

PUBLIC ACCOUNTS COMMITTEE

(1968-69)

SIXTH REPORT

(FOURTH ASSEMBLY)

Report of the Public Accounts Committee on the Audit Report, 1967, Appropriation Accounts, 1965-66 and Finance Accounts, 1965-66 of the Government of Assam relating to Public Works (R. and B. Wing), Health, Education (General), Relief and Rehabilitation, Revenue, Law and Veterinary (Fishery) Departments



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August, 1968

Sravana/Bhadra 1890 (Saka)

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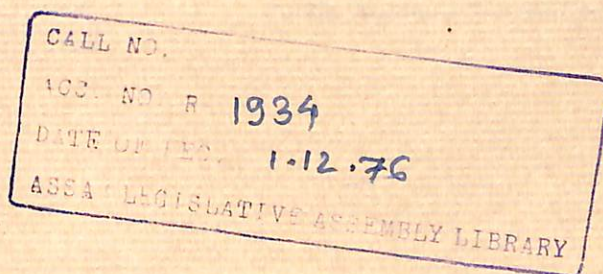
1. Shri Gaurisankar Bhattacharyya.

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2. Shri Pushpadhar Chaliha.
3. Shri Tilok Gogoi.
4. Shri Malia Tanti.
5. Shri Dulal Chandra Barua.
6. Shri Azizur Rahman Choudhury.
7. Shri Zahirul Islam.

Secretariat:

1. Shri U. Tahbaldar, Secretary.
2. Shri P. D. Barua, Under-Secretary.
3. Shri N. Deuri Bora, Committee Officer.



**REPORT OF THE PUBLIC ACCOUNTS COMMITTEE ON THE
AUDIT REPORT, 1967, APPROPRIATION ACCOUNTS, 1965-66
AND FINANCE ACCOUNTS, 1965-66 OF THE
GOVERNMENT OF ASSAM**

INTRODUCTION

I, the Chairman of the Public Accounts Committee do present on behalf of the Committee, its Report on the Appropriation Accounts, 1965-66, Audit Report, 1967 and Finance Accounts, 1965-66 of the Government of Assam in so far as they relate to the Departments of Public Works (Roads and Buildings Wing), Health, Education (General), Relief and Rehabilitation, Revenue, Law and Veterinary (Fishery).

2. The Accounts and Reports were laid on the table of the House on the 23rd October, 1967. The Committee examined them at its sittings held on 26th, 27th, 29th April, 1968, 14th, 15th June, 1968, 11th and 12th July 1968. A list of Offices examined and time taken for examination has been appended to this Report as Appendix I.

3. The Committee considered and finalised its Report at its sitting held on 13th August, 1968.

4. A statement showing the summary of the main conclusions/recommendations together with the comments of the Committee is given in Part II of the Report.

5. The Committee places on record its appreciation of the assistance rendered to it in the examination of the report and accounts by the Accountant General, Assam and Nagaland and his staffs. The Committee also expresses its thanks to the Officers of the Departments concerned for the co-operation extended by them in giving information to the Committee during the course of evidence.

SHILLONG;

The 13th August, 1968.
Sravana-Bhadra, 1890.

GAURISANKAR BHATTACHARYYA,
Chairman,
Public Accounts Committee.

EDUCATION (GENERAL) DEPARTMENT

Paragraph 10 at page 20 of the Audit Report, 1967—

This para. brings out that in the following cases, utilisation certificates in respect of grants-in-aid paid upto 1965-66 were awaited by audit on 1st November, 1966—

Year in which the grants-in-aid was paid	Utilisation certificates not furnished	
	No. of certificates	Amount (In lakhs of rupees)
1961-62 and earlier years	113	1,76.26
1962-63	5	2.74
1963-64	99	4,43.56
1964-65	127	2,33.15
1965-66	185	7,92.02
	529	16,47.73

COMMENTS AND RECOMMENDATION

In March, 1966, the Public Accounts Committee recommended that all outstanding items upto 1962-63 should be cleared up before the end of 1966 and action taken and progress made in this regard should be reported to the Committee through the Accountant General. The Audit Report, 1967 shows that upto 1965-66, 529 cases are still awaited for disposal and an amount of Rs.16,47,73,000 is involved. Even 28 cases of 1959-60, 38 cases of 1960-61, 44 cases of 1961-62 and 5 cases of 1962-63 are still pending. By June, 1968, the position improved a little and the number still outstanding stood at 475 and the amount involved stood at Rs.16,13,72,105. But the Committee feels that the improvement is insignificant and its recommendation of 1966 remained practically unattended. The Department has explained that their difficulty was that the Examiner of Local Accounts who is to certify the accounts could not cope with the volume of work. But the accounts remained uncertified for years together. Their difficulty is appreciated but at the same time it cannot be lost sight of the fact that if the utilisation certificates are not furnished even for 7 or 8 years, it becomes practically impossible to know whether the balance money has been utilised for the purpose for which it was advanced. Recently, there has been some relaxation to financial rules to improve the situation. The Department may be advised to take advantage of the relaxation by taking help of Chartered Accountants on contract basis or other appropriate basis so as to bring the arrears up-to-date.

The Committee hopes that Government will appreciate that any expenditure incurred for the above purpose would be worth spending in view of the urgency of the matter.

Paragraph 20 at page 35 of the Audit Report, 1967—

This para. brings out that out of Rs. 32.90 lakhs drawn by the Director of Public Instruction in March, 1965, Rs. 23 lakhs and Rs. 6.90 lakhs were remitted to the Subdivisional Board of Elementary Education in October, 1965 and April, 1966 respectively. The balance of Rs. 3 lakhs was spent by the Board during the period from October, 1965 to March, 1966.

The Committee at the outset wanted to know as to the reason for which the money was withdrawn from Treasury in March, 1965 when it was not required immediately. The departmental witness stated that the amount was earmarked for purchase of equipments for elementary schools. He further stated that the sum of Rs. 23 lakhs represented the additional amount required for revised pay scale to the elementary school teachers. Some teachers were covered by the Normal Budget and some are under plan Budget. A corresponding amount was required for the teachers covered by the Normal Budget which amount was not forthcoming and therefore the Department had to wait upto October and by that time Government sanctioned the amount for all teachers.

RECOMMENDATION

It transpires from the above evidence that the amounts drawn in March, 1965, were remitted to the Subdivisional Boards of Elementary Education in October, 1965 and April, 1966 and a sum of Rs. 3 lakhs was spent during the period from October, 1965 to March, 1966. Hence there was no justification to withdraw the amount hurriedly from treasury. Moreover heavy drawal of money from treasury, before the actual requirements, is not only in contravention to financial Rules but may lead to misuse of money.

The Committee therefore recommends that the Department should avoid such practices of drawal of huge sum of money long before actual requirements which may lead to misuse of public money.

Paragraph 23 at page 37 of the Audit Report, 1967—

This para. brings out that during September-October, 1962, three Bank Drafts for Rs.45,673 sent by the Inspector of Schools were encashed by the Deputy Inspector of Schools, Dibrugarh. The amount was not entered in the Cash Book nor was it disbursed. The amount was stated to have been misappropriated. Moreover, the detection was rendered possible only through the local M. L. A. who put an unstarred question on the matter.

Government intimated in March, 1966 that a Deputy Inspector of Schools and a Head Assistant were put under suspension in March and April, 1966. Order placing another Deputy Inspector of Schools under suspension were also issued but no criminal case was instituted against the persons till August, 1966.

On a query as to why criminal proceedings were not started against the persons concerned, the Departmental witnesses stated in evidence that Departmental proceedings were drawn up against the Deputy Inspector of Schools who had given a written explanation and was also given a hearing. But since the records were made available to the Anti-Corruption Department the case could not be completed with regard to the other Deputy Inspector of Schools. The departmental witness further stated that the second enquiry had not yet been completed.

Then the Committee wanted to know the remedial measures that Government had taken. The Departmental witness informed the Committee that they had now made it a rule that no transaction should be carried out in any office unless it was entered into Cash Book.

RECOMMENDATIONS

The Committee fails to understand why no criminal proceedings were instituted against the persons at fault for alleged commission of the offence. Moreover, Departmental proceedings already drawn has not yet been completed uptill now.

The Committee should be apprised of the final position as early as possible.

APPROPRIATION ACCOUNTS, 1965-66

Grant No.16 at pages 31-32, note (iii)(b)(3)—

The Committee is constrained to observe that the Department could not spend the sanctioned amount meant for the Sixth Schedule Areas. In this case the sanctioned amount was Rs. 9.18 lakhs but the Department spent only 1.92 lakhs thereby making a saving of Rs. 1.26 lakhs. This shows that there is no proper Budgetary control in the sense that the department does not know what amount was really necessary. The Committee expects that this does not happen in future.

RELIEF AND REHABILITATION DEPARTMENT

Paragraph 23 at page 39 of the Audit Report, 1967—

This para. brings out that during 1964-65, the Special Officer, Matia undertook four agricultural schemes at Matia at an estimated cost of Rs. 1.10 lakhs. The schemes envisaged an income of Rs. 1.35 lakhs during that year from sale proceeds of the crops. An amount of Rs. 0.64 lakh was spent but the sale proceeds were only Rs.15,303 and 103.60 quintals of paddy of the value of Rs.4,662 was taken over by the S. D. O. (Civil), Goalpara. The schemes have since been abandoned.

At the outset the Committee wanted to know as to whether technical opinion was obtained regarding the availability of land for agricultural purposes before the schemes were embarked upon. The Departmental witness stated that unfortunately the scheme proved a failure due to the fact that it was on a rough land and the land was cultivated for the first time and also due to scarcity of water and bad condition of the weather.

The Departmental witness further stated that the scheme was prepared by the Officer who had no agricultural knowledge. The schemes were finally abandoned when paddy cultivation was over and settlement of the people on permanent basis was started. Asked as to whether before undertaking these schemes Government approval was obtained, the departmental witness replied in the negative.

COMMENTS AND RECOMMENDATIONS

During 1964-65 the Special Officer, Relief and Rehabilitation Department at Matia in Goalpara undertook four agricultural schemes. These schemes were taken up in the period of July to September, 1964. Before finalisation of the schemes sanction of the Government was not obtained. It was only in September, 1964 to February, 1965 that sanctions to the implementation of the schemes were accorded by Government. It is clear therefore, that the Special Officer had embarked upon the schemes on his individual responsibility. At the time when the schemes were prepared, it was shown that the schemes would undertake four cultivations, viz., (1) Salipaddy (2) Matikalai (3) Til and (4) Mustard Seed. It was shown in the schemes that Salipaddy would cover 300 bighas at an outlay of Rs.24,000·00 with expected yield of 240 maunds valued at Rs.31,200·00. Matikalai would cover 1,200·00 bighas at an outlay of Rs.58,740·00 with the expected value of an out-turn at Rs.62,400·00. Til cultivation over an area of 300 bighas at an outlay of Rs.8,500·00 with yield of 750 maunds valued at Rs.18,580·00. Mustard seed over 600 bighas on an outlay of Rs.18,580·00 with yield of 750 maunds valued at Rs.22,500. These schemes envisaged an outlay of Rs.1,9,820·00 with the expected out-turn at the value of Rs.1,34,850·00. Apparently, the scheme was an attractive one. Moreover, the Special Officer undertook the schemes to keep the new migrants engaged and to give them encouragement for work instead of leaving them on the mercy of doles. The purpose was definitely laudable. However, ultimately, it so happened that as an economic proposition the scheme met with a melodramatic failure. Instead of being an economically profitable affair, it was found that at an outlay of about Rs.64,000·00 according to the Department an out-turn of only about Rs.20,000·00

could be had, and ultimately the scheme had to be abandoned with the end of that kharif year. It has been found out that the schemes were drawn not on any expert advice, though later on at the time of implementation, services of the Agriculture Department were requisitioned and obtained. Secondly, before embarking upon the schemes the suitability of the soil for the particular types of cultivations was not gone into. Thirdly, there does not appear that proper and constant supervision was done over the work by the migrants though there was occasional inspection by the staff of the Agriculture Department. As it appears to the Committee the decision was more of a political nature than economic, and as such the Committee feels that in future Government sanction should be obtained prior to the implementation of such schemes rather than getting subsequent approval.

Paragraph 29 at page 39—

This para. brings out that in Matia camp 109.57 quintals of rice were found unfit for human consumption due to prolonged storage. This para. further brings out that 1,222.80 quintals of Dal valued at Rs. 1.22 lakhs was lying in stock since February, 1965. In 1968, Government stated that 109.51 quintals of rice (valued at Rs. 7,372) was destroyed and that out of 1,227 quintals of Dal (valued Rs. 1,49,500 lakhs), 1,122 quintals were sold at Rs. 30,835. At the outset the Committee wanted to know as to why the stock of rice was not disposed of in time and it was allowed to be deteriorated. The departmental witness stated in evidence that there was no Godown at Matia to store the rice and rice had to be kept in the open, exposed to sun and rain. The loss that had been incurred on the total receipt was less than 10 per cent. When the Department found that the stock had deteriorated, the Department offered to Animal Husbandry Department but they refused to take it on payment and there was no buyer. So the Department had to destroy the stock. Asked as to whether the whole stock was purchased for distribution as free ration, the departmental witness replied in affirmative. Asked as to when the final decision to stop issue of doles in kind was taken by Government the departmental witness stated that it was in January, 1965.

COMMENTS AND RECOMMENDATION

By January, 1965, the Government of Assam decided to abandon the system of doles in kinds in the Matia group of camps under the Relief and Rehabilitation Department and to introduce cash dole instead. Accordingly the system of doles in kind was abandoned with effect from 28th February 1965 and the system of cash doles was introduced with effect from 1st March, 1965. On 1st March, 1965, there was 109.57 quintals of rice in store in Matia Relief and Rehabilitation camps. On the same day there was a stock of 1,222.80 quintals of Dal in

the said camp. But the rice and dal so stored remained undisposed of. It was only in October, 1965 that the Department found that the stock of rice had deteriorated due to prolonged storage and it was declared unfit for human consumption. Though the Accountant General has sent the draft para. of objection to the Department as early as August, 1966 the Department furnished only in January, 1968 the information that out of 1,226.93 quintals of dal valued at Rs.1,49,500, 1,122.49 quintals have been disposed of at Rs.30,835. It is not known what has happened to the rest and why by early disposal the losses could not be minimised. At any rate if the Department would have taken proper care of the stock of rice and dal on the introduction of the cash system of doles, a pretty good amount of public money could have been saved because it needs hardly to be stated that commodities like rice and dal deteriorate due to prolonged storage and a period of 7 months is a pretty long period indeed. The Committee recommends that in future Government should be more careful in these matters particularly when the country is going through acute scarcity of food materials like rice and dal.

HEALTH DEPARTMENT

Paragraph 14 (a) at page 24 of the Audit Report, 1967—Excess over voted grant—

At the outset, the Committee wanted to know the reason for the excess expenditure. The departmental witness in reply stated that the excess was due to drawal of arrears of pay and also for Malaria Eradication Programme.

RECOMMENDATION

The committee observes that although the Pay Committee recommended enhancement of pay, the pay of the individual Officers had to be fixed by Government and the Department should have made provision for the amount prior to sending intimation about pay fixation to the Departmental Officers. This shows that the Department has no effective control on the expenditure. The Department should be careful in future and should exercise proper control on the expenditure.

Paragraph 27 at page 38—Excess payment—

This Audit paragraph brings out that excess payments aggregating Rs. 0.61 lakh were made by the Civil Surgeon to supplier for supply of medicine during 1963 as follows :—

- (i) The quantities of medicines for which payments of Rs. 0.75 lakh was made to the supplier did not tally either with the quantities in the purchase order or in the Stock Register computed with reference to the quantities entered in the stock register there has been over payment of Rs. 0.42 lakh.
- (ii) Excess payments totalling Rs.11,000 were made to the same firm, owing to payments made at rates higher than the accepted rates.
- (iii) Payment of Rs.8,000 was made to the firm (March, 1963) for supply of medicines to two dispensaries without any proof of receipts of such medicines by the dispensaries.

The Government stated in October, 1966 that the case was entrusted to Anti-Corruption and the Civil Surgeon had been placed under suspension and that criminal case had been started against him.

The present position of the case was that the records were not available as the case is subjudice and departmental proceeding has not yet been finalised as the papers are still with the Anti-Corruption Department which has since finalised the investigation and charge-sheeted. The departmental witness further stated the irregularities were detected in 1963 by one of its Officers who informed the Anti-Corruption Department.

Asked as to the remedial measures the Department had taken to ensure that such irregularities do not occur in future, the departmental witness stated that it was very difficult on the part of the Civil Surgeon, being a technical man, to look after these things and the Department was considering to appoint Accountants to look after the accounts matter and also regional Joint Director to look after these things so that the Civil Surgeons may be relieved.

RECOMMENDATION

It transpires from the evidence given above that the case was detected in 1963 but departmental proceeding has not been started up-till now. The reason given by the Department for this inordinate delay was that the records and papers were taken by the Anti-Corruption Department which had since finalised the investigation and had submitted charge-sheet.

Over and above this, the Committee in its fourth Report on Audit Report, 1966, at pages 1 to 3 had made adverse remarks against this particular firm's practice which had employed various doubtful means to obtain extra payment

from the Government in collaboration with or without certain officials of the Department. Though the firm had changed its management and had agreed to make good the loss, the Committee feels that the Government should have asked the firm to make good the loss first before resuming business with it.

The Committee therefore recommends that the action taken against the Civil Surgeon should be intimated to the Committee within six months from the date of presentation of this Report to the House.

The Committee further reiterates its recommendation contained in its Report at pages 2-3 on the Audit Report, 1966 and urges upon the Government to expedite finalisation of the matter and submit a Report within three months from the date of presentation of this Report to the House.

Paragraph 55 at page 55 of the Audit Report, 1967—

This paragraph brings out that in connection with medicines costing over Rs.10,000 in the United Mikir and North Cachar Hills, the Anti-Corruption Department was making investigation. In November, 1967, Government stated that the records were still in the custody of the Anti-Corruption Branch.

The delay in taking action in the matter was stated to be due to the fact that all papers are still with the Anti-Corruption Branch and the matter is subjudice.

RECOMMENDATION

The Committee recommends that departmental proceedings against the delinquent Officers should be expedited so as to fix responsibilities and the action taken in this regard should be reported to the Committee within six months from the date of placing this Report before the House.

LAW DEPARTMENT

Paragraph 14(a) Serial 5 at page 24
Paragraph 14(b) Serial 2 at page 28 of the Audit Report, 1967—

The excess was stated to be due to the fact that there are so many heads and sub-heads which rendered it difficult for the Department to control it. Moreover, the periodical statements are not received regularly from the District Officers who submit them at the fag end of the year when it becomes impossible to submit supplementary demands. Furthermore, when the Department submits proposal to meet the demands Finance Department cut down the proposed demand.

Asked as to what remedial measures Department had taken to improve this condition, the Departmental witness stated that all drawing and disbursing Officers had been instructed not to exceed the fund provided to them without previous permission of the Government and also to submit their returns regularly and in time.

OBSERVATION

While appreciating that the Department has got many heads and sub-heads under which expenditure are to be booked and therefore at times it so happens that the exact and accurate calculation may not be possible, for example, in the matter of contingencies and so on the Committee observes that so far as salaries and allowances are concerned they are there in the chart and by calculating them it can be known what amount is actually required by the Department and after considering everything the Department may submit proposal to the Legislature for the amount needed for the next financial year. The Law Department has long experience in budgetting; it is not a new Department, it has many years of experience. Moreover this is not the first instance that there was excess expenditure in this particular Department. In other words, there was lack of proper budgetting and the excess went to the extent of 28 per cent in the voted grant. The attention of the Department is drawn to the recommendation of the Committee made two years back and it is not for the first time that the Department is incurring excess expenditure.

RECOMMENDATION

Under the head "Administration of Justice" the original grant was Rs.23,02,200 for the year, 1965-66. In March, 1966, *i.e.*, by the fag end of the financial year, the Department came with a supplementary demand for Rs.21,458 (Rs.21,459) which was passed by the Legislature. On the 30th of March, 1966, it appears that under the head 2.(E) "Criminal Courts" there was a withdrawal of Rs.22,000 by way of reappropriation and diverted the head D(a)(i) whereunder the reappropriation was to the extent of Rs.1,30,000. But both under the heads D and E there was excess expenditure amounting to Rs. 3.66 lakhs and Rs. 32.43 lakhs respectively. It is thus clear that even on the 30th of March, 1966, that is to say, only one day prior to the close of the financial year the Department did not know what was its requirement for the year that was ending. The Joint Secretary giving evidence on behalf of the Secretary before the Committee stated that this position occurred because the District controlling officers did not furnish necessary information periodically as required for correct budgetting and proper financial control and supervision. Another reason given is the uncertain nature of expenditure under different items.

The Committee in this connection has taken note of the recommendations given by it in its Report dated February, 1967, on the Finance and Appropriation Accounts of 1963-64 and Audit Report, 1965. The Department had assured that all the Drawing and Disbursing Officers had been instructed repeatedly not to exceed the fund provided to them without previous permission from the Government. It appears that those instructions have not been followed by the Drawing and Disbursing Officers concerned. This is a very unhappy state of affairs. The Committee recommends that more effective steps be taken for proper control and supervision of the Drawing and Disbursing Officers in the District level and closer attention be given for making budgetting meaningful.

With the above remarks the Committee recommends that the Legislature may please regularise the excess.

Paragraph 26 at page 38—Non-recovery of Expenditure—

This para. brings out that Rs.16,936-00 was spent up to August, 1957 on the survey of the Wakf properties in the State. As the Muslims Wakf Act, 1954, the cost of survey was to be borne by the Mutawallis. But no recovery was effected, though nine years have gone by. (September 1966).

The reason for non-recovery of the amount was stated to be due to the fact that the present Commissioner of Wakf properties did not strictly follow the provisions of law. In spite of the best effort of the Department to recover the amount, the Commissioner delayed the matter by making reference to the Secretary of the Board which was irrelevant. The Department wrote a letter on 14th February 1964 and sent reminders on 5th October, 1964, 1st May, 1965, 12th July, 1966, 5th September, 1967 and 5th June, 1968 but to no avail.

RECOMMENDATION

Up to August, 1957 Government incurred an expenditure of Rs.16,936 on account of a survey made of the Wakf properties in the State as per decision of the Government taken in June, 1955. This cost of survey has not been recovered from the Mutawallis of the Wakf as per Section 7 of the Muslim Wakfs Act, 1954. Section 7 of the said Act provides as follows—

- “1. The total cost of making a survey under this Chapter shall be borne by all the mutawallis in proportion to the income of the property of the wakfs situated in the State, such proportion being assessed by the Commissioner.

2. Notwithstanding anything contained in the deed or instrument by which the Wakf was created, any mutawallis may pay from the income of the Wakf any sum due from him under sub-section (1).
3. Any sum due from a mutawalli under sub-section (1) may, on a certificate issued by the State Government, be recovered from the property comprised in the Wakf in the same manner as an arrear of land revenue."

The Department has informed the Committee that as early as on 14th February 1964 the Law Department had asked the Commissioner of Wakfs to make the assessment as per law and inform the Government about the assessments for enabling the Government to act under sub-section 3 of Section 7 of the said Act. Reminders were issued to the Commissioner on 5th October, 1964, 1st May, 1965, 12th July, 1966 and 5th October, 1966. The Commissioner wrote a letter to the Secretary, Assam Board of Wakfs on 9th June, 1967 asking for certain information. But up-till now the assessment has not been made. The Law Department has asked the Commissioner on 5th June, 1968 to expedite the matter. The Law Department cannot say exactly where the matter stands *vis-a-vis* the Commissioner of Wakfs and the Board of Wakfs. At any rate the position even now is that far from realising the amount due even the apportionment among the different Mutawallis has not yet been made. In the opinion of the Committee this is a dismal state of affairs and brooks no further delay in finally settling up the matter. The Committee wishes that concrete steps be taken in the matter and the Committee be informed about it within three months of the submission of this report to the House.

VETERINARY (FISHERY) DEPARTMENT

Paragraph 24 at page 37 of the Audit Report, 1967—

The Audit paragraph indicates that during 1951-52 to 1961-62, six fish farms were set up at Tezpur at a cost of Rs. 5.21 lakhs. From 1952-53 to 1964-65, Rs. 2.88 lakhs was spent on maintenance, etc., and only Rs. 0.53 lakh was realised by way of sale proceeds resulting in a loss of Rs. 2.35 lakhs without taking into account interest on capital, depreciation, etc.

On a query, the Departmental witness stated that it was correct that the scheme had not been self-financing or self-supporting. The scheme was not conceived as one to be self-financing or self-supporting. The scheme was primarily meant for the reclamation of the old and ancient tanks. In some cases, the scheme was meant for supply of drinking water. At some

stage, the Government felt that fish also could be multiplied. With that end in view, these tanks were taken over if possible to rear fish.

Asked as to whether at the time of embarking upon the scheme, the Government did not take it up as a commercial scheme, the Departmental witness stated that the Department had taken steps to correct their mistakes. The fisheries which could be leased out had been leased out on long term basis. The smaller units had been handed over to the Panchayats in accordance with the recommendation of the Estimates Committee. Asked as to whether there was some special provision for these farms the Departmental witness stated in evidence that the money was actually provided in the Local Self-Government Budget during the First Five-Year Plan, and the actual view of the Government was to transfer the money to fisheries Department primarily for renovation of old and ancient tanks and not for fish production.

COMMENTS AND RECOMMENDATION

This paragraph shows that six fish farms were set up at Tezpur at a cost of Rs. 5.21 lakhs and an additional amount of Rs. 2.88 lakhs was spent on maintenance, etc. during the period from 1952-55 to 1964-65. Out of this investment only Rs. 53,000 could be realised by way of sale proceeds. When the Accountant General asked for certain information from the Department in September, 1966 when the matter was only in the stage of draft paragraph, the Department did not furnish any reply. The points on which clarification was sought for, were—as to what was the revenue expected from the farms and whether farms were intended to be productive or self-supporting, what were the reasons for the loss incurred by the farms and how did the maintenance expenditure during the relevant period compared with original estimates for the purpose. As no reply was received to these queries.

The Departmental witness now explained that the main purpose of these fish farms was other than making them financial or commercial propositions. The principal purpose is said to have been renovation of old and ancient tanks with a view to provide drinking water and production of fish, if possible. In other words, production of fish was purely ancillary. If the fact of the matter is really so, the Committee is constrained to observe that it is not a good and proper budgetting. When the money is sought from the Legislature, the Legislature should be honestly informed as to what is the real purpose for which the money is needed. No Department should under any circumstances withhold correct information and mislead the House, particularly when the House is called upon to vote the money of tax-payers.

The Committee hopes that this will be kept in view by the Government in future.

Paragraph 64 at page 61 of the Audit Report, 1967—

This paragraph brings out loss of revenue of Rs. 42,100 incurred by the Government due to non-settlement in time by the Deputy Commissioner, Lakhimpur of a fishery during 1960-61. The para. indicates that the settlement made by the Deputy Commissioner, Lakhimpur for three years with effect from April, 1960 with the highest bidder (Rs.42,100) on 7th March, 1960 was not confirmed by the Commissioner of Plains Division on the ground that the relevant tenders were opened by the D. C., on the 9th February, 1960 instead of the 5th February, 1960 which, as per Rules, was the last date for the settlement of Fisheries in Assam. The fishery was then re-advertised in April, 1960 and the re-settlement was proposed in May, 1960, at the highest bid of Rs.42,551. The party with whom the settlement was proposed in March, 1960 filed a petition in June, 1960 in the High Court challenging the rejection of his bid. And the High Court issued stay order from 24th June, 1960 to December, 1960. The sale of the fishery was finally settled by the Commissioner about four months later in April, 1961 with another party for Rs 42,551 for two years from April, 1961. Thus due to non-settlement of the fishery during 1960-61 Government incurred a loss of Rs. 42,100, which could have been avoided if timely action had been taken to finalise the settlement of the fisheries by the last date fixed for this purpose.

The Department intimated to Audit in July, 1966 that the Deputy Commissioner had violated Rule 43 of the Assam Fishery Rules by opening the tenders on 9th February, 1960 instead of 5th February, 1960 due to wrong interpretation of the Rule.

Asked as to why the tender was opened on the 9th February, 1960 when the last date for opening tender was fixed on 5th February, 1960, the Departmental witness stated in evidence that the settlement made by the D. C. with the highest bidder on 7th March was not confirmed by the Commissioner on the ground that the relevant tenders were opened by the D. C. on the 9th February, 1960 instead of 5th February, 1960 which date was the last date for the settlement of fisheries in Assam as per rules. The Committee wanted to know why the tender could not be opened and the fishery settled on the date which was announced as last date for settlement of fisheries. The Departmental witness stated that the Deputy Commissioner had an impression that it was not irregular to open the tender after the last date, but the Commissioner had a different view as a result of which the fishery had to be re-advertised. In the meantime the party with whom the settlement was proposed in March, 1960, filed a petition in the hon'ble High Court in June, 1960 challenging the rejection of his bid. The hon'ble High Court issued stay order. The hon'ble High Court held the view that it was not irregular to open a tender after its last date. Asked as to the specific reasons for which tender could not be opened on the date on which it was to be opened, the Departmental witness stated that he had no information. Asked as to whether there was any provision in the rules to manage the fishery departmentally when there was a stay order, the

departmental witness replied in the negative and further stated that the Department had obtained the opinion of the Legal Remembrancer and he was of the opinion that the stay order was binding on the Government also. The Committee then wanted to know the stay order of the hon'ble High Court. The Departmental witness replied that he did not have the stay order but he had got the judgment.

OBSERVATION

On the question as to why the tender could not be opened on the date fixed for opening tenders, the departmental witness was not in a position to say as to what were the specific reasons for which the tender could not be opened and settlement made on the 5th February, 1960, which was the date for the purpose.

The Departmental witness could not furnish the exact stay order of the High Court, whether the stay order also forbids the operation of the fishery by the Government instead of by any one of the contesting parties.

The Committee has not been informed as to whether the High Court stay order is to prevent operation of the fishery by the Government through some agency other than the contesting parties or departmentally. In the opinion of the Committee if the Government would have been careful enough in this matter, the loss could have been avoided.

**Grant No.21 at page 56-57 of the Appropriation Accounts, 1965-66—
Note 4, Saving of Rs. 4.75 lakhs—**

The Committee wanted to know the reasons for non-execution of the new fishery schemes for which the saving took place. The departmental witness stated in reply that after receipt of the recommendations of the Estimates Committee as well as of the study team, appointed by Government, the Department thought that they should go slow with the reclamation project.

OBSERVATION

These were reclamation projects and there were recommendations of the Study Team appointed by the Government and also of the Estimates Committee and the Department thought that it should go slow pending findings of these Committees particularly in view of the none too encouraging experience in the past. This may be noted.

PUBLIC WORKS DEPARTMENT (ROADS AND BUILDINGS WING)

Paragraph 14, item 15 at page 27 of the Audit Report, 1967—Excess over voted grants—

The excess was stated to be mainly due to drawal of arrears of pay and allowances in the revised scales of pay and allowances which were effective from 1st April, 1964. But the Committee observes that the revised scales of pay and allowances were sanctioned by Government as early as December, 1964. They had taken two Supplementary Grants in the year under review, *viz.*, in September, 1965 and March, 1966. Under the circumstances the Department should have been in a position to assess the requirement and provide adequate funds to meet the additional expenditure, at least, by March, 1966. The Committee also observes that non-utilisation of the grant for a period of about 15 months and drawal of an amount of Rs.41,48,474 in excess of what was voted by the Legislature are highly irregular. This sort of irregularity should not occur in future.

RECOMMENDATION

Subject to the above remarks, the Committee recommends regularisation of the excess by taking the approval of the House.

Paragraphs 19 and 22 at pages 35 and 36 of the Audit Report, 1967—

This para brings out that as per rule, adjustment by writing back to stock the value of materials issued to a work, to avoid excess over the allotted funds for the work cannot be carried out. But the Executive Engineer, Road Division wrote back Rs.9,932 being the value of materials to the stock account from the work widening of H. T. Road in March, 1965 but later on as soon as the financial year was over, it was shown as brought back. So the entry was fictitious. Just to avoid excess, it was shown as book entry. In fact as it appears from records the material which was brought back was not entered.

Another inference may be drawn that the material was immediately needed towards the close of the previous year and it was just brought because it could not be utilised within the financial year. In fact, it was sent back and extended again. It may be either of the two. Both are however irregular. As per rule, all transaction should be recorded according to the prescribed procedure and fictitious stock adjustments are prohibited.

The Committee wanted to know the actual position. The Departmental witness stated in reply that there was no doubt that irregularity was committed in carrying out the transaction. The materials were not drawn from the site, it was only a book transfer.

RECOMMENDATION

The Department admits that the adjustment of the amount was unnecessary and irregular. The Committee expects that in future greater care will be taken by the Department to see that this sort of irregularity does not take place.

Paragraph 35 at page 44 of the Audit Report, 1967—

This para. brings out that as per rule no new work may be commenced or any liability incurred thereon till its detailed estimate has been sanctioned. It is also laid down in the rule that a revised estimate is required to be prepared when the sanctioned estimate is likely to be exceeded by more than 5 per cent. In contravention of this rule in respect of 16 works, expenditure of Rs. 12.99 lakhs was incurred without sanctioned estimates while in respect of 21 other works expenditure was incurred in excess of 5 per cent of sanctioned estimates, the amount of excess upto March, 1966 was Rs. 14.56 lakhs.

The Committee wanted to know the reasons for execution of works by the Department without drawing detailed estimates and without sanction of the competent authority. The Departmental witness replied that out of 16 works, 11 had since been sanctioned.

The Committee further wanted to know as to whether any steps had been taken by the Department to stop such irregularities in future. The Departmental witness stated in reply that the Rules did not permit them for execution of works before sanction, and circulars had been issued to the officers from time to time to that effect.

RECOMMENDATION

The Department answers that out of these 21 items 3 were within the limit of 5 per cent and the preparation of revised estimates in respect of others has been taken up. But the Committee fails to understand why this was not brought to the notice of the Accountant General even though the Accountant General had sent to the Department his draft Audit objection as early as November, 1966. The Department further says that the Accountant General had only intimated the number and not the details, that is to say, while the Accountant General informed the Department that there were irregularities of this nature in respect of 21 items, the items were not named. But on a perusal of the records it appears that as early as 28th December, 1966, the details were furnished to the Government and they were received by the Under-Secretary to the Government of Assam, P. W. D. (R. & B.), Shillong. On the face of it, it does not lie with the Department to say that they did not know the particulars of the matter. At this stage the Secretary of the Department admits that the matter came to his notice as early as January, 1967. It is strange that even then the factual dispute, if there was any, was not taken up with the Accountant General and has been left up-till to-day. The Committee expects that the Department should take a more careful view of the Audit objections that are sent from the Accountant General and factual verification by the Department should be made in time and should not be left till the date when the Department is examined in a meeting of the Public Accounts Committee.

The Committee further recommends that in future this sort of irregularities should be minimised, if not altogether vanish.

Paragraph 36 at page 44—Nugatory expenditure—

This paragraph brings out that as a result of 28 rollers on loan from the Government of Maharashtra remaining idle for a period ranging from one to 7 months ; a nugatory expenditure was incurred amounting to Rs.3,20,114 by the Executive Engineer, Nowgong West Division. This nugatory expenditure was based on the information furnished by the Executive Engineer on 16th Mach 1967. In February, 1968, Government stated that 19 rollers were transferred to other division during March, 1963 to July 1964 and that the other rollers were utilised in other Divisions from January, 1963 to July, 1964.

The Committee wanted to know the periods during which these specific items were lying idle and the total number of rollers that were lying idle.

The departmental witness stated in evidence that 28 rollers were lying idle. Then the departmental witness furnished the following details relating to the period for which the rollers were lying idle against each item—

Nos.	1.	remained idle for	88	days
2.	„	„	69	„
3.	„	„	289	„
4.	„	„	84	„
5.	„	„	62	„
6.	„	„	122	„
7.	„	„	372	„
8.	„	„	116	„
9.	„	„	59	„
10.	„	„	53	„
11.	„	„	193	„
12.	„	„	80	„
13.	„	„	304	„
14.	„	„	104	„
15.	„	„	42	„
16.	„	„	38	„
17.	„	„	250	„
18.	„	„	72	„
19.	„	„	546	„
20.	„	„	116	„
21.	„	„	16	„
22.	„	„	10	„
23.	„	„	1	„
24.	„	„	297	„
25.	„	„	1	„
26.	„	„	196	„
27.	„	„	29	„
28.	„	„	1	„

The departmental witness further stated that some of the rollers were steam rollers and those could not be utilised for want of coal in spite of the best efforts by the Department to procure coal. Some of these rollers were

formed to be out of use after they were received and those could not be used for want of spare parts. In this connection the Public Accounts Committee heard the Deputy Secretary, Finance also.

RECOMMENDATION

From the evidence on paragraph 36 of the Audit Report, 1967 the following has come out: Immediately after the Chinese aggression of 1962 the Government of India felt that the National Highways in Assam should be strengthened. In this context, Nowgong West Division of the Assam Public Works Department (Roads and Buildings) received during January to March, 1963, 28 road rollers on loan from the Government of Maharashtra as arranged by the Government of India. These road rollers, however, could not be utilised immediately and they remained idle for different periods ranging from 1 day to 546 days. It has also transpired in evidence that some of these road rollers were received in unserviceable condition and without spare parts to commission them for work immediately. The Department cannot say whether this fact was brought to the notice of the Government of India which had arranged the bargain. This was also not reported to the Government of Maharashtra which had supplied the rollers. Another explanation for their lying idle is that some of these rollers were steam rollers and that coal could not be arranged for operating them. This explanation is astounding and utterly unacceptable. The Department says that it had tried to purchase coal but according to the existing rules they needed prior approval of the Finance Department and that this approval was refused. If that be so, the sooner this sort of red-tapism is done away with, the better it is for the State and the country. Apart from the nugatory nature of the expenditure which amounted to Rs.3,20,114, here there was a case where the question of national security and the defence of the country is involved and if even in the face of such a national emergency and in fact within the period of declared national emergency this state of affairs is allowed to continue, it will be extremely harmful for the State and the Country. The Committee, therefore, draws pointed attention of the Government to this aspect of the matter.

In this connection, the Committee finds that objections of similar nature appeared in para. 62, at page 56 of the Audit Report of 1965 and in connection with that objection, the

Committee, *vide* its Report presented to the Legislature on 6th July, 1967, remarked as follows:—

“It transpired from the evidence that a few steam rollers were received by the Department from Madras Government at the instance of the Government of India for the purpose of undertaking some emergency works by the State Public Works Department. The Department could not utilise the rollers due to the fact that a considerable period had to be spent in negotiating with the suppliers in regard to supply of coal. In the meantime, the Department was directed by the Government of India to return the rollers to the State from which they were sent.

The Committee feels that the whole matter was dealt with without proper plan which led to considerable amount of infructuous expenditure.

The Committee is not satisfied with the explanation given by the departmental witness that a long time was taken in finalising the terms for the supply of coal. In emergency work like this, the matter should have been dealt with greater despatch so that these steam rollers could have been used and infructuous expenditure avoided. This delay calls for an enquiry.”

“The action taken should be reported to the Committee within three months from the date of placing this Report before the House.”

In spite of this direction of the Committee, the Department did not take any concrete action, *vide* letter No.ADT.215/64/22, dated 6th October, 1967, the Department informed the Assembly Secretariat that “the matter is under scrutiny and the reply will be submitted soon.”

Then, *vide* letter No.ADT.215/64/25, dated 17th April, 1968, the Department has informed the Assembly Secretariat *inter alia* as follows:—

“The Deputy Assistant Coal Controller, Government of India directed M/s. Assam Railway & Trading Company, Ltd., Margherita, Assam *vide* their letter No.Misc./PWD/4292-294, dated 24th June, 1962, to supply coal to P. W. D. on the terms and conditions stated therein. The Company *vide* their letter No.12625/27, dated 4th March, 1963, agreed to supply coal on the terms laid down therein only. The matter was referred to the Finance Department who advised to give 90% advance payment on proof of despatch and the remaining 10% on delivery of the goods.

The matter was again referred to Deputy Assistant Controller, Gauhati who referred the matter to the Company. In spite of best efforts of the Department the matter could not be settled and ultimately the rollers had to be returned to Madras on 7th January 1964 due to non-availability of coal."

The latest information furnished by the Department shows under what sorry state of affairs we are to work even when we are faced with the life and death question of a national emergency. The Government may be pleased to take up the matter in what way they think fit and proper and action taken should be reported to the Committee immediately.

Paragraph 38 at page 45 of the Audit Report, 1967—

The Audit paragraph brings out that as a result of carriage of 18 crushers from Calcutta to Gauhati by road instead of by rail, the Department had to incur an avoidable expenditure of Rs.10,341.00.

The Committee wanted to know as to whether there was any urgent necessity for carrying these crushers by road instead of by rail. The Departmental witness stated that generally it was the experience of the Department that the machines transported by rail, suffered damage and some essential parts were missing involving expenditure and the machines remained idle for a long time. Moreover, in case of despatch by rail, the Department had to pay 90% of the cost as advance on proof of despatch and the balance was paid afterwards and if there was any breakage or loss the Department was to prefer claim for damage with the Railway and the Insurance Company. In the case of transport by road, no advance money was required to pay. Asked as to whether the carrier was a private carrier or central road transport, the departmental witness stated in reply that it was a private party and the central road transport charges were higher than the private carriers.

RECOMMENDATION

It is admitted by the Department that the crushers were not of extreme urgent necessity but then it was thought because of past experience that if machines are carried by railway, then there is breakage. Moreover, if these were to be carried by rail, the supplier would insist on 90% advance being made on proof of despatch. The Committee would like to know the position of the utilisation of all the 18 crushers in April, 1968.

Paragraph 41 at page 46--Unfruitful expenditure--

This paragraph brings out that an expenditure of Rs.14,365 was spent towards dispensary building and staff quarters at Dessangmukh proved unfruitful as this was suspended in February 1965 following a report of the Superintending Engineer (July 1964) that the river adjacent to the site might cause erosion after 5 to 6 years. In December, 1965 and October, 1966, Government intimated that the Executive Engineer had been warned to be more careful in future.

The Committee wanted to know the actual authority for selecting the site. The Departmental witness stated in reply that there was a site selection Committee consisting of the Deputy Commissioner, Civil Surgeon and the representatives of the Public Works Department and the concerning Department. Asked as to whether in this particular case, site selection was done by the above Committee, the Departmental witness stated that there was no record but the land was handed over to the Public Works Department by the concerning Department. Asked as to whether the action on the part of the Executive Engineer was deliberate or a *bona fide* mistake or due to incompetence, the Departmental witness replied that it might be due to the vagaries of nature. He further stated that when the site was selected there was no erosion. Asked as to why should a work of this nature take four years to start, the departmental witness stated in evidence that possibly the Department did not provide funds for it. Then the Committee wanted to know the date of administrative approval and the date of technical sanction. The departmental witness stated in evidence that the administrative approval was given in 1962 but there was no technical approval. On query as to how could the Executive Engineer start work without technical sanction and how could he fail to notice that the river was proceeding towards the site. The Departmental witness stated that the Executive Engineer should not have taken up the work without technical sanction and for that he had been warned.

RECOMMENDATION

It transpires from the evidence that the execution of the work was started without technical sanction in utter violation of existing rules and the Officer concerned was warned by the Department. The Committee could not understand how could the Officer fail to notice that the river was proceeding towards the site which can be interpreted as deliberate mistake committed by him. The departmental witness could not say whether the site was selected by a Selection Committee as usual. Though the site was selected in 1960, the work was started in 1964 only.

This case calls for a departmental enquiry for fixation of responsibility. Further construction should be done after watching the progress of erosion in that area. Action taken should be intimated to the Committee within three months from the date of presentation of this Report to the House.

While there is a healthy principle that a site selection committee consisting of the Deputy Commissioner, the representative of the P.W.D. and local head of the requiring Department, should select the site and the land so selected should be handed over encumbrance free, this principle was always not followed scrupulously, as in this particular case. This is very unfortunate. In future, this principle should be scrupulously followed. As soon as the land and funds are available, a selected one should be given administrative approval and technical sanction and the work should proceed at good speed. Progress of work at a snail's speed as in the instance case, should be avoided in any public building—be it a dispensary or a school or anything else. Fringe or bank of the river, particularly if there is any likelihood of erosion, should be avoided as a site.

Paragraph 37 at page 45 of the Audit Report, 1967—

This paragraph brings out that on account of early removal by the Contractor of support and shuttering, etc., of the left bank span of the bridge at Malijuri over the river Katakhal, the entire super structure (constructed at the cost of Rs.1.37 lakhs) collapsed on June, 1964. In June, 1967 the Government stated that the result of Departmental Enquiry Commission set up to investigate into were awaited.

The Committee wanted to know of the findings of the Enquiry Commission appointed by the Government to investigate in the case. The Departmental witness stated that the Report had not been received by them. Asked as to whether the supports and shutterings were removed by the Contractor after obtaining permission of the Engineer who supervised the work and whether any provision was there that permission of the Officer was to be obtained before removing them, the official witness replied that a few officers had been proceeded against and that in the tender there was no such provision but that the work was to be done according to specification. The departmental witness further stated that the contractor removed these supports and shutterings without taking any permission of the Engineer. The contractor also refused to finish the incomplete work at his own cost and ultimately reconstruction work of the span of the bridge was taken up through another agency at the contractors' loss.

OBSERVATION

The construction of a bridge at Matijuri over the river Katakhal was undertaken in 1960. The estimated cost of the bridge was Rs. 8.54 lakhs. The contractor was a certain firm in Silchar. The total value of the work done upto October, 1964 was Rs. 6.24 lakhs. The contractor was paid the full amount for the total value of the work done upto October, 1964. While the bridge was under construction, the entire superstructure costing Rs. 1.37 lakhs on the left bank span of the bridge collapsed in June, 1964. The last payment was made to the contractor on 10th June, 1964. After collapse of the bridge, the Additional Chief Engineer, South-Western Zones made an enquiry about the matter and he came to the conclusion that the collapse of the bridge was due to premature removal of the shuttering and supports by the contractor on account of which the concrete structure

could not attain the required strength. The enquiry of the Additional Chief Engineer was concluded as follows:—

“From the scrutiny of his explanation and the contractor’s version, it appears that the matter was not taken up seriously by the Officer concerned which might be due to inexperience or considering that the contractor is fully responsible for any consequence of the action as per terms of the contract and the contractor it also appears, wanting in his experience and technical knowlegde”.

The Additional Chief Engineer also finds that when on 10th June, 1964 the Subdivisional Officer concerned got the report that the crates from the bottom of the beams were being removed, he did not care to visit the site personally but was satisfied only in sending one sectional officer to take account and he himself proceeded to make payment on Muster Roll of labourers. The collapse caused death to 2 men and injury to 15 persons.

Under the circumstances, the Government thought that departmental enquiry was not enough, and therefore a non-departmental enquiry was appointed. Strangely, however, the same Enquiry Report is not yet available and it is not known whether the Enquiry Commission has completed its labour.

FINDINGS

From the above history the following facts come out sharply:—

(1) The bridge was estimated to be completed by 9th May, 1962 at a cost of Rs.8.54 lakhs.

(2) The job was entrusted to a contractor who had no substantial experience in the line, according to the findings of the Additional Chief Engineer.

(3) The contractor failed to fulfil the terms and conditions and he was given an extension up to 31st of March, 1965. During the extended period, the occurrence took place.

(4) The relevant dates of the occurrence are significant which are as follows:—

Casting of beams upto about bottom of top flange was done by 20th May, 1964 ;

Concreting of the rest of the structure was started and completed by 31st May, 1964 ;

Removal of side shutterings was started on about 8th June, 1964 ;

Removal of bottom stagings started on 10th June, 1967 and upto about 75 feet from the pier was removed by 11th June, 1964 ;

The bridge collapsed on the 12th June, 1964 at 3 P. M , killing two persons and injuring 15.

In spite of a full contingent of supervising officers of the Department including a Superintending Engineer, Executive Engineer, S. D. O., S. O., etc., no intervention appears to have been made during the period till the Additional Executive Engineer came to see the props at about 11 A. M. on 11th June.

(5) The removal of the debris cost Rs.1,30,540 and additional estimated expenditure of Rs.3,88,000 was sanctioned for completion of the work by 31st March, 1967. Thus the additional expenditure over the original estimate comes to Rs.2,88,540.

(6) But there does not end the matter. The bridge has not been completed even by 31st March, 1967 and the Department cannot say when, in fact, it will be completed.

(7) Furthermore, in spite of Clauses 14 and 15 of the tender which make the contractor liable for all damages and casualties the Department is unaware whether any action, including legal action, has been instituted against the contractor for his omissions and commissions.

RECOMMENDATION

The Committee has taken a serious view of the matter and recommends that this sort of work should be given to the firms with substantial experience. The Departmental Officers should scrupulously supervise every aspect of such works. In the event of any unfortunate incident like this, Enquiry Commission, if and when appointed, should conclude its enquiry as soon as possible and those who are found guilty, be they departmental officers of whatever rank, or contractors should be given exemplary punishment.

Paragraph 46 at pages 49-50 of the Audit Report, 1967—

This relevent para. brings out the persistent and inordinate delay in the adjustment of inter-divisional transaction between Public Works Department and other Departments and Government. The Public Accounts Committee recommended in their report of March, 1965, that the Department should take prompt action for settling such old and longstanding accounts without further delay.

At the outset, the Committee wanted to know as to the present position of the adjustment and also the oldest transaction yet to be adjusted, to which the Departmental witness stated that out of Rs. 2.64 crores which was outstanding on this account on March 1966, a sum of Rs. 1.46 crores had since been adjusted and the oldest transaction yet to be adjusted. The official witness further stated that the matters were being pursued vigorously. Sustained effects were being made to achieve tangible results.

RECOMMENDATION

In spite of repeated recommendations of the Public Accounts Committee from time to time, particularly, as late as March, 1965, adjustment of inter-divisional transaction are not settled up yet.

The Committee is constrained to say that it is a very sad affair, particularly in view of the remarks of the Committee in 1965 and the Committee expects that some extraordinary steps should have been taken, if necessary, by sending down some persons from one division to others to bring the matters up-to-date. The Committee hopes that the Department would take effective steps to adjust all these long standing transaction with added emphasis.

Parasgraphs 51 and 52 at page 64 of the Audit Report, 1967—

These paras bring out that stock of spare parts (valued at Rs. 2.63 lakhs) had been lying unused for many years in many cases even before the 2nd World War. In July 1966, Government intimated that certain action were being taken to dispose of the article by sale or otherwise.

Asked by the Committee as to the present position of these stocks, the departmental witness stated that these spare parts were lying unused from a pretty long time and the accumulation was not a sudden one but were lying there since 1948, *i. e.*, for a period of 28 years or so. The Committee was also informed that the Department had written to different states as to whether they could utilise some of these spare parts but no favourable reply had come and ultimately the Executive Engineers were instructed to use these spare parts as far as practicable. But as these spare parts were purchased long back, they were old model and some of them became obsolete.

RECOMMENDATION

Spare parts valued about Rs. 2.63 lakhs which have been accumulated since 1948 and are lying unused should be sorted out and those which are found to be obsolete or unserviceable should be sold out even as scraps.

Action taken should be reported to the Committee within three months from the date of submission of this Report to the House.

Paragraph 56 at page 56 of the Audit Report, 1967—

This para. brings out that on an inspection by the Inspector of Explosives, 2,196 lbs. of Gelatine valued at Rs 9,657 stored in Nowgong Division

was destroyed ; it was in a deteriorated condition due to long storage and unsafe for further storage. It was also noticed that during January, 1961 to August, 1962, there had been accumulation of explosives to the extent of 6,000 lbs. as against the licence holding of 1,000 lbs.

On a query, the Departmental witness stated that there is a limit for keeping them and when that limit was over they should be destroyed for safety's sake. The Committee observes that it is neither safe nor proper to keep them for a long time and yet the fact remains that due to long storage in the climate like ours, it is bound to deteriorate.

The Committee then wanted to know as to how the Executive Engineer purchased explosive during January, 1961 to August, 1962, in excess of a licence to which the Departmental witness stated in reply that though there was restriction, the storage of the same in bulk was also necessary in Public Works Department in the interest of works as it is very often required for works. He further stated that these could not be procured at a short time due to various formalities and imposition of import restriction. As these could not be spent in time accumulation of explosives resulted.

RECOMMENDATION

For rare and costly commodities like gelatine even for P. W. D., for which bulk storage is no doubt essential, licensed holding should be rationally fixed and scrupulously observed. In view of the sad experience of the Garbhangar-explosion in 1963, storage of explosive should be carefully done.

Appropriation Accounts, 1965-66, page 103, note 4—

The reasons given for this big savings of Rs. 99·94 lakhs are, *inter alia*, want of explosives. This explanation is not acceptable to the Committee.

RECOMMENDATION

Furthermore, the Committee finds that while there was such a big saving, the Department took a supplementary grants of Rs. 13·36 lakhs in that year. If they would have been more vigilant and careful they could have taken resort to reappropriation instead of going in for supplementary demands thereby locking up the money unnecessary. In future the Department should be more careful.

REVENUE DEPARTMENT

Paragraph 5(c) at page 8 of the Audit Report, 1965—Loans and Advances—

This paragraph brings out that information relating to arrears of recoveries in respect of loans, the detailed accounts of which are maintained by the Departmental Officers, had not been furnished to Audit by the Government.

The Committee wanted to know the present position about irrecoverable loans. The departmental witness stated in evidence that the Revenue Department records did not reveal that the loans were written off or the matter was under consideration. The departmental witness assured that he would look into the matter and report to the Committee.

RECOMMENDATION

The Committee recommends that after proper examination, these loans which could be recovered should be recovered and irrecoverable loans should be written off recording reasons.

Paragraph 61 at page 59 of the Audit Report, 1967—Non-realisation of betterment tax—

This paragraph brings out that although the Public Accounts Committee in their report of February, 1961 desired that steps should be taken for collection of betterment tax as early as possible, a sum of Rs.16,342 only had been realised by June, 1966, on this account against the estimated receipts of about Rs. 10 lakhs for the period ending March, 1966.

The Committee wanted to know the present position. The departmental witness stated that the realisation was not satisfactory. The collection on 9th July, 1968 stood at Rs.22,684 only. The main reason for delay in realisation was due to the fact appeal cases were pending with the Board of Revenue. There were as many as 396 appeal cases pending before the Board of Revenue. The Deputy Commissioner had been directed to start Bakijai cases against all defaulters to realise the arrears.

RECOMMENDATION

The Committee would like to be apprised of the progress of realisation from time to time through the Accountant General, Assam and Nagaland.

PART II

**Recommendations, Remarks, Observations, etc., on
other irregularities in the Audit Report, 1967,
Appropriation Accounts, 1965-66 and Finance
Accounts, 1965-66**

EDUCATION (GENERAL) DEPARTMENT

Serial No.	Reference	Recommendations
(1)	(2)	(3)
1	Paragraph 10 at page 20 of the Audit Report, 1967.	In March, 1966, the Public Accounts Committee recommended that all outstanding items upto 1962-63 should be cleared up before the end of 1966 and action taken and progress made in this regard should be reported to the Committee through the Accountant General. The Audit Report, 1967 shows that upto 1965-66, 529 cases are still awaited for disposal and an amount of Rs.16,47,73,000 is involved. Even 28 cases of 1959-60, 38 cases of 1960-61, 44 cases of 1961-62 and 5 cases of 1962-63 are still pending. By June, 1968, the position improved a little and the number still outstanding stood at 475 and the amount involved stood at Rs.16,13,72,105. But the Committee feels that the improvement is insignificant and its recommendation of 1966 remained practically unattended. The Department has explained that their difficulty was that the Examiner of Local Accounts who is to certify the accounts could not cope with the volume of work. But the accounts remained uncertified for years together. Their difficulty is appreciated but at the same time it cannot be lost sight of the fact that if the utilisation certificates are not furnished even for 7 or 8 years, it becomes practically impossible to

Serial No.	Reference	Recommendations
(1)		(3) know whether the balance money has been utilised for the purpose for which it was advanced. Recently there has been some relaxation to financial rules to improve the situation. The Department may be advised to take advantage of the relaxation by taking help of Chartered Accountants on contract basis or other appropriate basis so as to bring the arrears up-to-date.

The Committee hopes that Government will appreciate that any expenditure incurred for the above purpose would be worth spending in view of urgency of the matter.

- 2 Paragraph 20 at page 35 of the Audit Report, 1967. It transpires from the above evidence that the amounts drawn in March, 1965 were remitted to the Subdivisional Boards of Elementary Education in October, 1965 and April, 1966 and a sum of Rs. 3 lakhs was spent during the period from October, 1965 to March, 1966. Hence there was no justification to withdraw the amount hurriedly from treasury. Moreover heavy drawal of money from treasury, before the actual requirements, is not only in contravention to financial Rules but may lead to misuse of money.

The Committee therefore recommends that the Department should avoid such practices of drawal of huge sum of money long before actual requirements which may lead to misuse of public money.

- 3 Paragraph 23 at page 37 of the Audit Report, 1967. The Committee fails to understand why no criminal proceedings were instituted against the persons at fault for alleged commission of the offence. Moreover, Departmental proceedings already drawn has not yet been completed up-till now.

RELIEF AND REHABILITATION DEPARTMENT

Serial No.	Reference	Recommendation
(1)	(2)	(3)
4 Paragraph 28 at page 39 of the Audit Report, 1967.		The Committee should be apprised of the final position as early as possible.
		During 1964-65, the Special Officer, Relief and Rehabilitation Department at Matia in Goalpara undertook four agricultural schemes. These schemes were taken up in the period of July to September, 1964. Before finalisation of the schemes the sanction of the Government was not obtained. It was only in September, 1964 to February, 1965 that sanctions to the implementation of the schemes were accorded by Government. It is clear therefore, that the Special Officer had embarked upon the schemes on his individual responsibility. At the time when the schemes were prepared, it was shown that the schemes would undertake four cultivations, viz., (1) Salipaddy (2) Matikalai (3) Til and (4) Mustard Seed. It was shown in the schemes that Salipaddy would cover 300 bighas at an outlay of Rs.24,000.00 with expected yield of 240 maunds valued at Rs.31,200.00. Matikalai would cover 1,200 bighas at an outlay of Rs.58,740.00 with the expected value of an out-turn at Rs.62,400.00. Til cultivation over an area of 300 bighas at an outlay of Rs.8,500.00 with yield of 750 maunds valued at Rs.18,580.00. Mustard seed over 600 bighas on an outlay of Rs.18,580.00 with yield of 750 maunds valued at Rs.22,500. These schemes envisaged an outlay of Rs.19,820.00 with the expected out-turn at the value of Rs.1,34,850.00. Apparently the scheme was an attractive one. Moreover, the Special Officer

Serial No.	Reference	Recommendation
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(1)	(2)	(3)
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undertook the schemes to keep the new migrants engaged and to give them encouragement for work instead of leaving them on the mercy of doles. The purpose was definitely laudable. However, ultimately, it so happened that on economic proposition the scheme met with a dramatic failure. Instead of being an economically profitable affair it was found that an outlay of about Rs.64,000·00—according to the Department—an out-turn of only about Rs.20,000·00 could be had, and ultimately the scheme had to be abandoned with the end of that kharif year. It has been found out that the schemes were drawn not on any expert advice, though later on at the time of implementation, services of the Agriculture Department were requisitioned and obtained. Secondly, before embarking upon the schemes the suitability of the soil for the particular types of cultivations was not gone into. Thirdly, there does not appear that proper and constant supervision was done over the works by the migrants though there was occasional inspection by the staff of Agriculture Department. As it appears to the Committee the decision was more of the political nature than economic, and as such the Committee feels that in future Government sanction should be obtained prior to the implementation of the scheme rather than getting subsequent approval.

5 Paragraph 29 at page 39 of the Audit Report, 1967. By January, 1965 the Government of Assam decided to abandon the system of doles in kind in the Matia group of camps under the Relief and Rehabilitation Department and to introduce cash dole instead. Accordingly the system of doles in kind was

Serial No. (1)	Reference (2)	Recommendation (3)
		<p>abandoned with effect from 28th February, 1965 and the system of cash doles was introduced with effect from 1st March, 1965. On 1st March, 1965, there was 109.57 quintals of rice in store in Matia Relief and Rehabilitation camp. On the same date there was a stock of 1,222.80 quintals of dal in the said camp. But the rice and dal so stored remained undisposed of. It was only in October, 1965 that the Department found that the stock of rice had deteriorated due to prolong storage and it was declared unfit for human consumption. Though the Accountant General had sent the draft para. of objection to the Department as early as August, 1966 the Department furnished only in January, 1968 the information that out of 1,226.93 quintals of dal valued at Rs.1,49,500, 1,12,249 quintals have been disposed of at Rs.30,835. It is not known what has happened to the rest and why by early disposal the losses could not be minimised. At any rate if the Department would have taken proper care of the stock of rice and dal on the introduction of the cash system of doles, a pretty good amount of public money could have been saved because it needs hardly to be stated that commodities like rice and dal deteriorate due to prolong storage and a period of 7 months is a pretty long period indeed. The Committee recommends that in future Government should be more careful in these matters particularly when the country is going through acute scarcity of food materials like rice and dal.</p>

HEALTH DEPARTMENT

- 6 Paragraph 14 (a) at page 24 of the Audit Report, 1967. The Committee observes that although the Pay Committee recommended enhancement of pay, the pay of the individual Officers had to be fixed by Government and the Department should have made

Serial No. (1)	Reference (2)	Recommendation (3)
7	Paragraph 27 at page 38 of the Audit Report, 1967.	provision for the amount prior to sending intimation about pay fixation to the Departmental Officers. This shows that the Department has no effective control on the expenditure. The Department should be careful in future and should exercise proper control on the expenditure.
		It transpires from the evidence given above that the case was detected in 1963 but departmental proceedings have not yet been started up-till now. The reason given by the Department for this inordinate delay was that the records and papers were taken by the Anti-Corruption Department which had since finalised the investigation and had submitted charge-sheet.

Over and above this, the Committee in its Fourth Report on Audit Report, 1966 at pages 1 to 3 had made an adverse remark against this particular firm's practice which had employed various doubtful means to obtain extra payment from the Government in collaboration with or without certain officials of the Departments. Though the firm had changed its management and had agreed to make good the loss, the committee feels that the Government should have asked the firm to make good the loss first before resuming business with it.

The Committee therefore recommends that the action taken against the Civil Surgeon should be intimated to the Committee within six months from the date of presentation of this Report to the House.

The Committee further reiterates its recommendation contained in its Report at

Serial No.	Reference	Recommendation
(1)	(2)	(3)
		pages 2-3 on the Audit Report, 1966 and urges upon the Government to expedite finalisation of the matter and submit a Report within three months from the date of presentation of this Report to the House.
8 Paragraph 55 of the Audit Report, 1967.	The	Committee recommends that departmental proceedings against the delinquent Officers should be expedited so as to fix responsibilities and the action taken in this regard should be reported to the Committee within six months from the date of placing this Report before the House.

LAW DEPARTMENT

- 9 Paragraph 14(a), Sl. 5 at page 24 and paragraph 14 (b), Sl. 2 at page 28 of the Audit Report, 1967.
- Under the head "Administration of Justice" the original grant was Rs.23,02,200 for the year 1965-66. In March, 1966, *i. e.*, by the tag end of the financial year, the Department came with a supplementary demand for Rs.21,458 (Rs.21,459) which was passed by the Legislature. On the 30th of March, 1966, it appears that under the head 2. (E) "Criminal Courts" there was a withdrawal of Rs.22,000 by way of reappropriation and diverted to the head D (A) (i) whereunder the reappropriation was to the extent of Rs.1,30,000. But both under the heads D and E there was excess expenditure amounting to Rs.3.66 lakhs and Rs. 2.43 lakhs respectively. It is thus clear that even on the 30th of March, 1966, that is to say, only one day prior to the close of the financial year the Department did not know what was its requirement for the year that was ending. The Joint Secretary giving evidence on behalf of the Secretary before the Committee stated that this position occurred because

Serial No.	Reference	Recommendation
(1)	(2)	(3)
		<p>the District controlling officers did not furnish necessary information periodically as required for correct budgetting and proper financial control and supervision. Another reason given is the uncertain nature of expenditure under different items.</p>
		<p>The Committee in this connection has taken note of the recommendations given by it in its Report, dated February, 1967, on the Finance and Appropriation Accounts of 1963-64 and Audit Report, 1965. The Department has assured that all the Drawing and Disbursing Officers had been instructed repeatedly not to exceed the fund provided to them without previous permission from the Government. It appears that those instructions have not been followed by the Drawing and Disbursing Officers concerned. This is a very unhappy state of affairs. The Committee recommends that more effective steps be taken for effective control and supervision of the Drawing and Disbursing Officers in the District Level and closer attention be given for making budgetting meaningful.</p>
		<p>With the above remarks the Committee recommends that the Legislature may please regularise the excess.</p>
<p>10 Paragraph 26 at page 38 of the Audit Report, 1967.</p>		<p>Upto August, 1957 Government incurred an expenditure of Rs.16,936 on account of a survey made of the Wakf properties in the State as per decision of the Government taken in June, 1955. This cost of survey has not been recovered from the Mutawallis of the Wakfs as per Section 7 of the Muslim Wakf Act, 1954. Section 7</p>

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

of the said Act provides as follows—

- “1. The total cost of making a survey under this Chapter shall be born by all the mutawallis in proportion to the income of the property of the wakfs situated in the State, such proportion being assessed by the Commissioner.
2. Notwithstanding anything contained in the deed or instrument by which the wakf was created, any mutawallis may pay from the income of the wakf any sum due from him under sub-section (1).
3. Any sum due from a mutawalli under sub-section (1) may on a certificate issued by the State Government, be recovered from the property comprised in the wakf in the same manner as an arrear of land revenue.”

The Department has informed the Committee that as early as on 14th February, 1964 the Law Department had asked the Commissioner of Wakf to make the assessment as per law and inform the Government about the assessments for enabling the Government to act under sub-section 3 of Section 7 of the said Act. Reminders which issued to the Commissioner on 5th October, 1964, 1st May, 1965, 12th July, 1965 and 5th October, 1966. The Commissioner wrote a letter to the Secretary, Assam Board of Wakf on 9th June, 1967 asking for certain informations. But up-till now the assessment has not been made. The Law Department has asked the Commissioner on 5th June, 1968 to expedite the matter. The Law Department cannot say exactly where the matter stands *vis-a-vis* the

Serial No.	Reference	Recommendation
(1)	(2)	(3)
		<p>Commissioner of Wakfs and the Board of Wakfs. At any rate the position even now is that far from realising the amount due even the apportionment among the different Mutawallis has not yet been made. In the opinion of the Committee this is a dismal state of affairs and brooks no further delay in finally settling up the matter. The Committee wishes that concrete steps taken in the matter should be informed to it within three months of the submission of this report to the House.</p>

VEETRINARY (FISHERY) DEPARTMENT

- 11 Paragraph 24 at page 37 of the Audit Report, 1967. This paragraph shows that six fish farms were set up at Tezpur at a cost of Rs. 5.21 lakhs and an additional amount of Rs. 2.88 lakhs was spent on maintenance, etc., during the period from 1952-55 to 1964-65. Out of this investment only Rs.53,000 could be realised by way of sale proceeds. When the Accountant General asked for certain information from the Department in September, 1966 when the matter was only in the stage of draft paragraph, the Department did not furnish any reply. The points on which clarification was sought for, were as to what was the revenue expected from the farms and whether farms were intended to be productive or self-supporting, what were the reasons for the loss incurred by the farms and how did the maintenance expenditure during the relevant period compared with original estimate for the purpose. Because as no reply was received to these queries.

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

The Departmental witness now explained that the main purpose of these fish farms was other than making them financial or commercial proposition. The principal purpose is said to have been renovation of old and ancient tanks with a view to provide drinking water and production of fish, if possible. In other words, production of fish was purely ancillary. If the fact of the matter is really so, the Committee is constrained to observe that it is not a good and proper budgetting. When the money is sought from the Legislature, the Legislature should be honestly informed as to what is the real purpose for which the money is needed. No Department should under any circumstances withhold correct information and mislead the House, particularly when the House is called upon to vote the money of tax-payers.

The Committee hopes that this will be remembered by the Government in future.

12 Paragraph 64 at page 61 of the Audit Report, 1967. On the question as to why the tender could not be opened on the date fixed for opening tenders, the departmental witness was not in a position to say as to what were the specific reasons for which the tender could not be opened and settlement made on the 5th February, 1960, which was the date for the purpose.

The departmental witness could not furnish the exact stay order of the High Court, whether the stay order also forbids the operation of the fishery by the Government instead of by any one of the contesting parties.

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

The Committee has not been informed as to whether the High Court stay order is to prevent operation of the fishery by the Government through some agency other than the contesting parties or departmentally. In the opinion of the Committee if the Government would have been careful enough in this matter, the loss could have been avoided.

- 13 Grant No.21 at pages 56 57 of the Appropriation Accounts, 1965-66, Note 4. These were reclamation projects and there were recommendations of the Study Team appointed by the Government and also of the Estimates Committee, and the Department thought that it should go slow pending findings of these Committees particularly in view of the none too encouraging experience in the past. This may be noted

PUBLIC WORKS DEPARTMENT (ROADS AND BUILDINGS WING)

- 14 Paragraph 14, Item 15 at page 27 of the Audit Report, 1967. Subject to the above remarks, the Committee recommends regularisation of the excess by taking the approval of the House.
- 15 Paragraph 19 and 22 at pages 35 and 36 of the Audit Report, 1967. The Department admits that the adjustment of the amount was unnecessary and irregular. The Committee expects that in future greater care will be taken by the Department to see that this sort of irregularity does not take place.
- 16 Paragraph 35 at pages 44 of the Audit Report, 1967. The Department answers that out of these 21 items 3 were within the limit of 5 per cent and the preparation of revised estimates in respect of others has been taken up. But the Committee fails to understand why this was not brought to the notice of the Accountant General even

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

though the Accountant General had sent to the Department his draft Audit Objection as early as November, 1966. The Department further says that the Accountant General had only intimated the number and not the details, that is to say, while the Accountant General informed the Department that there were irregularities of this nature in respect of 21 items, the items were not named. But on a perusal of the records it appears that as early as 28th December, 1966, the details were furnished to the Government of Assam, Public Works Department (Roads and Buildings), Shillong. On the face of it, it does not lie with the Department to say that they did not know the particulars of the matter. At this stage the Secretary of the Department admits that the matter came to his notice as early as January, 1967. It is strange that even then the factual dispute, if there was any, was not taken up with the Accountant General and has been left upto today. The Committee expects that the Department should take a more careful view of the Audit Objections that are sent from the Accountant General and factual verification by the Department should be made in time and should not be left till the date when the Department is examined in a meeting of the Public Accounts Committee.

The Committee further recommends that in future this sort of irregularities should be minimised, if not altogether vanish.

17 Paragraph 36 at page 44 of the Audit Report, 1967.

From the evidence on paragraph 36 of the Audit Report, 1967 the following has come out : Immediately after the Chinese aggression of 1962 the Government of India felt that the National

Serial No.	Reference	Recommendation
(1)	(2)	(3)
		<p>Highways in Assam should be strengthened. In this context Nowgong West Division of the Assam Public Works Department (Roads and Buildings) received during January to March, 1963, 28 road rollers on loan from the Government of Maharashtra as arranged by the Government of India. These road rollers, however, could not be utilised immediately and they remained idle for different periods ranging from 1 day to 546 days. It has also transpired in evidence that some of these road rollers were received in unserviceable condition and without spare parts to commission them for work immediately. The Department cannot say whether this fact was brought to the notice of the Government of India which had arranged the bargain. This was also not reported to the Government of Maharashtra which had supplied the rollers. Another explanation for their lying idle is that some of these rollers were steam rollers and that coal could not be arranged for operating them. This explanation is astounding and utterly unacceptable. The Department says that it had tried to purchase coal but according to the existing rules they needed prior approval of the Finance Department and that this approval was refused. If that be so, the sooner this sort of red-tapism is done away with, the better it is for the State and the country. Apart from the nugatory nature of the expenditure which amounted to Rs.3,20,114, here there was a case where the question of national security and the defence of the country is involved and if even in the face of such a national emergency and in fact within the period of declared</p>

Serial No.	Reference	Recommendation
(1)	(2)	(3)
		<p>national emergency this state of affairs is allowed to continue, it will be extremely harmful for the State and the Country. The Committee, therefore, draws pointed attention of the Government to this aspect of the matter.</p>
		<p>In this connection, the Committee finds that objections of similar nature appeared in paragraph 62, at page 56 of the Audit Report of 1965 and in connection with that objection, the Committee, <i>vide</i> its Report presented to the Legislature on 6th July 1967 remarked as follows—</p>
		<p>“It transpired from the evidence that a few steam rollers were received by the Department from Madras Government at the instance of the Government of India for the purpose of undertaking some emergency works by the State Public Works Department. The Department could not utilise the rollers due to the fact that a considerable period had to be spent in negotiating with the suppliers in regard to supply of coal. In the meantime, the Department was directed by the Government of India to return the rollers to the State from which they were sent.</p>
		<p>The Committee feels that the whole matter was dealt with without proper plan which led to considerable amount of infructuous expenditure.</p>
		<p>The Committee is not satisfied with the explanation given by the departmental witness that a long time was taken in finalising the terms for the supply of coal. In emergency work like this, the matter should have been dealt with greater despatch so that these steam rollers could have been used and infructuous expenditure avoided. This delay calls for an enquiry.”</p>

Serial No.	Reference	Recommendation
(1)	(2)	<p>“The action taken should be reported to the Committee within three months from the date of placing this Report before the House.”</p>
		<p>In spite of this direction of the Committee, the Department did not take any concrete action, <i>vide</i> letter No.ADT.215/64/22, dated 6th October, 1967, the Department informed the Assembly Secretariat that “the matter is under scrutiny and the reply will be submitted soon.”</p>
		<p>Then, <i>vide</i> letter No.ADT.215/64/25, dated 17th April, 1968, the Department has informed the Assembly Secretariat <i>inter alia</i> as follows—</p>
		<p>“The Deputy Assistant Coal Controller, Government of India directed M/S. Assam Railway and Trading Company, Ltd., Margherita, Assam <i>vide</i> their letter No.Misc./PWD/4292-294, dated 24th June, 1962, to supply coal to Public Works Department on the terms and conditions stated therein. The Company, <i>vide</i> their letter No.12625/27, dated 4th March, 1963, agreed to supply coal on the terms laid down therein only. The matter was referred to the Finance Department who advised to give 90 per cent advance payment on proof of despatch and the remaining 10 per cent on delivery of the goods.</p>
		<p>The matter was again referred to Deputy Assistant Controller, Gauhati who referred the matter to the Company. In spite of best efforts of the Department the matter could not be settled and ultimately the rollers had to be returned to Madras on 7th January, 1964, due to non-availability of coal.”</p>

Serial No.	Reference	Recommendation
(1)	(2)	(3)
		<p>The latest information furnished by the Department shows under what sorry state of affairs we are to work even when we are faced with the life and death question of a national emergency. The Government may be pleased to take up the matter in what way they thing fit and proper and action taken should be reported to the Committee immediately.</p>
18	<p>Paragraph 38 at page 45 of the Audit Report 1967.</p>	<p>It is admitted by the Department that the crushers were not of extreme urgent necessity but then it was thought because of past experience that if machines are carried by railway, then there is breakage. Moreover, if these were to be carried by rail the supplier would insist on 90 per cent advance being made on proof of despatch. The Committee would like to know the position of the utilisation of all the 18 crushers in the April, 1968.</p>
19	<p>Paragraph 41 at Page 46 of the Audit Report, 1967.</p>	<p>It transpires from the evidence that the execution of the work was started without technical sanction in utter violation of existing rules and the Officer concerned was warned by the Department. The Committee could not understand how could the Officer fail to notice that the river was proceeding towards the site which can be interpreted as deliberate mistake committed by him. The departmental witness could not say whether the site was selected by a Selection Committee as usual. Though the site was selected in 1960, the work was started in 1964 only.</p>
		<p>This case calls for a departmental enquiry for fixation of responsibility. Further construction should be done after watching the progress of erosion in that</p>

Serial No.	Reference	Recommendation
(1)	(2)	(3)
		<p>area. Action taken should be intimated to the Committee within three months from the date of presentation of this Report to the House.</p>
		<p>While there is a healthy principle that a Site Selection Committee consisting of the Deputy Commissioner, the representative of the Public Works Department, and the local head of the requiring Department, should select the site and the land so selected be handed over encumbrance free, this principle was always not followed scrupulously, as in this particular case. This is very unfortunate. In future this principle should be scrupulously followed. As soon as the land and fund are available, a selected ward should be given administrative approval and technical sanction and the work should proceed at good speed. Progress of work at a snail's speed as in the instance case should be avoided in any public building—be it a dispensary or a school or anything else. Fringe or bank of the river, particularly if there is any likelihood of erosion, should be avoided as a site.</p>
20	<p>Paragraph 37 at page 45 of the Audit Report, 1967.</p>	<p>The Committee has taken a serious view of the matter and recommends that this sort of work should be given to the firms with substantial experience. The Departmental Officers should scrupulously supervise every aspect of such works. In the event of any unfortunate incident like this, Enquiry Commission, if and when appointed, should conclude its enquiry as soon as possible and those who are found guilty, be they departmental Officers of whatever rank or contractors should be given exemplary punishment.</p>

Serial No.	Reference	Recommendation
(1)	(2)	(3)
21 Paragraph 46 at pages 49-50 of the Audit Report, 1967.	In spite of repeated recommendations of the Public Accounts Committee from time to time, particularly, as late as March, 1965, adjustment of inter-divisional transaction are not settled up yet.	The Committee is constrained to say that it is a very sad affair, particularly in view of the remarks of the Committee in 1965 and the Committee expects that some extra-ordinary steps should have been taken, if necessary, by sending down some persons from one division to others to bring the matters up-to-date. The Committee hopes that the Department would take effective steps to adjust all these long-standing transaction with added emphasis.
22 Paragraphs 51 and 52 at page 64 of Audit Report, 1967.	Spare parts valued about Rs. 2.63 lakhs which have been accumulated since 1948 and are lying unused should be sorted out and those which found to be obsolete or unserviceable should be sold out even as scraps.	Action taken should be reported to the Committee within three months from the date of submission of this Report to the House.
23 Paragraph 56 at page 56 of the Audit Report, 1967.	For rare and costly commodities like gelatines even for Public Works Department for which bulk storage in no doubt essential, licensed holding should be rationally fixed and scrupulously observed. In view of the sad experience of the Garbhagar--explosion in 1963, storage of explosive should be carefully done.	

Serial No.	Reference	Recommendation
(1)	(2)	(3)
24	Appropriation Accounts, 1965-66, page 103, Note 4.	Furthermore, the Committee finds that while there was such a big saving, the Department took a supplementary grants of Rs. 13.36 lakhs in that year. If they would have been more vigilant and careful they could have taken resort to reappropriation instead of going in for supplementary demands thereby locking up the money un-necessary. In future the Department should be more careful.

REVENUE DEPARTMENT

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| 25 | Paragraph 5 (c) at page 8 of the Audit Report, 1967. | The Committee recommends that after proper examination, these loans which could be recovered should be recovered and irrecoverable loans should be written off recording reasons. |
| 26 | Paragraph 61 at page 59 of the Audit Report, 1967. | The Committee would like to be apprised of the progress of realisation from time to time through the Accountant General, Assam and Nagaland. |

APPENDIX I

List of Officers who were examined by the Public Accounts Committee

Serial No.	Designation of Officers	Date of Examination
1	2	3
1	Secretary to the Government of Assam in the Public Works (R. and B. Wing) Department.	26th April, 1968. 27th April, 1968.
2	Secretary to the Government of Assam in the Law Department.	14th June, 1968.
3	Secretary to the Government of Assam in the Relief and Rehabilitation Department.	15th June, 1968.
4	Secretary to the Government of Assam in the Education Department.	11th July, 1968.
5	Secretary to the Government of Assam in the Veterinary (Fishery) Department.	11th July, 1968.
6	Secretary to the Government of Assam in the Revenue Department.	11th July, 1968.
7	Secretary to the Government of Assam, in the Health Department.	12th July, 1968.

Time devoted to each day's meeting

Date	Time of meeting	Total time
1	2	3
26th April, 1968	{ 11-00 hours to 13-00 hours	2 hours
	{ 14-30 hours to 16-00 hours	2 hours
27th April, 1968	{ 10-30 hours to 13-30 hours	2 hours
	{ 14-30 hours to 16-50 hours	2 hours 20 minutes
29th April, 1968 10-00 hours to 12-35 hours	2 hours 35 minutes
14th June, 1968	{ 11-00 hours to 12-30 hours	1 hour 30 minutes
	{ 14-30 hours to 15-45 hours	1 hour 15 minutes
15th June, 1968 10-45 hours to 15-00 hours	4 hours 15 minutes
11th July, 1968	{ 11-00 hours to 13-50 hours	2 hours 50 minutes
	{ 15-00 hours to 16-00 hours	1 hour
12th July, 1968 10-30 hours to 12-30 hours	2 hours
Total ...		23 Hours 45 minutes