



COMMITTEE ON PUBLIC UNDERTAKINGS
FIFTY SEVENTH REPORT

FIFTEENTH ASSEMBLY

**REPORT ON THE AUDIT PARA CONTAINED IN THE REPORT
OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
(COMMERCIAL)
FOR
THE YEAR 2005-2006 RELATING TO
ASSAM STATE DEVELOPMENT CORPORATION FOR SCHEDULED
CASTES LIMITED**

Presented to the House on 20th December, 2021

ASSAM LEGISLATIVE ASSEMBLY SECRETARIAT
DISPUR :: GUWAHATI-6

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INTRODUCTION

I, the Chairman, Committee on Public Undertakings, Assam Legislative Assembly having been so authorised by the Committee on their behalf present this 57th Report which was approved by the Committee on the Audit paragraph contained in the Report of the Comptroller and Auditor General of India (Commercial) for the Year 2005-2006 relating to Assam State Development Corporation for Scheduled Castes Limited.

(2) The Committee had taken up the work of examining the relevant paragraph contained in the Report of the Comptroller and Auditor General of India (Commercial) for the year ended 31st March, 2006 related to the Assam State Development Corporation for Scheduled Castes Limited under the WPT&BC Department, Government of Assam and had a threadbare discussion with the Officers of the WPT&BC Department as well as Assam State Development Corporation for Scheduled Castes Limited on 30th June, 2021.

(3) The Report was considered and adopted by the Committee in its meeting held on 13th December, 2021.

(4) The Committee placed on record its thanks to the officers of Assam State Development Corporation for Scheduled Castes Limited for furnishing the records/relevant materials and giving information as well as for extending fullest co-operation to the Committee.

(5) The Committee also extends its high appreciation to the Principal Accountant General (Audit), Assam and the concerned officials for their sincere co-operation extended to the Committee during its examination.

(6) The Committee also placed on record its appreciation to officers and staff of the Committee for their unstinted co-operation extended to the Committee in conducting of examination as also in the compilation in presentation of this Report.

Dispur

The 13th December, 2021

(Ramendra Narayan Kalita, M.L.A)
Chairman,
Committee on Public Undertakings

(i)

COMPOSITION OF THE COMMITTEE

CHAIRMAN: Shri Ramendra Narayan Kalita, MLA

MEMBERS:

- 1 Smti. Suman Haripriya, MLA
- 2 Shri Terash Gowala, MLA
- 3 Shri Krishnendu Paul, MLA
- 4 Shri Ganesh Kumar Limbu, MLA
- 5 Shri Suren Phukan, MLA
- 6 Shri Prodip Hazarika, MLA
- 7 Shri Jitu Goswami, MLA
- 8 Shri Charan Boro, MLA
- 9 Shri Siddeque Ahmed, MLA
- 10 Md. Nurul Huda, MLA
- 11 Smti. Nandita Das, MLA
- 12 Shri Rafiqul Islam, MLA

SECRETARIAT:

- 1 Shri H. Das, IAS, Principal Secretary
- 2 Shri I. Mozumder, Joint Secretary
- 3 Shri T. Deka, Deputy Secretary
- 4 Shri R.K. Sarmah, Superintendent

CHAPTER - I

REPORT AND RECOMMENDATIONS

During the course of deposition before the Committee in its meeting held on 30th June, 2021 in presence of Principal Accountant General (Audit), Commissioner & Secretary to the Government of Assam, Welfare of Plains Tribes & Backward Classes Department and the Managing Director of Assam State Development Corporation for Scheduled Castes Limited (ASDCSCL) and other Departmental representatives, the Department had submitted the replies to the queries against the Audit paragraph mentioned as follows:

1. Reference paragraph 4.5 of the Report of the CAG of India (Commercial) for the year 2005-2006

Diversion of funds

Rupees 5.20 crore meant for economic upliftment of the Scheduled Castes and Safai Karmacharies towards payment of salaries to the employees.

MANAGEMENT REPLY

It is true that ASDCSCL had diverted an amount of Rs. 5.20 crore and spent towards the payment of salaries to the employees. Though ASDCSCL was established for socio-economic development of the S.C. people of the State, since inception there was no clear cut guidelines from where the establishment cost of ASDCSCL will be met. As such ever since the date of its incorporation is used to spend some portion of the schematic fund, meant for development activities, to meet the establishment cost. Initially the amount was very meagre one. But as time passed the amount become very large and the wages has become a serious problem and the employees have to work in total uncertainty of getting their timely salary etc. and at a time have to go for months without salary.

On the other hand, though ASDCSCL was registered under Companies Act, 1956, its main objectives was to implement the welfare scheme for socio-economic development of the S.C. people of the State as per guidelines of Government of India and Government of Assam. As such there is no scope of earning any income like other PSUs. The public Enterprise Department considering the nature of works categorized this PSU as a welfare sector organization having no income and observed that this PSU needed to be assisted by the Government for its survival.

(2)

The matter of diversion of scheme funds for meeting the administrative expenditure was discussed in the Board of Directors meeting held on 09-09-2002 and 15-11-2003 thoroughly. The Board of Directors in its meeting held on 09-09-2002 and 15-11-2003 decided to pay the salary to the employees of ASDCSCL as per present procedure with the approval of the Chairman until the alternative arrangement is made.

Moreover, the matter of diversion of Rs. 4.75 crore out of Rs. 6.59 crore received from NSKFDC was brought to the notice of the Government vide letter No. SCDC/SCAV/71/98-99/202 dated 16-12-2011 with a request to reimburse the said amount. Thereafter the matter was also placed for discussion in the meeting of WPT&BC Department held on 15-09-2014 in the conference room of the Hon'ble Chief Minister of Assam. The Hon'ble Minister, WPT&BC department etc. requested in the meeting that budgetary support be granted to ASDCSCL along with other two sister PSUs of the department of WPT&BC as a onetime settlement to repay the outstanding loan due to the concerned Central Agencies. In this way ASDCSCL has continuously informed the matter of diversion of fund to the Government.

It is noteworthy that considering financial hardship faced by ASDCSCL, the Government of Assam has been providing fund towards the payment of salary to the employees of ASDCSCL. Since then i.e. the year, 2006 Government has been earmarking fund in the Government budget and after that no diversion of fund was done by ASDCSCL.

On the other hand, ASDCSCL has kept an amount of Rs. 4.28 crore utilized loan amount with the bank in the form of fixed deposit as the CAG raised that objection. ASDCSCL has realized the mistake and since then it has not taken any loan from the organization under Government of India as mentioned in CAG report. Since then ASDCSCL strictly followed the observation mentioned by the CAG.

OBSERVATION AND RECOMMENDATION

The Committee after threadbare discussion with the Commissioner & Secretary to the Government of Assam, WPT&BC department, Managing Director of ASDCSCL and departmental officials on the replies submitted by the Department/ASDCSCL has decided to drop the Para.
