

CHAPTER XVI : UNION TERRITORIES

Andaman and Nicobar Administration

Directorate of Education

16.1 Double Payment of FCI

The Directorate of Education made double payment to FCI of Rs. 48.76 lakh as economic cost of rice for the Extended Mid Day Meal Scheme. The amount is yet to be recovered from FCI.

Department of Food and Public Distribution, Government of India allocated 428.164 MT and 340.756 MT of rice in February 2005 and March 2006 to the Andaman and Nicobar Administration (Administration) for providing prepared/cooked mid day meal to the students of class VI to VIII during the academic year 2005-06 and 2006-07 respectively.

Administration paid an amount of Rs. 60.88 lakh to the Food Corporation of India (FCI) in November 05/January 06 towards the economic cost of 428.164 MT of rice for use in academic year 2005-06 but did not lift any rice. Thus, the amount paid remained in deposit with FCI. Out of the said deposit, FCI adjusted, in February 2007, a sum of Rs. 54.42 lakh towards the economic cost of 340.756 MT of rice for the academic year 2006-07 and intimated the same to the Directorate of Education, Andaman and Nicobar Administration. FCI adjusted a further sum of Rs. 3.20 lakh in April 2007 towards transportation cost. Directorate of Education, Andaman and Nicobar Administration, however, in April 2007 made another payment of Rs. 48.46 lakh towards economic cost for 340.756 MT of rice for the year 2006-07. Thus the Administration paid twice for the same quantity of rice.

On being pointed out in audit, the Directorate of Education requested FCI to refund a sum of Rs. 51.72 lakh* including the balance amount of Rs. 3.26 lakh from the previous deposit. However FCI has so far (May 2009) not returned the amount despite issue of reminders in June 2008 and November 2008.

The matter was reported to the Ministry in June 2009, their reply was awaited as of February 2010.

* Rs. 48.46 lakh + Rs. 3.26 lakh

Union Territory of Lakshadweep

16.2 Loss of interest of Rs. 29.75 lakh due to retention of funds outside Government account

Retention of Rs. 135.50 lakh outside Government account for over 2 years, by the Director of Fisheries, resulted in loss of interest amount of Rs. 29.75 lakh.

Receipt and payment Rules provides that no money shall be withdrawn from Government account unless it is required for immediate requirement.

Based on an assessment of Fish Aggregation Devices (FAD) deployed by National Institute of Ocean Technology (NIOT) in the fishing grounds of the island of Lakshadweep in February 2006, the Director of Fisheries, Kavaratti accorded sanction (March 2007) for payment of Rs. 1.36 crore to the Director, national Institute of Ocean Technology (NIOT), Chennai towards deployment (including repairs, maintenance design and fabrication) of eight numbers of new FADs besides redeployment of seven numbers of detached ones. The amount was drawn in March 2007 and kept in form of demand drafts favouring the Director, NIOT Chennai. These drafts were continued to be retained till October 2009 in the Directorate of Fisheries as NIOT did not agree with some of the provisions of Memorandum of Understanding proposed by DOF Kavaratti. This has resulted in the blocking up of Government money besides loss of Rs. 29.75 lakh towards interest for the period from the April 2007 to October 2009.

On this being pointed out, the Ministry stated (November 2009) that, as the finalization of MoU with NIOT was delayed, the amount drawn in favour of NIOT, Chennai for redeployment of FADs was deposited to Government account in October 2009.

Thus by withdrawing an amount of Rs. 1.36 crore much in advance of actual requirement before finalization of agreement/settlement of the terms and conditions with the NIOT and retaining in the form of demand drafts for more than two and half years, the DOF Kavaratti caused a loss of interest amounting to Rs. 29.75 lakh.