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**BRASSHAPUTRA BOARD, GUWAHATI  
IDLE OUTLAY**

MINISTRY OF WATER RESOURCES

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**PUBLIC ACCOUNTS  
COMMITTEE  
1995-96**

**TENTH LOK SABHA**



सत्यमेव जयते

31R LOK SABHA SECRETARIAT  
NEW DELHI

SEVENTY NINTH REPORT  
PUBLIC ACCOUNTS COMMITTEE  
(1994-95)  
(TENTH LOK SABHA)

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BRAHMAPUTRA BOARD, GUWAHATI-IDLE OUTLAY

MINISTRY OF WATER RESOURCES

*[Action Taken on 49th Report of Public Accounts Committee  
(10th Lok Sabha)]*

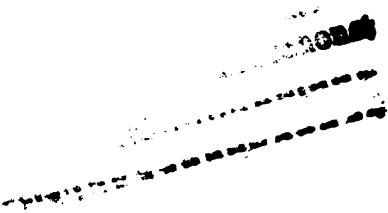


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**PUBLIC ACCOUNTS COMMITTEE**  
**(1994-95)**

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## INTRODUCTION

1. I, the Chairman of the Public Accounts Committee, as authorised by the Committee, do present on their behalf this Seventy-Ninth Report on action taken by Government on the recommendations of the Public Accounts Committee contained in their 49th Report (Tenth Lok Sabha) on Brahmaputra Board, Guwahati—Idle outlay.

2. In this report the Committee have expressed their concern over the delay in the completion/updating of the different parts of the Master Plan for control of floods, bank erosion and improvement of drainage in the Brahmaputra Valley. Since the implementation of the projects included in the envisaged plan are expected to create a profound impact on the development of the entire Region the Committee have desired that the Ministry of Water Resources should ensure that earnest efforts are made by all concerned to complete the remaining activities of all the three parts of the Master Plan so that its eventual clearance by the Ministry is considered expeditiously.

3. While taking note of the fact that an expenditure of about Rs. 64.77 crores have been incurred upto March, 1992 on the various activities undertaken by the Brahmaputra Board since its coming into being in 1981, the Committee in their earlier Report, had expressed their unhappiness over the unsatisfactory results achieved by the Board. Pointing out that a substantial percentage of the expenditure incurred by the Board on certain specific projects where for non-survey purposes, the Committee in this Report have rejected the contention of the Ministry that the expenditure was justifiable. They have desired that the Ministry of Water Resources should look into the matter and take necessary measures with a view to streamlining the working of the Board and eliminating the possibilities of avoidable and infructuous expenditure.

4. In their earlier Report the Committee had recommended an enquiry with a view to fixing responsibility for the undue delay of about five years on the part of the Brahmaputra Board in getting eight defective imported sets of micro earthquake recorder equipments repaired. In this Report, the Committee have found that the enquiry conducted by the Ministry has confirmed certain vital omissions in the terms and conditions of the contract contained in the supply order to the company, nature of the equipment selected for import disregarding the typographical conditions of the area and availability of personnel with the Board, etc. Taking a serious view of these omissions, the Committee have recommended that the Ministry of Water Resources should take appropriate remedial/corrective measures so as to obviate recurrence of such cases in future.

5. The Report was considered and adopted by the Public Accounts Committee at their sitting held on 19 December, 1994. Minutes of the sitting form Part II of the Report.
6. For facility of reference and convenience, the recommendations of the Committee have been printed in thick type in the body of the Report and have also been reproduced in a consolidated form in the Appendix\* to the Report.
7. The Committee place on record their appreciation of the assistance rendered to them in the matter by the Office of the Comptroller and Auditor General of India.

**NEW DELHI;**  
20 December, 1994  
29 Agrahayana, 1916 (Saka)

**BHAGWAN SHANKAR RAWAT,**  
*Chairman,*  
*Public Accounts Committee.*

# CHAPTER I

## REPORT •

This Report of the Committee deals with the action taken by Government on the recommendations/observations of the Committee contained in their 49th Report (10th Lok Sabha) on Paragraph 49 of the report of the Comptroller and Auditor General of India for the year ended 31 March, 1991 (No. 11 of 1992) Union Government (other Autonomous Bodies) regarding 'Brahmaputra Board Guwahati—Idle outlay'.

2. The 49th Report which was presented to Lok Sabha on 29 April, 1993 contained six recommendations/observations. Action taken notes on all the recommendations/observations have been received from the Ministry of Water Resources. The action taken notes have been broadly categorised as follows:

(i) Recommendations and observations which have been accepted by Government:

Sl. Nos. 4, 5 and 6

(ii) Recommendations and observations which the Committee do not desire to pursue in the light of the replies received from Government:

—NIL—

(iii) Recommendations and observations replies to which have not been accepted by the Committee and which require reiteration:

Sl. Nos. 1, 2 and 3

(iv) Recommendations and observations in respect of which Government furnished interim replies:

—NIL—

3. The Committee will now deal with the action taken by Government on some of their recommendations and observations.

### Delay in completion of Master Plans

(Sl. Nos. 1 & 2 — Paragraphs 70 & 71)

4. The Brahmaputra Board was constituted under the Brahmaputra Board Act 1980 and it came into being on 31 December, 1981 with the object of preparing a Master Plan for the control of floods, bank erosion and improvement of drainage in the Brahmaputra valley keeping in view the development and utilisation of the water resources of the valley for irrigation, hydropower, navigation and other beneficial purposes. The



Board started functioning at Guwahati from January, 1982. In 1983-84, the jurisdiction of the Board was extended to the Barak Valley of Assam and all the states of the North-Eastern Region either in full or in part. The Master Plan was to be prepared in three parts namely, Part-I pertaining to the river Brahmaputra, Part-II pertaining to the river Barak and Part-III pertaining to the tributaries of Brahmaputra and rivers of Tripura. Expressing their concern over the delay in preparation of the Master Plans, the Committee in Para 70 & 71 of their 49th Report (10th Lok Sabha) had recommended:

"In the absence of effectively harnessing the huge water resources of the north-eastern region, this region has perpetually been beset with acute and complex problems of floods, bank erosion and drainage congestion. With a view to overcome the havoc created by these uncontrolled water resources and to utilise them for irrigation, hydro-power navigation and other beneficial purposes, the Government of India constituted the Brahmaputra Board on 31 December, 1981 to carry out surveys and investigation in the Brahmaputra valley (including Barak Valley) and prepare a Master Plan for control of floods and bank erosion and improvement of drainage in this valley. The Board was also to prepare detailed reports and estimates in respect of dams and otehr projects proposed in the Master Plan, as approved by the Central Government and to undertake the construction and maintenance of the approved projects. Due to enormity of the task, the work of preparation of Master Plan was divided into three parts: Part—I dealing with the main stem of the Brahmaputra river; Part—II dealing with the Barak river and its tributaries; and Part-III dealing with the tributaries of the Brahmaputra and the rivers of Tripura. The targeted dates of preparation of these three parts of the Master Plan were December, 1986; March 1988; and March, 1990 respectively. While Parts I and II of the Master Plan were prepared and submitted to the Ministry of Water Resources and concerned State Governmènts. etc., almost within the target dates, the Committee are unhappy to find that the preparation of Part III of the Master Plan is yet to be completed even after a lapse of three years from the target date in March, 1990. What is more disquieting is the fact that even the updating of the Parts I & II of the Master Plan submitted as early as in December, 1986 and March, 1988 respectively on the basis of comments received from various quarters still remains to be achieved. The Committee are unhappy over the abnormally long time taken in the completion of the different parts of the Master Plan. Keeping in view the enormous benefits envisaged to the entire region in the implementation of the Master Plan, the Committee emphasize that concerted efforts should be made by all concerned to urgently complete the remaining activities

on all the three parts of the Master Plan so that its eventual clearance by the Ministry is considered.

The total estimated expenditure on the execution of the three facets of the Master Plan is of the order of Rs. 55,333 crores, and the break up of this expenditure for parts I, II and III is Rs. 32,085 crores (1983 price level), Rs. 2500 crores (1988 price level) and Rs. 20,748 crores (1992 price level). Obviously, these estimates will further escalate if these are recalculated at the current prices. According to the Ministry of Water Resources the updating of Parts I and II of the Master Plan would be completed by March, 1994 and March, 1993 respectively. Further the work on the completion of Part III of the Master Plan would be completed by March, 1993 and overall investigation of Part I and those of the tributaries of the Brahmaputra would be completed by March, 1995. The quantum of the achievements made thus far in the finalisation of the different facets of the Master Plan clearly reveals lack of urgency and seriousness on the part of the concerned authorities. The Committee emphasize that serious efforts should be made to complete the pending activities of formulating the Master Plan in accordance with the aforesaid forecasts. In view of the enormous financial requirements for the execution of the Master Plan, a comprehensive scheme should be chalked out by the Ministry of Water Resources in consultation with the other concerned authorities for a phase-wise execution of the Master Plan. It is understood that the part of the financial requirements are proposed to be met by taking assistance from the Global Investment Fund. The Committee urge that all necessary steps to tie up this assistance should be taken well in advance. Meanwhile efforts should be continued to be made to resolve the objections raised by various State Governments expeditiously so that there is no slippage on this account. The Committee would like to know the details in this regard."

5. The Ministry of Water Resources have in their Action Taken Note stated:

"Updating of the Master Plan Part I (dealing with the main stem of Brahmaputra river) is in progress. As the flood management measures of the main stem is closely interlinked with those of its tributaries covered under the Master Plan Part-III (dealing with 38 tributaries of Brahmaputra and 8 rivers of Tripura) it is essential to integrate both the Master Plans. The job of integrating the flood management measures could be taken up in right earnest from 1993 after completion of Master Plan of the tributaries and is targeted for completion by March, 1996.

Updating of the Master Plan Part-II (dealing with the river Barak and its tributaries) is scheduled for completion by October, 1994.

Updating of Master Plan, Part-III, based on the comments received from the concerned State Government and Departments of Central Government, is being carried out alongwith Master Plan, Part I and is scheduled to be completed by march, 1996." (Para 70)

"Brahmaputra Board have intensified its efforts to complete updating the Master Plans in accordance with the schedule and the same has been incorporated in the annual action plan of the Board for the year 1994-95.

Execution of the Master Plans is the responsibility of the concerned State Governments having territorial jurisdiction over the Brahmaputra and Barak Valleys. Financial allocations have been made to individual States by the Planning Commission under Flood Control for flood management within their respective territories and the State Governments have been advised to implement the Master Plans by fixing priorities and in accordance with the availability of funds at their disposal.

Eight major storage projects are under investigation by the Brahmaputra Board. These are mega projects and would need substantial investments. As a starting point; one of the three projects viz, the Tipaimukh Multipurpose Project in the Barak Valley was posed for financial assistance to the Global Infrastructure Fund (GIF) of Japan. Ministry of Water Resources has been pursuing the States of Assam, Manipur and Mizoram to permit Brahmaputra Board to complete investigations for rehabilitation works on account of submergence due to construction of the Tipaimukh dam. Recently some positive indications from the Government of Manipur have been received.

Ministry of Water Resources has been pursuing with the Government of Arunachal Pradesh seeking their concurrence for Brahmaputra Board to undertake investigations concerning environmental impact assessment for Dihang and Subansiri Multipurpose Projects and complete their detailed project report. The projects in parts or as a whole can be posed for funding only after detailed project reports and Master Plans have been formulated." (Para 71)

6. As regards the latest position in respect of Master Plan Part-II, the Ministry of Water Resources in a communication dated 6.12.1994 stated:—

.....all field investigations concerned with the updating of the Master Plan, Part-II have been completed by October, 1994. The final report is under preparation."

7. In their earlier Report the Committee had observed that the achievements made in the finalisation of the different facets of the Master Plan for control of floods, bank erosion and improvement of drainage in the Brahmaputra valley clearly revealed lack of urgency and seriousness on the

part of the concerned authorities. Emphasising the need for early completion of pending activities of the Master Plan, the Committee had recommended that the Ministry of Water Resources should chalk out a comprehensive scheme in consultation with the other concerned authorities for a phase-wise execution of the Master Plan. The Committee regret to note from the Action Taken Note that in further revision of the schedule given to them earlier, the target dates for completion/up-dating of the different Parts of the Master Plan have again been extended. As per latest schedule, while up-dating of the Parts-I & III will be completed by March, 1996 only, report on Part II of the Master Plan is still under preparation after completion of the investigations. Considering the fact that the initial targets for completion of Parts I to III were fixed as far back as for December, 1986, March, 1988 & March, 1990 respectively, the Committee regret that the Ministry of Water Resources have not been successful in ensuring finalisation of the Master Plan with the desired degree of urgency and seriousness. Since the implementation of the projects included in the envisaged Plan are expected to create a profound impact on the development of the entire region, the Committee would urge the Ministry to ensure that earnest efforts are made by all concerned to complete the remaining activities of all the three parts of the Master Plan so that its eventual clearance by the Ministry is considered expeditiously. The Committee would like to be apprised of the progress made.

**Expenditure incurred on investigation of Dihang & Subansiri Dam Projects**

(S. No. 3-Paragraph 72)

8. Commenting on the level of expenditure incurred on the various activities undertaken by the Brahmaputra Board in the context of the actual results achieved, the Committee in Para 72 of the Report had recommended:—

“The Committee note that an expenditure of about Rs. 64.77 crores has been incurred upto March, 1992 over the various activities undertaken by the Brahmaputra Board since its coming into being in 1981. The Committee are unhappy to find that the results achieved are far from satisfactory. For instance, Part-III of the Master Plan which was to be completed by March, 1990 is yet to be completed. The Board has not undertaken execution of any of the flood protection works so far identified in the Master Plan. In spite of the fact that there is no progress in the execution of Dihang Dam Project and Subansiri Dam Project, project reports for which were submitted to the Government in July, 1983, the Board has incurred an expenditure of Rs. 11.99 crores upto March, 1992 for the collection of Hydrometeorological data for updating the data incorporated in the project reports, submitted in July, 1983. The Board had also taken up the preparation, investigation, data collection of 30 identified drainage schemes, out of which it has been able to submit project reports in respect of 7 schemes only so far. The Board has taken up as of date of

execution of only one scheme viz., the setting up of the North-eastern Hydraulic and Allied Research Institute. The Committee are distressed to find both time and cost over-runs in the execution of this scheme. The Institute originally slated to be completed by March, 1993 is now scheduled for completion in April, 1994, resulting in cost escalations to the tune of Rs. 26.24 lakhs. The Committee find that delays in implementation have resulted in infructuous expenditure on updating data and avoidable cost and time over-runs. The Committee take a serious view of all these aberrations on the part of Brahmaputra Board and urge the Ministry to look into the matter and initiate necessary steps immediately to improve the working of the Board eliminating the possibility of incurring any further avoidable expenditure."

9. In their Action Taken replies the Ministry of Water Resources have stated:—

"Field investigations for Part III of the Master Plan (38 tributaries of Brahmaputra river and 8 rivers of Tripura) have been completed and the reports circulated to the concerned agencies of Centre and the States for their comments in the year 1993. These agencies are being pursued by the Brahmaputra Board for suggestions and comments to be incorporated in finalising the Master Plan. Special emphasis has been laid towards activities related to this Master Plan in the 1994-95 annual plan to speed up its completion.

The Master Plans prepared by the Brahmaputra Board and circulated to the States are meant for guiding the States in executing flood management projects by them. The responsibility for execution of flood management works lies with the State Governments in accordance with priorities within the limitations of the available funds.

The Detailed Project Report (DPR) for Dihang and Subansiri Projects could not be completed for want of clearance from the Government of Arunachal Pradesh to permit Brahmaputra Board for carrying out investigations to prepare a comprehensive rehabilitation plan and environmental impact assessment for these projects. Ministry of Water Resources had taken up this matter with the Chief Minister of Arunachal Pradesh to convince the utility and allay their fears and concerns about these two projects. Further efforts are proposed to be made to get their concurrence. The expenditure incurred after July 1983 on the collection of Hydrometeorological data is justifiable for updating the data base. This helps in preparation of more realistic Project Reports.

The Board has completed formulation of 10 drainage schemes till March 1993 out of a total number of 30 identified schemes. The remaining schemes are being taken up for finalisation.

The delay-in execution of the North-eastern Hydraulic and Allied Research Institute, Rudreswar, North Guwahati were due to unforeseen reasons. Factors such as the inability of the first contractor to complete the approach road, necessitating the award of work to another contractor and delay in grant of forest permit by the Forest Department for undertaking site preparation for the Institute contributed to delay commencing the construction work of the model trays. After obtaining forest clearance, the construction work was speeded up and the Board has completed the model tray for operation in March, 1993.

Action taken by the Ministry of Water Resources and the Brahmaputra Board on various issues as mentioned above have resulted in improving the working of the Board and would reduce the expenditure to minimum."

10. Taking note of the fact that an expenditure of about Rs. 64.77 crores had been incurred upto March, 1992 on the various activities undertaken by the Brahmaputra Board since its coming into being in 1981, the Committee in their earlier Report had expressed their unhappiness over the unsatisfactory results achieved by the Board. In this connection, they had drawn particular attention to the fact that despite any progress having been made in the execution of Dihang Dam Project and Subansiri Dam Project, the Project Reports for which were submitted to the Government in July, 1983, the Board had incurred an expenditure of Rs. 11.99 crores upto March, 1992 for the collection/ updating of Hydrometeorological data. While maintaining that the action taken by the Ministry on various issues had resulted in improving the working of the Board and in reducing the expenditure to the minimum, the Ministry of Water Resources have in their Action Taken reply stated that the expenditure incurred after July, 1993 on the collection of hydrometeorological data for Dihang and Subansiri Projects was justifiable for up-dating the data base. According to the Ministry, the detailed project Reports for Dihang and Subansiri Projects could not be completed for want of clearance from the Government of Arunachal Pradesh to permit Brahmaputra Board for carrying out investigations to prepare a comprehensive rehabilitation plan and environmental impact assessment for these projects. In this connection, the Committee's attention has been drawn to an analysis made by Audit on the expenditure of Rs. 691 lakhs and Rs. 865.48 lakhs incurred on Dihang and Subansiri Dam Projects respectively during April, 1982 to March, 1990 for completing investigations and preparing detailed Project Reports. An item-wise scrutiny of the details of expenditure of Rs. 501.04 lakhs out of Rs. 691 lakhs incurred for Dihang Project and Rs. 586.64 lakhs out of Rs. 865.48 lakhs incurred for Subansiri Project, of which details were available, indicated that only 20.73 per cent and 24.32 per cent of the expenditure of Rs. 501.04 lakhs and Rs. 586.64 lakhs incurred respectively by the Board on Dihang and Subansiri Projects were on collection of Hydrometeorological data and other survey works and the balance amounts were incurred on other items like land, miscellaneous,

**maintenance, building tools and plant etc. Considering the fact that a substantial percentage of the expenditure had been incurred for non-survey purposes, the Committee, do not agree with the contention of the Ministry that the expenditure incurred since July, 1983 was justifiable for updating the data base. In the opinion of the Committee, incurrence of expenditure of such a sizeable magnitude on Reports of those Projects which were facing adverse opinion from different quarters and whose feasibility were awaiting clearance for over 10 years also do not seem to be a prudent exercise. These facts further reinforce the apprehensions of the Committee expressed in their earlier Report regarding incurrence of sizeable expenditure by the Brahmaputra Board incommensurate with any satisfactory result. The Committee, therefore, desire that the Ministry of Water Resources should look into the matter and take necessary measures with a view to streamlining the working of the Board and eliminating the possibilities of avoidable and infructuous expenditure.**

*Blocking of funds due to idle equipments*  
(S. Nos. 4 to 6—Paragraph 73 to 75)

11. Dealing with the purchase, installation and operation of certain micro-earthquake recording equipment by the Brahmaputra Board, the Committee in Paras 73, 74 & 75 of the Report had recommended:—

“ The areas of the proposed Dihang and Subansiri dam projects are situated in a seismically active region. With a view to conducting micro earthquake studies in the vicinity of these projects, the high level Committee for utilisation of water resources of the Brahmaputra, in its meeting held in February, 1980 decided that micro earthquake recorders should be installed in the areas surrounding both dam sites. The Committee, however, find that the protracted procedure followed by the various agencies and departments of Government of India took more than 4 years to finalise the details for the equipment in question and consequently the supply order for import of 8 units of DR-200 digital type MEQ recording system could be finally placed by the Brahmaputra Board on a foreign firm through their Indian agent only in November, 1984. The Committee are not convinced by the arguments adduced by the Secretary, Ministry of Water Resources that “lot of processing is involved when the instruments required are of special variety and special type and if there is foreign import”, as the facts narrated in the succeeding paragraphs clearly reveal that despite unduly long time taken by various agencies in finalising the relevant details there was not only failure in stipulating proper terms and conditions in the contract for ensuring operational efficiency of the sophisticated instruments but also lack of serious approach on the part of the Brahmaputra Board to effectively safeguard their financial interests.

All the 8 imported sets of recorders costing Rs. 23.65 lakhs were received in August, 1985. The Committee are surprised to find that in spite of the fact that warranty for these sets was only for one year, the joint inspection of the sets was not conducted immediately on receipt and was only conducted in January, 1986, when one set was found defective. The sets were installed in January, 1986. It is unfortunate to note that all the seven sets became defective and inoperative one after another. The dates of occurrence of defects in these sets were May, 1986, September, 1986, November, 1986 and January, 1988 (Four Sets). The Committee are deeply concerned to find that the Brahmaputra Board sent the defective sets to the Indian agent of the firm at Bombay only in December, 1991 after an inordinate delay. These sets were eventually repaired between June, 1992 and January, 1993 at an additional cost of about Rs. six lakhs.

The Committee are distressed to find that there was an unconscionable delay of about five years on the part of the Brahmaputra Board in getting the defective instruments repaired. They are not convinced by the arguments advanced by the Ministry that the details of the defects in the equipments had to be ascertained and pin-pointed by the expert agency and that the location of installation sites in the interior places of Assam and Arunachal Pradesh delayed the whole process. The other plea advanced by the Ministry that due to the decision to go slow on Dihang and Subansiri Projects, the Brahmaputra Board went slow on repairs of defective sets is also not tenable as the Brahmaputra Board had stated in October, 1990 in reply to the audit observation that the field study had to be completed by other instruments and that the defective sets after repairs would be utilised in some other projects. The Committee are convinced that there was gross negligence on the part of concerned authorities in pursuing the matter with the agent for getting all the defective sets repaired in time with the result that two imported sets could not be utilised at all and even the other six sets were very inadequately utilised as they remained operational only for a period ranging from 86 days to 218 days right from their installation in January, 1986. This clearly shows that the entire expenditure of about Rs. 30 lakhs incurred on the procurement of these eight sets proved to be totally infructuous in the view of the Committee. The Committee recommend that an enquiry should be instituted with a view to fixing responsibility for the unduly long delay on the part of the concerned authorities to take timely steps for getting the defective sets repaired. The Committee would like to stress again the environmental importance of the project and emphasize that no slippages should be allowed to hamper the progress of the project. The Committee would therefore, like to know the outcome of this enquiry within a period of three months and further action taken thereon."



12. In their Action Taken Replies the Ministry of Water Resources have stated:—

“Based on the recommendations of the Public Accounts Committee to institute an enquiry for fixing responsibility for the delay in getting the micro earthquake sets repaired, Ministry of Water Resources constituted a one Man Enquiry Committee comprising Dr. P.P. Vaidyaraman, Director Central Water and Power Research Station, Khadakwasla, Pune to examine all the issues appearing in Paras 73, 74 and 75 of this PAC report, to make recommendations for improving the situation and also to fix responsibility for the delay in getting the micro earthquake sets repaired.

The enquiry officer has opined that due to the involvement of a number of agencies/departments as also the cumbersome and time-consuming procedure for obtaining clearance for procurement of the instruments and release of foreign exchange, it took one year and two months from the time for request for release of foreign exchange to the time for placing purchase order. In regard to the terms and conditions contained in the supply order to the company in USA, the enquiry officer has opined them to be generally in order as a clause was included for replacement of defective units during warranty according to normal practice. It would have been desirable to have a provision for training of local staff in the erection, maintenance and operation of the equipment as well as the responsibility of repairing the equipment at site by the manufacturer's agent in India when warranted. In future, this clause would be incorporated in the supply order for all sophisticated imported equipments to avoid operational and repair problems.

The recorders had collected data at site for periods varying between 2—6 months each on an average. These data are spread over a sufficiently long period so as to be useful for pre-impounding seismic evaluation of the sites. The import of these units therefore has served its purpose to that extent so far.

On the issue of delay in getting the units repaired, the enquiry officer has opined that the multiplicity of organisations involved, the prevailing system of obtaining clearance for procurement of spares from overseas, the sophistication and delicateness of the equipment, difficult site conditions and the non-availability of trained personnel with the Brahmaputra Board had all contributed to the delay in getting the micro-earthquake units repaired. Considering these factors, the enquiry officer has stated that it is not possible to specifically pinpoint any particular individual responsible for the delay.

Suggestions made by the enquiry officer concerning the terms of supply order, training of the engineers for basic operation and maintenance and the handling of such issues by a designated individual

senior officer of the Brahmaputra Board have been accepted for future course of action."

13. As regards the nature of equipments procured by the Brahmaputra Board, the Enquiry Officer in his report is stated to have observed:

"It is also evident that the Brahmaputra Board does not have necessary experience in handling the sophisticated equipment, the experience on which even at CWPRS or other organisations is very limited. In retrospective it might have been better to go in for an analogue type instrument but the reasons that prompted for going in for the highly sophisticated equipment, with inexperienced and lack of proper staff at Brahmaputra Board, are not really apparent.

14. In their earlier Report the Committee had expressed their distress over an unconscionable delay of about five years on the part of the Brahmaputra Board in getting eight defective imported sets of micro earthquake recorders equipments repaired. They had found gross negligence on the part of concerned authorities in pursuing the matter with the agent for getting all the defective sets repaired in time resulting in two imported sets being not utilised at all and the other six being used inadequately as they remained operational only for a period ranging from 86 days to 218 days right from the installation in January, 1986. Pointing out that the entire expenditure of about Rs. 30 lakhs incurred on the procurement of these eight sets had proved to be totally infructuous, the Committee had recommended that an enquiry should be instituted with a view to fixing responsibility for the unduly long delay on the part of the concerned authorities to take timely steps for getting the defective sets repaired. From the Action Taken reply furnished by the Ministry it is seen that the Report of the enquiry conducted in pursuance of the recommendation of the Committee has confirmed certain vital omissions concerning the terms and conditions contained in the supply order to the company in USA, nature of the equipment selected for import, training of personnel for operational maintenance, handling etc. The enquiry Report is stated to have concluded that the Brahmaputra Board does not have necessary experience in handling the sophisticated equipment, the experience on which even at Central Water and Power Research Station or other Organisations is very limited and that "it might have been better to go for an analogue type instrument but the reasons that prompted for going in for high sophisticated equipment with inexperienced and lack of proper staff at Brahmaputra Board, is not really apparent." As regards the terms and conditions contained in the supply order to the Company in USA, the enquiry officer has pointed that it would have been desirable to have a provision for training of local staff in the erection, maintenance and operation of the equipment as well as the responsibility of repairing the equipment at site by the manufacturer's agent in India when warranted. The enquiry officer has however, stated that it would not be possible to specifically pin-point any particular individual responsible for the delay in getting the defective sets repaired due to several

factors like multiplicity of organisations involved, the prevailing system of clearance for procurement of spares from overseas, sophistication and delicateness of the equipment, difficult site conditions, the non-availability of trained personnel with the Brahmaputra Board etc. The Committee take a serious view of the omissions and do not find any justification for the inadequacies in the terms and conditions of the contract and the failure to take note of the topographical conditions of the area and availability of personnel with the Board etc. While going in for procurement of such costly and sophisticated equipments. They therefore, desire that the Ministry of Water Resources should look into the matter and take appropriate remedial/corrective measures so as to obviate recurrence of such cases in future.

## CHAPTER II

### RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY GOVERNMENT

#### Recommendations

The areas of the proposed Dihang and Subansiri dam projects are situated in a seismically active region. With a view to conducting micro earthquake studies in the vicinity of these projects, the high level Committee for utilisation of water resources of the Brahmaputra, in its meeting held in February, 1980 decided that micro earthquake recorders should be installed in the areas surrounding both dam sites. The Committee, however, find that the protracted procedure followed by the various agencies and departments of Government of India took more than 4 years to finalise the details for the equipment in question and consequently the supply order for import of 8 units of DR-200 digital type MEQ recording system could be finally placed by the Brahmaputra Board on a foreign firm through their Indian agent only in November, 1984. The Committee are not convinced by the arguments adduced by the Secretary, Ministry of Water Resources that "lot of processing is involved when the instruments required are of special variety and special type and if there is foreign import", as the facts narrated in the succeeding paragraphs clearly reveal that despite unduly long time taken by various agencies in finalising the relevant details there was not only failure in stipulating proper terms and conditions in the contract for ensuring operational efficiency of the sophisticated instruments but also lack of serious approach on the part of the Brahmaputra Board to effectively safeguard their financial interests.

All the 8 imported sets of recorders costing Rs. 23.65 lakhs, were received in August, 1985. The Committee are surprised to find that inspite of the fact that warranty for these sets was only for one year, the joint inspection of the sets was not conducted immediately on receipt and was only conducted in January, 1986, when one set was found defective. The sets were installed in January, 1986. It is unfortunate to note that all the seven sets became defective and inoperative one after another. The dates of occurrence of defects in these sets were May, 1986, September, 1986, November, 1986 and January, 1988 (Four sets). The Committee are deeply concerned to find that the Brahmaiputra Board sent the defective sets to the Indian agent of the firm at Bombay only in December, 1991 after an inordinate delay. These sets were eventually repaired between June, 1992 and January, 1993 at an additional cost of about Rs. six lakhs.

The Committee are distressed to find that there was an unconscionable delay of about five years on the part of the Brahmaputra Board in getting the defective instruments repaired. They are not convinced by the

arguments advanced by the Ministry that the details of the defects in the equipments had to be ascertained and pin-pointed by the expert agency and that the location of installation sites in the interior places of Assam and Arunachal Pradesh delayed the whole process. The other plea advanced by the Ministry that due to the decision to go slow on Dihang and Subansiri Projects, the Brahmaputra Board went slow on repairs of defective sets is also not tenable as the Brahmaputra Board had stated in October, 1990 in reply to the audit observation that the field study had to be completed by other instruments and that the defective sets after repairs would be utilised in some other projects. The Committee are convinced that there was gross negligence on the part of concerned authorities in pursuing the matter with the agent for getting all the defective sets repaired in time with the result that two imported sets could not be utilised at all and even the other six sets were very inadequately utilised as they remained operational only for a period ranging from 86 days to 218 days right from their installation in January, 1986. This clearly shows that the entire expenditure of about Rs. 30 lakhs incurred on the procurement of these eight sets proved to be totally infructuous in the view of the Committee. The Committee recommend that an enquiry should be instituted with a view to fixing responsibility for the unduly long delay on the part of the concerned authorities to take timely steps for getting the defective sets repaired. The Committee would like to stress again the environmental importance of the project and emphasize that no slippages should be allowed to hamper the progress of the project. The Committee would therefore, like to know the outcome of this enquiry within a period of three months and further action taken thereon.

[Sl. Nos. 4, 5 & 6 (Paras 73, 74 and 75) of Appendix III of Forty-ninth Report of PAC, (Tenth Lok Sabha)]

#### **Action Taken**

Based on the recommendations of the Public Accounts Committee to institute an enquiry for fixing responsibility for the delay in getting the micro earthquake sets repaired, Ministry of Water Resources constituted a One Man Enquiry Committee comprising Dr. P. P. Vaidyaraman, Director Central Water and Power Research Station, Khadakwasla, Pune to examine all the issues appearing in paras 73, 74 and 75 of this PAC report, to make recommendations for improving the situation and also to fix responsibility for the delay in getting the micro earthquake sets repaired.

The enquiry officer has opined that due to the involvement of a number of agencies/departments as also the cumbersome and time-consuming procedure for obtaining clearance for procurement of the instruments and release of foreign exchange, it took one year and two months from the

time for request for release of foreign exchange to the time for placing purchase order. In regard to the terms and conditions contained in the supply order to the company in USA, the enquiry officer has opined them to be generally in order as a clause was included for replacement of defective units during warranty according to normal practice. It would have been desirable to have a provision for training of local staff in the erection, maintenance and operation of the equipment as well as the responsibility of repairing the equipment at site by the manufacturer's agent in India when warranted. In future, this clause would be incorporated in the supply order for all sophisticated imported equipments to avoid operational and repair problems.

The recorders had collected data at site for periods varying between 2—6 months each on an average. These data are spread over a sufficiently long period so as to be useful for pre-impounding seismic evaluation of the sites. The import of these units therefore has served its purpose to that extent so far.

On the issue of delay in getting the units repaired, the enquiry officer has opined that the multiplicity of organisations involved, the prevailing system of obtaining clearance for procurement of spares from overseas, the sophistication and delicateness of the equipment, difficult site conditions and the non-availability of trained personnel with the Brahmaputra Board had all contributed to the delay in getting the micro-earthquake units repaired. Considering these factors, the enquiry officer has stated that it is not possible to specifically pinpoint any particular individual responsible for the delay.

Suggestions made by the enquiry officer concerning the terms of supply order, training of the engineers for basic operation and maintenance and the handling of such issues by a designated individual senior officer of the Brahmaputra Board have been accepted for future course of action.

#### **Further Audit Observations**

The Ministry stated "The recorders had collected data at site for periods varying between 2—6 months each on an average. These data are spread over a sufficiently long period so as to be useful for pre-impounding seismic evaluation of the sites. The import of these units therefore has served its purpose to that extent so far." In this connection it may be mentioned here that 8 sets of DR 200 digital type Micro Earthquake Recording System were purchased by the Board to study micro-earthquake effects at the dam sites of Siang (Dihang) and Subansiri Dam Projects. Out of eight sets, one was originally defective (No. 9053), one was lying in stores and subsequently found defective at the time of installation (No. 9059) and the other two sets (Nos. 9057 and 9047) were also developed defects and withdrawn from the site in May 1986 (No. 9057) and September 1986 (No. 9047). Thus, out of 8 sets, 2 sets were not at all utilised and other 2 sets were utilised only for 129 days (No. 9057: 22.1.86

to May 1986) and 86 days (No. 9047: 1.7.86 to 23.9.86). The Board stated in October 1990 that it did not consider it necessary to get the defective sets repaired immediately as the field study was completed by other instruments. Since the field study of these projects, as stated by the Board, was completed by other instruments, purchase of the above mentioned four sets could have been avoided.

The Ministry stated "On the issue of delay in getting the units repaired, the enquiry officer has opined that the multiplicity of organisations involved, the prevailing system of obtaining clearance for procurement of spares from overseas, the sophistication and delicateness of the equipment, difficult site conditions and the non-availability of trained personnel with Brahmaputra Board had all contributed to the delay in getting the micro-earthquake units repaired". It may be mentioned here that topographical conditions of the areas wherein micro-earthquake sets were installed and the facts regarding non-availability of trained personnel with the Board were known to the Board. Therefore, the Board should have considered these aspects before going in for procurement of such costly and sophisticated equipments. In this connection the Enquiry Officer also mentioned in his report that "It is also evident that the Brahmaputra Board does not have necessary experience in handling the sophisticated equipment, the experience on which even at CWPRS or other organisations is very limited. In retrospective it might have been better to go in for an analogue type instrument but the reasons that prompted for going in for the highly sophisticated equipment, with inexperienced and lack of proper staff at Brahmaputra Board, is not really apparent".

As mentioned at page 9 of the Report of the Enquiry Officer, equipment No. 9055 and not 9085 as mentioned in the Enquiry Report was operated for 276 days and not 165 days as indicated in the PAC's report. The eight sets of MEQ equipments purchased by the Board, however, did not include any such number of sets. Instead, the number of sets purchased by the Board are 9046, 9047, 9053, 9054, 9055, 9057, 9088 and 9059 and the actual extent of utilisation of each of these instruments were indicated at para 68 (page 28) of the PAC's Report. This aspect may be examined and correct position may be recorded in the ATN.

#### **Intimation of Correct position on the working of meter No. 9055 by Ministry of Water Resources**

The correct number of the meter is, 9055. It had worked for 165 days (21.1.86 to 5.7.86) initially and had worked again for 139 days (12.11.86 to 31.3.87) after reinstallation. Hence it had worked for a total period of 304 days.

[Ministry of Water Resources I.D. NO. 23/16/91-JRC/ER/1000 dated 25.8.94]

**CHAPTER—III**

**RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN THE LIGHT OF THE REPLIES RECEIVED FROM GOVERNMENT**

**—NIL—**



## CHAPTER—IV

### RECOMMENDATIONS/OBSERVATIONS REPLIES TO WHICH HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION

#### Recommendation

In the absence of effectively harnessing the huge water resources of the north-eastern region, this region has perpetually been beset with acute and complex problems of floods, bank erosion and drainage congestion. With a view to overcome the havoc created by these uncontrolled water resources and to utilise them for irrigation, hydro-power navigation and other beneficial purposes, the Government of India constituted the Brahmaputra Board on 31 December, 1981 to carry out surveys and investigation in the Brahmaputra Valley (including Barak Valley) and prepare a Master Plan for control of floods and bank erosion and improvement of drainage in this valley. The Board was also to prepare detailed reports and estimates in respect of dams and other projects proposed in the Master Plan, as approved by the Central Government and to undertake the construction and maintenance of the approved projects. Due to enormity of the task, the work of preparation of Master Plan was divided into three parts: Part-I dealing with the main stem of the Brahmaputra river; Part-II dealing with the Barak river and its tributaries; and Part-III dealing with the tributaries of the Brahmaputra and the rivers of Tripura. The targeted dates of preparation of these three parts of the Master Plan were December, 1986; March 1988; and March, 1990 respectively. While Parts I and II of the Master Plan were prepared and submitted to the Ministry of Water Resources and concerned State Govts. etc., almost within the target dates, the Committee are unhappy to find that the preparation of Part III of the Master Plan is yet to be completed even after a lapse of three years from the target date in March, 1990. What is more disquieting is the fact that even the updating of the Parts I & II of the Master Plan submitted as early as in December, 1986 and March, 1988 respectively on the basis of comments received from various quarters still remains to be achieved. The Committee are unhappy over the abnormally long time taken in the completion of the different parts of the Master Plan. Keeping in view the enormous benefits envisaged to the entire region in the implementation of the Master Plan, the Committee emphasize that concerted efforts should be made by all concerned to urgently complete the remaining activities on all the three parts of the Master Plan so that its eventual clearance by the Ministry is considered.

[Sl. No. 1 of (Para 70) of Appendix-III of Fortyninth Report of PAC,  
(Tenth Lok Sabha)]

### **Action Taken**

Updating of the Master Plan Part I (dealing with the main stem of Brahmaputra river) is in progress. As the flood management measures of the main stem is closely interlinked with those of its tributaries covered under the Master Plan Part-III (dealing with 38 tributaries of Brahmaputra and 8 rivers of Tripura) it is essential to integrate both the Master Plans. The job of integrating the flood management measures could be taken up in right earnest from 1993 after completion of Master Plan of the tributaries and is targeted for completion by March 1996.

Updating of the Master Plan Part-III (dealing with the river Barak and its tributaries) is scheduled for completion by October 1994.

Updating of Master Plan, Part-III, based on the comments received from the concerned State Government and Departments of Central Government, is being carried out along with Master Plan, Part I and is scheduled to be completed by March 1996.

[Ministry of Water Resources I.D. No. 23/16/91-JRC/ER/1000,  
dated 25.8.94]

## **Recommendation**

The total estimated expenditure on the execution of the three facets of the Master Plan is of the order of Rs. 55,333 crores, and the break up of this expenditure for parts I, II and III is Rs. 32,085 crores (1983 price level), Rs. 2500 crores (1988 price level) and Rs. 20,748 crores (1992 price level). Obviously, these estimates will further escalate if these are recalculated at the current prices. According to the Ministry of Water Resources the updating of Parts I and II of the Master Plan would be completed by March, 1994 and March 1993 respectively. Further the work on the completion of Part III of the Master Plan would be completed by March, 1993 and overall investigation of Part I and those of the tributaries of the Brahmaputra would be completed by March, 1995. The quantum of achievements made thus far in the finalisation of the different facets of the Master Plan clearly reveals lack of urgency and seriousness on the part of the concerned authorities. The Committee emphasize that serious efforts should be made to complete the pending activities of formulating the Master Plan in accordance with the aforesaid forecasts. In view of the enormous financial requirements for the execution of the Master Plan, a comprehensive scheme should be chalked out by the Ministry of Water Resources in consultation with the other concerned authorities for a phase-wise execution of the Master Plan. It is understood that part of the financial requirements are proposed to be met by taking assistance from the Global Investment Fund. The Committee urge that all necessary steps to tie-up this assistance should be taken well in advance. Meanwhile, efforts should be continued to be made to resolve the objections raised by various State Governments expeditiously so that there is no slippage on this account. The Committee would like to know the details in this regard.

[Sl. No. 1 (Para 71. of Appendix-III of the forty-ninth report of PAC,  
(Tenth Lok Sabha)]

## **Action Taken**

Brahmaputra Board have intensified its efforts to complete updating the Master Plans in accordance with the schedule and the same has been incorporated in the annual action plan of the Board for the year 1994-95.

Execution of the Master Plans is the responsibility of the concerned State Governments having territorial jurisdiction over the Brahmaputra and Barak Valleys. Financial allocations have been made to individual

States by the Planning Commission under Flood Control for flood management within their respective territories and the State Governments have been advised to implement the Master Plans by fixing priorities and in accordance with the availability of funds at their disposal.

Eight major storage projects are under investigation by the Brahmaputra Board. These are mega projects and would need substantial investments. As a starting point; one of the projects viz, the Tipaimukh Multipurpose Project in the Barak Valley was posed for financial assistance to the Global Infrastructure Fund (GIF) of Japan. Ministry of Water Resources has been pursuing the States of Assam, Manipur and Mizoram to permit Brahmaputra Board to complete investigations for rehabilitation works on account of submergence due to construction of the Tipaimukh Dam. Recently some positive indications from the Government of Manipur have been received.

Ministry of Water Resources has been pursuing with the Government of Arunachal Pradesh seeking their concurrence for Brahmaputra Board to undertake investigations concerning environmental impact assessment for Dihang and Subansiri Multipurpose Projects and complete their detailed project report. The projects in parts or as a whole can be posed for funding only after detailed project reports and Master Plans have been formulated.

[Ministry of Water Resources I.D. No. 231691—JRC/ER/1000  
dated 25-8-94.

## **Recommendation**

The Committee note that an expenditure of about Rs. 64.77 crores has been incurred upto March, 1992 over the various activities undertaken by the Brahmaputra Board since its coming into being in 1981. The Committee are unhappy to find that the results achieved are far from satisfactory. For instance, Part III of the Master Plan which was to be completed by March, 1990 is yet to be completed. The Board has not undertaken the execution of any of the flood protection works so far identified in the Master Plan. In spite of the fact that there is no progress in the execution of Dihang Dam Project and Subansiri Dam Project, project reports for which were submitted to the Govt. in July, 1983, the Board has incurred an expenditure of Rs. 11.99 crores upto March, 1992 for the collection of Hydrometeorological data for updating the data incorporated in the project reports, submitted in July, 1983. The Board had also taken up the preparation, investigation, data collection of 30 identified drainage schemes, out of which it has been able to submit project reports in respect of 7 schemes only so far. The Board has taken up as of date of execution of only one scheme viz., the setting up of the North Eastern Hydraulic and Allied Research Institute. The Committee are distressed to find both time and cost over-runs in the execution of this scheme. The Institute originally stated to be completed by March, 1993 is now scheduled for completion in April, 1994, resulting in cost escalations to the tune of Rs. 26.24 lakhs. The Committee find that delays in implementation have resulted in infructuous expenditure on updating data and avoidable cost and time over-runs. The Committee take a serious view of all these aberrations on the part of the Brahmaputra Board and urge the Ministry to look into the matter and initiate necessary steps immediately to improve the working of the Board eliminating the possibility of incurring any further avoidable expenditure.

[Sl. No. 2 (Para 72) of Appendix-III of the forty ninth report of PAC,  
(Tenth Lok Sabha)]

## **Action Taken**

Field investigations for Part III of the Master Plan (38 tributaries of Brahmaputra river and 8 rivers of Tripura) have been completed and the reports circulated to the concerned agencies of Centre and the States for their comments in the year 1993. These agencies are being pursued by the

Brahmaputra Board for suggestions and comments to be incorporated in finalising the Master Plan. Special emphasis has been laid towards activities related to this Master Plan in the 1994-95 annual plan to speed up its completion.

The Master Plans prepared by the Brahmaputra Board and circulated to the States are meant for guiding the States in executing flood management projects by them. The responsibility for execution of flood management works lies with the State governments in accordance with priorities within the limitations of the available funds.

The Detailed Projects Reports (DPR) for Dihang and Subansiri Projects could not be completed for want of clearance from the government of Arunachal Pradesh to permit Brahmaputra Board for carrying out investigations to prepare a comprehensive rehabilitation plan and environmental impact assessment for these projects. Ministry of Water Resources had taken up this matter with the Chief Minister of Arunachal Pradesh to convince the utility and allay their fears and concerns about these two projects. Further efforts are proposed to be made to get their concurrence. The expenditure incurred after July 1983 on the collection of hydrometeorological data is justifiable for updating the data base. This helps in preparation of more realistic Project Reports.

The Board has completed formulation of 10 drainage schemes till March 1993 out of a total number of 30 identified schemes. The remaining schemes are being taken up for finalisation.

The delay in execution of the North Eastern Hydraulic and Allied Research Institute, Rudreswar, North Guwahati were due to unforeseen reasons. Factors such as the inability of the First contractor to complete the approach road, necessitating the award of work to another contractor, and delay in grant of forest permit by the Forest Department for undertaking site preparation for the Institute contributed to delay in commencing the construction work of the model trays. After obtaining forest clearance, the construction work was speeded up and the Board has completed the model tray for operation in March 1993.

Action taken by the Ministry of Water Resources and the Brahmaputra Board on various issues as mentioned above have resulted in improving the working of the Board and would reduce the expenditure to minimum.

#### **Further Audit Observations**

The Ministry stated that the Detailed Project Reports for Dihang and Subansiri Dam Projects could not be completed for want of clearance from the Government of Arunachal Pradesh. In this connection it may be mentioned here that as per information furnished by the Board in June 1990, the expenditure of Rs. 691 lakhs and Rs. 865.48 lakhs were incurred

by the Board on Dihang and Subansiri Dam Projects during April 1982 to March 1990. In reply to paragraphs 36.6.1 and 36.6.2 (a) of the Report of the Comptroller and Auditor General of India for the year ended 31st March 1990 (No. 11 of 1991)—Union Government (Other-Autonomous Bodies), the Ministry stated in October 1993 that the expenditure of Rs. 691 lakhs and Rs. 865.48 lakhs were incurred on Dihang and Subansiri Dam Projects respectively during April 1982 to March 1990 in order to complete the investigations and to prepare detailed projects reports. Since both the Dihang and Subansiri Dam Projects were facing adverse opinion from different quarters, viz. the Government of Arunachal Pradesh, Central Water Commission, the Ministries of Irrigation, Energy (Deptt. of Power), Agriculture, Defence, Home and the Department of Environment and also the feasibility project reports were awaiting clearance for over 10 years, incurring of expenditure on these projects for preparation of Detailed Project Reports was not a prudent exercise.

Further, the Ministry stated in the ATN that the expenditure incurred after July 1983 on the collection of hydrometeorological data was justifiable for updating the data base. In this connection it may be mentioned here that as mentioned in paragraphs 36.6.1 and 36.6.2 (a) of the aforesaid Audit Report No. 11 of 1991. Out of the total expenditure of Rs. 691 lakhs and Rs. 865.48 lakhs incurred on Dihang and Subansiri Dam Projects during April 1982 to March, 1990, itemwise details of only Rs. 501.04 lakhs (Dihang) and Rs. 586.64 lakhs (Subansiri) could be furnished to Audit by the Board in February 1991. From the details it revealed that 20.73 per cent (Dihang) and 24.32 per cent (Subansiri) of the expenditure of Rs. 501.04 lakhs and Rs. 586.64 lakhs respectively were incurred by the Board on collection of hydrometeorological data and other survey works and the balance amounts were incurred on items like land, miscellaneous, maintenance, building, tools and plant, etc., the details are as under:—

Items of works	Expenditure incurred by the Board from April 1982 to March 1990	
	Dihang Dam Project	Subansiri Dam Project
	(Rupees in lakhs)	
1	2	3
Topographical survey	20.69	11.76
Hydrometeorological observations	48.50	45.52
Geological Observations	33.67	51.76
Investigation of construction materials	0.06	31.15

1	2	3
Soil Survey	0.96	—
Catchment area survey	—	2.51
	103.88	142.70
Other items viz. land, miscellaneous, maintenance, buildings, establishment, tools and plan etc.	397.16	443.94
	501.04	586.64

Reasons for incurring such huge expenditure on the items like land, miscellaneous, maintenance, buildings, tools and plant, etc. for the projects which were facing adverse opinion from different quarters had not been stated by the Ministry.

[Ministry of Water Resources, I.D. No. 23/1691-JRC/ER/1000 dated 25-8-94]



**CHAPTER V**

**RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH  
GOVERNMENT FURNISHED INTERIM REPLIES**

— NIL —

**NEW DELHI;**  
*20 December, 1994*

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*29 Agrahayana, 1916 (Saka)*

**BHAGWAN SHANKAR RAWAT,**  
*Chairman,*  
*Public Accounts Committee.*

## APPENDIX

### CONCLUSIONS AND RECOMMENDATIONS

Sl. No.	Para No.	Ministry/ Deptt.	Conclusions/Recommendations
1	2	3	4
1.	7	Ministry of Water Resources	<p>In their earlier Report the Committee had observed that the achievements made in the finalisation of the different facets of the Master Plan for control of floods, bank erosion and improvement of drainage in the Brahmaputra valley clearly revealed lack of urgency and seriousness on the part of the concerned authorities. Emphasising the need for early completion of pending activities of the Master Plan, the Committee had recommended that the Ministry of Water Resources should chalk out a comprehensive scheme in consultation with the other concerned authorities for a phase-wise execution of the Master Plan. The Committee regret to note from the 'Action Taken Note that in further revision of the schedule given to them earlier, the target dates for completion/up-dating of the different Parts of the Master Plan have again been extended. As per latest schedule, while up-dating of the Parts-I &amp; III will be completed by March, 1996 only, report on Part II of the Master Plan is still under preparation after completion of the investigations. Considering the fact that the initial targets for completion of Parts I to III were fixed as far back as for December, 1986, March, 1988 &amp; March, 1990 respectively, the Committee regret that the Ministry of Water Resources have not been successful in ensuring finalisation of the Master Plan with the desired degree of urgency and seriousness. Since the implementation of the projects included in the envisaged</p>

1	2	3	4
			<p>Plan are expected to create a profound impact on the development of the entire Region, the Committee would urge the Ministry to ensure that earnest efforts are made by all concerned to complete the remaining activities of all the three parts of the Master Plan so that its eventual clearance by the Ministry is considered expeditiously. The Committee would like to be apprised of the progress made.</p>
2.	10	Ministry of Water Resources	<p>Taking note of the fact that an expenditure of about Rs. 64.77 crores had been incurred upto March, 1992 on the various activities undertaken by the Brahmaputra Board since its coming into being in 1981, the Committee in their earlier Report had expressed their unhappiness over the unsatisfactory results achieved by the Board. In this connection they had drawn particular attention to the fact that despite any progress having been made in the execution of Dihang Dam Project and Subansiri Dam Project, the Project Reports for which were submitted to the Government in July, 1983, the Board had incurred an expenditure of Rs. 11.99 crores upto March, 1992 for the collection/updating of hydrometeorological data. While maintaining that the action taken by the Ministry on various issues had resulted in improving the working of the Board and in reducing the expenditure to the minimum, the Ministry of Water Resources have in their Action Taken reply stated the expenditure incurred after July, 1993 on the collection of hydrometeorological data for Dihang and Subansiri Projects was justifiable for up-dating the Data base. According to the Ministry, the detailed project Reports for Dihang and Subansiri Projects could not be completed for want of clearance from the Government of Arunachal Pradesh to permit Brahmaputra Board for carrying out investigations to prepare a comprehensive rehabilitation plan and environmental impact assessment for</p>

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1	2	3	4
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these projects. In this connection the Committee's attention has been drawn to an analysis made by Audit on the expenditure of Rs. 691 lakhs and Rs. 865.48 lakhs incurred on Dihang and Subansiri Dam Projects respectively during April, 1982 to March, 1990 for completing investigations and preparing detailed Project Reports. An item-wise scrutiny of the details of expenditure of Rs. 501.04 lakhs out of Rs. 691 lakhs incurred for Dihang Project and Rs. 586.64 lakhs out of Rs. 865.48 lakhs incurred for Subansiri Project, of which details were available, indicated that only 20.73 per cent and 24.32 per cent of the expenditure of Rs. 501.04 lakhs and Rs. 586.64 incurred respectively by the Board on Dihang and Subansiri Projects were on collection of hydrometeorological data and other survey works and the balance amounts were incurred on other items like land, miscellaneous, maintenance, building, tools and plant etc. Considering the fact that a substantial percentage of the expenditure had been incurred for non-survey purposes, the Committee, do not agree with the contention of the Ministry that the expenditure incurred since July, 1983 was justifiable for updating the data base. In the opinion of the Committee, incurrence of expenditure of such a sizeable magnitude on Reports of those Projects which were facing adverse opinion from different quarters and whose feasibility were awaiting clearance for over 10 years also do not seem to be a prudent exercise. These facts further reinforce the apprehensions of the Committee expressed in their earlier Report regarding incurrence of sizeable expenditure by the Brahmaputra Board incommensurate with any satisfactory result. The Committee, therefore, desire that the Ministry of Water Resources should look into the matter and take necessary measures with a view to streamlining the working of the Board and eliminating the possibilities of avoidable and infructuous expenditure.

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3.	14	Ministry of Water Resources	<p>In their earlier Report the Committee had expressed their distress over an unconscionable delay of about five years on the part of the Brahmaputra Board in getting eight defective imported sets of micro earthquake recorders equipments repaired. They had found gross negligence on the part of concerned authorities in pursuing the matter with the agent for getting all the defective sets repaired in time resulting in two imported sets being not utilised at all and the other six being used inadequately as they remained operational only for a period ranging from 86 days to 218 days right from the installation in January, 1986. Pointing out that the entire expenditure of about Rs. 30 lakhs incurred on the procurement of these eight sets had proved to be totally infructuous, the Committee had recommended that an enquiry should be instituted with a view to fixing responsibility for the unduly long delay on the part of the concerned authorities to take timely steps for getting the defective sets repaired. From the Action Taken reply furnished by the Ministry it is seen that the Report of the enquiry conducted in pursuance of the recommendation of the Committee has confirmed certain vital omissions concerning the terms and conditions contained in the supply order to the company in USA, nature of the equipment selected for import, training of personnel for operational maintenance, handling etc. The enquiry Report is stated to have concluded that the Brahmaputra Board does not have necessary experience in handling the sophisticated equipment, the experience on which even at Central Water and Power Research Station or other Organisations is very limited and that "it might have been better to go for an analogue type instrument but the reasons that prompted for going in for high sophisticated equipment</p>

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with inexperienced and lack of proper staff at Brahamaputra Board, is not really apparent." As regards the terms and conditions contained in the supply order to the Company in USA, the enquiry officer has pointed that it would have been desirable to have a provision for training of local staff in the erection, maintenance and operation of the equipment as well as the responsibility of repairing the equipment at site by the manufacturer's agent in India when warranted. The enquiry officer has however, stated that it would not be possible to specifically pin-point any particular individual responsible for the delay in getting the defective sets repaired due to several factors like multiplicity of organisations involved the prevailing system of clearance for procurement of spares from overseas, sophistication and delicateness of the equipment, difficult site conditions, the non-availability of trained personnel with the Brahamaputra Board etc. The Committee take a serious view of the omissions and do not find any justification for the inadequacies in the terms and conditions of the contract and the failure to take note of the topographical conditions of the area and availability of personnel with the Board etc, while going in for procurement of such costly and sophisticated equipments. They, therefore, desire that the Ministry of Water Resources should look into the matter and take appropriate remedial/corrective measures so as to obviate recurrence of such cases in future.

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## PART-II

### MINUTES OF THE 18TH SITTING OF THE PUBLIC ACCOUNTS COMMITTEE HELD ON 19 DECEMBER, 1994

The Committee sat from 1500 hrs. to 1530 hrs. on 19 December, 1994 in Committee Room No. 'B', Parliament House Annexe, New Delhi.

#### PRESENT

Shri Bhagwan Shankar Rawat — *Chairman*

#### MEMBERS

2. Sqn. Ldr. Kamal Chaudhary
3. Dr. K.V.R. Chowdary
4. Shri Jagat Veer Singh Drona
5. Smt. Geeta Mukherjee
6. Shri Mohan Singh
7. Smt. Krishnendra Kaur
8. Shri S.B. Thorat

#### SECRETARIAT

1. Smt. P.K. Sandhu — *Director*
2. Shri P. Sreedharan — *Under Secretary*

#### REPRESENTATIVES OF AUDIT

1. Sh. Vikram Chandra — Pr. Director, Reports (Central)
2. Sh. B.C. Mahey — Pr. Director of Audit Eco. & Service Ministries
3. Sh. A. Satyavardhana — Principal Director (Indirect Taxes)
4. Smt. Anita Pattnayak — Director (Railways)
5. Smt. Suman Saxena — Director, Reports (Autonomous Bodies)

The Committee considered and adopted the following draft Reports.

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|-----|--|----|----|
| (a) | xx   | xx | xx |
| (b) | xx   | xx | xx |
| (c) | Bramaputra Board, Guwahati—Idle Outlay [Action Taken on 49th Report of PAC (10th Lok Sabha). |    |    |
| (d) | xx   | xx | xx |

2. The Committee authorised the Chairman to finalise these draft Reports in the light of the verbal changes suggested by Audit arising out of actual verification and present the same to Parliament.

3.	xx	xx	xx
4.	xx	xx	xx

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