

PAC - 88

**COMMITTEE ON PUBLIC ACCOUNTS
EIGHTY-EIGHTH REPORT
(ELEVENTH ASSEMBLY)**

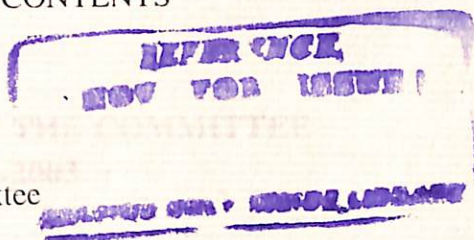


**Report of the Committee on Public Accounts,
Assam Legislative Assembly
on the Appropriation Accounts
for the year 2000-2001,
Government of Assam.**

Presented to the House on 3 October, 2002

Assam Legislative Assembly Secretariat,
Dispur, Guwahati-6.

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**COMPOSITION OF THE COMMITTEE
(2001-2003)**

Chairman :

1. Shri Premodhar Bora

Members :

2. Shri Brindaban Goswami
3. Shri Mission Ranjan Das
4. Shri Dilip Kumar Saikia
5. Shri Biswajit Daimary
6. Shri Ajit Singh
7. Smti Pramila Rani Brahma
8. Shri Dildar Rezza
9. Shri Gopinath Das
10. Shri Bidyasing Engleng
11. Dr. Haren Das
- *12. |
13. |

Secretariat :

1. Shri M. K. Sarma, Secretary
2. Dr. K. N. Baisya, Additional Secretary
3. Shri Subimal Kumar Das, Under Secretary
4. Shri B. Basumatari, Under Secretary
5. Shri K. Rahman, Committee Officer.

* Having been appointed the Minister, Assam two Members Viz. Sarbasree Nurjamal Sarkar and Sukur Ali Ahmed ceased to be member of the Committee w.e.f. 7.6.2002.

(ii)

INTRODUCTION

1. I, Shri Premodhar Bora, Chairman, Committee on Public Accounts having been authorised to submit the report on its behalf present this 88th Report of the Committee on Public Accounts on the respective grants mentioned in the Comptroller and Auditor General of India in its Report pertaining to Appropriation Accounts for the year 2000-2001 relating to the Government of Assam.
2. The Committee has decided to examine the financial dealing as pointed out in the above mentioned Report which had been presented to the House on 1 March 2002.
3. The Appropriation Accounts for the year 2000-2001 contained in the Report, of the Comptroller and Auditor General of India have been considered by the Committee in its sitting held on 28 May 2002 and 16 July 2002.
4. While discussed, the specific Appropriation on a particular grant as reported by the CAG of India the views of official representatives of the concerned Government Departments have been obtained as to why the excess/savings were resulted in those grants. Having duly considered the submissions of official representatives on specific Grants, thereupon the Committee has made its observations but expressed its pleasure for extending whole hearted co-operation of all officials of those departments to the Government of Assam.
5. The Committee has appreciated the valuable assistance rendered by the Principal A.G. (Audit), Assam and his Junior Officers.
6. The Committee wishes to keep in record the sincere services of those officers and staff of Assam Legislative Assembly Secretariat who devoted to the Committee during the course of examination and finalisation of this report.
7. The Committee has considered the Draft Report on 13 September, 2002 and approved it on the same date.

Dispur
The 13th September, 2002

PREMODHAR BORA
Chairman,
Committee on Public Accounts

THE REPORT

The Excess expenditure over the Grants Voted by the Assembly and Charged Appropriation seems apparent to be a continuing phenomenon owing to lack of proper exercising the effective control and deterrent check on the financial management of the Government of Assam. A large number of voted grants/charged appropriations as provided for in the Appropriation Act have been transacted through the different departments of the Government. The State Government of Assam do not monitor the flow of expenditure and to exercise control over spending in order to restrict the expenditure within the limit of the grant or supplementary thereto voted by the Assembly, thereby leads to incur quite a large sum of excesses.

2. The Committee has scrupulously noticed the excess expenditure incurred over the voted grants/charged appropriations as summarised in the statement given below :

Rs. in crores

Year	No. of cases	Excess over		Total	
		Voted Grant	Charged Appropriation		
2000-01	6	1	233.81	4539.22	4773.03

3. The Committee during the course of examination of (i) Finance Department (Other Fiscal Services), (ii) Pension and Public Grievances Department (Pension and Other Retirement Benefits), (iii) Planning and Development Department (Census, Survey and Statistics), (iv) Irrigation Department and (v) Mines and Minerals Department observes that no effective device was evolved out to exercise strict control or to keep the spending within the estimates of budget voted by the Assembly by the respective Drawing & Disbursing Officers (DDOs) under the Departmental heads.

4. The official witnesses of the Finance Department have adduced that sanction of the amount was given during the last part of the January, 2001. Although there was a short sitting of the Assembly Session the amount could not be put to vote due to obvious reason. Thereupon, the Committee was very much constrained to note that the Finance Department being vested with monitorial responsibilities for requiring departments had failed to bell in appropriate time to come forward with the proposal of supplementary demand.

It might so happen that the departmental figures were not reconciled in time with the Accounts maintained by Accountant General (A&E), Assam. The Committee has noticed laxity on the part of the spending departments in reconciling departmental figures in time with the accounts maintained by the A.G. (A&E) who has been authorised to keep accounts of the State. Whatsoever, the Committee holds that quarterly reconciliation calendar should strictly be adhered to by all departments concerned which will ensure that correct figures are reported in the accounts of the State Government and featured in the Reports of the Comptroller and Auditor General of India which are caused to be laid before the Legislature in terms of article 151(2) of the Constitution. Failing which the concerned departmental heads of the State Government should directly be held responsible for wrong booking, misreporting in the annual financial statements and such other accounts of the Government and also for any excess over the estimate of budget voted by the Legislature.

5. The official witnesses of Mines and Minerals Department have deposed that the Plan Budget was for Rs. 150.00 Lakhs and it was reduced to Rs. 127.00 Lakhs. The total Budget allocation was reduced to Rs. 4,58,94,000/- and the total expenditure was Rs. 4,51,19,551/- thereby a saving amounting to Rs. 7.74,479 were surrendered Headwise vide office letter No. GM/AS/9-Pt/11634 dtd. 15/3/2001. The submission of the departmental witness could not be accepted by the Committee since the A.G. Assam declined to acknowledge timely receipt of the surrendered Statement for the year under review. Thereupon the Committee has expressed its displeasure on the failure of the Government in the Department of Mines and Minerals.

6. The departmental witnesses of P & D (relating to Census, Survey and Statistics) Department has deposed that during verification of expenditure with A.G's office during the year 2000-2001 large discrepancies were found in-between departmental spending figures and A.G's figures booked under the departmental head of A/C while deposing before the Committee, the official witnesses have tried to convince the Committee that Appropriation Accounts of A.G. have not shown the revised sectoral outlay of Hill Areas amounting to Rs. 13 lakhs in the total budget allocation. The official witnesses have submitted that the excess expenditure of Rs. 131,60,511/- not acceptable to this department on the fact that the said amount was found booked under the Head 3458 but not under the department's head of A/C. '3454', which had not belonged to the department. The wrong booking as the Committee observed could have been avoided if the reconciliation had been done in time.

7. The re-representatives of Pension & Public Grievances Department deposed that the budget under Grant No. 23 as well as in head of A/C 2071 is actually meant for covering all the expenditure on pension, Family pension, DCRG, encashment of unutilised earned leave, Medical

Allowances, Gratuity, Commutation, Provisional pension and also re-imbursment of medical expences of all the State Government pensioners including teaching and non-teaching staff of the provincialised schools etc. because of which actual expenditure during the financial year, 2000-2001 stood as Rs.672.29,14,765/- resulting an excess amounting Rs.213.03,15,765/- or 46.39% over the amount voted by the Assembly against the major head A/C of 2071 under the Grant No.23 in the financial year 2000-2001. The estimates for an annual budget provision was not strictly controlled by the Pension & Public Grievances Department. According to the existing convension, the expenditure reported to have incurred under the single head of Accounts 2071 by different DDO's of all departments drawing through Nationalised Banks of Assam. Depositing by official witnesses have further submitted to the Committee that expenditure only in connection with the commutation of pension as per the allotment to this Department by Finance had been incurred. The Committee notwithstanding could not be convinced with the submission as to why the department could not anticipate to a grant approximation to the progressive expenditure to come forward well in time to the House and granting necessary supplementary/Appropriation wherever necessary to meet the additional burden therefore over the original Grant and Appropriation appeared to be unavoidable.

8. The Committee observes that each and every entitled retired Government employee should get the pension and ancilliary pensionery benefit immediatly after the superannuation without waiting for any further time of up-to dated service records from the retiring department from the budget provision made therefor. The Committee feels also that to make a realistic budget inter alia, the data of retiring employee for every next five years ahead of retirement should be kept ready with the competent officer concerned and on that basis the provision in the every annual budget should be made failure of which the officer concerned should be made responsible. Simultaneously, the Treasury Officer concerned should strictly adhere to make payment of pension and ancilliary pensionery benefits subject to availability of fund available in the respective head of account (s) or other wise, depending upon any sound procedure evolved out by the Government as already directed in this regard by the Committee in respect of this matter subject to conformity with the financial principles stipulated under the Constitution of India.

9. The Committee is also very much constrained to note that excess occurring year after year in several significant/vital departments like Pension and Public Grievances and Irrigation etc. the trend of expenditure shows that these departments have not only been incurring excess over the Grant Voted by the Assembly but also failed to keep spending within the budget limit and to improve financial control according to the existing financial procedure of the Government. Head there steps towards right direction been taken there would not appears such chaotic condition so stood.

10. Further more, non-reconciliation of the Accounts well in time by the concerned DDO's of the Government departments with the actual spending figures of the A.G. (A&E) Assam has come to sharp notice of the Committee. After a great deal of discussion with several departments of the Government of Assam in presence of the Accountant General (Audit) Assam the Committee has arrived at a consensus with a view to avoid wrong booking of the figures of certain departments that there should be reconciliation positively relating to Appropriation/Annual/Financial and such other Accounts quarterly with the Audit Authority i.e. A.G.(A&E), Assam round the financial year, according to a Calender to be issued on a convenient date from time to time, by the Government in the Finance Department well ahead of time in finalising annual finance Accounts for the sake of convenience of all concerns. Thereupon the Committee holds that the Government of Assam in all the departments would strictly adhere to the principle to keep the limit of spending through out the year within the specific budget provision so to be made under specific head/heads or sub-head(s) thereunder, with a view to avoid excess expenditure in future despite of the person(s) concerned should be made responsible for excess expenditure if any over the budget passed by the Assembly.

11. On being so implemented the procedure to be annunciated by the Government the Committee, however, recommends regularisation by the State Legislature of the following excess expenditure incurred by the various Government departments over the Voted Grants/Charged Appropriations as required under Article 205 of the Constitution of India as reported in the Report of the Comptroller and Auditor General of India (Civil) and Appropriation Accounts for the year 2000-2001.

<u>Sl. No.</u>	<u>No. and Name of Grants/ Appropriation</u>	<u>Amounts of Excess to be regularised</u>	<u>Rupces in crore</u>
<u>1. 2000-2001 Voted Grants</u>			
1.	10 - Other Fiscal Services Revenue	1,13,976.00	= 0.01
2.	23 - Pension & Other Retirement Benefits. Revenue	213,03,15,765.00	= 213.03
3.	45 - Census, Survey and Statistics Revenue	1,31,60,511.00	= 1.32
4.	49 - Irrigation Revenue	18,29,46,987.00	= 18.29
5.	61 - Mines and Minerals Revenue	1,98,698.00	= 0.02
<u>2. 2000-2001 Charged Appropriation</u>			
1.	1 - State Legislature Capital	1,13,84,103.00	= 1.14
2.	Public Debt and Servicing of Debt. Capital	45,39,21,80,691.00	= 4539.22
			<u>Total Rs. 4773.03</u>