meters and APFC become functional surcharges will be waived off by KSEB. In Dental College, Kozhikode no surcharges have been paid on electricity charges since 2009-10.

Both TOD & APFC are installed in SAT Hospital, Thiruvananthapuram and no surcharge has been paid after the functioning of the above electrical equipments. Power Augmentation process is in progress at Medical College Hospital, Thiruvananthapuram.

### **Recommendation**

*(Sl. No. 20, Para No. 108)*

The Committee is dissatisfied to note that non-inclusion of the price variation clause in the general conditions of supply of medicines for the year 2003-04 had led to a loss of Rs. 85 lakh to Government. The Committee on a careful scrutiny of the audit observation had speculated some serious malpractices in the purchase of medicines and allied items during the year 2002-03 and 2003-04 and had opined that the department ought to have realised the loss from the medicine-manufacturing firms which had deliberately concealed the reduction in price of medicines from Government. The Committee desires to know the steps taken by the department in this direction and its present position.

### **Action Taken**

The Principal Secretary to Health, the then Director of Health Services and Additional Director of Health Services (MDL) and (FW), visited the Tamil Nadu Medical Services Corporation to study the functioning of TMSC for streamlining purchase of medicines for Health Services. Subsequently a proposal was submitted to Government during 10/2002, for appropriate orders obtaining the guidelines to be adopted for the purchase of medicines and allied items. Government Order in this regard have received only during March 2003. The Government Order contains several innovation to be adopted for the purchase of medicines in CPC. Introduction of centralized purchase procedure and payment system were the major changes in the new system.

As a result, all the purchase procedures were delayed during 2003-2004. During that period, in order to overcome the situation of the outbreak of epidemic like Leptospirosis and Dengue fever, CPC was compelled to purchase medicines on emergency measure at previous rate contract.

It may also please to be noted that the said purchase was done only in accordance with the Government Orders.

1. G. O. (Rt.) No. 1755/2003/H&FWD dated: 13-6.2003.
2. G. O. (Rt.) No. 1897/2003/H&FWD dated: 20-6-2003.

Only the most essential items were purchased during that interim period to avoid the shortage of medicines. If timely action had not been taken to prevent such epidemics, there might have been loss of many lives. It is understood that the purchase is seen made on an extreme emergency.

Moreover Government in the G. O. (Rt.) No. 1897/2003/H&FWD dated: 20-6-2003 has specifically stated to make purchase from the CPC list for the year 2002-03 at the same rate upto 31-7-2003. It is assumed that department does not have any information regarding the reduction of Central Excise & Customs duty during the Purchase Process.

Thiruvananthapuram,  
20<sup>th</sup> January, 2021.

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