

THIRTEENTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE
ON
PUBLIC ACCOUNTS
(2011-2014)**

FIFTY FIRST REPORT

(Presented on 28th January 2014)



SECRETARIAT OF THE KERALA LEGISLATURE
THIRUVANANTHAPURAM
2014

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On

**Action Taken by Government on the Recommendations contained in the
29th Report of the Committee on Public Accounts (2006-2008)**

358/2014.

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COMMITTEE ON PUBLIC ACCOUNTS (2011-2014)

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Smt. M. R. Maheswari, Deputy Secretary

Shri G. P. Unnikrishnan, 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 Fifty First Report on action taken by Government on the recommendations contained in the 29th Report of the Committee on Public Accounts (2006-2008).

The Report was considered and finalised by the Committee at the meeting held on 22nd January, 2014.

Thiruvananthapuram,
28th January, 2014.

DR. T. M. THOMAS ISAAC,
Chairman,
Committee on Public Accounts.

REPORT

This Report deals with the Action Taken by Government on the recommendations contained in the Twenty Ninth Report of the Committee on Public Accounts (2006-2008).

The Twenty Ninth Report of the Committee on Public Accounts (2006-2008) was presented to the House on 25th July, 2007 and it contained eleven recommendations relating to Transport Department. Government were addressed to furnish the statements of Action Taken on the recommendations contained in the Report on 25th August, 2007 and the final replies were received on 18th September, 2012.

The Committee examined the Statements of Action Taken at its meetings held on 10-4-2012 and 15-5-2013 and made further recommendation on para Nos. 4, 5, 6, 7 and 8 of the Report. Such recommendations, their replies and further recommendations of the Committee are incorporated in Chapter I of this Report.

The Committee decided not to pursue further action on the remaining recommendations in the light of the replies furnished by Government. Such recommendations and statements of Action Taken by Government are incorporated in Chapter II of this Report.

CHAPTER I

RECOMMENDATIONS IN RESPECT OF WHICH ACTION TAKEN BY GOVERNMENT ARE NOT SATISFACTORY AND WHICH REQUIRE REITERATION

TRANSPORT DEPARTMENT

Recommendation

(Sl. No. 1, Para No. 4)

1.1 It has come to the notice of the committee that the Motor Driving School at Chevayur, Kozhikode which was intended to be established by the Government had not taken place since the Government had later dropped the plan in the midway after spending ₹ 24.44 lakhs for the construction of buildings for the purpose. The Committee wants to be furnished with the reason for abandoning the plan for starting the Driving School.

Action Taken

1.2 The construction of building of driving school at Chevayoor, Kozhikode was completed on 14-10-1992. Government in 11/92 decided to drop the proposal for starting the Driving School at Chevayoor. The reason for 358/2014.

abandoning the proposal is not known as the concerned disposal is not available. The Transport Commissioner has also informed the position. A copy of the Government letter No. 30166/N3/92/PW&T dated, 18-11-1992 addressed to the Transport Commissioner is annexed as appendix II.

Recommendation

(Sl. No. 2, Para No. 5)

1.3 The Committee notices that the Government's direction to use the new buildings to accommodate other departmental offices, housed in rental buildings, was not complied with by the Transport Commissioner. The Committee urges the Department to inform the reason for not carrying out the Government Orders.

Action Taken

1.4 The buildings were constructed specifically for starting a driving school and this is not suitable for functioning of RT Office. One of the buildings is constructed for a hostel, another one for classrooms and the third one, a vehicle shed. In view of the inconvenience likely to cause to the public while shifting Regional Transport Office from Civil Station to Chevayur, which is 6 kms., away from Civil Station, the proposal to shift the office was dropped.

Recommendation

(Sl. No. 3, Para No. 6)

1.5 The Committee also wants to know the reasons for not taking over the building, constructed for the purpose, by the Transport Department even after repeated reminders from the Public Works Department.

Action Taken

1.6 The buildings were constructed specifically for starting a driving school and this was not suitable for functioning of Regional Transport Office. One of the buildings is constructed for a hostel, another one for classrooms and the third one, a vehicle shed. In view of the inconvenience likely to cause to the public while shifting Regional Transport Office from Civil Station to Chevayur, which is 6 kms., away from Civil Station, the proposal to shift the office was dropped and the building was not taken over.

Recommendation

(Sl. No. 4, Para No. 7)

1.7 The Committee desires to know whether the very act of taking over the possession of the building and later allotting one of the Buildings to Library by the District Collector was with proper authorization.

Action Taken

1.8 The District Collector took possession of the building and temporarily allotted one of the buildings to the Central Library, Kozhikode as per G. O. (Rt.) No. 1465/93/PW&T, dated, 15-10-1993 (copy enclosed as appendix III).

Recommendation

(Sl. No. 5, Para No. 8)

1.9 The Committee opines that the initial intention to start a Driving School as a Training Centre for drivers in the Transport Department is genuine. It recommends the Government to go ahead with the proposal and urgent efforts be made to obtain central aid for the proposal.

Action Taken

1.10 Government vide G.O. (Rt.) No. 487/07/Tran. dated, 19-10-2007 have accorded sanction to start an Institute of Driver Training and Research, Kerala at Chevayur, temporarily (copy enclosed as appendix IV). The Institute has to be established in 25 acres of land owned by KSRTC at Edappal, Malappuram. It is a 70% Centrally Sponsored Project. The Chairman and Managing Director, KSRTC has informed that the process of transferring the land to this department on lease is going on and will take some time to complete it. Hence the Governing Body has decided to start the Institute at Chevayur on temporary basis until the land is available at Edappal. Government vide G.O. (Ms.) No. 4/08/Tran. dated, 1-2-2008 sanctioned to lease out 25 acres of KSRTC land at Edappal in survey No. 265/1B in Kalady Village, Ponnani Taluk, Malappuram District for a period of 99 years to the Motor Vehicles Department for setting up the Institute of Drivers Training and Research subject to the condition that, lease amount is to be fixed by the PWD, the training fee for KSRTC personnel to be set off against the lease rent with payment made for the excess or deficit amount each year as the case may be (copy of the G.O. enclosed as appendix V). The superintending Engineer of Central Public Works Department has been requested to prepare the detailed site plan for the construction work after thorough inspection of the proposed site. Government vide G.O. (Rt.) No. 65/08/Tran. dated, 23-2-2008 have accorded sanction to conduct courses in the Institute of Driver Training and Research, Kerala. (copy enclosed as appendix VI).

Further Recommendation

1.11 The Committee accepts the Action Taken statements but decides to make a further recommendation that urgent action shall be taken for full utilization of the buildings constructed for motor driving school at Chevayur, Kozhikode.

CHAPTER II

RECOMMENDATIONS WHICH THE COMMITTEE DOES NOT
DESIRE TO PURSUE IN THE LIGHT OF THE REPLIES
FURNISHED BY GOVERNMENT

TRANSPORT DEPARTMENT

Recommendation*(Sl. No. 6, Para No. 16)*

2.1 The Committee finds that the performance of the Water Transport Department is far from satisfactory where services are not being conducted promptly and maintenance and repair of boats are not being done in time. The Committee desires to be furnished with a detailed study report on the working of the State Water Transport Department. The Committee opines that in order to ensure the accountability, auditing should be done effectively and regularly in the department.

Action Taken

2.2 The State Water Transport Department was formed in 1968 with Headquarters at Alappuzha and has been providing meritorious services to the people residing in the water logged areas of the State. The road transport sector is becoming more congested day by day and the scope for its further development is limited. The water transport sector assumes significance as an alternative mode of transport since it is very economical and safe. Moreover it provides effective connectivity to the interior regions around the backwaters and water bodies of the State.

Now State Water Transport Department has a total number of 94 boats with 50 schedules. Out of these 94 boats, 15 old wooden boats are proposed to be replaced with new steel boats. The Department also intends to procure 5 boats to be used as spare in various stations and another 5 boats for tourism and cargo services. As a step stone to enhance the department revenue and exploit the tourism potential of the Kuttanadu region, Kollam-Alappuzha boat service was restarted and a tourism boat service in the name "See Kuttanad" covering the water logged areas of Kuttanad has been started.

To ensure the smooth and speedy repair of boats, boats repairing yards were constructed at Thevara and Alappuzha and the work of the slipway at Ponjikkara is expected to be completed in July 2012. In addition, a Dry Dock at Alappuzha and a slip yard at Payyannur are proposed to be implemented.

State Water Transport Department has taken stringent steps to mitigate the fuel cost through the installation of technically advanced engines and by conducting awareness programmes to the crew members with regard to the best method of operation of engines in order to standardize the consumption of fuel.

As a part of ensuring the accountability of the department, there is an internal audit wing under the Chairmanship of a Senior Superintendent (Audit) so as to audit the day to day operations of the stations effectively and regularly.

Recommendation

(Sl. No. 7, Para No. 17)

2.3 The Committee urges the department to inform the period up to which the Pro forma Accounts has been completed and the steps taken to clear the pendency.

Action Taken

2.4 Pro forma Accounts of State Water Transport Department up to the financial year 2007-08 were prepared and submitted to the Accountant General and the Accountant General, vide letter No. CA/IV/C/8-1109/60 dated 3-8-2011 has certified the accounts for the year 2007-08. Preparation of Pro forma Accounts for the subsequent years is progressing and nearing completion.

Recommendation

(Sl. No. 8, Para No. 18)

2.5 The Committee feels that it was not fair to curtail all uneconomic boat service. In certain places waterways are the only way for conveyance and in such places boat services should be maintained irrespective of its economic viability. The Committee recommends to restart Karthedam-Ernakulam boat service and the services at Payyannur and Parassinikkadavu without considering loss as the services offered was for the benefit of the people.

Action Taken

2.6 Ernakulam-Karthedam boat service was stopped as majority of the passengers, now rely on bus service on completion of Gosreebridge. Parassinikkadavu boat service has been restarted from 6-8-2011 and the boat service at Payyannur is retained on account of public interest.

Recommendation

(Sl. No. 9, Para No. 19)

2.7 The Committee urges the department to speed up the action to incorporate the ferry service of the State Water Transport Department into the package of Smart Water Ways. The Committee recommends to initiate steps to transport goods to other State on leased barges.

Action Taken

2.8 The Project of National Water Ways under the Central Schemes has not yet completed. The major cargo movement is expected to be possible in the Kollam-Alappuzha-Ernakulam region. The completion of terminal facilities is also imperative for the purpose. The feasibility of transporting goods and services to other States using leased barges and modifying the existing boat services to the package of smart water ways shall be considered on completion of the same.

Recommendation

(Sl. No. 10, Para No. 20)

2.9 The Committee urges the department to furnish the following details to the committee :

- (i) the present ratio of average receipt per k.m. over the expenditure.
- (ii) the remedial measures taken to minimize the loss and steps taken to increase the effectiveness of the Department.
- (iii) the present fleet strength and the list of those fleet that are serviceable and those that are aged 15 years and above.

Action Taken

2.10 (i) The present ratio of average receipt per k.m. over the expenditure (as on 31-3-2011) is 8:39.

(ii) The ultimate remedial measures to minimize the loss is to revise the existing ticket fares in proportion to the present operational costs. The last revision was made in 2001 and the minimum ticket fare is ₹ 2. To increase the revenue collection of the department, the Alappuzha-Kollam boat service was restarted as a step stone to utilize the tourism potential of the state. The minimum ticket rate of this service is ₹ 50 and maximum is ₹ 300. "See Kuttanad" another tourism boat service has also been started. To reduce the fuel cost, modern and technically advanced engines are being purchased and necessary awareness programmes have been given to the crew members with regard to the best operation of engines in order to standardize the consumption of fuel.

(iii) Present fleet strength	..	94 boats
Number of serviceable boats	..	50 Nos.
Number of boats that are aged 15 years and above	..	49 Nos.
Number of boats which are more than 15 years of old out of 50 numbers of serviceable boats	..	19 Nos.

Recommendation

(Sl. No. 11, Para No. 22)

2.11 The Committee comes to know that the updated feasibility report of Kannur Airport is under consideration of the Expert Committee of the Government of India. The Committee enquires whether clearance certificate for the construction of Kannur Airport had been obtained and whether land acquisition procedures had been completed. The Committee urges the authority to furnish full details of such queries.

Action Taken

2.12 (1) Ministry of Civil Aviation, Government of India have accorded “in principle” permission for setting up a Greenfield Airport at Kannur subject to the following conditions:

- (a) Certain activities at the airport like security, air traffic control, customs, immigration, MET etc. would be reserved for Government of India.
- (b) GOI/GOK would not be signing any concession agreement with the Joint Venture Company (JVC) that would be entrusted with the task of developing and maintaining the airport. The JVC would develop and operate the airport under the licence issued by DGCA.
- (c) Government of Kerala would submit a detailed proposal for seeking environmental clearance.
- (d) Government of Kerala should follow a transparent competitive bidding process to select the strategic private partner.
- (e) 10 acres of land shall be leased/transferred to Indian Navy.
- (f) All military aircrafts using the airport shall be exempted from landing and parking charges.
- (g) JVC shall provide a suitable room to IAF for setting up the AFMLU, AFMLC etc.
- (h) Security requirements shall be complied by the JVC.

(2) In Government Order (Ms.) No. 21/2007/Transport dated, 20-4-2007 sanction has been accorded for acquisition of 2000 acres of land on Fast Track Program and has appointed KINFRA as the nodal agency for the KIAL project.

(3) In the first phase of land acquisition 192 acres were acquired by the Government till January 2001.

(4) In the 2nd phase of land acquisition, 1092 acres were identified for acquisition and KINFRA was entrusted with the task of mobilizing funds from banks and financial institutions for funding this land acquisition.

(5) KINFRA was sanctioned a loan of ₹ 250 crores by a consortium of banks to meet the cost of land acquisition.

(6) The land is being acquired under “negotiated purchase” and under the Fast Track Project.

(7) Till 30-6-2010, KINFRA has availed a loan of ₹ 206 crores for acquiring 1006 acres of land.

(8) In the meantime a private Government company named “Kannur International Airport Ltd.” has been registered for development of the Kannur Airport. Government have decided that 26% of equity in the company shall be held by the State Government, 23% by State Government agencies, 2% by undertaking promoted by the State Government and 49% by QIPs and High Net Worth individuals.

(9) The construction of the Airport is expected to commence before the end of the 2010 calendar year.

DR. T. M. THOMAS ISAAC,

Thiruvananthapuram,
28th January, 2014.

*Chairman,
Committee on Public Accounts.*

APPENDIX I

SUMMARY OF MAIN CONCLUSION/RECOMMENDATION

<i>Sl. No.</i>	<i>Para No.</i>	<i>Department concerned</i>	<i>Conclusion/Recommendation</i>
1	1.11	Transport	The Committee accepts the action taken statements but decides to make a further recommendation that urgent action shall be taken for full utilisation of the buildings constructed for motor driving school at Chevayur, Kozhikode.

APPENDIX II
GOVERNMENT OF KERALA

PUBLIC WORKS AND TRANSPORT (N) DEPARTMENT

No. 30166/N3/92/PW&T.

Thiruvananthapuram, 18th November, 1992.

From

The Commissioner and Secretary to Government.

To

The Transport Commissioner,
Thiruvananthapuram.

Sir,

*Sub:—M. Vs. Department—Construction of Motor Driving School at
Chevayur, Kozhikode—Reg.*

Ref:—Your letter No. C6/27234/TC/84 dated, 20-5-1992.

I am forward herewith a copy of G. O. (Rt.) No. 1364/92/PW&T dated, 25-11-1992 and to request you to find out suitable accommodation on the building constructed for Motor Driving School for other departmental officers housed in rental buildings as the plan to establish a Motor Driving School has already been dropped.

Yours faithfully,

B. VIJAYALEKSHMI,
Under Secretary.

for Commissioner & Secretary to Government.

APPENDIX III

GOVERNMENT OF KERALA

Abstract

MOTOR VEHICLES DEPARTMENT—MOTOR DRIVING TRAINING SCHOOL AT CHEVAYUR,
 KOZHIKODE—TEMPORARY ALLOTMENT OF THE BUILDING IN KOZHIKODE CENTRAL
 LIBRARY—SANCTIONED—ORDERS ISSUED

 PUBLIC WORKS AND TRANSPORT (M) DEPARTMENT

G. O. (Rt.) No. 1465/93/PW&T. *Dated, Thiruvananthapuram, 15th October, 1993.*

- Read* :—(1) G. O. (Ms.) 15/88/PW&T dated, 19-5-1999.
 (2) Govt. letter 30166/N3/92/PW&T dated, 18-11-1992.
 (3) TPN No. F5/11908/92 dated, 5-10-1993 from District
 Collector, Kozhikode
 (4) Letter dated, 14-10-1995 from Shri A. Sujanapal, MLA.

ORDER

As per Government Order read above, sanction was accorded to the Transport Commissioner to establish a Motor Driving Training School at Chevayur, Kozhikode. Even though the building was constructed, Government subsequently dropped the proposal to start the said school and directed the Transport Commissioner to find out suitable accommodation in the building for other departmental offices housed in rental buildings, vide Government letter read above.

Now, The District Collector, Kozhikode and Shri A. Sujanapal, MLA in their communication cited have requested to allot the driving school building for shifting the Kozhikode Central as a temporary arrangement as a new building for the library is under construction.

In the circumstances sanction is accorded to temporarily allot the building constructed for Motor Driving School at Chevayur, Kozhikode for accomodating the Central Library, Kozhikode for a period of four months.

By order of the Governor,

P. MOHAMOOD,
Joint Secretary.

To

The Transport Commissioner, Thiruvananthapuram.

The District Collector, Kozhikode.

Shri A. Sujanapal, MLA (with CL).

Stock File, Office Copy.

APPENDIX IV

GOVERNMENT OF KERALA

Abstract

MOTOR VEHICLES DEPARTMENT—MODERNIZATION—TRAINING PROGRAMME AT THE
TRAINING, CHEVAYUR—SANCTIONED—ORDERS ISSUED

TRANSPORT (C) DEPARTMENT

G. O. (Rt.) No. 487/2007/Tran. *Dated, Thiruvananthapuram, 9th October, 2007.*

Read :—(1) Letter No. MIT-3/1530/TC/2007 dated, 24-9-2007 from the
Transport Commissioner, Thiruvananthapuram.

ORDER

In the circumstances reported by the Transport Commissioner in his letter read above Government are pleased to accord sanction to commence functioning of the Institute of Driver Training and Research at Chevayur owned by Motor Vehicles Department temporarily.

By order of the Governor,

H. SHARAFUDEEN,

Under Secretary to Government.

To

The Transport Commissioner, Thiruvananthapuram.
Stock File, Office Copy.

APPENDIX V

GOVERNMENT OF KERALA

Abstract

TRANSPORT DEPARTMENT—SETTING UP OF INSTITUTE OF DRIVER TRAINING AND RESEARCH
AT KSRTC LAND, EDAPPAL—PERMISSION—GRANTED—ORDERS ISSUED

TRANSPORT (A) DEPARTMENT

G. O. (Ms.) No. 4/2008/Tran. *Dated, Thiruvananthapuram, 1st February, 2008.*

- Read* :—(1) Letter No. ES4-041178/03 dated, 18-9-2007 from the Chairman and Managing Director, KSRTC.
- (2) Letter No. MIT3-1530/TC/07 dated, 14-1-2008 from the Transport Commissioner, Thiruvananthapuram.

ORDER

Sanction is accorded to lease out 25 acres of KSRTC land at Edappal in Survey No. 265/IB in Kalady Village, Ponnani Taluk, Malappuram District for a period of 99 years to the Motor Vehicle Department for setting up the proposed, Institute of Drivers Training and Research subject to the condition that; lease amount is to be fixed by the PWD, the training fee for KSRTC personnel to be set off against the lease rent with payment made for the excess or deficit amount each year as the case may be.

The Transport Commissioner would take further necessary action in this regard.

By order of the Governor,

AJOY CHAUDHURI,
Additional Chief Secretary.

To

The Chairman and Managing Director, KSRTC.
The Transport Commissioner, Thiruvananthapuram.
The District Collector, Malappuram.
The Transport (C) Department.
The GA (SC) Department.
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APPENDIX VI

GOVERNMENT OF KERALA

Abstract

MOTOR VEHICLES DEPARTMENT—MODERNIZATION—ESTABLISHMENT OF INSTITUTE OF
DRIVER TRAINING AND RESEARCH, KERALA—FOR CONDUCTING COURSES—
SANCTIONED—ORDERS ISSUED

TRANSPORT (C) DEPARTMENT

G O. (Rt.) No. 654/2008/Tran. *Dated, Thiruvananthapuram, 23rd February, 2008.*

Read :—Letter No. MIT3/1530/TC/2007 dated, 30-11-2007 from the Transport
Commissioner, Thiruvananthapuram.

ORDER

In the circumstances reported by the Transport Commissioner in his letter
read above Government are pleased to accord sanction to conduct courses in the
Institute of Driver Training and Research, Kerala.

By order of the Governor,

OMANA, P.,
Under Secretary to Government.

To

The Transport Commissioner, Thiruvananthapuram.
Stock File, Office Copy.
