

PUBLIC ACCOUNTS COMMITTEE

1975-77

TWENTY-SIXTH REPORT

(FIFTH ASSEMBLY)

Report of the Public Accounts Committee on the Report of the Comptroller and Auditor General of India for the year 1971-72, Appropriation Accounts, 1971-72 and Finance Accounts, 1971-72 of the Government of Assam relating to Excise, Registration, Supply, Secretariat Administration, General Administration, Printing and Stationery, Home (Political), Home (Police), Appointment, Welfare of Plains Tribes, Labour, Development (P. & C.D.), Relief and Rehabilitation, Town and Country Planning, Housing, Health, Public Health Engineering, Agriculture, Fishery, Animal Husbandry and Veterinary, Education, Transport, Inland Water Transport, Revenue, Judicial, Co-operation Planning and Development, Sericulture and Weaving, Industries, Election, Municipal Administration, Finance, Public Works (R. & B.), Flood Control, Forest, Home (Jails), Power (Electricity), Soil Conservation and Information and Public Relations Departments.



ASSAM

ASSEMBLY SECRETARIAT, DISPUR, GAUHATI-6

NOVEMBER, 1977

Presented to the House on 15th November, 1977

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(i)

COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE
(1975-77)

CHAIRMAN:

Shri Promode Chandra Gogoi

MEMBERS:

Shri Romesh Mohan Kouli

Shri Subhankar Singha

Shri Chandra Bahadur Chetri

Shri Pushpadhar Chaliha

Shri Manabendra Nath Sarma

Shri Rajendra Nath Phukan

Shri Hashimuddin Ahmed

Shri Ambarish Chandra Lahiri

SECRETARIAT:

Shri P. D. Barua, Secretary

Shri N. Deuri Bora, Under Secretary

Shri Bimal Goswami, Committee Officer.

Report of the Public Accounts Committee on the Report of the Comptroller and Auditor General of India for the year 1971-72, Appropriation Accounts, 1971-72 and Finance Accounts, 1971-72 of the Government of Assam.

INTRODUCTION

I, Shri Promode Chandra Gogoi, Chairman, Public Accounts Committee, having been authorised by the Committee, present on its behalf this Twenty-sixth Report on the Report of the Comptroller and Auditor General of India for the year 1971-72, Appropriation Accounts, 1971-72 and Finance Accounts, 1971-72 of the Government of Assam relating to Excise, Registration, Supply, Secretariat Administration, General Administration, Printing and Stationery, Home (Political), Home (Police), Appointment, Welfare of Plains Tribes, Labour, Development (P&C.D.), Relief and Rehabilitation, Town and Country Planning, Housing, Health, Public Health Engineering, Agriculture, Fishery, Animal Husbandry and Veterinary, Education, Transport, Inland Water Transport, Revenue, Judicial, Co-operation, Planning and Development, Sericulture and Weaving, Industries, Election, Municipal Administration, Finance, Public Work (R&B), Flood Control Forest, Home (Jails), Power (Electricity), Soil Conservation and Information and Public Relations Departments.

2. The Report and Accounts were laid on the Table of the House on 16th September, 1974.

3. The Committee with a view to expediting the examination and to clear up the back-logs asked the Departments to furnish written replies to the questionnaire prepared by the Committee on some of the Audit paras.

A Sub-Committee was constituted under Rule 204 of the Rules of Procedure and Conduct of Business in Assam Legislative Assembly with the following Members to examine the written replies furnished by the Departments :—

- | | |
|----------------------------------|----------|
| (1) Shri Promode Chandra Gogoi, | Chairman |
| (2) Shri Manabendra Nath Sarma, | Member |
| (3) Shri Chandra Bahadur Chetri, | Member |
| (4) Shri Romesh Mohan Kouli, | Member |
| (5) Shri Hashimuddin Ahmed, | Member |

CHAPTER I

(MISCELLANEOUS)

General observation, Recommendations in respect of Paragraphs common to many Departments

Utilisation Certificate in respect of Grants paid to non-Government Bodies, Institutions, etc. [Paragraph 12 at Pages 18-19 of the Report of the Comptroller and Auditor General of India for the year 1971-72]

1.1. The Committee came to learn from the above paragraph that at the end of September 1972, 3721 Certificates for Rs. 11.71 crores were awaited for Grants paid upto 31st March, 1971. Of these 2284 certificates involving Rs. 4.60 crores relate to Grants paid upto March, 1969. The remaining 1437 certificates for Rs. 7.11 crores relate to Grants paid during 1st April, 1969 to 31st March, 1971. All these Grants mainly relate to bodies and institutions under the administrative control of Agriculture, Education, Tribal Areas and Welfare of Backward Classes, General Administration and Municipal Administration Departments.

RECOMMENDATION

1.2. The Financial Rules of the Government require that a certificate of proper utilisation of Grants paid to non-Government Bodies, Institutions, etc. should be sent by the Departmental Officers to the Audit within a reasonable time. The payment of some of these grants relates to the year 1968-69.

1.3. The Committee recommends that the Departments should make special efforts to obtain utilisation certificates without further loss of time. The action taken should be intimated to the Committee within three months from the date of presentation of this Report to the House.

Paragraph 19 at Page 37—Misappropriations, Losses, etc. of Government Money.

2.1. The cases of misappropriations, losses, etc. of Government money reported to Audit upto March 1972 and on which final action, was pending at the end of September, 1972 were as follows:—

	Number	Amounts
	(In lakhs of rupees)	
Cases outstanding at the end of August, 1971. ...	99	17.94
Cases reported during September, 1971 to March, 1972. ...	4	1.33

Cases disposed of till September, 1972	9	0.40
Cases outstanding at the end of September, 1972.	94	18.87

2.2. There had been delay in finalisation of the cases of misappropriation as follows:—

	Number (In lakhs of rupees)	Amount
(i) Over five years (1957-67 upto September, 1967).	39	3.96
(ii) Between three years and five years (between 1967 to 1970) (October, 1967 to September, 1970).	35	6.74
(iii) Upto three years	20	8.17
Total—	94	18.87

2.3. The Department-wise analysis of the outstanding cases is given below:—

Serial No.	Department	No.	Amount (In lakhs of rupees)
(1)	(2)	(3)	(4)
1	Revenue	21	5.20
2	Appointment (B)	9	4.28
3	Finance ..	11	0.76
4	Public Works ..	6	0.62
5	Development (Community Development)	6	1.69
6	Health and Family Planning	5	0.68
7	Education ...	9	1.21
8	Town and Country Planning	1	0.10
9	Veterinary	1	0.07
10	Stationery and Printing	2	0.13
11	Statistics and Economics	1	0.01

12	Road and Water Transport	2	..	0.05
13	Industries ..	4	...	0.27
14	Home (Police) ..	5	..	1.53
15	Labour ...	2	..	0.02
16	Tribal Areas and Welfare of Backward Classes (Soil Conservation).	1	..	0.17
17	Fisheries ...	1	...	0.01
18	Co-operation ...	1	...	0.31
19	Supply ...	1	...	0.05
20	General Administration	2	...	1.36
21	Planning and Development	1	...	0.09
22	Forest ..	2	..	0.26
Total—		94	..	18.87

2.4. Out of the above 94 cases involving Rs. 18.87 lakhs, the misappropriation cases are lying in different stages at the end of September, 1972 as below:--

	Number (In lakhs of rupees)	Amount
(i) Cases awaiting departmental and criminal investigation.	.. 7 ..	1.44
(ii) Cases in which although departmental proceedings have been started but have not been finalised.	.. 48 ..	9.96
(iii) Cases in which departmental proceedings have been finalised and recovery is in progress.	... 20 ...	4.31
(iv) Cases in which criminal proceedings have been finalised but execution for recovery of the amounts are pending.	.. 3 ..	0.33
(v) Cases awaiting orders for recovery or write off.	... 4 ..	0.23
(vi) Cases in court of law	.. 12 ...	2.60
Total—		94 ... 18.87

2.5. In course of examination of official witnesses of different Departments, the Committee has a feeling that there was lack of proper supervision on the part of officers in-charge of cash. In most cases, the misappropriation took place for non-verification of cash in time. The verification of cash was not conducted even within the period prescribed under the Financial Rules. The cases of misappropriation were detected only when the audit pointed out the irregularities. The irregularities have occurred either due to lack of proper system of internal control over the day to day expenditure or due to failure of internal audit or both.

RECOMMENDATION

2.6. In view of frequent occurrence of cases of misappropriation, defalcation and losses of Government fund, the Committee recommends that Government should examine the present system of deposit and withdrawal of bills in the Bank to prevent the recurrence of such irregularities in future by means of a better control over the monetary transactions.

2.7. With a view to facilitating investigation of the cases of misappropriation, defalcation etc. the Committee also recommends that arrangements might be made for imparting specialised training to the police personnel so that expeditious investigation might be carried out into the cases of irregularities referred to the police by the different Deptts. This specialised training can profitably be given when the police official undergo usual training in the police training Institute.

2.8. The Committee could not but expresses concerned over the increasing number of misappropriation cases and inordinate delay in disposal. The Committee therefore recommends expeditious disposal of all the pending cases and action taken reported to the Committee within three months from the date of presentation of this Report to the House.

Paragraph 52 at pages 82 to 84 read with Appendix VII at page 102 outstanding audit observations.

3.1. Audit observations on financial transactions of Government are communicated to departmental authorities from time to time. Half-yearly reports of such observations which remain outstanding for more than six months are also sent by Audit to Government/heads of departments.

(i) The number of such outstanding audit observations for civil and commercial departments/activities is large. Year-wise analysis of the observations issued upto 3rd of March 1972 which were not settled upto 30th September, 1972 is given below :—

Year of issue	Civil		Depts.		Commercial			Revenue receipts		Total	
	Number	Amount (In lakhs of rupees)	Depts/activities		No.	Amount (In lakhs of rupees)	No.	Amount (In lakhs of rupees)	No.	Amount (In lakhs of rupees)	
			Number	Amount (In lakhs of rupees)							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)			
1967-68 & earlier years	30,924	16,24.30	713	3,40.35	22	3.65	31,659	19,68.30			
1968-69	8,009	4,73.19	380	3,03.56	25	0.46	8,414	7,77.21			
1969-70	8,990	3,58.48	471	1,50.36	26	0.62	9,487	5,09.46			
1970-71	9,647	5,90.90	73	65.56	35	1.10	9,755	6,57.58			
1971-72	13,285	15,67.63	498	1,40.68	44	4.55	13,827	17,12.86			
Total	70,855	46,14.52	2,135	10,00.51	152	10.38	73,142	56,25.41			

3.2: The following is the department-wise analysis of the outstanding audit observations showing total number and amount involved in each Department :—

Serial No,	Name of Department	Number	Amount In lakhs of Rupees
(1)	(2)	(3)	(4)
1	Home (Police)	2687	139.49
2	Home (Jails)	971	31.08
3	Health (Medical)	2263	130.44
4	Health (Public Health)	468	29.65
5	Registration	80	0.33
6	Labour	347	10.84
7	P. W. D. (Flood Control and Irrigation) ...	1701	73.11
8	Power (Electricity)	139	2.47
9	General Administration	28	0.23
10	Appointment	100	2.95
11	Education (Technical)	289	8.73
12	Education (General)	1880	148.65
13	Relief and Rehabilitation	7870	870.27
14	Industries (Cottage)	696	301.05
15	Forest	462	9.20
16	Soil Conservation	43	1.08
17	P. W. D. (Roads and Buildings)	23988	867.61
18	Public Health Engineering	1304	40.92
19	P. W. D. (Brahmaputra Flood Control Commission).	2910	90.71

20	Sericulture and Weaving	..	..	291	5.64
21	Agriculture	...	..	9989	751.26
22	Revenue (General)	..	...	2873	426.03
23	Animal Husbandry and Veterinary	..	..	1384	117.70
24	Excise	..	...	239	6.51
25	Development (Panchayat and Community Development).			1647	56.64
26	Co-operation	..	...	961	231.08
27	Legislative Assembly	...	...	535	8.29
28	Stationery and Printing	..	..	530	17.45
29	Finance	..	...	1910	154.13
30	Tribal Areas and Welfare of Backward Classes.			106	19.93
31	Law	...	..	672	2.83
32	Land Revenue	..	...	890	18.27
33	Secretariat Administration	...	..	70	0.57
34	Town and Country Planning	..	...	52	0.88
35	Planning and Development	...	...	112	2.50
36	Home and Political	...	...	310	35.89
37	Election	...	...	59	0.11
	Total			70855	46,14.52

Observations	Civil Departments			Commercial Departments/activities			Revenue receipt	
	Number (In lakhs of rupees)	Amount (In lakhs of rupees)	Number	Amount (In lakhs of rupees)	Number	Amount (In lakhs of rupees)	Number	Amount (In lakhs of rupees)
(1)	(2)	(3)	(4)	(5)	(6)	(7)		
(i) Sanction for establishment not received	1,508	26.52	117	8.57	...	...	...	...
(ii) Sanctions not received for contingent and miscellaneous expenditure	5,666	5,54.24	448	1,08.23	...	...	...	...
(iii) Sanction to estimate not received	1	0.03	...	...	...	...	...	...
(iv) Detailed bills for lumpsum draws not received	17,228	17,67.32	41	2,46.00	...	...	...	...
(v) Vouchers not received	33,389	12,91.68	340	10.18	...	...	...	...
(vi) Payees' receipts not received	7,820	8,42.51	1,038	6,16.55	...	...	...	...
(vii) Advance paid to Govt. servants not recovered	2,054	8.70	112	3.25	...	...	...	...

Observations	Civil Departments		Commercial Departments activities		Revenue receipt	
	Number	Amount (In lakhs of rupees)	Number	Amount (In lakhs of rupees)	Number	Amount (In lakhs of rupees)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
(viii) Agreement with contractors/suppliers not received	402	35.17	2	0.05		
(ix) Payment to contractors/suppliers not in conformity with contract and agreement	236	34.45	8	2.01		
(x) Overpayments or amounts disallowed in Audit not recovered	1,096	13.26	4	(a)		
(-f) Other reasons	1,455	40.64	30	5.67	152	10.38
Total	70,855	46,14.52	2,135	10,00.51	152	10.38

@ Rs.111.00 only.

3.3. In 17,269 cases (amount : Rs. 20,13,32 lakhs representing 35 per cent of the total amount under observation), detailed contingent bills have not been received in the Audit office. The facility of drawing amounts as advances on abstract contingent bills by disbursing officers is intended to expedite payments in certain cases but they are to be followed by detailed contingent bills (containing all particulars of expenditure, with supporting sub-vouchers and payees' receipts, and duly countersigned by the controlling authorities) which should be sent to the audit officer not later than 25th of the month following the month of drawals of the amounts. In the absence of detailed contingent bills, it is not possible to know whether the amount has at all been spent on the purpose or purposes for which it was meant and that no fraud, misappropriation, etc., has occurred. The departments for which comparatively heavy amounts are under observation, as detailed contingent bills have not been received, are mentioned below :—

Detailed contingent bills wanting

		Item	Amount (In lakhs of rupees)	
Relief and Rehabilitation	..	5,985	...	5,43.95
Revenue (General)	..	2,581	..	3,86.68
Industries (Cottage)	...	320	..	2,85.36
Supply	..	40	..	2,45.88
Agriculture	...	2,309	...	1,54.16
Finance	..	1,425	..	1,21.12
Animal Husbandry and Veterinary		1,192	...	1,05.05

3.4. The amount under observation due to vouchers and payees' receipts not having been received is Rs. 27,60.92 lakhs and represents 49 per cent of the total amount under observation. The departments for which comparatively heavy amounts are under observation on this account are as follows :—

Department

Department	Vouchers not received		Payees' receipts not received		Total	
	Item number	Amount (in lakhs of rupees)	Item number	Amount (in lakhs of rupees)	Item number	Amount (in lakhs of rupees)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Public Works Department (R and B).	23,776	860.10	4	0.11	23,780	860.21
Supply	...	..	320	511.23	320	511.23
Agriculture	472	12.48	4,533	370.38	5,005	382.86
Co-operation	25	1.36	614	213.27	639	2,14.63
Transport	339	10.18	713	1,05.32	1,052	1,15.50
Public Works Department (Brahmaputra Flood Control Commission).	2,894	88.74	..	..	2,894	88.74
Health (Medical)	957	74.65	...	..	957	74.65
Public Works Department (Flood Control and Irrigation).	1,636	70.69	22	0.09	1,658	70.78
Education (General)	659	64.70	4	0.09	663	64.79
Health (Public Health Engineering).	1,303	40.92	..	..	1,303	40.92

3.5. The Committee during the days of its sittings examined as many as 34 Departments and noted that all the official witnesses assured the Committee to square up the outstanding observations.

RECOMMENDATION

3.6 The Committee recommends that the Department should clear the outstanding audit observations within a period of three months from the date of presentation of this Report to the House.

Paragraph 53 at Page 85—Outstanding inspection reports

4.1 Important irregularities and defects in the accounts noticed during local audit and inspection are included in inspection reports which are sent to departmental officers and heads of departments and also to Government, where necessary. The points raised in the reports should be settled as expeditiously as possible, if the object of the inspections is to be achieved. Unless such reports receive prompt attention, there is likelihood of irregularities persisting. Half-yearly statements of outstanding inspection reports pending with the departments are also furnished to the administrative departments for prompt settlement. The position of outstanding inspection reports and the paragraphs therein as on 31st August 1970, 30th September 1971 and 30th September 1972 are given below:—

	As on 31st August 1970	As on 30th September 1971	As on 30th September 1972
Number of inspection reports outstanding.	6,513	6,526	6,082
Number of paragraphs in these reports	30,829	31,816	30,174

4.2. Observations made in 6,082 inspection reports containing 30,174 paragraphs issued upto 31st March 1972 were outstanding at the end of September 1972 as shown below:—

Serial No.	Name of Department	Earliest year from which outstanding	Number	
			Inspection reports	Paragraphs
(1)	(2)	(3)	(4)	(5)

CIVIL DEPARTMENTS

1	Public Works (Roads and Buildings).	1960-61	458	2,569
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(1)	(2)	(3)	(4)	(5)
2	Public Works (Flood Control and Irrigation).	1962-63	98	642
3	Public Works (Public Health Engineering).	1957-58	55	287
4	Public Works (Brahmaputra Flood Control Commission).	1962-63	134	1,047
5	Inland Water Transport	1965-66	8	75
6	Home (Police)	1959-60	172	696
7	Fisheries	1960-61	104	280
8	Town and Country Planning.	1963-64	34	71
9	Housing	1961-62	40	100
10	Excise	1962-63	33	102
11	Information and Public Relations.	1960-61	74	239
12	Agriculture	1955-56	498	2,303
13	Animal Husbandry and Veterinary.	1960-61	322	1,510
14	Relief and Rehabilitation	1958-59	78	439
15	Law	1962-63	42	99
16	Industries	1960-61	218	826
17	Home (Jails)	1961-62	67	213
18	Labour	1960-61	100	320
19	Land Revenue	1961-62	38	81
20	Appointment (Nazarat) ..	1958-59	227	1,974
21	Finance (Treasuries) ..	1955-56	113	817
22	Planning and Development	1967-68	20	76
23	Education (General) ..	1962-63	336	1,269
24	Education (Technical) ...	1968-69	27	127
25	Education (Elementary) ..	1962-63	128	547
26	Education (N. C. C) ..	1962-63	109	210

(1)	(2)	(3)	(4)	(5)
27	Stationery and Printing (Including Govt. Press).	1957-58	22	68
28	Health (Medical) ..	1961-62	137	594
29	Health (Public Health) ..	1961-62	120	347
30	Co-operation	1956-57	111	486
31	Sericulture and Weaving	1961-62	251	792
32	Forest	1954-55	152	1,045
33	Registration ..	1967-68	33	85
34	Development (Panchayat and Community Develop- ment).	1956-57	1,080	6,808
35	Other Department (Grant- in-aid) and Miscellaneous Departments.	1962-63	35	169
Total			5,474	27,413

COMMERCIAL DEPARTMENT/ACTIVITIES

1	Transport	1958-59	277	1,177
2	Supply	1945-46	267	1,375
Total			544	2,552

REVENUE RECEIPTS

Sales Tax	1962-63	64	209
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4.3. The Committee examined all the official witnesses in respect of the above 35 Civil Departments and 2 Commercial Departments on different dates. Save and except few Departments, the progress made is not satisfactory. The oldest outstanding inspection report relates to Supply Department which is of 1945-46 and the next one is of 1954-55 which relates to Forest Department.

RECOMMENDATION

4.4. The Committee notes with regret that some of the outstanding inspection reports have not been settled for the last 31 years (1945-46). The Committee recommends that representatives of the Departments should immediately be sent to Audit Office and in consultation with the Accountant General, the matter be settled without further delay. The action taken should be intimated to the Committee within three months from the date of presentation of the Report to the House.

CHAPTER II

PRINTING AND STATIONERY DEPARTMENT

Paragraph 15 (a) Serial 19 at Page 28—Excess over voted grants and appropriation

Number and name of grant	Total grant Rs.	Expenditure Rs.	Excess Rs.
64—Stationery and Printing—			
O. 49,04,600	49,04,600	51,69,615	2,55,015

5.1. Excess occurred under— (i) “C—Stationery—Office and Stores” (expenditure: Rs. 7.38 lakhs; provision: Rs. 2.71 lakhs) part of the excess (Rs. 0.20 lakhs) being due to payment of more freight charges for paper; and

(ii) “II— Printing—Government Press” (expenditure: Rs. 32.10 lakhs; provision: Rs. 29.33 lakhs), part of the excess (Rs. 1.35 lakhs) being attributed to payment of overtime allowance for printing of ballot papers for elections in 1971 and 1972.

Reasons for the remaining excess have not been intimated.

5.2. The Committee enquired as to what were the reasons for the excess expenditure; the official witness stated that the actual excess in expenditure was Rs.0.70 lakh and this was according to the departmental figures. The excess expenditure was due to overtime allowance given for printing matters in connection with Parliamentary Election/71 etc. and also because additional staff had to be engaged for printing of the budget in Assamese.

RECOMMENDATION

5.3. Subject to sorting out the figures, the Committee recommends regularisation of the excess expenditure.

Paragraph 28 at page 52—Synopsis of important stores accounts

6.1. The para brings out that stationery, printing and building materials valued at Rs.2.97 lakhs were purchased during the year 1971-72 when there was a stock in hand valued at Rs.8.90 lakhs at the commencement of the year. The value of materials issued during the year was Rs.4.46 lakhs and that the balance at the end of the year was Rs.7.41 lakhs

6.2. The Committee enquired as to what was the necessity of making purchases of materials valued at Rs. 2.97 lakhs during the year; the official witness stated that they had to purchase papers and printing materials amounting to Rs. 2.97 lakhs in order to meet the demands of various sizes of papers, because in the Secretariat and in the Government, they require various kinds of papers and the stock-in-hand did not meet all the requirements.

RECOMMENDATION

6.3. The requirement of various kinds of papers appear to be of routine nature. The Committee therefore recommends that adequate provision should be made while preparing the Budget in future.

Paragraph 19 at page 37 read with Appendix IV at pages 98—99

7.1. Two misappropriation cases involving Rs. 0.13 lakh were pending for finalisation at the end of September, 1972.

7.2. The Committee wanted to know as to what was the present position of the cases; the official witness stated "the first case was of 1968—69 which relates to defalcation of money by Shri H. K. Medhi. In this case, departmental proceedings against him have been concluded and Sri Medhi was removed from service from 30th of April, 1975. We are taking action for realisation of the defalcated amount and the outstanding advances, and simultaneously, the police case is continuing. Regarding the other case in respect of Shri S. Chetri, he had been transferred to the Meghalaya Government."

RECOMMENDATION

7.3. The Committee should be apprised of the present position of the case within three months from the date of presentation of this Report before the House.

GENERAL ADMINISTRATION DEPARTMENT

Paragraph 19 at page 37 read with Appendix IV at pages 98—99

8.1. Two misappropriation cases involving Rs. 1.36 lakhs are pending for finalisation at the end of September, 1972.

8.2. The Committee wanted to know as to what was the present position of those cases; the official witness stated these did not concern General Administration Department; these two cases of misappropriation were under Printing and Stationery Department and one case of misappropriation was in respect of Soldiers, Sailors' and Airmen's Board. The Committee directed the official witness to furnish a written reply within ten days regarding the misappropriation case concerning the Board and the cases relating to Printing and Stationery Department on the day of its examination.

8.3. Thereafter the Government in their letter No.GAG.39/71/132, dated 20th October, 1976 furnished the following information:—

1. In the Criminal case filed by Government regarding alleged defalcation of Rs. 1,34,938.17 against Shri L. S. Ingty and Shri G. C. Khound (Case No. GR. 16(S)/1969). Proceeding were started de-novo by the Shillong Court in 1975-76. Recording of evidence in the case has been concluded on 22nd September, 1976 and arguments are to be heard now.

2. The money suit filed by the State Government for recovery of the loss sustained as a result of the above alleged defalcation against Shri L. S. Ingty, Shri G. C. Khound and the Manager, State Bank of India, Shillong Branch (Case No. 31 (T) of 1973) is now ready for hearing. The next date for hearing has been fixed by the Shillong Court on 22nd November 1976.

3. The miscellaneous case for attachment of the properties of Shri L. S. Ingty is now awaiting the orders of the Court of Shillong. The Advocate concerned has been asked to intimate the date fixed for the purpose.

RECOMMENDATION

8.4. The Committee may be apprised of the result of the case as soon as disposed of by the Court

PERSONNEL (A) DEPARTMENT

Earst while Appointment (B) Department

Paragraph 15 (a) Sl. No. 8 at page 23—Excess over voted grants and appropriation

Number and name of grant	Total grant Rs.	Expenditure Rs.	Excess Rs.
12—General Administration —III—Commissioners and District Administration			
O. 1,60,91,900			
S. 6,33,382	1,67,25,282	1,68,29,574	1,04,292

9.1. Excess occurred mainly under "E—District Administration "E—1(a) General. Establishment" (expenditure: Rs.66.95 lakhs; provision: Rs. 42.31 lakhs) and "E—2—Sub-divisional Establishment" (expenditure: Rs. 11.45 lakhs; provision: Rs. 10.30 lakhs).

Reasons for the excess have not been intimated. The above excesses were partly off set by saving in other groupheads.

9.2. The Committee asked the official witness as to what was the reasons for his excess to which the official witness stated that there was an increase in the dearness allowance at about this time, payment of arrear bills and then there was increase in the mileage allowance which could not be foreseen earlier. Besides this, because of the emergence of Bangla Desh, various frequent tours had to be undertaken by the District Officers and this had contributed to the excess also. And together with this, they received lots of pressure from the P. & T. Department for payment of arrear telephone bills.

RECOMMENDATION

9.3. In view of the reasons stated by the Department the Committee recommends regularisation of the excess expenditure.

Paragraph 19 Sl. No. 2 at page 37 read with Appendix IV at Pages 98—99

10.1. Nine cases of misappropriation involving Rs. 4.28 lakhs were pending for finalisation at the end of September, 1972.

10.2. The Committee enquired as to what was the present position of these cases the official witness stated "The first case was of a Nazir of the Deputy Commissioner's Office, Dibrugarh and the civil suit No.67 of 1973 had been started against the heir of the defaulted Nazir and is continuing still. A criminal case was also started. The Nazir had already expired. The second case relates to Shri M. Singh and Shri J. M. Biswas of Silchar Deputy Commissioners Office. In this case, the Deputy Commissioner, Cachar has handed over the papers for filing civil suit against the heir of Shri Singh and Shri Biswas. There is also a criminal investigation which is under progress at the moment. The 3rd case relates to Shri J. Sarma, Assistant Bakijai Nazir, Gauhati. In this, there was a case for attachment of property; this has been dismissed by the district judge. There is some criminal case continuing. The 4th case is that of Shri A. Deka, Shri Uma Goswami and Shri K. C. Sarma. Shri Uma Goswami and Shri K. C. Sarma have been exonerated and Shri A. Deka dismissed. A criminal case was lodged at Gauhati and the charge-sheet was submitted. Shri A. Deka filed an appeal before the District Session Judge and the hearing is still continuing. The 5th case was that of Shri Osman Gani, Gauhati. In this case, the man was convicted with RI for one year and fine for Rs. 1000/-. Steps are also being taken to realise the money involved in this case. The 6th case was that of Shri M. C. Bhuyan. Departmental proceedings have been concluded with the dismissal of Shri Bhuyan. A bakijai case has been started against him; against this, he has filed an appeal before the District Magistrate. The 7th case was of Shri B. K. Das, Rangiya. This case ended in conviction. We are trying to explore the means for recovering the money. The cases of Shri B. Wallong and Shri R. Chetri have been transferred to the Government of Meghalaya."

RECOMMENDATION

10.3. The Committee recommends finalisation of the pending cases as soon as possible and the recovery of the defaulted amount reported to the Committee.

REGISTRATION DEPARTMENT

Paragraph 15 (a) Sl. 5 at Page 22—Excess over voted grants and Appropriation.

Number & name of grant	Total grant Rs.	Expenditure Rs.	Excess Rs.
7—Registration Fees—			
0.7,38,300	7,38,300	8,66,656	1,28,356

11.1. Excess occurred mainly under "A—District Charges General" (Expenditure Rs. 8.67 lakhs; provision Rs. 7.26 lakhs). Reasons for the excess have not been intimated.

11.2. The Committee asked as to what was the reason for excess expenditure; the official witness replied that the reasons as communicated by the Inspector General of Registration is that there was a final grant of Rs. 7,38,300 under grant No. 7 for the year 1971-72 and a sum of Rs. 8,66,656 had been incurred during that year. The excess was due to the following reasons:—

1. Release of 50% arrear D.A.
2. Printing of Registration forms.
3. Cost of binding of Registration volumes.
4. Remuneration to the E/Ws.
5. Commission to the S. Rs.
6. Over all increase of expenditure.

RECOMMENDATION

11.3. It appears that there is lack of budgetary control over expenditure. The Department should maintain control register to watch the progress of expenditure from time to time. Subject to this the Committee recommends regularisation of the excess expenditure.

EDUCATION DEPARTMENT

Paragraph 19 at Page 37 read with Appendix IV at Pages 98-99—Misappropriation, losses etc.

12.1. Nine cases of misappropriation involving Rs. 1.21 lakhs were pending for finalisation at the end of September, 1972.

12.2. The Committee enquired of the latest position of all the misappropriation cases and the official witness has referred to a statement of misappropriation cases reported upto March, 1972 but pending finalisation at the end of September, 1972. Thereafter, the Committee asked the official witness to furnish latest position of all the misappropriation cases. The Government in their letter No. ESS. 184/74/34 dated 16th November, 1976 and No. ESS. 184/74/55, dated 11th January, 1977 furnished the following informations.

- | | |
|---|--------------|
| No. 1 Missing of grants-in-aid bill from the office of the Deputy Inspector of Schools, Gauhati. | Rs. 936.00 |
| No. 2 Fictitious drawal of grants-in-aid in Krishnai High Madrassa. | Rs. 1,350.00 |
| No. 3 : (Fraudulent drawal of grant-in-aid during 1961-62 by Jopea M. E. Madrassa) (Rs. 1,015.00) | |

12.3. Under the Dy. Inspectors of Schools, Goalpara (1961-62) fraudulent drawal occurred in the name of Jopea M. E. Madrassa. The amount was recovered and office Assistant was also punished by way of stopping two increments in 1968.

12.4. The amount has already been recovered. The concerned office Assistant was punished by stopping two increments. No action was taken against the controlling officer, the D. I. of Schools because on enquiry, no fault was found with him. The case has been closed. The amount was recovered in 1963 and the increment were stopped in 1968.

12.5. The D. I. acted on wrong sanction. Now issue of sanctioning letters by rubber stamp has been stopped. Technically it was not a case of misappropriation.

- No. 4 : [Government high school, Diphu less deposit (1966-67)—Rs: 402.40]

12.6. Diphu Government High School (1964-66) Rs, 402.40 out of fees collection. The amount was defaulcated by Shri Longsing Terang, Duftry of the School. The entire amount was recovered from him and deposited into the Treasury as follows:—

Chalan No. 5 date 2nd September 1966	Rs. 175.55
Chalan No. 10 dated 19th September 1966	Rs. 226.85
	Rs. 402.40

12.7. Further the Duftry was removed from service on 29th September 1966. As per recommendation of the Public Accounts Committee the case was closed.

12.8. One Duftry defaulted the amount and the amount has now been recovered and the Duftry discharged from service. The case is closed.

No. 5 : (Forged drawal of Grant-in-aid in the name of Rangmahal H. S. School, North Gauhati—Rs. 1,200.00)

12.9. Reply with full facts will follow.

No. 6 : (Misappropriation cases—D. I. of Schools, Dibrugarh Rs. 45,673.00)

12.10. This case was detected in 1965. The defaulcation case was confirmed by the Education Department and the fact was communicated to the Accountant General, Assam in March, 1966 with a copy to the Finance Department. The case was under investigation by the Anti Corruption Department (Ref Vide A. C. B. case No. 138(12)65. Departmental proceedings were completed (Ref. Vide Government orders Memo. No. ESS. 18/66/267, dated 26th December, 1969).

12.11. This case was handed over to Police in October, 1973. The matter is still under correspondences. Further reply will follow.

No. 7 : (Deputy Inspector of Schools, Marigaon Grant to certain M. E. Schools, 1967-68—Rs. 6,500 00)

12.12. Shri Premananda Goswami, U.D. Assistant, Office of the Deputy Inspector of Schools, Marigaon was untraced with effect from 16th July, 1967 and the Superintendent of Police was informed accordingly vide letter No. 22158, dated 29th July 1967. This case was taken up by the Anti-Corruption Branch, Gauhati and misappropriation case instituted against him in the Marigaon Police Station in the light of Memo. No. ACB/GHY/785-D/67, dated 10th November 1967. The case is still continuing in the Honble Court at Nowgong. Then the Departmental Auditor was deputed to audit the accounts of the office of the Deputy Inspector of Schools, Marigaon and report was received by the Inspector of Schools, Nowgong issued from the D.P.I.S. office vide Memo. No. 3F/33/67 dated 30th September 1967 under the signature of the D.P.I. alleging misappropriation of money etc. Shri Premananda Goswami was placed under suspension and proceedings were drawn against him and after observing all formalities, Shri Goswami was dismissed.

12.13. The matter was enquired into by the Asstt. Inspector of Schools, Nowgong in January, 1971. Proceedings were drawn against Shri Goswami in April, 1971 on the basis of charges framed.

The Court acquitted him.

12.14. He was reinstated in September, 1973. The Deputy Inspector of Schools Marigaon (Shri M. Hussain) was held responsible for mis-appropriation of Rs. 6,500.00 (since deceased)

Item No. 8 : (Fraudulent drawal in the name of Ganga Charan Dhanada Bidyashram M.E. School, Gauhati Rs. 1,64.00)

12.15. As per D. P. I's orders, the Internal Auditor attended D. I's Offices on 15th October, 1976. The D. I. asked Office to produce records in connection with the Fraudulent drawal. No corresponding files, paper could be made available to examine the case with a view to prepare a note on this particular drawal. Now, it is proposed to collect copies of all correspondences from Office of the Accountant General so as to take immediate action by this Department. Further communication will follow.

No. 9: (Government H. S. Saiha, Mis-appropriation, losses to the tune of Rs. 2,431.43.) The case has been transferred to Mizoram Administration

RECOMMENDATION

12.16 The Committee recommends that the latest position of all the pending cases in Serial Nos. 2, 5, 6 and 8 be intimated to the Committee within three months from the date of presentation of this Report to the House.

LABOUR DEPARTMENT

Paragraph 19 Sl. No. 15 at Page 37 read with Appendix IV at Pages 98-99. Misappropriation, Losses etc.

13.1. Two misappropriation cases involving Rs. 0.02 lakh were pending for finalisation at the end of September, 1972.

13.2. The Committee asked as to what was the present position of the cases; the official witness replied that actually there were some discrepancies between the figures given in the Audit Report and figures that we have. We have two pending cases regarding the period referred to in the Audit Report. But regarding the amount involved, in one case which relates to the Office of the Director of Employment and Craftsman Training, the amount involved is Rs 4,487.50. This case relates to the year 1970. Actually this was not misappropriation and ought to have been explained as such to Accountant General earlier. What happened was that this amount was found short in the cash balance while the cash book was verified on 25th May, 1970. But later on it was found that there was no shortage. When the Cash-book was verified on 25.5.70, the Cashier was not in office being on leave for 15 days for illness."

13.3. The second case relates to the office of the Labour Commissioner. This case involves Rs. 971.18. The person involved in the case is Shri Narendra Bardoloi, a Peon in the Office of the Labour Inspector, Nowgong. He encashed two Pay Bills and misappropriated the amount in January. Action was taken against him. Immediately a Police case was instituted. Simultaneously, departmental proceedings were drawn up and the services of the incumbent was terminated. As regards recovery, only an amount of Rs. 100 could be recovered and the court case is still pending. After the court case is over and if the verdict goes in our favour, a civil suit will have to be instituted to recover the balance amount.

RECOMMENDATION

13.4. The Committee desires that the result of the second case and the action taken for recovery should be intimated to the Committee as soon as the case is finalised.

HOME (POLICE) DEPARTMENT

Paragraph 19 Sl.14 at Page 37 read with Appendix IV at Pages 98-99.

14.1. Five misappropriation cases involving Rs. 1.53 lakhs were pending for finalisation at the end of September, 1972.

14.2. The Committee wanted to know as to what was the present position of the case; the official witness stated that the first case was of shortage in the cash of Rangiya GRPS. In this, the officer-in-charge has been suspended and a police case is continuing in the court. The second case relates to a misappropriation of money in the office of the S. P., Mizo Hill for Rs. 1.06 lakhs approximately. This case has been transferred to Mizoram. The 3rd case relates to robbing of arrear dearness allowance of the employees of AP Bn., Dergaon. In this case, departmental proceedings have been taken up against the officer-in-charge. About the recovery of the money, the particular information is not available.

14.3. The 4th case relates to Shri P. Chand Singh; this has been transferred to Meghalaya Government. The 5th case relates to a misappropriation case committed by the St. Officer, State Fire Service Organisation, Gauhati; this officer has been dismissed from service in 1975.

14.4. On a query as to whether the recovery of money from the officer who was dismissed is made the official witness said that in case of the St. Officer, State Fire Service Orgn., Gauhati, efforts are being made to locate his property and to proceed under the law. Unfortunately, there is no property with him; probably, the only recourse would be to write off the amount; this is still a matter under consideration.

14.5. The Department later on in their letter No.HMP.626/76/25, dated 20th October, 1976 informed the Committee that the amount of Rs.20,263.87 only was stolen from the custody of A. B. Inspector Sher Singh Thapa of 1st A. P. Bn. On the night of 27th/28th February, 1970. A criminal case was registered by Police but due to insufficient evidence against the accused persons the case was dismissed by the Court. Departmental Proceedings were however drawn up against Shri Sher Singh Thapa and he has been reverted to his substantive rank of A. B. Sub-Inspector. Simultaneously departmental proceedings were drawn up against other 11 (eleven) personnel of the 1st A.P. Bn. for negligence of duty and they were awarded major punishment by stopping A. B. scale of pay for 6 (six months).

The amount of stolen money had since been written off.

RECOMMENDATION,

14.6. The committee may be apprised of the latest position of the pending cases within two months from the date of presentation of this Report before the House.

EXCISE DEPARTMENT

Paragraph 15 (a) (3) at Pages 22

Number and Name of grant	Total grant	Expenditure	Excess
3.—State Excise Duties—			
0. 42,99,000	42,99,000	43,95,589	96,589

15.1. Excess occurred under "B--District Executive Establishment General (Expenditure : Rs. 39.56 lakhs ; provision : Rs. 37.57 lakhs) and was mainly due to payment of interim relief to staff (sanctioned in February 1972) ; the excess was partly offset by saving in other groupheads.

15.2. The Committee wanted to know as to what were the reasons for the excess expenditure amounting to Rs. 96,589 ; the official witness stated that this was as a result of drawal of interim relief, some contingent expenditure and some T. A. of Establishment.

RECOMMENDATION

15.3. It appears that there is lack of control over expenditure. The Committee recommends that Department should maintain control register of expenditure. Subject to this, the committee recommends regularisation of the excess expenditure.

SECRETARIAT ADMINISTRATION DEPARTMENT

Paragraph 15(a) at Page 23—Sl. No. 7

16.1. There was an excess of Rs. 66,352 over the voted grant under 10—General Administration-I-Heads of State and Ministers which requires regularisation.

16.2. The Committee wanted to know the reason for this excess expenditure; the official witness stated that the expenditure could not be envisaged earlier that the Ministry would be expanded from 10 to 25; this necessitated increased expenditure on staff and other contingencies.

RECOMMENDATION

16.3. The Committee recommends regularisation of the excess expenditure:

SUPPLY DEPARTMENT Paragraph 46 (a) at Page 70 Lossess Grain Storage Scheme (a)

17.1 The Deputy Director of Supply, Tezpur procured (August/September 1968) 4,259 quintals of Punjab superior wheat valuing Rs.4.57 lakhs through the Food Corporation of India. The Department could sell 3,151 quintals of wheat (cost : Rs. 3.38 lakhs) during the period from September 1968 to November, 1968. Of the balance quantity of 1,108 quintals (cost : Rs. 1.23 lakhs) which was stored in Civil Defence godowns (August-September 1968), only 408.87 quintals could be disposed of between January 1969 and April 1969 at issue price (Rs. 118.74 lakhs). 602.19 quintals of wheat (cost : Rs. 0.72 lakh) got deteriorated and were disposed of (May 1969) by inviting tenders at a loss of Rs. 0.32 lakh. The balance of 96.94 quintals (cost : Rs. 0.11 lakh, was shown as godown shortage. The reasons for deterioration of the quantity of wheat was attributed by the Deputy Director of Supply (November 1970) to non-lifting of the commodity by the allottees.

17.2. The Committee examined the official witnesses on 11th October, 1976 and in course of examination, the Committee asked the Department to furnish written reply on certain points which were replied to by the Department in their letter No. SDA. 179/74/60, dated 23rd October, 1976. Both questions and replies were given below :—

Question

- (1) who estimated the requirement of 4,259 quintals of wheat and on what basis ?
- (2) Whether department has investigated the loss of Rs.0.40 lakh ? If so, what are the results of the investigation ?
- (3) What is the standard norm for godown shortage ? Does the Department accept that shortage of 96 quintals of wheat was normal ? If not what action was taken against the

Reply

- Districtwise requirement of wheat was estimated by the Government taking into account of the deficit in supply of normal quota of rice to the consumers of the district.
- (2) Departmental investigation has been started and steps have been taken to complete the investigation as quickly as possible.
- No uniform standard norm has been prescribed by the Government as it was not possible due to non-availability of uniform standard godowns in the State for

officials responsible for shortage in excess of permissible limit ?

- (4) Was any action taken against the allottees for non-lifting of wheat ? If not, why ?
- (5) Why reply to the draft para was not sent to the Accountant General ?

storing foodgrains. Reasonableness or otherwise of shortage of the foodstuff in the different godowns will have to be determined on the merit of each case. Whether the shortage of 96 quintals of wheat at Tezpur was normal will be known when the report of the enquiry already in process is available.

No action could be taken against the allottees of wheat as there was no legal binding to lift the entire allotted quota.

A reply to draft para was submitted to the Government by the Deputy Director of Supply, Tezpur with a copy to Accountant General vide TA. AUDIT/104/70/57, dated 21st December 1972 but no comments on the draft para could be furnished from Government because of the pendency of the enquiry.

17.3. During the course of evidence the Committee was informed that the Director of Supply was asked to conduct the investigation of the loss of Rs.0.40 lakh and the investigation was expected to be completed within about six months time.

17.4. The Government in their letter No. SDA. 179/74/73, dated 5th February, 1977 informed the Committee the following reasons for non-lifting of allotted quota of wheat by the allottees in time.

- (1) High prices of wheat
- (2) Less demand from the side of consumers ; and
- (3) Availability of rice at a cheaper price.

17.5 During the course of examination, the official witness informed the Committee that the wheat in question was purchased in August-September 1968.

RECOMMENDATION

17.6. The Committee is not happy in the way the commodities are allowed to be deteriorated. There was scarcity of wheat long after the purchase of stocks. The delay in disposal of stocks appears to be the reason for deterioration. As the matter is still under investigation, the Committee refrains from giving any remarks at this stage and recommends that the reasons for non-utilisation and result of the investigation be intimated to the Committee within two months from the date of presentation of this Report to the House.

Para 46(b) at page 71

18.1. Due to prolonged storage of essential commodities at Tezpur for periods ranging from 8 months to 3 years as against prescribed limit of storage for two months, commodities valued at Rs. 0.54 lakh became unfit (October 1968) even for cattle consumption and were, therefore, destroyed (October 1968). In addition, a report submitted by the Deputy Director of Supply in September 1969 revealed storage losses of Rs. 0.25 lakh during 1968.

During the years 1966-67 to 1968-69 the Government disposed of different kinds of Dal and Mustard Oil by inviting tenders and sustained a loss of Rs 3.11 lakhs.

18.2. The official witnesses were examined by the Committee and in course of examination, the Committee asked the Department to furnish written replies to the questionnaire. The Government in their letter No.SDA.179/74/60, dated 23rd October, 1976 furnished the following:—

Question

Reply

(1) Why the essential commodities like Masur Dal, Mugdal, Arhar Dal, Gram etc., were stored for unusually longer period ranging from 8 to 36 months against the permissible limit of two months stipulated in the original scheme rendering the commodities unfit even for cattle consumption?

Government intended to maintain a stock for three months so that supplies would not be dislocated due to the disturbed conditions prevailing then in 1965. Sometimes the same stock might have to be carried over to the subsequent months also if there was no occasion to release the commodities from Government stock as supplies in the open market prices were lower, it was not possible to dispose of the stock at an economic price when Government decided to sell out the stocks.

Due to non-availability of standard godowns, the commodities had to be stored in the godowns which were not damp proof and some of the commodities were also damaged by rats and insects. As a result of unavoidable long storage, and damages caused during storage, some stock, later, were found to be unfit for cattle consumption.

(2) Were further purchases made during this long period? If so, when and why? What steps were taken to dispose of the quantities in stock?

No further purchase was made for Tezpur.

(3) Who was responsible for loss of Rs.0.54 lakh and what action was taken against him ?

The commodities had to be destroyed resulting in the loss under the circumstances explained above and there was therefore no question of taking action against any officer.

(4) What action was taken on the report submitted by the Deputy Director of Supply regarding storage losses valued at Rs.0.25 lakh ? Was the shortage within the prescribed standard norm ?

On receipt of the shortage report from the Deputy Director of Supply, Texpur necessary instruction were issued to the Deputy Director of Supply for submission of formal proposal for writing off giving full particulars connected therewith. Proposal has since been received and the same is now under scrutiny.

18.3. The Committee wanted to know as to whether any investigation was made with regard to the losses of Rs.54,000 the official witness replied in the negative.

18.4. On being questioned as to what was the period of storage and how long the commodities had to be kept in the store; the official witness stated that initially it was intended that it would be for a period of 2 or 3 months but the circumstances were such that these could not be disposed of within three months and some had to be carried over for about 3 years.

18.5. On a query as to who was responsible for this loss of about Rs.54,000 the official witness replied that this stock had to be built up immediately after the Chinese aggression and when the Indo-Pak conflict was there.

18.6. The Chinese aggression took place in the year 1962 and the Indo-Pak trouble arose in the year 1965. The Committee was therefore made to understand that stocks were built during the period of 1962 to 1965.

RECOMMENDATION

18.7. The Committee was perturbed to note that large quantities of essential commodities were allowed to be deteriorated due to prolonged storage.

18.8. The Committee therefore recommends that investigation into the matters should be made and responsibility should be fixed on the officer or officers due to whose negligence the stock was not rotated in every three months also disposed of before it started deteriorating.

18.9. The action taken on the matter alongwith the investigation report should be intimated to the Committee within two months from the date of presentation of this Report to the House;

Para 46 (c) at page 71

19.1. A report (April 1969 from the Subdivisional Officer (Supply), Nalbari to Government indicated that 3,570 quintals (Rs. 3.51 lakhs) of wheat procured by him early in 1968-69 for sale to the public through fair price shops had started deteriorating due to prolonged storage. Of this, 2,769 quintals (Rs. 1.55 lakhs) were disposed of by inviting tenders (May 1969 and July 1969). This resulted in a total loss of Rs. 0.79 lakh to the Government. Storage loss of remaining 801 quintals valued at Rs. 0.77 lakh was detected at the time of lifting the commodities from the godown. The Department has not prescribed any norms for godown storage in respect of the wheat (September 1972). The losses have not been written off (September 1972).

19.2. The official witnesses of Supply Department were examined by the Committee on 11th October, 1976 and in course of examination the Committee asked the Department to furnish written reply to the following questions. The Department in their letter No. SD A. 179/74/60, dated 23rd October, 1976 furnished replies to the queries which is given below :

Question	Reply
1. How long can wheat be stored without deterioration? Did the deterioration of 3,570 quintals take place within the safe period of storage? If so why?	Period for which wheat can be stored without deterioration would depend on the facilities for protection against pest infestation, dampening etc. Under proper condition, wheat may be stored for about a year in standard godowns. As there was no uniform standard godowns for storage of such commodities it is not possible now for determining the safe period for storing such commodities at that time.
2. Did the Government cause any investigation in to the report submitted by the Subdivisional Officer, (Supply) Nalbari? If so what are the results of investigation?	An investigation has been taken up and it is not yet complete.
3. What necessitated prolonged storage of wheat? Could these not be sold to the public through fair price shops earlier? If not, why? What was the basis for procurement of such a huge quantity of wheat and who estimated the requirement?	Storage of wheat prolonged due to low-off-take as the Ahu-crop meanwhile appeared in the market and the demand of wheat was less. Although attempts were made to dispose of the stock through fair price shops, the entire stock could not be disposed of. As there was scarcity of rice due to failure of sale Crop, Government decided to procure wheat from other States.

As regards the basis for procurement of the quantity of wheat and for estimating the requirement of this Subdivision, the reply to question (1) of Para 46(a) may kindly be referred to.

4. What is the standard norm for godown shortage. Is shortage of 801 quintals of wheat within the norm? If not, has the shortage been investigated and responsibility therefor fixed?

Reply to question No. 3 against Para 46 a) may kindly be referred to.

5. How much quantity of wheat procured during 1968-69 for Nalbari area out of which 3,570 quintals got deteriorated?

The total quantity of 16811.57 quintals of different varieties of wheat was received by the Subdivisional Officer (Supply), Nalbari.

6. Has the loss been written off by Government? If so, when? If not, why?

Necessary steps for write-off of the amount of loss will be taken on completion of the investigation which has already been initiated.

RECOMMENDATION

19.3. The Committee is constrained to note that a huge quantity of food stuff deteriorated due to lack of timely action by the Department. Since the Government has already taken up investigation into the matter, the Committee would like to know the results of the investigation and the action taken by the Government thereon.

Para 47 at page 72 of the Report of the Comptroller and Auditor General of India for the year 1971-72.

20.1. Between May and November 1969, 1,10,930 quintals (cost: Rs.115.41 lakhs) of foodstuff were booked by rail from various stations to Silchar; of this 1,437 quintals valuing Rs. 1.51 lakhs were received short between May 1969 and November 1969) at destination. Claims for Rs. 1.51 lakhs were preferred against the Railways for the transit shortage. The claims were rejected on the ground that packing and other special conditions necessary for a railway booking were not complied with by the consignors. Further development regarding recovery of the loss either from the consignors or Railways are awaited (February 1973).

20.2. The Committee while examining the Department on 11th October, 1976 directed the official witness to furnish written reply within ten days. The Department in their letter No. SDA. 179/74/60, dated 23rd October, 1976 replied to the questionnaire sent by the Committee. The questions and replies were given below:—

Questions

1. What special conditions were not complied with in connection with the booking of foodstuff for which the claims were rejected by the Railways ?

Replies

(1) The grounds adduced by the Railways for rejecting the claims were :—

For Rice

(a) Subject consignment was not packed and loaded as per Railway prescribed rules.

(b) Bags were single and used. Load counted by sender, 6 (six) small bags dunnage provided.

(c) Defective packing condition and due to booking under remark P/7 not complied with.

For Wheat

(d) P/7 not complied with as per Railway booking rules and dunnage not supplied.

(e) Due to inherent vice of the commodity in wagon.

(f) Not packed and loaded as per Railway's prescribed packing rules.

Further, the details of condition under P/7 as collected from the goods office Silchar Railway Station are :

(a) P/7 (i) Contents should be 100 Kg (nett)

(ii) Tare weight of bags should be 1.021 Kg.

(iii) Length 44" (1.118 metre). Breadth-26½ (O 673)"

(2) Who were the consignors ?
Was the case taken up with the consignors ? What were their replies ?

(2) Deputy Commissioner, Darrang, Deputy Commissioner, Nowgong, Sub-divisional Officer, Karimganj as well as the F.C.I. and the Assam Cooperative Apex Marketing Society of various Stations within the State and also RDF/FCI Calcutta were the consignors in this case. Since the claims were rejected on the ground of defective packing etc. for which the consignors were considered to be responsible, matters have been taken up with the consignors. Reply has not yet been received from the consignors and the matter is being pursued.

(3) Has the full value of food-stuff been paid regardless of shortage ? If so, why ?

(3) Full value of the food-stuff was paid to the suppliers regardless of transit shortage as the Railways were held responsible for the entire amount of transit loss initially and accordingly claims were preferred against the railways.

(4) What is the present position of the case ?

(4) Matter is under correspondence with the carriers in regard to the pending claims. As regards claims rejected by the carriers for non-compliance of the prescribed Railway Booking conditions, the matter is under correspondence with the consignors. A claim for Rs. 150.96 only has so far been accepted by the Railway and has been duly adjusted through Accountant General, Assam in May, 1972.

20.3. The above replies were examined by the Sub-Committee on 23rd December, 1976 and sought for further replies on certain points and the Department in their letter No. SDA. 179/74/73, dated 5th February, 1977 furnished to the Committee.

RECOMMENDATION

20.4. The Committee recommends that responsibility be fixed for this huge loss and also for defective packing.

20.5. In view of shortage of standard Godowns, the Committee suggests that Government may consider construction of some standard Godowns with scientific storage amenities as the Department is spending a huge amount in hiring Godowns.

Paragraph 48 at page 72 of the Report of the Comptroller and Auditor General of India for the year 1971-72-Over stocking of mustard oil.

21.1. In order to build up a buffer stock, the Sub-divisional Officer (Supply), Kokrajhar procured 760.04 quintals of mustard oil (cost : Rs. 3.45 lakhs) during September-October 1966 although 1209.30 quintals valuing Rs. 6.82 lakhs was in stock. In August -September, 1967 a further quantity of 633.60 quintals (cost : Rs. 3.36 lakhs) was also purchased for stock. Out of the total quantity (2602.94 quintals) of mustard oil 1,048.38 quintals were sold in July 1968 at Rs. 317 per quintal due to fall in the market price as against the economic price of Rs. 483 per quintal in respect of 484.84 quintals of 1966 batch and Rs. 564 per quintal in respect of 633.60 quintals of 1967 batch. This entailed a loss of Rs. 2.53 lakhs (approximately) to Government.

21.2. The Committee examined the Department on 11th October, 1976 and asked the official witness to furnish a written reply on the questionnaire prepared by the Committee.

21.3. The Department furnished a written reply in their letter No. SDA. 179/74/60, dated 23rd October, 1976 which is as follows :-

Questions

1. Who approved these purchases and on what basis the requirement was assessed ?

2. What happened to the balance 1,554.56 quintals of mustard oil ?

Replies

1. Government decided to maintain a buffer stock of three months requirements and to procure the commodities directly from the producing States.

2. The balance was disposed of as follows :

Sale by inviting tender

1,187,07.500 quintals.

Sale on economic price-

295.20.000 qtls.

1482.27.500 qtls.

A quantity of 72,30,500 quintals was lost in storage.

3. Has the loss been investigated by the Government to see the justification for purchase of 1,393.64 quintals of mustard oil over and above the stock of 1,209.30 quintals? If so, what is the justification?

4. Has the loss been written off by the Government after being satisfied that no official was responsible for the loss and if so, when? If not, why?

3. Government considered the purchase as necessary due to the prevailing emergent situation during the period arising out of Indo-Pak conflict. Hence no investigation was made.

4. Although a proposal for write-off has been received, the proposal was not completed and lacking in certain details, further correspondence has been made with the concerning officer and his reply awaited.

RECOMMENDATION

21.4. The Committee recommends that Government should be more circumspect in future in assessing the requirement of food-stuff to be purchased for maintaining a buffer stock so that no loss is incurred due to prolonged storage and delay in disposal of stock. The action taken for writing off the losses may be intimated to the Committee as soon as possible.

FOREST DEPARTMENT

Para 38 at page 59 of the Report of the Comptroller and Auditor General of India for the year 1971-72—Acceptance of alleged forged treasury chalan as genuine.

22.1. In South Kamrup Forest Division, during the period from February 1965 to April 1972 permits for removal of timber from forest were issued to contractors on production by them of certain treasury chalans for a total sum of Rs. 4.55 lakhs in proof of deposits of requisites of amounts money into Gauhati treasury. In course of test audit of the accounts of this Division, it was noticed that credit in respect of the relevant chalans did not appear in the receipt schedule of the treasury and the chalans were suspected to have been forged. Under the rules, departmental figures of receipts are to be compared and reconciled with the figures in the monthly treasury account and had this procedure been followed the alleged fraud could have been detected at a much earlier stage. Government stated in February 1973 that the Chief Conservator of Forests had been asked to conduct a thorough enquiry into the matter.

22.2. The Committee examined this Department on 14th Jun., 27th July, 1976 and on 3rd February, 1977 and asked the Department to furnish a written reply regarding the late position of the case and the Government in their letter No. FRS. 179/72/93, dated 26th July, 1976 furnished the following:

Fraud of Government money amounting to Rs. 4,91,657.38 p. was committed by way of tempering documents by late B. D. Thakuria, Shri Aohoy Chandra Deka, Shri Lohit Chandra Sarna, Shri Lohit

Chandra Dolai and Shri Dhaneswar Das, Forest contractors in the S. K. Divn, between the period from May 1965 to May, 1972. The matter was reported to the O/C, Gauhati Police Station by the D. F. O., S. K. Divn. in his letter No. B/77, dated 25th May, 1972 and reminded from time to time in the past. As no reply was received from the Police, the matter was referred to S. P., Gauhati in Government letter No. FRS. 179/72/63, dated 10th March, 1976 with the request to complete the enquiry early and to furnish a report thereof to this Department by 25th March, 1976. As no reply was received, the matter has now been taken up with the Secretary, Home Department in this Department letter No. FRS. 129/72/78, dated 23rd June, 1976 with the request to issue necessary direction to the Superintendent of Police Kamrup for early investigation of the matter.

22.3. The Chief Conservator of Forest Assam has also been requested in this Department letter No. FRS. 179/72/79, dated 23rd June, 1976 to draw up departmental proceedings against Sarbashri K. K. Sarma and N.C. Das the then Accountants in the office of the D. F. O., S. K. Divn with a view to recover the loss to the extent they were responsible. It is however mentioned that out of 5 (five) Accountants two have since retired and one has expired.

22.4. We have also called explanations from four D. F.Os. concerned as to why departmental proceedings should not be drawn up against them with a view to recovering the amount involved in this Department letter No. FRS. 179/72/86, No. FRS. 179/72/88, No. FRS. 179/72/90, No. FRS. 179/72/92, dated 26th July, 1976.

22.5. As the case was pending with the Home (Police) Department for a long time, the Committee examined the Home (Police) Department of the Government on 18th August, 1976 and asked the Department to furnish the latest position regarding the progress of investigation. The Joint Secretary, Home (Police) Department in his letter No. HMP. 696/75/80, dated 19th February, 1977 also forwarded a copy of letter No. G/VI/18/77/13, dated 18th February, 1977 from the Deputy Inspector General of Police (A), Assam to the address of the Joint Secretary, Political Department for perusal of the Committee regarding the causes of delay in investigation of this particular case of Forest Department. In Para 10 of this letter it is stated "It is a very complicated case in which it is suspected that persons from Forest Department, Treasury and the State Bank collaborated for committing this crime. To locate and pin point the papers and the persons involved in the various transactions in these different offices, it is absolutely necessary that the departments concerned adequate interest in helping the investigation by ensuring production of relevant evidence before Police. Unfortunately, inspite of S. P.s. personal efforts in taking up the matter with D. F. O. on several occasions their response was not adequate. It may be mentioned that it was a huge loss of revenue to the Forest Department due apparently to negligence and lack of supervision by superior officers of the Department and unless the officials of that department take adequate interest

by pursuing the case vigorously it can become well-nigh impossible for the Police alone to detect the case. However, considering the complication and the difficulties experienced in this case so far, the D. I. G., C. I. D. has been ordered to take over the case immediately and finalise investigation within three months.

RECOMMENDATION

22.6. The Committee would like to have the Report of the Police investigation immediately for which an assurance was given in February, 1977 that the investigation shall be finalised within three months by the D. I. G., C. I. D. The Committee further recommends that Departmental action against the concerned Accountants, D. F. Os and other superior officers of the Department for whose negligence and lack of supervision this fraud took place should be taken immediately and a report in this regard submitted to the Committee.

INLAND WATER TRANSPORT DEPARTMENT

Paragraph 28 at page 52 of the Report of the Comptroller and Auditor General of India for the year 1971-72—Synopsis of important stores accounts.

23.1. The para brings out that small stores, building materials, matels fuels, etc., worth Rs. 1.42 lakhs were purchased during the year 1971-72 against which materials valued at Rs. 0.39 lakh were issued leaving a balance of Rs. 1.03 lakhs at the end of the year.

23.2. The Committee wanted to know as to what was the necessity for making purchases of materials valued at Rs. 1.42 lakhs during the year when the value of issues amounted to Rs. 0.39 lakh only; the official witness replied that till 1971-72 the Department had about 6 new boats and about 60 Mar boats taken from the Public Works Department totalling 66 boats that we had at that time. All the engine parts of these boats had to be stocked up otherwise these could not be maintained. The total value of the engines would be about 30 lakhs or so. So the stock which we had to keep normally comes to 5/10% of the total value of the engines. In that way we normally require that much of stock every year to maintain these engines and the amount that has been shown is not very much. And the other point is that these stocks also apparently has been received in March 1972, only that has been again shown as pending and the total stock which had been received was disposed of. Rupees 1.03 lakhs had been received just at the fag end of the year though the order was placed much earlier. So the stock is not very big in comparison with the work because they are not being kept for a long time.

23.3. On a query as to whether the operation of the boats in any way suffered because of the late receipt of the materials; the official witness replied that it was not to that extent because normally the orders for the stocks were placed almost about 8/9 months back before their expected use thus they took into account the time lag to receive the stocks from Bombay, Poona and other distant places. Some stock piling for atleast six months or so was necessary.

RECOMMENDATION

23.4. The Committee recommends that Department should not retain huge stocks as there is apprehension of damage and loss due to long storage.

Paragraph 49 at pages 72-73 (Loss of Revenue of the Report of the Comptroller and Auditor General of India for the year 1971-72.

24.1 The Executive Engineer, Inland Water Transport Division, Gauhati invited tenders (January 1971) for operation of four ferry services namely, Dhubri-Fakirganj, Tezpur-Silghat-Panbari, Neamati-Kamalabari and Dibru-Sonari-Burisuti for 1971-72. The highest bids received in the first three cases were rejected (March 1971) by the Department without recorded reasons or proper scrutiny of the bids. This has resulted in loss of revenue to the extent of Rs. 2.21 lakhs as shown below.—

Name of ferry Service	Amount of the highest bid (Rupees in lakhs)	Amount at which settled	Loss
Dhubri-Fakirganj	0.85	0.75	0.10
Tezpur-Silghat Panbari	0.76	0.57	0.19
Neamati-Kamalabari	0.78	0.75	0.03
			----- Total—0.32

The matter was referred to the Government (April, 1972); reply is still awaited (December 1973).

Dibru-Sonari-Burisuti

24.2. The highest bid of Rs. 2.01 lakhs for the Dibru-Sonari-Burisuti ferry service was also rejected (March 1971) by the Executive Engineer, Inland Water Transport Division and provisionally settled (March 1971) with the second highest bidder, the existing leasee, at Rs. 1.87 lakhs mainly on the ground that the highest bidder did not furnish earnest money and certificate of landed property. On an appeal by the highest bidder the Government ordered (March 1971) that the ferry should be run departmentally pending final decision of the case. Departmental operation of the service for 1971-72 resulted in a net loss of Rs. 1.89 lakhs (expenditure: Rs. 3.99 lakhs and revenue Rs.2.10 lakhs).

24.3 From the evidence tendered by the Official witness, the Committee came to learn the following:—

Dhubri-Fakirganj—In this case the highest bidder withdraw before the ferry could be settled. The second highest bidder offered Rs.75, 105/ but as he had no experience, it was not settled with him and it was settled with the third bidder.

24.5. **Tezpur-Silghat Ferry** : In this case the highest bidder did not have any experience which is required under the Ferry Rules and so it was given to the second highest bidder. The reasons for rejection were also recorded at the time of settlement.

24.5. **Neamati-Kamalabari Ferry** : In this case also the highest bidder did not offer any security and secondly he had no previous experience, and therefore, it was settled with the second highest bidder.

24.6. **Dibru-Sonary Ferry** : In this case another ferry was settled with the highest bidder and he did not offer any additional security for this ferry and therefore he was not given. Against the second highest bidder there was a number of complaints, both inside and outside the Assembly and therefore he was not given. The next bidder's offer was too low and so it was decided to run it departmentally. Even if it was settled with a bidder, certain items of expenditure would have to be borne by Government. The maintenance of the ferry is the responsibility of the Department, and then there were certain capital expenditure like construction of approach road etc, which amounted to Rs.2 lakhs which has been included in the loss. At that time even the cost of staff running the ferry used to be borne by Government. Therefore, if you exclude all these items, the loss would be about Rs. 84,000. The loss occurred because the ferry could not be settled. Usually, it is found that if there is delay in settlement of a ferry tenderers are not interested in taking the ferry because during the flood season the traffic is less.

RECOMMENDATION

24.7. The Committee is amazed to find that in almost all settlement of ferries the highest bidders were eliminated either on some plea which ultimately resulted in loss of revenue.

24.8. The Committee recommends that Government should not reject the highest bidder unless there are some definite reasons which should be recorded—

FISHERY DEPARTMENT

Paragraph 15(a) Serial 16 at page 27 of the Report of the Comptroller and Auditor General of India for the year 1971-72.

Paragraph 15(a) Serial 16 at page 27 of the Report of the Comptroller and Auditor General of India for the year 1971-72.

Number and name of grant	Total grant	Expenditure	Excess
	Rs	Rs.	Rs.
31 Agriculture—II—Fisheries	40,85,600	41,96,255	1,10,655

26.1. Excess occurred mainly under "Development Schemes (Fourth-Five Year Plan)—I—Schemes under Articles 275—II—Other State Plan Schemes—D—3 Development of Fisheries,
(expenditure: Rs. 24.98 lakhs.
Provision: Rs. 23.30 lakhs)

Reasons for excess have not been intimated.

25.2. The Committee examined the official witness on 13th October, 1976 wherein the Secretary Fishery stated that there was no excess. It transpired from the evidence tendered by the official witness that this excess was recorded in the Audit Report for not intimating the correct position to Audit in time. The clarification to this effect was given to the Accountant General on 24th June, 1976 i. e. almost after four years. The Committee asked the Department to furnish a written reply. The Government in their letter No. VFF. 376/74/21, dated 24th June, 1976 furnished a written reply which is as follows:—

The total voted grant during the year 1971-72 was Rs. 40,85,600 as follows:—

1. General	Rs. 37,98,600
2. 6th Schedule (Plan-A) Areas	Rs. 2,87,000
	Rs. 40,85,600

In addition to the above, an amount of Rs. 1,75,000 was also sanctioned from Contingency Fund for expenditure during the year 1971-72 under General Areas.

25.3. Out of the total expenditure of Rs. 41,96,255 as shown in the Report actual expenditure incurred from voted grant was Rs. 40,21,255 and the balance of Rs. 1,75,000 was met from the Contingency Fund. The actual position is as follows:—

	Total grant	Actual expenditure	Excess (-) Saving (+)
General	37,98,600	37,89,655	(-) 8,945
Sixth Schedule			
(Part A) Areas	2,87,000	2,31,600	(-) 55,400
Total	40,85,600	40,21,255	(-) 64,345
Contingency Fund	1,75,000	1,75,000	.....
Grand total	42,60,600	41,96,255	(-) 64,345

25.4. In view of the position as stated above, there was no excess expenditure. The total saving occurred during the year was Rs. 64,345. This savings occurred mainly under Development Scheme (fourth-five year plan) for the following reasons:

- (1) Rs. 58,000 Due to creation of the Mizoram as an Union Territory no work was taken up and hence the amount had to be surrendered.
- (2) Rs. 6,345 This was due to non receipt of supplies bill in time.

Rs. 64,345

RECOMMENDATION

25.5. The committee recommends that there should not be any delay in intimating the correct position to the Accountant General and in sorting out such matter.

HEALTH (INCLUDING PUBLIC HEALTH ENGINEERING) DEPARTMENT

Paragraph 18 at page 37 of the Report of the Comptroller and Auditor General of India for the year 1971-72—Lesser realisation

26.1. Charges for a single seated room in Nowgong Civil Hospital were enhanced from Rs.5 per day to Rs.10 per day by a Government order from 15th March, 1967. This was actually given effect to from 5th December 1970 reportedly due to non-receipt of the order by the district medical authorities in time. This resulted in lesser realisation of room rents (Rs.0.32 lakh).

26.2. The Department of Health and Family Planning on receipt of the Report of the Comptroller and Auditor General of India for the year 1971-72 intimated the Assembly Secretariat in their letter No.HLA.725/74 47, dated 3rd September, 1976 about the latest position of this para as follows:—

26.3. Government enhanced the rate of single seated room of Civil Hospital, Nowgong from Rs.5 to that of Rs.10 per day vide letter No. M & D 618/64//P/7, dated 15th March 1967. The Director of Health Services, Assam vide his letter No.HSG/IX/2/67/4356-58, dated 8th April, 1967 communicated the same to Civil Surgeon, Nowgong which sent by ordinary post was in all probability lost in transit.

26.4. A copy of the letter was later collected by one of the staff of Civil Surgeon's office, Nowgong who happened to visit the Office of the Director of Health Services, Assam on 13th November 1970. The Government order raising the seat rent of single seated room from Rs.5 to Rs.10 was not given effect to at Nowgong Civil Hospital prior to 23rd November 1970. There was no dereliction of duties on the part of District Health Officer, Nowgong for this omission. The non-receipt of Government order by Civil Surgeon, Nowgong was most unfortunate and it was also beyond our control as the letter was not sent by registered post. The District Health Officer, Nowgong did not get the knowledge of revised rate from other sources as the order related to only two district hospitals at Nowgong and Shillong.

26.5. The District Health Officer, Nowgong is however being requested to realise the said amount of Rs.32,200 from concerned patients as far as possible vide Government letter No.725/74/47, dated 3rd September 1976.

26.6. The Government has been instructing the Director of Health Services that he should obtain acknowledgement of important circulars involving financial implication from his subordinate officers so that omission as happened in the above case can be avoided in future. The District Health Officers and other programme officers in the Directorate of Health Services should see that important circulars reach the periphery and acknowledgement of receipt are obtained in due course.

26.7. Basing on these informations, the Committee examined the Department on 12th October, 1976 and asked as to whether the Department was sure about the posting of the letter to the Civil Surgeon, Nowgong and the official witness stated that the normal presumption was that it was issued. The Department had asked the Civil Surgeon to see whether it could be realised from the concerned persons.

RECOMMENDATION

26.8. The Committee recommends that all letters involving financial implication should invariably be sent under registered post and acknowledgement obtained. The Committee may be apprised whether any amount of money could be realised from the patients concerned.

Paragraph 26 at page 50 of the Report of the Comptroller and Auditor General of India for the year 1971-72. Delay in construction of buildings for Family Planning sub-centres.

27.1. The Government of India approved (July 1970) construction of buildings for family planning sub-centres under the Family Planning Programme at an average cost of Rs. 16,275 each; construction was to be completed in 1970-71. In April 1971, Public Health Division No. 1, Gauhati, entrusted construction of buildings for 91 sub-centres in the rural areas of Kamrup, Darrang, Goalpara and Nowgong districts to Assam Small Industries Development Corporation at Rs. 14,725 per sub-centre (plus Rs. 1,000 extra each for 25 sub-centres to be provided with fencing). Forty sub-centres were to be completed by July 1971 and the remaining by February 1972. Rupees 10.05 lakhs (drawn by the Division on 31st March 1971) were paid as advance to the Corporation in July 1971.

27.2. The Corporation having expressed difficulties (July 1971) in constructing the buildings for the sub-centres, it was decided (July 1971) that it should construct only 50 sub-centres in Kamrup, Darrang and Goalpara districts; the Corporation refunded Rs. 3.29 lakhs in October 1971. Upto May 1973 buildings for twenty-two sub-centres in Kamrup district were handed over by the Corporation; progress report in respect of the remaining buildings has not been made available (April 1974).

27.3. Information about construction of buildings for the other 41 sub-centres to be constructed by Public Works Department is awaited (April 1974).

27.4. Government stated (August 1973) that due to delay in construction of the sub-centres the family planning programme suffered a set back in rendering maternity, child health and family planning services to the rural population.

27.5. The Committee wanted to know as to whether construction of buildings for all the 91 sub-centres had been completed; the official witness stated that ninety-one sub-centres were given to Assam Small Industries Development Corporation. Out of ninety-one, forty-one were surrendered; thirty-seven were completed by 30th November, 1973; five were cancelled; one was transferred to Public Works Department and seven were not started and the Department would possibly cancel these also.

27.6. On a query as to whether the Assam Small Industries Development Corporation had any machinery for construction of buildings the official witness replied in negative and stated that they had some overseers only.

27.7. On being questioned as to whether the Corporation was paid an advance of Rs. 10.05 lakhs for construction of 91 buildings; the official witness stated that Rs. 13.65 lakhs was the total estimated expenditure for 91 buildings and they were paid 75% of the estimated cost of 91 buildings. For the 37 buildings the cost on the basis of original estimate was paid.

RECOMMENDATION

27.8. It transpired from the evidence tendered by the official witness that out of 91 sub-centres actually 37 sub-centres were completed by the Assam Small Industries Development Corporation for which they were paid 75% advance of total estimated cost of 91 sub-centres. There is therefore an excess payment to the Assam Small Industries Development Corporation.

27.9. The Committee therefore recommends that excess payment may be recovered and the latest position of construction of building for remaining 54 sub-centres may be intimated to the Committee at an early date.

RELIEF & REHABILITATION DEPARTMENT

Paragraph 28 at page 52 of the Report of the Comptroller and Auditor General of India for the year 1971-72.

28.1. The para brings out that against the issue of stores worth Rs. 0.24 lakhs, stores worth Rs. 0.70 lakh were procured during the year. There was also an opening balance of stores worth Rs. 0.16 lakhs.

28.2. The Committee asked the Department to furnish a written reply regarding the latest position. The Government in their letter No. RHR. 6/76/12, dated 30th October, 1976 furnished the following information.

28.3. The R/R Engineering Division has been abolished with effect from 1st July, 1976 as a result of which it has become difficult to furnish the replies immediately. The staff of the defunct R/R Engineering Division available at Gauhati are being contacted and a detailed report will be furnished at an early date.

RECOMMENDATION

28.4. The Committee may be apprised of the detailed report as assured by the Department within two months from the date of presentation of the Report before the House.

CHAPTER III

RECOMMENDATIONS, REMARKS, OBSERVATIONS, ETC., ON THE REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA FOR THE YEAR 1971-72, FINANCE ACCOUNTS, 1971-72 AND APPROPRIATION ACCOUNTS, 1971-72.

GENERAL OBSERVATION IN RESPECT OF PARAGRAPH COMMON TO MANY DEPARTMENTS

Serial No.	Reference	Recommendation
(1)	(2)	(3)
1. Paragraph 12 at Pages 18—19 of the C.A.G. Report, 1971-72.	<p>The Financial Rules of the Government require that a certificate of proper utilisation of grants paid to non-Government Bodies, Institutions etc. should be sent by the Departmental Officers to the Audit within a reasonable time. The payment of some of these grants relates to the year 1968-69.</p> <p>The Committee recommends that the Departments should make special efforts to obtain utilisation certificates without further loss of time. The action taken should be intimated to the Committee within three months from the date of presentation of this Report to the House.</p>	
2. Paragraph 19 at page 37 of the C. A. G. Report 1971-72.	<p>In view of frequent occurrence of cases of misappropriation, defalcation and losses of Government fund, the Committee recommends that Government should examine the present system of deposit and withdrawal of bills in the Bank to prevent the recurrence of such irregularities in future by means of a better control over the monetary transactions.</p>	

Serial No.	Reference	Recommendations
(1)	(2)	(3)

With a view to facilitating investigation of the cases of misappropriation, defalcation etc. the Committee also recommends that arrangements might be made for imparting specialised training to the police personnel so that expeditious investigation might be carried out into the cases of irregularities referred to the police by the different Departments. This specialised training can profitably be given when the Police official undergo usual training in the Police Training Institute.

The Committee could not but expresses concerned over the increasing number of misappropriation cases and inordinate delay in disposal. The Committee therefore recommends expeditious disposal of all the pending cases and action taken reported to the Committee within three months from the date of presentation of this Report to the House.

3. Paragraph 52 at pages 82-84 read with Appendix VII at page 102 of the C. A. G. Report, 1971-72. The Committee recommends that the Departments should clear the outstanding audit observations within a period of three months from the date of presentation of this Report to the House.

4. Paragraph 53 at page 85 of the C. A. G. Report 1971-72. The Committee notes with regret that some of the outstanding Inspection Reports have not been settled for the last 31 years (1945-46). The Committee recommends that representatives of the Department should immediately be sent to Audit Office and in consultation with the Accountant General, the matter be settled without further delay. The action

Serial No.	Reference	Recommendations
(1)	(2)	(3)
		taken should be intimated to the Committee within three months from the date of presentation of the Report to the House.

PRINTING AND STATIONERY DEPARTMENT

5. Paragraph 15(a) Serial 19 at page 28 of the C.A.G. Report, 1971-72 Subject to sorting out the figures, the Committee recommends regularisation of the excess expenditure.
6. Paragraph 28 at page 52 of the C.A.G. Report, 1971-72. The requirement of various kinds of papers appear to be of routine nature. The Committee therefore recommends that adequate provision should be made while preparing the Budget in future.
7. Paragraph 19 at page 37 read with Appendix IV at pages 98-99. of the C.A. G. Report, 1971-72. The Committee should be apprised of the present position of the case within three months from the date of presentation of this Report before the House.

GENERAL ADMINISTRATION DEPARTMENT

8. Paragraph 19 at page 37 read with Appendix IV at pages 98-99 of the C. A. G. Report, 1971-72. The Committee may be apprised of the result of the case as soon as disposed of by the Court.

PERSONNEL (A) DEPARTMENT Earstwhile Appointment (B) Department

9. Paragraph 15(a) Sl. No. 8 at page 23 of the C.A.G. Report, 1971-72. In view of the reasons stated by the Department; the Committee recommends regularisation of the excess expenditure.

Serial No.	Reference	Recommendations
(1)	(2)	(3)
10.	Paragraph 19 Sl. No.2 at page 37 read with Appendix IV at pages 98-99 of the C. A. G. Report, 1971-72.	The Committee recommends finalisation of the pending cases as soon as possible and the recovery of the defalcated amount reported to the Committee.

REGISTRATION DEPARTMENT

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| 11. | Paragraph 15 (a) Sl. No.5 at page 22 of the C.A.G. Report, 1971-72. | It appears that there is lack of budgetary control over expenditure. The Department should maintain control register to watch the progress of expenditure from time to time. Subject to this the Committee recommends regularisation of the excess expenditure. |
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EDUCATION DEPARTMENT

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| 12. | Paragraph 19 at page 37 read with Appendix IV at pages 98-99 of the C.A.G. Report 1971-72. | The Committee recommends that the latest position of all the pending cases in Serial Nos. 2, 5, 6 and 8 be intimated to the Committee within three months from the date of presentation of this Report to the House. |
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LABOUR DEPARTMENT

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| 13. | Paragraph 19 Sl. No. 15 at page 37 read with Appendix IV at pages 98-99 of the C.A.G. Report, 1971-72. | The Committee desires that the result of the second case and the action taken for recovery should be intimated to the Committee as soon as the case is finalised. |
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HOME (POLICE) DEPARTMENT

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| 14. | Paragraph 19 Sl. 14 at page 37 read with Appendix IV at pages 98-99 of the C.A.G. Report, 1971-72. | The Committee may be apprised of the latest position of the pending cases within two months from the date of presentation of this Report before the House. |
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Serial No.	Reference	Recommendations
(1)	(2)	(3)

EXCISE DEPARTMENT

15. Paragraph 15(a) (3) at page 22 of the C. A. G. Report, 1971-72. It appears that there is lack of control over expenditure. The Committee recommends that Department should maintain control register of expenditure. Subject to this, the Committee recommends regularisation of the excess expenditure.

SECRETARIAT ADMINISTRATION DEPARTMENT

16. Paragraph 15 (a) at page 23 (Sl. No. 7) of the C. A. G. Report, 1971-72. The Committee recommends regularisation of the excess expenditure.

SUPPLY DEPARTMENT

17. Paragraph 46 (a) at page 70 of the C. A. G. Report, 1971-72. The Committee is not happy in the way the commodities are allowed to be deteriorated. There was scarcity of wheat long after the purchase of stocks. The delay in disposal of stocks appears to be the reason for deterioration. As the matter is still under investigation, the Committee refrains from giving any remarks at this stage and recommends that the reasons for non-utilisation and result of the investigation be intimated to the Committee within two months from the date of presentation of this Report to the House.
18. Paragraph 46 (b) at page 71 of the C. A. G. Report, 1971-72. The Committee was perturbed to note that large quantities of essential commodities were allowed to be deteriorated due to prolonged storage.

Serial No.	Reference	Recommendations
(1)	(2)	(3)

The Committee therefore recommends that investigation into the matters should be made and responsibility should be fixed on the officer or officers due to whose negligence the stock was not rotated in every three months also disposed of before it started deteriorating.

The action taken on the matter alongwith the investigation report should be intimated to the Committee within two months from the date of presentation of this Report to the House.

19. Paragraph 46 (c) at page 71 of the C. A. G. Report, 1971-72. The Committee is constrained to note that a huge quantity of food stuff deteriorated due to lack of timely action taken by the Department. Since the Government has already taken up investigation into the matter, the Committee would like to know the results of the investigation and the action taken by the Government thereon.

20. Paragraph 47 at page 72 of the C.A.G. Report, 1971-72. The Committee recommends that responsibility be fixed for this huge loss and also for defective packing.

In view of shortage of standard Godowns, the Committee suggests that Government may consider construction of some standard Godowns with scientific storage amenities as the Department is spending a huge amount in hiring Godowns.

21. Paragraph 48 at page 72 of the C. A. G. Report, 1971-72. The Committee recommends that Government should be more circumspect in future in assessing the requirement of food-stuff to be purchased for maintaining a buffer stock so that no loss is

Serial No.	Reference	Recommendations
(1)	(2)	(3)

incurred due to prolonged storage and delay in disposal of stocks. The action taken for writing off the losses may be intimated to the Committee as soon as possible.

FOREST DEPARTMENT

22. Paragraph 38 at page 59 of the C.A.G. Report, 1971-72. The Committee would like to have the Report of the Police investigation immediately for which an assurance was given in February, 1977 that the investigation shall be finalised within three months by the D.I.G., C.I.D. The Committee further recommends that Departmental action against the concerned Accountants, D.F.Os and other superior officers of the Department for whose negligence and lack of supervision this fraud took place should be taken immediately and a report in this regard submitted to the Committee.

INLAND WATER TRANSPORT DEPARTMENT

23. Paragraph 28 at page 52 of the C. A. G. Report, 1971-72. The Committee recommends that Department should not retain huge stocks as there is apprehension of damage and loss due to long storage.
24. Paragraph 49 at pages 72-73 of the C.A.G. Report, 1971-72. The Committee is amazed to find that in almost all settlement of ferries the highest bidders were eliminated either on some pleas which ultimately resulted in loss of revenue.

Serial No.	Reference	Recommendations
(1)	(2)	(3)

The Committee recommends that Government should not reject the highest bidder unless there are some definite reasons which should be recorded.

FISHERY DEPARTMENT

25. Paragraph 15 (a) Serial 16 at page 27 of the C. A. G. Report, 1971-72. The Committee recommends that there should not be any delay in intimating the correct position to the Accountant General and in sorting out such matter.

HEALTH (INCLUDING PUBLIC HEALTH ENGINEERING) DEPARTMENT

16. Paragraph 18 at page 37 of the C.A.G. Report, 1971-72. The Committee recommends that all letters involving financial implication should invariably be sent under registered post and acknowledgement obtained. The Committee may be apprised whether any amount of money could be realised from the patients concerned.

27. Paragraph 26 at page 50 of the C. A. G. Report, 1971-72. It transpired from the evidence tendered by the official witness that out of 91 sub-centres actually 37 sub-centres were completed by the Assam Small Industries Development Corporation for which they were paid 75% advance of total estimated cost of 91 sub-centres. There is therefore an excess payment to the Assam Small Industries Development Corporation.

Serial No.	Reference	Recommendations
(1)	(2)	(3)

The Committee therefore recommends that excess payment may be recovered and the latest position of construction of buildings for remaining 54 sub-centres may be intimated to the Committee at an early date.

RELIEF AND REHABILITATION DEPARTMENT

28. Paragraph 28 at page 52 of the C. A. G. Report, 1971-72. The Committee may be apprised of the detailed report as assured by the Department within two months from the date of presentation of the Report before the House.

ANNEXURE—I

(Reference Para 7 at Page iii)

List of Officers who were examined by the Public Accounts Committee

Serial No.	Designation of Officers	Date of examinations
(1)	(2)	(3)
1	The Secretary to the Government of Assam, Forest Department.	14th June, 27th July, and 3rd February, 1977.
2	The Secretary to the Government of Assam, Excise Department.	11th October, 1976 and 2nd February, 1977.
3	The Officer-on-Special Duty, Registration Department.	11th October, 1976.
4	The Secretary to the Government of Assam, Supply Department.	11th October, 1976.
5	The Secretary to the Government of Assam, Sericulture and Weaving Department.	11th October, 1976.
6	The Secretary to the Government of Assam, Industries Department.	11th October, 1976.
7	The Joint Secretary to the Government of Assam, Secretariat Administration Department.	11th October, 1976.
8	The Joint Secretary to the Government of Assam, General Administration Department.	11th October, 1976.
9	The Joint Secretary to the Government of Assam, Stationery & Printing Department.	11th October, 1976.
10	The Joint Secretary to the Government of Assam, Home (Police) Department.	11th October, 1976.
11	The Joint Secretary to the Government of Assam, Personnel Department.	11th October, 1976.

Serial No.	Designation of Officers	Date of examination
(1)	(2)	(3)
12	The Secretary to the Government of Assam, Development (P. & C.D.) Department.	11th October, 1976.
13	The Secretary to the Government of Assam Town & Country Planning Department.	11th October, 1976.
14	The Secretary to the Government of Assam, Housing Department.	11th October, 1976.
15	The Secretary to the Government of Assam, Health (including Public Health Engineering) Department.	12th October, 1976.
16	The Secretary to the Government of Assam, Agriculture Department.	13th October, 1976.
17	The Secretary to the Government of Assam, Fishery Department.	13th October, 1976.
18	The Secretary to the Government of Assam, Animal Husbandry and Veterinary Department.	13th October, 1976.
19	The Secretary to the Government of Assam, Education Department.	13th October, 1976.
20	The Secretary to the Government of Assam, Transport Department.	10th October, 1976.
21	The Secretary to the Government of Assam, Labour Department.	13th October, 1976.
22	The Secretary to the Government of Assam, Welfare of plains Tribal Department.	13th October, 1976.
23	The Secretary to the Government of Assam, Revenue Department.	14th October, 1976.
24	The Secretary to the Government of Assam, Judicial Department.	14th October, 1976.
25	The Secretary to the Government of Assam, Election Department.	14th October, 1976.
26	The Secretary to the Government of Assam, Cooperation Department.	14th October, 1976.

ANNEXURE-I

Time devoted to each day's meeting

Date (1)	Time of meeting (2)	Total time (3)
14th June, 1976	12.00 hrs. to 13.00 hrs.	1 hr.
27th July, 1976	10.30 hrs. to 11.30 hrs.	1 hr.
3rd February, 1977	12.00 hrs. to 13.00 hrs.	1 hr.
11th October, 1976	10.30 hrs. to 10.45 hrs.	15 min.
2nd February, 1977	10.30 hrs. to 12.30 hrs.	2 hrs.
11th October, 1976	10.45 hrs. to 11.00 hrs.	15 min.
11th October, 1976	11.00 hrs. to 11.15 hrs.	15 min.
11th October, 1976	11.15 hrs. to 11.30 hrs.	15 min.
11th October, 1976	11.30 hrs. to 11.40 hrs.	15 min.
11th October, 1976	11.45 hrs. to 12.00 hrs.	15 min.
11th October, 1976	12.00 hrs. to 12.15 hrs.	15 min.
11th October, 1976	12.15 hrs. to 12.30 hrs.	15 min.
11th October, 1976	12.30 hrs. to 12.45 hrs.	15 min.
11th October, 1976	12.45 hrs. to 13.00 hrs.	15 min.
11th October, 1976	13.00 hrs. to 13.15 hrs.	15 min.
11th October, 1976	13.15 hrs. to 13.30 hrs.	15 min.
11th October, 1976	13.30 hrs. to 13.45 hrs.	15 min.
12th October, 1976	11.00 hrs. to 13.30 hrs.	2 hr. 30 min.
13th October, 1976	11.00 hrs. to 11.30 hrs.	30 min.
13th October, 1976	11.30 hrs. to 11.45 hrs.	15 min.
13th October, 1976	11.45 hrs. to 12.00 hrs.	15 min.
13th October, 1976	12.00 hrs. to 12.30 hrs.	30 min.
13th October, 1976	12.30 hrs. to 12.45 hrs.	15 min.
13th October, 1976	12.45 hrs. to 13.00 hrs.	15 min.
13th October, 1976	13.00 hrs. to 13.30 hrs.	30 min.
14th October, 1976	11.00 hrs. to 12.00 hrs.	1 hr.
14th October, 1976	12.00 hrs. to 12.15 hrs.	15 min.
14th October, 1976	12.15 hrs. to 12.30 hrs.	15 min.
14th October, 1976	12.30 hrs. to 13.00 hrs.	30 min.
		<hr/> 15 hrs. 15 min.

ANNEXURE—II

GOVERNMENT OF ASSAM

FINANCE (APF) DEPARTMENT : AUDIT BRANCH

No. FM:115/76/5 Dated Dispur, the 26th July, 1976.

From

Shri Rana K.D.N. Singh, I. A. S.,
Chief Secretary to the Government of Assam.

To

All Secretaries to the Government of Assam.

Subject:— EXAMINATION OF DEPARTMENTAL WITNESSES BY
PUBLIC ACCOUNTS COMMITTEE.

Sir,

It has been brought to my notice by the Chairman, Public Accounts Committee, in a meeting held on 22nd July 1976, that departmental witnesses, while appearing before the Public Accounts Committee to tender evidences, do not come fully prepared and often fail to give definite information desired by the Committee which should obviously be available with senior Government officials. This is considered most unfortunate and the situation must be rectified immediately in the future.

The Government takes a very serious view of this question and propose to take disciplinary action in such cases in future. The matter may kindly be looked into personally by you and suitable instructions should immediately be issued, so as to ensure that such lapses do not occur in future.

Yours faithfully,

Sd./-RANA K. D. N. SINGH,
Chief Secretary to the Government of Assam.

Memo. No. FM.115/76/5-A Dated Dispur, the 26th July, 1976.

Copy forwarded to:—

1. All Heads of Department for necessary action.
2. Secretary, Legislative Assembly, Assam, Dispur for information.

By Order, etc.

Sd./-RANA K. D. N. SINGH,
Chief Secretary to the Government of Assam.

ANNEXURE—III

(Reference para 4 at page ii)

GOVERNMENT OF ASSAM
FINANCE (A. P. F.) DEPARTMENT : : AUDIT BRANCH

No. FM. 115/76/6

Dated Dispur, the 26th July, 1976.

From—

Shri Rana K.D.N. Singh, I.A.S.,
Chief Secretary to the Govt. of Assam.

To

All Secretaries to the Govt. of Assam.

**Subject:—ACTIONS ON THE VARIOUS RECOMMENDATIONS
OF THE PUBLIC ACCOUNTS COMMITTEE.**

Sir,

It has been brought to my notice by the Chairman, Public Accounts Committee in a meeting held on 22nd July 1976 that a large number of recommendations made by the Public Accounts Committee in its various Reports are pending with various Department of the Government. You are requested to look into the matter personally and to take immediate action for final implementation of the recommendations. A monthly report should be submitted to me starting from 31st August, 1976 intimating the number of recommendations relating to your Department which continue to be pending and those in respect of which action has been taken and reported to the Assembly Secretariat.

Yours faithfully,

Sd/- Rana K. D. N. Singh,
Chief Secretary to the Government of Assam.

Memo. No. FM. 115/76/6-A Dated Dispur, the 26th July, 1976.

Copy forwarded to All Heads of Department for information and necessary action.

By Order, etc.

Sd/- Rana K. D. N. Singh,
Chief Secretary to the Government of Assam.

ANNEXURE—IV

(Reference para 4 at page iii)

GOVERNMENT OF ASSAM

FINANCE (A. P. F.) DEPARTMENT AUDIT BRANCH
 No. FM. 115/76/7 Dated Dispur the 26th July, 1976.

From—

Shri Rana K. D. N. Singh, I. A. S.,
 Chief Secretary to the Government of Assam.

To

All Secretaries to the Government of Assam.

**Sub:—LIST OF MISAPPROPRIATION CASES REPORTED TO
 THE POLICE BY DIFFERENT DEPARTMENTS**

Sir,

It has come to the notice of the Government that a number of cases of misappropriation losses occurring in different Department are reported to the local Police for registering cases and taking up investigation thereon, but that a list of cases are not generally furnished to the Inspector General of Police or to the Home Department for taking follow-up action for speedy disposal of such cases. As a result a number of such misappropriation cases figure in the Audit Reports without any effective follow-up. Moreover, the progress of investigation of such cases is not able to be followed up because of inadequate departmental co-ordination with Inspector General of Police's Office.

2. It is, therefore, desired that in future all cases reported to Police by different Departments should also be simultaneously reported to the Inspector General of Police. The list of cases already reported and pending investigation together with those appearing in the Audit Report should also be indicated in the list referred to above. The Inspector General of Police, on receipt of such list, will ensure speedy disposal of the cases to the maximum extend possible. Any cases of under delay in investigation should be brought to the notice of the Chief Secretary.

Please acknowledge receipt.

Yours faithfully,

Sd./- Rana K. D. N. Singh,
 Chief Secretary to the Government of Assam.

Memo. No. FM. 115/76/7-A Dated Dispur the 26th July 1976.

Copy to:—

1. The Inspector General of Police, Ulubari, Gauhati for information and necessary action.
2. All Heads of Department for information and necessary action.

By Order, etc.

Sd./- Rana K. D. N. Singh,
 Chief Secretary to the Government of Assam.