



**THIRTEENTH KERALA LEGISLATIVE ASSEMBLY**

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

**FOURTEENTH REPORT**

(Presented on 17th December, 2012)

SECRETARIAT OF THE KERALA LEGISLATURE  
THIRUVANANTHAPURAM  
2012

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ON  
PUBLIC UNDERTAKINGS  
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**FOURTEENTH REPORT**

**On**

**The action taken by Government on the Recommendations contained in  
the Sixty Eighth Report of the Committee on Public Undertakings  
(1995-96) relating to Kerala Water Authority based on the  
Report of the Comptroller and Auditor General of India  
for the year ended 31st March, 1990 (Civil)**

58/2013.

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COMMITTEE ON PUBLIC UNDERTAKINGS (2011-2014)

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„ K. Priyadarsanan, Joint Secretary

„ C. Jos, Deputy Secretary

Smt. Lima Francis, Under Secretary.

## INTRODUCTION

I, the Chairman, Committee on Public Undertakings having been authorised by the Committee to present the Report on their behalf, present this Fourteenth Report on the action taken by Government on the recommendations contained in the Sixty Eighth Report of the Committee on Public Undertakings (1995-96) on the working of the Kerala Water Authority based on the Report of the Comptroller and Auditor General of India for the year ended 31-3-1990 [Civil]

The Statements of action taken by the Government included in this Report were considered by the Committee constituted for the year 2008-11 & 2011-14.

This Report was considered and approved by the Committee at the meeting held on 12-7-2012.

The Committee place on record their appreciation of the assistance rendered to them by the Accountant General (Audit), Kerala, in the examination of the statements included in this Report.

Thiruvananthapuram,  
17th December, 2012.

K. N. A. KHADER,  
*Chairman,*  
*Committee on Public Undertakings.*

## **REPORT**

This Report deals with the action taken by the Government on the recommendations contained in the Sixty Eighth Report of the Committee on Public Undertakings (1995-96) relating to Kerala Water Authority based on the Report of the Comptroller and Auditor General of India for the year ended 31-3-1990 (Civil) which was presented to the House on 14th March, 1996.

The Report contained 11 recommendations and the Government have furnished replies to all recommendations. The Committee (2008-11) & (2011-14) considered the replies received from the Government at their meetings held on 10-11-2010 and 11-1-2012. The Committee accepted the replies to the recommendations Nos. 1(15), 2(16), 3(17), 4(18), 5(19), 6(26), 7(27), 8(48) and 11(61) without any remarks. These recommendations and their replies furnished by the Government form Chapter I of the Report.

The Committee accepted the replies to the recommendation Nos. 9(49) and 10(60) with remarks. These recommendations, their replies furnished by the Government and the remarks of the committee form Chapter II of the Report.

CHAPTER I

REPLIES FURNISHED BY THE GOVERNMENT WHICH HAVE BEEN ACCEPTED BY  
THE COMMITTEE WITHOUT REMARKS

<i>Sl. No.</i>	<i>Para No.</i>	<i>Department concerned</i>	<i>Conclusions/Recommendations</i>	<i>Action Taken by Government</i>
(1)	(2)	(3)	(4)	(5)
1, 2, 3 & 4	15, 16, 17 & 18	Water Resources	The Committee noticed that the hasty decision taken by the management in the selection of the site and in the construction of the IB resulted in an extra expenditure of ₹ 3.97 lakh to the Authority. The negligent and callous attitude of the officials of the Authority was evident in the selection of the site. The expertise received by the Authority from time to time, whether it was from the Engineering College or from a private agency did not impart any help to the Authority in solving problem. Without even taking into consideration the topography of the area they even decided to construct two-storied building in the slushy soil	The report refers to the work of construction of IB at Mala, where the land was acquired in March 86 without ascertaining the soil condition resulting in an infructuous expenditure of ₹ 3.97 lakh. Paras 16 and 17 contain only the observations of the Committee. No direct action is contemplated. The 18th para states that 'The Committee take serious note of the situation prevalent in the Authority for their negligent and callous attitude and urge the Government to initiate immediate steps to find out the persons responsible for this infructuous expenditure and intimate the result to the Committee'.  In view of the above observation, Kerala Water Authority had furnished

and timely intervention of the Chief Technical Examiner prevented the Authority from further mishaps.

The Committee also view seriously the inaction of the officials of the Authority in responding to the direction of the Government for fixing responsibility against persons for this infructuous expenditure. Government also failed to pursue the matter.

The Committee are of the opinion that, it was the duty of the concerned officials to examine the site carefully to check whether the particular site was suitable for construction purposes (They even failed to have a proper study of the soil by experts). The same went unnoticed by the engineers of the Authority during the construction of the retaining wall.

The Committee take serious note of the situation prevalent in the Authority for the negligent and callous attitude and urge Government to initiate immediate steps to find out the persons responsible for this

the incumbency details of Superintending, Executive and Asst. Exe. Engineers of KWA who have been associated with the project. Since all officers were retired from service before 1990 no action could be initiated against them.

#### **Superintending Engineers**

Sri M. Maluk Mohammed-14-11-1984 to 15-10-1985 (Retired)

Sri T. J. Andrews-15-10-1985 to 12-11-1985 (Retired)

Sri M. Maluk Mohammed-12-11-1985 to 19-7-1986 (Retired)

Sri T. J. Andrews-21-7-1986 to 19-5-1987 (Retired)

Sri Veeran Pillai-17-6-1987 to 25-7-1989 (Retired)

#### **Executive Engineers**

Sri N. S. Ranjanan 2-5-1985 to 19-8-1987 (Retired)



(1)	(2)	(3)	(4)	(5)
			infuctuous expenditure and intimate the result to the Committee.	<p>Sri V. K. Thankappan-19-8-1987 to 30-6-1989 (Retired-Expired)</p> <p>Sri K. K. Mathew 30-6-1989 to 7-12-1990 (Retired)</p> <p><b>Assistant Executive Engineers</b></p> <p>Smt. T. R. Indira-1-7-1985 to 19-12-1985</p> <p>Sri M. Balakrishnan 19-12-1985 to 6-1-1986 (Retired)</p> <p>Sri T. C. Varghese-6-1-1986 to 4-6-1987 (Retired)</p> <p>Sri E. N. Sivan-4-6-1987 to 21-10-1990 (Retired)</p> <p><b>Executive Engineer</b></p> <p>Sri E. C. George-1-7-1985 to 30-11-1990</p>
5	19	Water Resources	The urgency for entrusting the job of soil testing to a private agency may also be intimated.	As the agreement for the construction of IB and office building was executed, it became necessary to ascertain the bearing capacity once more at various points in the site. Since KWA is not having its own soil testing facility quotations for conducting the soil investigation by

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The argument put forward by the witness was not convincing to the Committee. The Committee noticed that the officials of the Authority did not pay enough attention in the processing and finalisation of tenders. Such kind of anomaly as pointed by the audit and expenditure could have been avoided completely if the agreement was entered into clearly indicating the specifications and requirements of the material.

The tender system followed by the Authority should be reviewed and suitably amended to prevent recurrence of such mishaps in future. The steps taken by the Authority in this regard may be intimated.

taking test boring at the site was invited by the Exe. Engineer on 10-11-1987 and of the three offers received, M/s Master Engineering Corporation's was the lowest and work was awarded to them at their quoted rate of ₹ 13,750. It was approved by the Superintending Engineer as per his letter No. I.6586/87 dated 11-12-1987.

The recommendation of the Committee for suitably amending the tender system has been carried out by the Authority from Tender No. KWA/HO/SP-2/90-91 by changing the special conditions as given below:—

*Original condition:* The pipe shall be supplied with one end plain and the other end fitted with coupler. The necessary jointing material should be supplied free of cost. If couplers are not fitted to the pipes, one coupler for each standard length of pipe should be supplied free of cost.

*Revised condition:* The pipes shall be supplied with one end plain and the other end fitted with coupler or plain

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(1)	(2)	(3)	(4)	(5)
8	48	Water Resources	<p>The Committee hope that the alternate site selected by the Authority would be acceptable to the local residents because the location of the site was certified by both experts from the State and Central Governments. The Committee therefore urged the authority to make urgent necessary steps to finalize the tender and start the construction of treatment plant, before further obstructions come from the public. The Authority with the help of local organization should impart a general idea about the project as a whole and convince the public that all measures have been taken by them to prevent pollution.</p>	<p>ended pipes with loose couplers or bell end pipes (socketted) and with necessary jointing materials (solvent cement).</p> <p>The Authority has already provided a mini water supply scheme at Chakkumkandom as a reciprocal arrangement for construction of the Sewerage Treatment Plant. A work order has already been issued for the construction of the sewerage treatment plant at Chakkumkandom. The work has been planned to be completed within 2 years.</p>
11	61	„	<p>The Committee took serious note of the fact and opined that such practices, giving extension of service and promotion to an official who had</p>	<p>The recommendation of the Committee has been noted for future guidance.</p>

even violated the norms prevailing in the Authority would detract the Government from checking such tendencies in future. The Committee also opined that it would be the duty of the Government to check such tendencies in future and recommend that stringent measures should be taken by the Authority/Government to avoid recurrence of such instances.

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CHAPTER II

REPLIES FURNISHED BY THE GOVERNMENT WHICH HAVE BEEN ACCEPTED  
BY THE COMMITTEE WITH REMARKS

<i>Sl. No.</i>	<i>Para No.</i>	<i>Department concerned</i>	<i>Conclusions/Recommendations</i>	<i>Action Taken by Government</i>
(1)	(2)	(3)	(4)	(5)
9	49	Water Resources	The evasive and general reply given by the witness about the settlement of the Accounts between Guruvayoor Devaswom and the Authority was not satisfactory to the Committee. The Committee therefore direct that the break-up of the figures i.e. the amount due and received may be given to the Committee.	<p><b>Accounts between Guruvayoor Devaswom and the Authority</b> (Rs. in lakh)</p> <p>Up-to-date expenditure on Guruvayoor Drainage scheme : 55.31</p> <p>Amount to be remitted by Guruvayoor Devaswom as per agreement : 22.124</p> <p>Amount already remitted by Guruvayoor Devaswom : 14.00</p> <p>Balance to be remitted by Guruvayoor Devaswom : 8.124</p> <p><b>Accounts between Guruvayoor Township and the Authority</b> (Rs. in lakh)</p> <p>Up-to-date expenditure on Guruvayoor Drainage scheme : 55.31</p>

Amount to be remitted by  
Guruvayoor Township as  
as per agreement : 16.593

The demand notices for remitting their balance of share have already been issued to the Secretary, Guruvayoor Municipality and the Administrator, Guruvayoor Devaswom Committee. No further events have been reported. Discussions to obtain the share of Devaswom and Municipality towards the balance cost of ₹12.50 crore is in progress at highest level. Government has foreseen an outlay of ₹ 375 lakh for the scheme in the 11th plan and has provided ₹ 10. lakh in the state budget for the work for the year 2007-08.

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*Remarks:*—The Committee desires to know the present position of settlement of dues between Guruvayoor Devaswom Board and Kerala Water Authority and needs to get a clarification about the figure ‘₹ 12.50 crore’ which is mentioned in ATS as the ‘Share of Devaswom and Municipality towards the balance cost...’

(1)	(2)	(3)	(4)	(5)
10	60	Water Resources	The Committee took strong exception to the fact that no disciplinary action had been taken by the Government against the Executive Engineer who had executed works involving several lakhs without any Administrative and Technical Sanction. On the other hand, he had been given promotion and even extension of service.	The incumbent had retired from service on superannuation on the AN of 31-10-1992. However only provisional pension was sanctioned to him and no other pensionary benefits has been sanctioned to him so far. The case was referred to Vigilance and Anti-corruption Bureau. Show cause notice was issued to Sri K.R. Sukumaran. Chief Engineer (Retired) as per KSR Part III and steps have already been initiated to recover the amount involved. Now all works are undertaken only after formal Administrative Sanction is issued.

*Remarks:*—The Committee wants to know the present position of the actions taken to recover the amount from the delinquent officer.

Thiruvananthapuram,  
17th December, 2012.

K. N. A. KHADER,  
*Chairman,*  
*Committee on Public Undertakings.*