

PUBLIC ACCOUNTS COMMITTEE 1972-73

SIXTEENTH REPORT

PART I

(FIFTH ASSEMBLY)

**Report of the Public Accounts Committee on the
Appropriation Accounts, 1967-68 and Audit Report
1969 and Finance Accounts, 1967-68 of the Govern-
ment of Assam relating to Power (Electricity)
Mines and Minerals, Public Works
(F. C. & I.), Industries (Major and
Cottage), Animal Husbandry
and Veterinary, Municipal
Administration, Forest, Fishery
Home (Police), Revenue
Housing, Supply, and
P. W. (R. & B.)
Departments**



**ASSEMBLY SECRETARIAT
SHILLONG**

July, 1972

Presented to the House on 27th July, 1972

CALL NO.

ACC. NO. R 1990

DATE OF REC. 1.12.76

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COMPOSITION OF THE PUBLIC ACCOUNTS
COMMITTEE, 1972-73

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Secretariat

1. Shri U. Tahbildar, Secretary.
2. Shri G. N. Deka, Under Secretary.
3. Shri R. Sarma, Committee Officer.

**Report of the Public Accounts Committee on the Audit Report
1969, Appropriation Accounts, 1967-68 and the Finance Accounts
1967-68**

INTRODUCTION

1. The Chairman of the Public Accounts Committee do present on behalf of the Committee, its Report on the Audit Report, 1969, Appropriation Accounts, 1967-68 and Finance Accounts, 1967-68 of the Government of Assam in so far as they relate to the Departments of Power (Electricity) Mines and Minerals, P. W. (F. C. & I.), Industries (Major and Cottage), Animal Husbandry and Veterinary, Municipal Administration, Fishery, Forest, Home (Police), Revenue, Housing, Supply and P. W. (R. & B.).

2. The Accounts and Report were laid on the table of the House on the 23rd January, 1970. The Committee examined these at its sittings held on 6th July, 1971, 7th July, 1971, 2nd August, 1971, 3rd August, 1971, 5th August, 1971, 6th August, 1971, 7th August, 1971, 9th August, 1971, 10th August, 1971, 27th August, 1971, 28th August, 1971, 19th October, 1971, 20th October, 1971, 16th December, 1971, 27th December, 1971 and 28th, December, 1971. A list of Officers examined and time taken for examination has been appended to this Report as Appendix I.

3. Though the examination was conducted by the previous Committee, the Report could not be finalised by that Committee owing to dissolution of the House. The present Committee considered the draft Report after reconsidering the proceedings of the previous Committee and finalised its Report at its meeting held on 24th July, 1972.

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

5. The Committee places on record its appreciation of the assistance rendered to it in the examination of these accounts by Shri R. S. Maunder, I. A. and A. S., Accountant General, Assam, Meghalaya, Nagaland, Manipur, Tripura, Arunachal Pradesh and Mizoram and his staff. 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 24th July 1972.

DULAL CHANDRA BARUA,
Chairman,
Public Accounts Committee.

REPORT

Audit Report, 1969

POWER AND ELECTRICITY DEPARTMENT

General :—

1.1. At the very outset, the Secretary, Power and Electricity Department, before answering any specific question, pointed out to the Committee that in the initial years the financial position of the Board was not very happy. Gradually, however, the position improved a lot and the position is given to be as follows in 1970-71 :—

Capital investment	...	...	Rs.8552.55 lakhs.
Total operating cost	...	...	Rs.494.42 lakhs.
Total operating expenditure excluding interest on Government loan.	...	...	Rs.432.81 lakhs.

This means a surplus of Rs.36.71 lakhs. In the earlier years, till 1968-69, there was a loss and in 1969-70 and 1970-71, there was a surplus of Rs.10.13 lakhs and Rs.13.71 lakhs respectively.

1.2. Asked as to whether it is after providing depreciation the, Departmental answer was that the Board is not in a position to provide depreciation

RECOMMENDATION

1.3. The Board is taking an advance and it has no sufficient profit to pay interest. On payment of the interest due to Government the surplus shown becomes not only perhaps nil, but it will reveal a position of loss. The surplus position shown by the Department is incorrect and misleading. It is recommended therefore that when Government place something before the Committee or Assembly it must be based on facts. In spite of the earnest endeavour of making profit there may be loss. The organisation should therefore try to find out the causes leading to such loss and rectify the defects in order to earn profit in future instead of developing a tendency to hide things which is not only misleading to the House but harm most the organisation itself.

Paragraph 58(e) at page 57 of Audit Report, 1969

1.4 Idle outlay.—This para indicates that locomotive and trolleys purchased by the Board at a cost of Rs.1.37 lakhs for the Mechanical Division, Barapani, in July, 1965 have been lying idle.

RECOMMENDATION

1.5. The locomotives and trolleys as purchased by the Board at the cost of Rs.1.73 lakhs for Mechanical Division, Barapani in July, 1965 have been lying idle for six years. It has been stated by the Department that these are being utilised for the same purpose in another project. Though the Committee has nothing to comment further in this connection, still it holds that the machineries purchased by the Board for some particular purpose should be used as such and in no circumstances they should be allowed to remain idle.

Paragraph 58(f) at page 58—Loss of Stores

1.6.(i) The Executive Engineer, Transmission Division, Tezpur reported to the Chief Engineer, in December, 1967, nine cases of theft of fabrication materials worth Rs.1.43 lakhs lying in the custody of the Contractor. Information regarding realisation of the value thereof from the Contractor is awaited.

(ii) Physical verification report of 5 out of 31 units under the Board furnished to Audit revealed damaged/shortage of stores valued at Rs.1.03 lakhs. The losses have not yet been regularised (February, 1969).

1.7. When asked the Secretary, Power and Electricity Department informed the Committee that the money has been recovered from the Contractor, viz., M/S. Sae in March, 1967 from the Bill Nos. 412, 413 and 414.

RECOMMENDATIONS

1.8 The Committee observed that in view of the recovery it would not pursue the matter further.

1.9. Regarding physical verification the Chief Engineer, Assam State Electricity Board explained that works of all the units have not yet been completed and as the ledger A/C., etc., are not up-to-date they want to verify the stores and to find out the correct position. The Committee then asked the Department to send a note on physical verification to the Committee through the Accountant General.

Paragraph 58(g) at page 58 of the Audit Report—Sundry debtors

1.10. A sum of Rs.40.16 lakhs was lying outstanding at the end of March, 1968 under Sundry debtors. Year-wise break-up of the outstanding items could not be made available to the audit.

1.11. To this the Department expressed the view that under the provision of 1910 Act, the Department was not allowed to disconnect the lines in view of maintenance of law and order and not to disturb the production of Industries and such other ventures that were going on. The Department also expressed that payment should be made within a foreseeable future and steps were taken to realise the current bills so that problem did not get accentuated in future.

RECOMMENDATIONS

1.12. The law should not be applicable only on the common people. Unless Government gives specific directions the arrears should not be written off or exempted, and if necessary this should be taken up in the Secretariat level.

1.13. A proper and a definite system was to be followed by the Board in consultation with the State Government for realising the arrears at an early date. The Department also would do well to inform the Accountant General about the concrete steps taken by the Board for realising these huge arrears from different establishments and Industries within three months.

Paragraph 59 at page 58 - Infuctuons expenditure

1.14. The original estimates of concrete work in concrete Dam of Umiam Hydel Project, Barapani did not provide for pre-cooling treatment of concrete. A decision that such work was necessary was arrived at in June, 1961. In the meantime, in December, 1959 the work of pre-cooling treatment was entrusted to a contractor at Rs 10.94 lakhs based on minimum quantity of 54 lakhs cft. Pre-cooling treatment was, however, not found necessary in the upper strata of the Dam in June, 1963 by which time 16.65 lakhs cft. of concrete had been cooled at a cost of Rs.3.37 lakhs mostly for use in the lower strata. For the remaining works not executed, the contractor claimed a sum of Rs.4.47 lakhs, and payment was made to him in March, 1967. This included doubtful claims of the contractor amounting to Rs.1.02 lakhs. Had the works been entrusted after proper assessment of the necessity for such works, the infuctuous payments of Rs.4.47 lakhs made to the contractor for the works not done could have been avoided.

The matter was reported to the Board in April 1968, their reply is awaited.

1.15. Reply from Government or the Board or the draft para forwarded in January, 1969 is still awaited. Audit, however, received a copy of a letter from the Chief Engineer to the Chief Accounts Officer in May 1969. According to that concrete Dam over 200 ft. must always use pre-cooled concrete or even cooling after construction for a number of years to avoid cracks, etc.

It has been stated that while tender for concrete dam was being finalised in consultation with the C.W.P.C. rate for pre-cooling was accepted on the basis of lowest tender—the total liability being Rs.10.94 lakhs for 54 lakhs cft. During construction, the height of the dam was increased resulting in increased liability for pre-cooling to Rs.15.6 lakhs. Pre-cooling was avoided in the upper strata of the dam by staggering and modifying rate of placing concrete and by other methods. Thus the Chief Engineer contended that instead of infuctuous expenditure the Board has really saved as follows:—

Original estimated liability—Rs.15.6 lakhs.

	less	
paid	Rs.3.37	} 7.94
compensation	Rs.4.57	
	<u>Rs.7.66 lakhs,</u>	

1-16. The Committee also finds that in the original estimate which was made in 1959 there was no provision for pre-cooling treatment of concrete. Then at a later stage, in June, 1961 a provision was made and contract was given but ultimately it was found that the provision which was made in 1961 was excessive and the contract was drawn in such a manner that it led the Department to pay an amount of Rs.4.57 lakhs more than what it would have paid if the contract would have been made properly. The original estimate was, however, drawn up in consultation with the appropriate authority, viz. C. W. P. C. and although cooling treatment as such was not included in the Estimates it was there in fact included in the specification in the item for concreting so that the rate for concreting was supposed to include cooling also. No separate provision was made for cooling. The C. W. P. C. only mentioned about maintaining certain temperature in the dam. For that purpose some sort of cooling either pre-cooling or post cooling should be there and the contractor is to quote the rate accordingly. At the time of preparation of the original estimates for sanction as well as for tenders only the broad items were there, the detailed items were incorporated later on. Whether pre-cooling or post cooling would be necessary that was under discussion as the exact specification can be given only after a final decision is arrived at. The commitment was therefore made for a quantity which might or might not be necessary. The Board therefore had to commit itself to a minimum of 54 lakhs. Cooling plant that is required can be adopted for both pre-cooling and post cooling. A definite indication will have to be given to the Contractor as to what be the tank capacity of the plant in regards to cooling capacity. Thus the order for minimum quantity of 54 lakhs may be a correct one and it is a fact also but the Contractor did not do it or was not required to do it.

The Board had laboratory experiment made in Barapani and found that they can take advantage of the cooling atmosphere of the Barapani area but when it was discussed with C. W. P. C. it committed that laboratory experiment achieved in laboratory is not achievable in practical field. The Board however stopped this cooling C. W. P. C. agreed that there should not be any cooling on this. Nobody could tell with definite authority what would be the expansion and how far it would be controlled taking the size and shape of the blocks. The Board had no experience neither anybody could guide them in this regard. So, on the basis of the experiment they had in Barapani laboratory cooling was dispensed with to the extent it was possible, i. e., in the upper strata of the dam.

RECOMMENDATION

1-17. The Committee had to remain satisfied very reluctantly with the explanation of calculated risk which is said to have resulted in the saving of about 8 lakhs ultimately instead of any infructuous expenditure on this. Because after all it is yet to be seen whether the saving which was made by abandoning pre-cooling in the upper strata was justified or proper.

1-18. The risk could have been taken after completion of pre-cooling as contemplated in the Estimates as well. In that case the payment would have been at least regular leaving no scope for audit objection or any suspicion.

1.19. The Committee therefore recommends that the Government should keep in view the estimates while executing works of the type in order to achieve a definite result.

Paragraph 60 at pages 58-59—Loss due to non preferment of claims.

1.20. This paragraph indicates that during March 1965 to August 1966 certain consignments of electrical goods were booked by M/S. Heavy Electrical (India) Ltd., from Bhopal to various station in Assam. These were insured against transit risks with the Life Insurance Corporation of India.

Although there were transit losses in six of these consignments involving Rs.50,482 no claim was preferred against the Insurance Company resulting in loss to the Board.

1.21. The Secretary of the Department informed the Committee that when the Accountant General made this note the position was clear. Subsequently all the claims were lost.

RECOMMENDATIONS

1.22. The Department/Board should see that such claims are preferred in due time in future.

Paragraph 61 at page 59—Excess payment

1.23. (i) Barpeta Electric Supply undertaking was acquired by the Board on 31st January 1964. The assets and the liabilities of the undertaking on that date were Rs.2,16,079 and Rs.2,11,257 respectively. Before arriving at the amount finally due to the licensee Rs.30,000 were paid in January 1964 as against Rs.4,122 payable resulting in excess payment of Rs.25,178.

(ii) On a secured loan of Rs.1.60 lakhs borrowed by the licensee from Government in December, 1956, Rs.40,947 became due as interest on 31st January, 1964. The Board approached the State Government in May 1964 to accept Rs.15,769 in full settlement of the accrued interest. The decision of the Government is still awaited (February 1969).

1.24. The position was explained by the Chief Engineer, Assam State Electricity Board that so far liabilities are concerned, these are remaining with the Barpeta Electric Supply undertaking. For the whole assets the Board is liable to pay. The valuation for the assets of the undertaking is Rs.2,16,079 against which they have paid Rs.30,000 only. There is no excess payment.

But the point is that when the valuation of the assets was Rs.2,11,257 why Rs.30,000 were paid as against the net assets of Rs.4,822 (2,16,079—2,11,257) before arriving at the amount finally due to the licensee.

1.25. The Chief Engineer, A.S.E.B. explained that Government asked the Board on 29th January, 1964 to pay a sum of Rs.30,000 to the licensee to enable him to pay his creditors and so they paid Rs.30,000. The Board has records to show that the licensee had actually paid a sum of Rs.30,700 to the creditors.

Out of this sum of Rs.2,11,257 an amount of Rs.1,60,000 was due to the Assam Financial Corporation on account of a loan taken by the licensee and a sum of Rs 40,000 was to be paid to the corporation on account of interest on the loan. Now if the licensee had paid Rs.30,700 to his creditor he has paid to the unsecured creditors for which the Board was not responsible. Therefore the Board has paid an excess to the extent of Rs.25,000. The over payment was made by the Board because of Government's direction to do so and for which the Board has written to the Government to accept the liability.

RECOMMENDATIONS

1.26. When the Audit para is sent or the Audit report is printed the Departmental officers should carefully study them and they should come prepared before the P.A.C.

1.27. It appears that the accounts maintained in the Board do not differ from the audit para. Now, it is for Government to settle the matter. The Committee therefore recommends for an early settlement of the matter.

PUBLIC WORKS DEPARTMENT (F. C. AND I.)

Para 22 at page 35 of the Audit Report, 1969—Expenditure incurred without or in excess of detailed estimates

2.1. Ordinarily no new works may be commenced or liability incurred thereon till its detailed estimates have been sanctioned. A revised estimate is required to be prepared when the sanctioned estimate is likely to exceed by more than 5 per cent.

Rupees 127.39 lakhs were spent on 15 works (exceeding Rs.3 lakhs in each case) (not mentioned in earlier Audit Reports) up to March, 1968 the detailed estimate of which had not been sanctioned. On three other works (not mentioned in earlier Audit Report) expenditure was incurred in excess of 5 per cent of their sanctioned estimates, the amount of excess in each individual case being more than Rs.3 lakhs and the total excess was Rs.13.02 lakhs.

The details of the works in respect of which the expenditure was incurred without or in excess of detailed estimates was exceeded are given in Appendices III and IV.

2.2. The Committee wanted to know:

(a) At whose instances this irregularity was committed.

(b) What action was taken by the Executive Engineers immediately on starting of each of these works to bring this irregularity to the notice of the appropriate departmental authority and what special precautionary steps were taken by that authority in order that no further irregularity was committed by the work executing officers.

(c) A work for which no estimates has been prepared can be started only on an express order (writing) by the State Government and in such case the audit office has to be informed immediately by the officer executing the work *vide* para 316 of the Assam Public Works Department Code.

Whether this provision of the Code was duly fulfilled in cases the works were done without estimate.

2.3. The Secretary, P. W. D. (F. C. and I.) replied that administrative approval for the said work was there, only the technical approval was waiting. Sometimes the Department had to face some circumstances where works had to be started without waiting for technical approval also.

RECOMMENDATIONS

2.4. The Committee observed that under paragraph 230 of the Public Works Department Code both the administrative approval and the technical sanction were necessary so that mere administrative approval without the technical sanction was as good as no approval at all and constitutes a case of clear violation of the Code. It is, however, understandable that sometimes such things happen due to certain unavoidable circumstances. But, then, the order for starting such works should be taken in writing and the Audit office has to be informed immediately by the officer executing the work under para 316 of the Public Works Department Code.

2.5. The Committee therefore recommends that such cases of clear violation of the Public Works Department Code leading to spending crores of rupees should be scrupulously avoided in future even if unavoidable circumstances prevail. In such cases the Department should take up the matter with the Chief Secretary who, in turn, will take it up with the Chief Minister.

Para 29 at page 37 of Audit Report, 1969—Rejection of lowest tender

2.6. In response to tender notice issued by the Chief Engineer (Flood Control and Irrigation Wing), in November 1963 for protection of Gauhati Town from erosion by the river Brahmaputra, thirteen tenders were received. The lowest offer of Rs.25.50 lakhs by one Class I contractor (registered with the Roads and Buildings Wing) was rejected on the ground that the contractor (i) was not registered with the Flood Control Wing and (ii) had not deposited the required earnest money. Before rejecting the tender, the department made no attempt to get the earnest money from the tenderer. The work was distributed among three other tenderers for completion by 19th May 1964 at the estimated cost of Rs. 31.70 lakhs. The work was completed in March-April, 1965.

The Government stated in 1968 that "rate of a rejected tender is no rate at all for the purpose of comparison and consideration".

Audit considers that in view of the large difference, the department should have made an attempt to obtain earnest money from the lowest tenderers before rejecting his tender. As he was a first class contractor already registered with the Roads and Buildings Wing, his not being registered with the Flood Control Wing was not material.

2.7. The Committee enquired that the rate quoted by the three contractors who were allotted the contract were higher than the estimated rate. If they could not be persuaded through negotiation to do the work at the estimated rate than for what reason the contractors, who was a Class I contractor of the Roads and Buildings Wing quoted much lower than the estimated date, was not persuaded to deposit earnest money so that he could be given the work which would mean substantial saving to the Government.

The Committee also wanted to know if any action was taken against the contractors who were given the work but could not complete the work within the fixed time. On the other hand several extensions were given to them.

RECOMMENDATIONS

2-8. Whatever might be the reasons of rejection of any tender, the reason thereof must be recorded by the Department. The Department has the authority and also the wisdom to reject any tender but that should be done after recording the reasons in justification of their action.

The Committee also finds that no action was taken against those, contractors who could not complete the work within the fixed time even after getting several extensions.

The Committee is therefore of the opinion that it was a pure case of discrimination costing much higher expenditure than the estimated cost. The Committee hopes that such discriminatory case will never recur in the Department in future.

Paragraph 30 at Page 38 of Audit Report 1969 under financial benefit to contractor

2-9. In Dibrugarh Embankment and Drainage Division collection and supply of boulders during 1965-66 was entrusted to a contractor at Rs. 57.40 per cubit metre. This rate was inclusive of royalty and monopoly fee to be paid by the contractor. Subsequently, the department obtained free monopoly permit for the contractor and reduced the rate to Rs. 55.19 per cubit metre after deducting Rs. 2.21 on account of forest royalty and monopoly fee. It was, however, noticed in audit that the current rates of forest royalty and monopoly fee for collection of stones from the quarry were Rs. 3.15 and Rs. 2.96 per cubit metre respectively. Computed with reference to these the extra payment of supply of 33,965 cubit metre of boulders was Rs. 1.32 lakhs.

The rate of royalty and monopoly fee to be deducted were communicated to the Executive Engineer by the Chief Engineer, Flood Control and Irrigation Wing in his letter No FC.253/1965/139, dated 19th February 1966.

RECOMMENDATIONS

2-10. The Committee finds that the agreement with the contractor being that he would supply boulders at the rate of Rs. 51.40 per cubit metre, the forest royalty and monopoly fee being borne by him entirely, it would have been quite natural to deduct the entire royalty and monopoly fee from his rate when the Department arranged with the Forest Department for making the collection free of those charges.

2-11. The Committee, therefore, recommends that in future in such cases the entire amount of royalty and monopoly fee should be deducted from the contractor without fail or the rate should be fixed excluding the royalty, etc., so that the Forest Department can realise royalty, etc., from the contractor directly.

Paragraph 37 at pages 42-43 of the Audit Report, 1969

2-12. In August 1965 Jorhat Investigation, Embankment and Drainage Division purchased from the Railways one "Marion" dragline excavator with two dumpers for Rs.3.26 lakhs. The machine was brought to the drainage camp in August, 1966 and has been lying there unutilised since then. The Executive Engineer suggested to the Chief Engineer in December, 1966 its disposal as it could not be used for being too heavy for the bridges and culverts in Assam. Information about disposal of the machine is awaited (March, 1969).

Rupees 0.51 lakh were paid as demurrages while the excavator was lying at Jorhat Railway Station. Circumstances in which this could not be avoided has not been intimated.

2-13. The Committee wanted to know at whose instance the Marion dragline was purchased. The Committee also wanted to know what action the Department had taken against the officer who failed to take delivery of the machine from the Railway thus making the Government liable to pay demurrage of such a big sum (Rs.51,074.00).

2-14. It was gathered from the Departmental witnesses that the Chief Engineer of the Department felt that there was an urgent and immediate necessity of 'Marion' dragline excavator with two dumpers. The Committee observed that fault lied with the Chief Engineer, but, he being a top official, he could escape. There is an Assamese saying. "A queen destroyed a very valuable thing. When it was reported to the King, he simply smiled away. But on another occasion when a servant of the King destroyed a very petty thing, the King flew into rage and inflicted a heavy punishment on the servant. Similar is the case with the Government Department. If a small servant does a little irregularity, he is awarded with heavy punishment."

It is, however, not the Chief Engineer in his individual capacity decides what is urgently necessary for the Department. His decision on having a material is based on the necessity of the Department.

In August, 1965 for Jorhat Investigation, Embankment and Drainage Division, the then Chief Engineer, Assam P. W. D. (F. C. & I.) took on loan one 'Marion' dragline excavator with two dumpers from the N. E. F. Railway. The Departmental witnesses inform the Committee that for getting this machine, good offices of the Chairman, C. W. P. C. and the Union Minister of Irrigation and Power were invited and obtained. This machine was considered to be urgently and immediately necessary for the Gohaingaon protection works. The total price of the machine was Rs.3,01,900 and additional expenditure of Rs.82,261.80 P. was incurred on repairs, carriage, freight, and demurrage charges on the plant. In all, the total expenditure on this plant comes to Rs.3.26 lakhs. It appears that before the deal was entered into, the officers engaged in the Gohaingaon protection work at the spot were not taken into confidence. According to the report made by the Executive Engineer (Mechanical Division) F. C. & I., Gauhati vide his letter No.3479, dated 4th August 1965, the Gohaingaon dyke was only 14 ft. wide at top, but the acquired dragline and dumpers require a road at least 18 ft. to 20 ft. wide at top for being moved. There

were no suitable road approaches and field to move and operate this machine at Gohaingaon. The Executive Engineer also opined that the dragline being more than 85 tons in weight would sinkdown in the area where it was sought to operate. In fact, the dragline weighed about 90 tons. The Executive Engineer was of opinion that the bridges and culverts approaching the Gohaingaon Project were too weak to bear this burden. However, the dragline was purchased and it arrived at Jorhat Railway yard on 27th October, 1965 but "in spite of the urgency" the plants remained lying in the Railway yard upto 15th August 1966 for which wharfage of Rs.51,074.80 paise and demurrage of Rs.4,552 had to be paid to the Railways. Ultimately, when the plants were brought to the Public Works Departments yard at Jorhat on 16th August 1966, it was found that they could not be moved to the site and made use of. Then the Department again approached the C. W. P. C. for their "good offices" so as to dispose of these valuable plants. But this time the C. W. P. C. could not oblige. Ultimately, one Private Company purchased these plants at a price of Rs.76.57. Thus came a deal with a bang and ended in a whimper.

Cost of establishment and cost of repairing, etc.—

	Rs.
1. Cost of Dragline	1,17,100
2. Cost of Dumper	1,22,800
3. Cost of wharfage	51,074
4. Railway freight	9,687
5. Carriage charges	14,000
6. Repairing charges	7,500
7. Cost of Fuel, etc.	2,897
8. Demurrage	4,552

RECOMMENDATION

2.15. The Committee opines to bring this case specifically to the notice of the Government as a pointer for future guidance and, if possible, for appropriate action against those who play with public responsibility and public money.

Grant No.44 at pages 70-76 of the Appropriation Accounts 1967-68

2.16. The expenditure exceeded the voted grant by Rs.1,21,62,980 (provision Rs.7,10,09,800, expenditure Rs.8,41,72,780) which requires regularisation.

The Committee asked as to why did the department make an excess expenditure? what are the reasons,

The Departmental witness explained that generally this excess was due to the completion of the urgent repairs works.

Asked as to why the advance could not be taken from the Contingency fund the Departmental witness replied that in one case the Department approached for taking advance from contingency fund the Finance Department was moved accordingly for advance from the contingency fund. On further enquiry as to when Finance was moved as the date was very vital in this connection the Secretary informed the Committee that the relevant file containing the record with the endorsement of Finance was not with him at the time and all that he can say is that the Department do not take any advance without the concurrence of Finance. All these were exceptionally urgent work.

RECOMMENDATION

- 2.17. All these the Department says, were urgent expenditure which could not be avoided for public interest and therefore the expenditure had to be incurred in excess of the grant. In view of this, the Committee recommends regularisation of the excess, but at the same time, the Committee observes that in future the Department should be careful to see that excess expenditure is scrupulously avoided.

Note 3 of Serial 9 at page 72 of the Appropriation Accounts 1966-67

- 2.18. When it was required to show the recoveries under 'suspense' in two parts, one within the grant (*viz* under the sub-head 'stock') and other outside the grant why the Divisional Officers failed to exhibit the figures separately in the monthly account and why the breakup of the figures could not be made available to audit? Is it being separately exhibited now? If not do the Department contemplate to issue necessary instruction to do so in future to the field officers?

RECOMMENDATIONS

- 2.19. The Department has said that the Divisional Officers had been requested to submit the monthly accounts showing the break up. The Committee recommends that it should be followed up and seen that the directions are respected by the Divisional Officers.

Industries Department (Major and Cottage Industries)

GENERAL

3.1.—The following table shows the budget estimates and actual revenue expenditure under "Cottage and Major Industries" for three years ending 1969-70.

Year	Budget estimates.	Supplementary estimates (In lakhs of Rupees).	Total	Actual expenditure.	Excess(+) Saving(—)
(1)	(2)	(3)	(4)	(5)	(6)
(IN LAKHS OF RUPEES)					
1967-68	61.36	.....	61.36	46.95	—14.41
1968-69	51.29	4.53 [4.59]	55.82	46.79	—9.02
1969-70	66.61	.....	66.61	56.80	...9.81

The actual expenditure in the two years under review, *i. e.*, 1967-68 and 1968-69 remained practically the same while the provision fluctuated to some extent. The element of saving in the administrative expenditure is present in all the three years. Viewed against this, it would be pertinent to point out that Assam's share in the total national net out-put from manufacturing industries declined from 2.35 per cent in 1960-61 to 1.62 per cent in 1968-69.

In view of this comparatively slower industrialisation of the State it was expected that there should be more allocations towards industrial development, there should be better co-ordination so that we can keep pace with the rest of India. As it appears from the review of the two years, *i. e.*, 1967-68 and 1968-69, the actual expenditure remained almost the same. In 1967-68, it was only 46.95 lakhs and in the next year, it was Rs.46.79 lakhs. It was almost static. From this it will safely be deduced that the State's discouraging industrial development and growth is due to shyness of capital and want of proper infra-structure. So, as a co-ordinating and administrative Department what special study, if any, has so far been made by them to find out various lacuna which stands in the way of rapid industrialisation and the steps taken by the Department to remedy and accelerate industrial growth rate?

3.2. **The Department explained.**—The basis constraint is that the State Government has limitations in creating the infra-structure. The Central Government has to come in a big way to remove the difficulties which come in the way of establishing industries in the State. The basic difficulty is the transport bottleneck. The Central Government has established Petro-chemical Industries, Fertilizer Factory, etc., and their expansion programme is also going on. Whatever industries are there in Assam for which the raw-materials are available here, talents are available here, but the physical movement of the goods comes in their way of development. As for hardboard industries, demand for the goods exists, raw materials are also available here, but because Physically things could not be moved the industries remain in stagnant or occasionally closed down.

The second constraint is the resources difficulty. The State Government has very limited resources to establish a firm for industrial development. It is, therefore, necessary that the Central Government should come in a big way so that under the shadow of their investment many more industries could be established. In isolation there is no such prospect. The third constraint is the agricultural development. To a large extent, our industrial development is dependent on agricultural surpluses. Above all, of basic importance is the infra-structure.

3.3. The Committee asked: Industrial development is very much connected with agricultural growth both for Capital formation as well as for demand. Apart from that there are certain raw materials in Assam, but they are exported outside the State. We have got plenty of Jute, but we have got only one Jute Mill. There are forest goods available in our State. Apart from the paper industry, there may also be other manufacturing industries based on the forest goods. With tea waste also there may be some industrial undertakings whether the Department has been thinking based on raw materials available in Assam?

3.4. The Department explained in reply to the above the Department have been thinking on this line. The licences for establishment of Jute industries are given by the Government of India. Their demand is already there with the Central Government for dispersal of this kind of industries from Calcutta. With forest goods they have been developing the plywood, paper and hardboard industries. Apart from this, Assam's raw materials have a good demand outside the State. But due to transport bottleneck, this cannot be exported to the extent possible.

3.5. The Committee wanted to know about the Ashok Paper Mill in particular and asked that already 15/16 crores have been sunk on it. Earlier the Mill was situated in Bihar and went into liquidation. It was only because of the interest shown by the Assam Government the mill revived. The Assam Government now owns the majority share, about 3/4th share, of the Company. Unless the Mill goes into production this 16 crores will not come. So, what is the progress in the establishment of this mill?

3.6. The Departmental witness explained before the Committee that previously the Mill planned to utilise bagasse for producing paper, but at the latter stage, it was found that it was not possible to use bagasse because it was not available sufficiently. The Department now propose to use bamboo as raw materials for producing paper.

The Committee wanted to know from the Department when the Ashok Paper Mill is going to produce?

To this question the Director of Industries replied that the Mill was expected to start production within 22 months from the date of sanction of the loan by the financial institutions.

3-7. The Committee further wanted to know about the main lacunae standing on the way of rapid industrialisation and asked: Knowing fully well the bottlenecks, has the Department made any special study so far to find out the main lacunae which stands in the way of rapid industrialisation? Is the paper report true that the broadgauge line would be coming within a decade?

3-8. The Secretary of the Department replied that the Department have been fighting for extension of the broadgauge line upto Gauhati and for transport subsidy for our industries. In the latter case we have been granted concession of the transport subsidy by the Government of India. From now on the industries will get this benefit.

The Industries Department is not aware of any assurance given by the Railway Ministry as the Transport Department deals with this subject.

3-9. Asked about the steps taken to revive the existing Industries and the present position for the establishment of Assam Alkali Allied and Chemicals, the Director explained to the Committee that Ashok Paper Mill and the Allied Industries, i. e., the Caustic Soda plant are coming simultaneously. The agreement has been signed between the Governments. The loan application form is processed by the IDBI. So everything is in progress.

Asked about the progress of Petro-Chemicals and whether actual spot has been selected the Director of Industries replied that the Petro Chemical Project at Namrup under the State Sector with Japanese collaboration is going to be set up very soon. The IDBI is likely to sanction the loan within two months.

Asked if there is any bottleneck for loan and other things the Director explained that they always ask for management pattern. For experienced technical personnel Assam is short and not to speak of Assam even in India it is very difficult to get an experienced technical hand. Department need the help of foreigners. So, Management is the only bottleneck.

3-10. The Department has got a training programme. There is one such training centre at Bombay where limited number of seats are available for such practical training. The Department have sent 20 boys for such practical training.

3-11. Asked by the Committee as to whether anybody has been sent outside the Country for such training the Director explained to the Committee that it is better to give them training in our own country. The plant condition is absolutely different in India. Foreign plants are absolutely different. We are trying to train our boys in our country. If get some seats in Bombay it will be better. Practical training is very very difficult. For training programme the Department is very keen. 20 boys are already in the Refinery for such training.

3.12. When asked about the progress of the Sugar Mill in Cachar District, the Director of Industries explained the present position. He said that for the establishment of Sugar Mill in Cachar District the Department have to acquire 200 bighas. For the entire machinery order is placed. Preparation of project reports, steps have already been taken. In this case also we have sent our boys for training in Sugar Technology at Kanpur.

We have got only four seats there. Unfortunately, the number of seats are very few. Now a days only modern Sugar Mills are found in South India.

RECOMMENDATION

3.13. The Committee recommends that Government will do well to send boys for real training to take up the latest technic, find out the lacunae, remove them for industrial growth to a certain standard. The committee also hopes that the matured projects like Ashok Paper Mill, Sugar Mill at Cachar, the Assam Alkali Allied and Chemicals and Assam Petro-Chemicals will all go into production soon.

Paragraph 5 (C) at page 8 of the Audit Report 1969

3.14. The overdue industrial loan due for recovery was Rs.47.71 lakhs (principal Rs.41.99 lakhs and interest Rs.5.72 lakhs) on 31st March 1968. The same as at the close of March, 1969 was Rs.50.30 lakhs (Principal Rs.42.46 lakhs, interest Rs.7.84 lakhs).

The Committee put the following questions to the Departmental witnesses [for reply]:—

(1) Who are the major defaulters and what is the year-wise analysis of these outstandings ;

(2) How old is the oldest item and what steps have so far been taken to realise these outstanding. Do the Department contemplate any legal action? The Secretary, Industries informed the Committee that out of Rs.91.80 lakhs due, about Rs.20.5 lakhs have been recovered. Cases for about Rs.57.05 lakhs have been sent to 'Bakijai' for recovery. In individual cases the loans are mostly Rs.2,500 per individual and after verification it is found that the most of the loans are utilised for the purposes for which issued. Karangaon in Sibsagar District has shown a notable growth of industries. But the traditional cottage industries like bel metal industries are very difficult to maintain. They are going out due to change of tradition. Now there is a substitute of stainless steel and other things. Assam has a quota of Stainless Steel Industry at Charduar. Another at Tinsukia for Surgical Instruments but they cannot compete with others.

3.15. The Committee finds that in the Abhayapuri loan case—one person has taken a loan of Rs.15,000 in the year 1963 and in another loan case a person named Faharad Hussain took a loan of Rs.17,000 in 1963. In both cases neither the principals nor the interests thereof have been realised. Asked about the whereabouts of these persons particularly Faharad Hussain, the Department could not give any information. They simply replied that the loan cases which cannot be recovered by the Departmental Officers are referred to the D. C. concerned for Bakijai case.

Similarly in case of M/s. Standard Carpentry started in the year 1964 at Gauhati did not pay and Department informed that a Bakijai case is pending in this case. But in case Mr. Konwar of Darrang who took a loan of Rs.20,000, the department had no reply. Again in case of the following Industries, the Department could not give the required information:—

- (1) Shaktibari which took a loan of Rs.1,40,000.
- (2) T. C. Talukdar Rs.20,000.
- (3) P. Saha Rs.20,000.
- (4) K. K. Silpa Samabai Samity ... Rs.20,000.
- (5) P. Das Rs.20,000.

Neither the principal nor interest were realised in these cases.

RECOMMENDATIONS

3.16. The Industries Department being a co-ordinating Department is to help the industries. After the loan is issued it should remain in constant touch with the loanee and watch the progress and to advise in the matter of industrialisation and the matter of repayment taken up at the right time. This Department is not a money lending company. It has a definite purpose for issuing loan and it is the duty of the Department to make enquiry about the difficulties of the person who for some reason or other could not repay the loan in time. In case of T. Hussain for example who took Rs.17,000 from Industries Department, ought to have the full information with them including not only the whereabouts of the person but also the whereabouts of his industry whether actually started and if so where—what is the progress of all that.

3.17. After all the source of money is the poor people of the State. This Government's money has been given to some individual or somebody with the definite purpose to industrialise the State. If this money is not utilised properly the purpose for which it has been given will not be fulfilled and the State will be lagging behind in respect of industrialisation. The Committee wants that this money should be paid back by the loanees with the purpose for which it was issued and the Department should be in full knowing to whom the money has been given and the purpose of industrialisation of the country is fulfilled.

3-18 The Committee further express its displeasure that far from knowing the actual position of the utilisation of the industrial loan, the Department cannot give the important information regarding the defaulting loanees. So, the Committee recommends that the Departments after giving a loan to a particular industry should keep watch over its development.

Paragraph 14(b) at page 30 of the Audit Reports, 1960

3-19. The paragraph brings out two cases of drawal of money in advance of requirement. In one case the Department drew Rs.1.57 lakhs on 31st March 1965 and exhibited the same in the cash book as paid on that date. The payments were actually made between May 1965 and July 1966. In the other case the Director draw Rs.26.59 lakhs for payment of working capital, grants subsidy, etc. March 1966 ; of this Ri.26.52 lakhs were disbursed between April and July 1966. The Department stated in August 1970 that the balance amount was disbursed on 16th July 1966 and 3rd January 1967.

3-20. In this connection, Secretary, Industries explained that this money was drawn in connection with a centrally sponsored scheme for starting power looms initiated by the Relief and Rehabilitation Department for the refugees and subsequently transferred to the Industries Department. Being assured of the proper supplies and installation of the materials, the Department made payment in instalments. As it was noticed after drawal of the amount that the performance as it appears was not very satisfactory and hence it was felt necessary to be fully sure about their performances before making any payments. through the arrangement was that 90 per cent payment was to be made against despatch documents. The verification took time and hence the payments had to be spread over a long period.

In regard to the drawal of Rs 59 lakhs in March 1966 but disbursed in April and July 1966, the Secretary explained that as soon as the money was received it was sent straightway to the Bank for draft. It was almost a simultaneous transaction.

3-21. The Committee also finds that there is another aspect of this irregularity for which the Finance Department is also responsible and needs to explain their delayed sanction to which Deputy Secretary, the representative of the Finance Department gave the following statement. He said that there are instances the Departments come forward with a proposal for financial sanction even on 30th of March. The Department however instructed all Departments times without number that they should send the proposals for sanction well ahead, but in spite of that no improvement on this has been made. Moreover sometimes incomplete proposals come for sanction.

RECOMMENDATIONS

3-22. The Committee finds that sometimes Finance Department send back the same proposal with queries more than once. They, therefore, recommend that whatever financial suage are there for which queries are made, all queries should be made at a time.

3.23. The Committee also finds that in these cases money was actually drawn in advance of requirements and whatever the explanation of the Department may be this action of the Department was irregular. The Committee do not like and encourage the fictitious entry in the cash book and do not find any reason as to why the officers concerned should be so reckless as to commit such kind of serious irregularity in accounts. The Committee, therefore, recommends the Government to stop recurrence of this feature forthwith in future.

Paragraph 64 of Audit Report, 1969 at Page 60.

3.24. This paragraph indicates that the Assam Government Marketing Corporations Ltd., suffered a loss of Rs.3.04 lakhs in 1967-68 mainly due to running of several uneconomic emporia. The accumulated loss at the close of 1967-68 was Rs.8.31 lakhs as against the paid up capital of Rs.29.41 lakhs which shows that the substantial portion of the capital has been eaten away by its successive chronic loss.

Asked whether Government propose to keep them or close down the uneconomic emporia to prevent further losses the Secretary, Industries replied that an expert body has been appointed by the Government. The Government decision on this Committee's recommendations have been sent to Marketing Corporation and further decisions will be taken after receiving the Corporations reactions.

There are two emporia at Calcutta and Delhi.

Their performance is not bad.

The Committee further enquired why the emporia products are not attractive to the present changing situation. What is the main snag?

3.25. The Secretary replied that State Govt. Marketing Corporation is now marketing mostly domestically produced products only. The fashionable goods are not in the production programme. The Department is also thinking in term of giving the responsibility of producing and marketing the products to one corporation.

RECOMMENDATION

3.26. The Committee finds that the Government marketing shops often remain closed during business hours, when the other private shops keep them open. As a result the Government marketing shops incur losses and just remain a going concern. Until and unless there is some force or regulation on the staff, there will not be any appreciable improvement of the condition of the marketing shops.

Paragraph 68 at page 62 of the Audit Report, 1969

3.27. The paragraph brings out that during 1967-68 the Assam Small Industries Development Corporation Ltd. incurred a loss of Rs.3.82 lakhs.

Plant and machinery worth Rs. 8.70 lakhs had been lying idle for considerable period as where used sparingly. The plant (installed between September 1964 and February 1966) for which Government provided the machinery and a working capital of Rs.1.03 lakhs has not yet been started functioning (April, 1969).

RECOMMENDATIONS

3.28. The Assam Small Industries Development Corporation Ltd. uptill now is a losing concern. During 1967-68 it incurred a loss of Rs.3.82 lakhs.

The Committee recommends that all possible steps should be taken to improve the position.

The department should give a detailed report to reach the committee within six months of presentation of this report to the House about the present position of ceramic plant in which the Government provided the working capital and the machinery.

Paragraph 69 at page 62 of the Audit Report, 1969

3.29. The paragraph brings out the Bamboo and Cane Mills Unit of the Assam Small Industries Development Corporation suffered a loss of Rs. 3.70 lakhs upto 1966-67 and that the causes of the loss had not been ascertained by the department.

In this connection the committee asked:—

(1) In the face of continued loss whether the corporation proposes to close down the unit? Has any decision been taken in this regard?

(2) Has the Government investigated into the reasons for its continued loss? If so, what are those?

RECOMMENDATIONS

3.30. The Bamboo and Cane Mills Unit of the Assam Small Industries Development Corporation Ltd., suffered loss of Rs. 3.70 lakhs upto 1966-67 and is giving continued loss ever since its establishment.

The Committee recommends that the department should take a decision either to close down the unit in view of the continued loss or to take definite steps for its improvement. This sorry state of affairs should not be allowed to continue indefinitely.

Paragraph 79 and 80 of the Audit Report, 1969 at pages 70-72 outstanding Audit Objections and Inspection Reports.

3.31. This paragraph bring out the position of outstanding objections and inspection reports pending for settlement.

RECOMMENDATIONS

3.32. The department should take all possible steps to settle all old items upto 1966-67 if necessary by mutual discussion with the Accountant General.

Grant No.28 at Page 49 of the Appropriation Accounts, 1967-68

3.33. The grant closed with a saving of Rs.11 lakhs in 1967-68 for the 6th year in succession and out of the saving only Rs.6.60 lakhs were surrendered in March 1968.

The Committee wanted to know:

(1) Why could not the department learn from past years' experience and why did it provide funds beyond requirements.

(2) Why was not the entire saving surrendered? Does it not indicate lack of proper financial control?

RECOMMENDATION

3.34. The Department should be more careful in future not to provide funds beyond its requirement. The Department should surrender the entire amount of saving.

Animal Husbandary and Veterinary Department**Finance Accounts**

4.1. The following table shows the expenditure during the last three years ending 1969-70.

	Expenditure		
	(In lakhs of rupees)		
Year	Budget provision		Actuals
1967-68	Original	--- 1,66.19	
	Supplementary	— 6.22	
		<u>Total—1.72.41</u>	160.21
1968-69	Original	— 160.55	
	Supplementary	—17.44	
		<u>Total—167.99</u>	154.51
1969-70	Original	— 171.16	
	Supplementary	—13.35	
		<u>Total—184.51</u>	193.34

Some of the important schemes taken up for implementation by the department during 1968-69 are given below with the approved outlay shown against each.

Serial No.	Name of the scheme	Approved
		(In lakhs of rupees)
1	Establishment of Veterinary Dispensary ...	4.80
2	Intensive Cattle Development Project ...	4.05
3	Establishment of Poultry and Duck Farms ...	3.50
4	Intensive Egg and Poultry Production cum Marketing Centre.	5.00
5	Expansion of Pig Farms	2.20
6	Poultry Development in Hill areas	2.25
7	Applied Nutrition Programme	2.40
8	Establishment of Veterinary Aid Centre ...	1.65
9	Reorganisation of Live stock Farms-I ...	1.30
10	Urban Milk Supply Scheme	26.70

4.2. The Committee wanted to know about the Veterinary dispensaries and asked, what is the number of Veterinary dispensaries ?

4.3. The Director, Veterinary replied that there are now 363 dispensaries run by the State. This includes Local Boards and Community Development, etc. In hill block, there may be only one ; and in plains areas, there may be 3 to 4 dispensaries. There is at least one dispensary in each block. We have 250 fully equipped and staffed dispensaries. In each dispensary we keep one Veterinary Surgeon, one Assistant Surgeon, and two to four Field Assistants, one Chowkidar and one Peon. The Surgeons are all qualified. No one who is not a Veterinary graduate is not allowed and kept there. There is however, 113 dispensaries which are not fully equipped and staffed.

4.4. Asked about the steps taken by the Department to make these dispensaries fully equipped and staffed, the Director of Veterinary replied that they are taken up the dispensaries under plan. But in the Fourth-Five Year Plan there is very little fund. These dispensaries could not be provided with Veterinary Surgeons. However, there is one Supervisory Veterinary Field Assistant in each such dispensaries. There is Field Assistant also. They give vaccination, etc.

Asked if there is any record to show to what extent these dispensaries have been utilised or taken advantage of by the people the Director of Veterinary replied that a register is maintained in each dispensary.

4.5. When the Committee wanted the Director to give some idea about the progress of the popular response of the people to these dispensaries and whether the progress is slow or fast the Director of Veterinary replied that the response was very good. Daily about 70 to 80 treatment cases come to the dispensaries for treatment. This is found specially in places like Nalbari, Tinsukia, etc. Response from local people is very high.

4.6. The Committee again asked whether Veterinary Surgeons are required to go to the houses to see the cases, or the local people bring the cattle to the dispensary itself, the Director explained that normally the staff is not required to go to the houses, but, in emergency cases, they have to visit.

Regarding treatment, the local people take the maximum benefit of the dispensaries. They even demand that the dispensaries should provide free medicines.

4.7. Asked about the sub-centre—now these are manned and whether these sub-centres are also visited by the Assistant Surgeons, the Director replied that in emergency case, they have to go on demand but in normal course they go once in every week. The Director also told the committee that they are holding seminars on various schemes to enthuse the public.

4.8. The committee took up examination of the next scheme namely, Intensive Cattle Development Scheme and asked what is the objective of this scheme. The Director explained that the objection is for supplying more milk in the Urban areas. There is Milk Supply Schemes at Jorhat. The Department have extensive cattle development schemes—one at Gauhati and one at Jorhat. The Department have been able to make an impact on the general public. Many educated and village people are also getting impetus from this scheme. Until various cattle diseases are controlled the Department can improve breeding by artificial insemination.

4.9. The committee began to examine the next scheme viz., 'Establishment Poultry and Duck Farms; and asked the Department how many improved birds are there in Assam, the Director replied that there are in Assam about 10 lakhs improved birds and the Department have got a marketing unit attached to it. Asked about the physical targets achieved the Director replied that in Khanapara, the Department distributed by this time 4 lakhs chicks and 20 lakhs eggs. In Khanapara Farm the marketing section should be strengthened. In Darrang district, however, there is no market for eggs. The Department is arranging cold storage facilities at Jorhat. The Department however feel that there should be strong marketing organisation and it has strengthened personal also for this so that the dealers get proper market and they may not be put to jeopardy.

4.10. Asked about the response for the loans the Director explained that the Department has restricted the system that nobody can take loan from us unless he can give money for the construction of his house. They are restricting the number. They also are to see that the people who come forward for loan, will utilise it for the purpose for which the loan is issued. Under the poultry scheme, about 15 lakhs of rupees have already been advanced as loan.

There is difficulty in giving loans on the basis of land mortgage because most of them have no land. If the Department can give loan of Rs. 2,000 to a person to buy a cow there is milk directly from him. There are people who are willing to take advantage of such schemes.

4.11. The committee then took up the re-organisation of livestock farms and wanted to know the reasons for reorganisation. The Director explained to the committee that the idea was to import some good cattle instead of improving local cattle. The livestock farm was started in the year 1959.

4.12. The committee enquired about the standard of milk supplied by the Department the quality varies from Shillong to Gauhati. Shillong milk is thicker and tastier. The Director explained that they procure the milk from the same source but the Gauhati milk is pasteurised, so it affects the fat content. But it is safer. The price also varies. It is 75 paise per bottle in Gauhati and 68 paise in Shillong. That is also due to pasteurisation and longer distance requiring transport. Another factor is that Government of Assam pay a higher price at the Shillong plant than the Meghalaya Government. Assam Government pay Rs.1.10 per litre whereas Meghalaya Government pay Rs 1.02. A dispute is going on and the whole milk supply scheme may be affected.

4.13. The Committee then asked about integrated scheme of farming cum-dairy the Director replied that at present there is no integrated scheme as such and assured the committee that they will try.

Asked about cattle farms the Director explained that there are seven cattle farms. The Department is reorganising the farms with cross-breed stock and red Sindhi.

4.14. The Committee cited the example of the Koliapani farm that its condition was very poor. It cannot induce the people to go in for dairy scheme. Unless these farms can create the necessary enthusiasm among the people, the whole object of these farms will be defeated. The condition of Koliapani farm cattle was worse than ordinary village cattle and a complaint was made to the Chief Minister.

4.15. The Director explained that the condition of the Kaliapani farm was such in 1968 due to water supply difficulties. The Department has since developed wells at Kaliapani and as a result the condition has greatly improved. All the farms are now able to create some impact on the local people. The Barpeta Farm is doing useful work in evolving cross-breed. In the whole of Gauhati area we are cross-breeding with Jersey.

RECOMMENDATIONS

4.16. Agriculture and cattle are indispensable and inseparable. Both should be developed side by side. Veterinary Department shall have to play an important role. Without improving cattle, Agriculture cannot be thought of. Realising the importance the Department will do well to take all possible steps to improve the lot of our cattle.

4.17. Statement II at Page 71 of Finance Accounts, 1968-69 shows that Rs.16.58 lakhs were spent on works.

The Committee wanted to know whether the Public Works Department was the executing agency for these works. The Secretary of the Veterinary Department explained that these were done by the Departmental Agency.

Asked whether the Department have proper rules and procedure for these works and whether Assam Financial rules followed accurately the Director explained that the Department has got the necessary delegation. The Director can give sanction upto Rs.15,000 for residential and upto Rs.25,000 for non-residential buildings. If it is more the Director is to go to the Administrative Department. The procedure followed has been approved by the Finance Department and the Directorate have sent a proformas to the Accountant General about a month ago. The Department follow the Public Works Department rules. They have got an Assistant Engineer, but all their estimates are approved by the Executive Engineer of Public Works Department. If the work is above Rs.15,000 per cent the local Public Works Department also supervise the execution and give a certificate. That means that though the works is done departmentally, they are done under the general supervision of the Public Works Department.

Loan balance shown outstanding under 'other loans' at page 138 of the Finance Accounts, 1968-69

4.18. The Accountant General has intimated that a loan balance of Rs.5.46 lakhs (loans for encouragement of Live Stock Industries) and Rs.0.63 lakhs (Loans to Poultry Farmers) stand included in the loan balance shown outstanding under 'Other loans' at page 138 of the Finance Accounts, 1968-69. The detailed individual accounts of these loans are maintained by the department. Can the Department state the amounts of principal and interest that fell due upto 1968-69 (with year-wise break up) but remained unrecovered on 31st March 1969. The Committee wanted to know what is the present position of these outstanding? Has the Department verified and reconciled the outstanding amount of loan as per their records with that of the Accountant General's office? Does it agree and if so, did they communicate acceptance of the loan balance to the Accountant General.

4.19. The Director explained that this is a crash programme loan. The Department started that scheme in 1965-66 and 1966-67 they are not to repay any loan. The Department has given a report to the Finance Department as to the outstanding an account of principal and interest. The Department have verified and reconciled the outstanding loan as per their records with those in Accountant General's office and they have already given a report to the Accountant General about two months ago, i. e., sometime in May 1971. This report is sent to Accountant General through Finance. The Department shall send a copy direct to Accountant General.

Paragraph 8 at pages 16-17 of Audit Report, 1969—Non-receipt of utilisation certificates.

4.20. The paragraphs indicate that 25 Nos. of utilisation certificates involving Rs 5.58 lakhs in respect of grants-in aid paid by the department upto 1967-68 had not been furnished by the Department till 30th November 1969.

The Director explained that the Department is trying to obtain some certificates from the Blocks to whom it gave the money under the applied Nutrition programme.

RECOMMENDATION

4.21. The Department should submit a report to the Committee informing when these certificates were actually obtained by the Department. This report should reach within three months of the presentation of this report to the House.

Paragraph 18 at pages 31-32 of Audit Report, 1969 Townmilk Supply

4.22. (a) Mention was made in paragraph 31 of the Audit Report 1965 of the working of Gauhati Milk Supply Scheme upto 1963-64 profit earned by Milk Supply Scheme of Gauhati and Shillong was Rs.0.40 lakh and Rs.0.35 lakh during 1965-66 and 1966-67 respectively. During 1967-68 there was loss of Rs.2.30 lakhs, this did not include interest on capital and other indirect charge. The loss during 1967-68 was attributable to increases in operational cost, defective pricing and procurement policy and non-utilisation of the plant upto its capacity.

(b) Chilling plant at Nayabungalow has a capacity of 10,000 litres per day. Milk actually supplied to the plant for chilling during 1967-68 did not exceed 2,000 litres on any day.

(c) 2.72 lakhs litres of milk were procured in Shillong during 1967-68, of that 12,800 litres (value: Rs.11,750) were lost due to curdling and handling.

The loss on supply of milk in Shillong during 1967-68 alone was Rs. 1.12 lakhs.

(d) In January 1964, the Department purchased two motor boats from the Public Works Department for Rs. 0.30 lakh for procurement of milk; their possession was, however, taken only in December, 1966 of the two boats, one was handed over to the Assistant Dairy Development Officer, Jorhat in September 1967. Information about utilisation of that motor boat is awaited (March, 1969). The other boat has not been put to use (October 1968), upto June, 1968 Rs.4,300 were spent on pay and allowances of the Staff employed for running of the boat.

4.23. It was intimated by Government in June 1969 that the loss of Rs. 2.30 lakhs accrued mainly due to handling lesser quantity of milk and curdling of some quantity of milk due to power failure, breakdown of chilling equipments, road blockade, vehicular breakdown or accidents and any such factors delaying marketing of milk. The meagre collection of milk for the chilling plant at Nayabungalow was due to failure of Bhoi area Milk Co-operative Union to fulfill their commitment. During the period one of the boats remained idle, the services of the Driver and Majhis were stated to have been utilised for driving truck and distribution of milk under the scheme. It was ascertained by Audit that the boat was put to commission in November, 1968.

In this background the Committee would like to know why adequate arrangement was not made with the supplier to ensure availability of milk regularly

4.24. The Director explained that the Co-operative Milk Union at Bhoi was formed for supplying milk to the Defence Department. The entire scheme was thrown out of gear when the local military authorities went to the private contractors for their milk supply. The position was such that the Co-operative Milk Union went on strike. We also requested the Government to promulgate a Milk Control Order, which was in vogue in some other parts of the country.

4.25 Asked as to what has been done now to ensure a guaranteed supply the Director explained that the Department is now building up their own pockets of milk supply. The supply has increased this year to 7,000 litres. It is not running at a loss this year.

About the staff employed in booths, the Committee suggested that the same staff can serve three or four adjacent booths by staggering the time of supply from these booths, the Director assured the committee that they might give a trial to this scheme.

4.26 The committee then remarked that no scheme should be drawn up depending on the whims of the military authorities. The committee pointed out that as early as 1967, this committee recommended "that in future the Department should not embark on such scheme without ascertaining the feasibility of successful implementation of the scheme and all formalities required under law should be gone into before launching such a scheme". The committee further recommended that proforma accounts should invariably be maintained and economic aspect of the scheme should be studied.

4.27 The Director told the committee that they are doing this now.

About curdling, the Director said that it was due to acidity. The Department did not accept any milk more than 0.16 acidity. But still some acidity develops as there is a time lag of about 30 hours between the milking and supply to the consumers. The milking was done in the morning and was sold to the department in the afternoon. This is after chilling was delivered to the consumers sometime next morning. By that time there is likelihood of some acidity developing.

4.28. The Committee wanted to know about the staffing pattern. When the staff was employed it was done on the assumption that 10,000 litres of milk would be chilled. But actually only 2,000 litres of milk was sent for chilling. The Director explained that the staffing pattern will be more or less the same; only the labourers will be less.

When asked the Director explained the road blockade that during the rainy season the vehicles cannot go to the interior places due to needy condition of the road or land slide blockade.

Asked about the motor boats whether the Department is utilising them now the Director replied that the boats are utilised now—one at Bokajan for collecting milk from the interiors and the other at Sipajhar.

RECOMMENDATION

4.29. Unless the plant is utilised to the fullest extent, the loss is inevitable. The plant therefore should be utilised to its fullest extent to earn profit.

GRANT No.33 AT PAGES 46-47 OF APPROPRIATION
ACCOUNTS, 1967-68

4.30. The grant closed with a final saving of Rs.12.20 lakhs (total provision; 1,72.41 lakhs; expenditure; Rs.1,60.21 lakhs). As against this, a sum of Rs.14.54 lakhs was surrendered in March, 1968. In view of saving of Rs.12.20 lakhs the supplementary grant of Rs.6.22 lakhs obtained in March 1963 proved unnecessary. The saving occurred mainly under F-3—other charges—(1) Poultry Development Scheme Sixth Schedule (Part A) Areas (Rs.1.01) and (2) (c) Scheme for Dairy Development (General Sixth Schedule) and was attributed to (1) non finalisation of land tenure system in the hills and (11) non availability of milk and unfilled vacancies.

4.31. The Committee asked that the grant closed with a final saving of Rs.12.20 lakhs. In view of the saving why a supplementary grant was obtained in March, 1968?

4.32. The Secretary explained that actually that total provision of Rs.1.72 lakhs includes a supplementary grant over Rs.6 lakhs. The supplementary grant was taken for paying the enhanced D. A. to the staff. The Planning Department said that we cannot take anything from the plan provision for non-plan expenditure. Of course from the accounting point of view this is possible to reappropriate the money but the Planning Department say that if the Department is going to reappropriate from the plan provision they better surrender that money so that they can re-allot to some other Department.

4.33. The Accountant General clarified the position and he said that there cannot be any reason why this cannot be done. Of course, if the expenditure is debited under the plan head then naturally they will raise objection.

4.34 The Secretary went on saying that in this particular case in the month of September it cannot be said that the money will not be fully utilised but the D. A. had to be paid to the staff. At the end of February, of course, one can say that the entire plan money will not be utilised.

4.35. The Accountant General again clarified the matter by saying that whenever the D. A. is enhanced the Finance Department does not generally allow the Departments to draw a supplementary. They advise the Departments to meet the expenditure from the existing provision.

4-36. The Secretary went on explaining that the Finance Department normally say that the expenditure on T. A. should not exceed such and such amount. But the Legislature sometime points out to us that target has not been achieved and therefore in order to achieve the target departmental officers are to tour the places and incur expenditure in excess of the original provision. So, it is not always possible to strictly confine to the original Budget provisions.

4-37 The Committee then asked why has it become a chronic habit with the various Departments to spend money in excess of Budget provision or go for supplementaries, why they cannot make accurate budgetting a balanced budget ?

4-38. The Secretary explained that in this case the position was that our expenditure was less than the total provision and when the original provision was not exhausted, we went for a supplementary. This was because of the fact that the supplementary was obtained for meeting the expenditure on D. A. for the staff and we were not allowed to re-appropriate from the plan provision.

4-39. The Accountant General gave his opinion that what is more important is to conduct periodic review of the progress of expenditure. The Departmental heads do not obtain the figure of expenditure from the disbursing officers periodically and therefore they do not know the actual progress of expenditure.

RECOMMENDATION

4-40. The Department should keep in touch with the disbursing officers to obtain the figures of expenditure periodically to know the actual progress of expenditure. There should be a regular periodic review of the progress of expenditure to avoid anomaly in the budget at the end of the year.

MUNICIPAL ADMINISTRATION DEPARTMENT

Paragraph 55 at Page 54 of Audit Report, 1969 Construction of a market at Dhubri for displaced persons.

5-1. In December, 1954 the Government of India sanctioned construction by the Municipal Board of a market at Dhubri for displaced persons at a cost of Rs 2.65 lakhs of that amount, the Municipal Board was to meet Rs.0.50 lakh from its own resources. The balance of Rs 2.15 lakhs (bearing interest at $4\frac{1}{2}$ per cent per annum) was paid by the Union Government to the State Government as loan in two instalments of Rs.1.15 lakhs and Rs.1 lakh in December, 1956 and September, 1958 respectively. In turn the State Government paid this loan of Rs.2.15 lakhs (bearing interest at $4\frac{1}{2}$ per cent per annum) to the Municipal Board in two instalments of Rs.1.15 lakhs and Rs.1 lakh in March, 1957 and October, 1958 respectively on the condition that losses, if any, were to be borne by the Municipal Board.

Construction of the market was completed at a cost of Rs.2.31 lakhs during 1958-59. In March, 1959 most of the allotted stalls were lying vacant and the interest accrued and the loan was not paid by the Municipal Board.

In May, 1959 State Government approached the Government of India for extension of the market and a further loan of Rs.0.45 lakh (bearing interest at $4\frac{1}{2}$ per cent per annum) was received. This was paid by Government to the Municipal Board in March, 1961. In August, 1961 the Board reported that the total expenditure incurred on construction including extension of the market was Rs.3.42 lakhs.

Rs.1.55 lakhs (principal Rs.0.52 lakh and interest Rs.1.03 lakh) become due from the Municipal Board upto 31st March, 1968; but no amount has so far been recovered from that Board (March, 1969).

In 1962 the Municipal Board reported that the market had proved to be a total failure and explained further (in June, 1965) that it had selected a site for the market near Dhubri railway station but that proposal had not been approved by the Relief and Rehabilitation Department and, therefore, the market had been constructed at a different site.

5-2. The committee asked : why the proposal for selecting a site for the market near the Dhubri Railway Station was not accepted by the Relief and Rehabilitation Department ? What are the grounds ?

5-3. The Secretary, Municipal Administration replied that there is nothing on record here to show why this site was Selected. Neither the Rehabilitation Department nor the Municipal Board has shown any ground as to why this site was rejected.

5-4. The committee again asked : Did the Government make any enquiry about the working of the market before sanctioning the second instalment when most of the allotted stalls in the market were lying vacant in March 1969 ? Why the State Government approached the Central Government, for further loan of about $1\frac{1}{2}$ lakhs.

5.5. The Secretary explained that by that time construction of the market was completed. For extension of the market as a special consideration the second instalment was sanctioned on the hope that it would be more productive.

5.6. Asked how it is utilised now, the Secretary replied that all the houses are practically lying vacant. A part of the houses was utilised by the supply department for keeping some stock. As soon as the stock will be written off, they will release the building.

5.7. The Committee when wanted to know who selected the site, the Secretary inform the Committee that the Municipality selected the site. The Relief and Rehabilitation Department has not accepted that statement.

5.8. Asked whether the Government made any enquiry into the working of the market the reply was given in the negative by the Secretary. When the Committee wanted to know in what way the market is going to be utilised by the Government or the Municipality the secretary replied that the Department have asked the Relief and Rehabilitation Department to find out from the Government of India whether they would be willing for a write off.

When asked who initiated the scheme the reply was given by the Secretary that the Municipal Authority initiated the Scheme.

Asked who selected the second site the Secretary replied that both the sites were in the proposal.

RECOMMENDATIONS

5.9. The entire amount is a downright loss. It is to be found out who is responsible for it. Those who needed benefit, did not get the benefit. If the Municipal authority is found responsible, that department should be made to compensate the loss. The Committee think, this is a matter into which the Government should make a thorough enquiry and if the Municipal authority is found responsible, that department should be made to compensate the loss. The Committee think, this is a matter into which the Government should make a thorough enquiry and if the Municipal Board is found responsible for it, deserving measures from the Government side should be taken.

5.10. The Committee also recommends that this should be done very quickly and the Governments findings in this respect should be reported to the Committee within six months of the presentation of this report in the House.

FISHERY DEPARTMENT

Paragraph 41 at page 46 of Audit Report, 1969 Loss of Revenue—

6.1. In 1967, the following fisheries were settled in North Lakhimpur Subdivision for three years from April, 1967 which resulted in a loss of revenue of Rs. 26,350 to Government. Brief particulars of the cases are given below :—

(a) Bhati Lohit Kashikata Fishery was settled with the second highest bidder at Rs. 45,975 instead of with the highest bidder at Rs. 60,075 on the recommendation of the Advisory Board as below :—

“The Fishery should be settled with the second highest bidder as against the highest bidder as the former belongs to the scheduled caste community and is an actual fisherman and ex lessee of the subdivision without any adverse comment”.

According to rules, preference could be given in the matter of selection of a particular individual or society of a particular caste willing to accept the settlement only at the highest bid. Non-observance of this rule and settlement of the fishery at the lower offer resulted in loss of Rs. 14,100.

(b) Dhulidowar Mahar Fishery was settled in February 1967 by the Sub-divisional Officer with a Co-operative society after public auction at an annual revenue of Rs. 18,125.

This settlement was cancelled in March 1967 as the Government had in the meanwhile (12th January, 1967) settled the Fishery direct with another individual for Rs. 12,000. The Co-operative Society with whose the Fishery was settled by the Sub-divisional Officer filed an appeal in the High Court against the decision of the Government. Pending a decision of this appeal, the fishery was temporarily settled with the ex lessee (another individual) at an annual rent of Rs. 19,575. The appeal petition was dismissed by the High Court (19th January, 1968) and the fishery was leased at annual rent of Rs. 12,000. This resulted in a loss of revenue of Rs. 12,250 for two years.

The Co-operative Society had also, before submitting the bid against the sale notice, prayed for a direct settlement at Rs. 17,000.

It could not, therefore, be held that Government were not aware of a higher bid while making direct settlement at Rs. 12,000.

Government stated in January 1969 that direct settlement was made not merely on consideration of revenue offered but on overall consideration.

In regard to the settlement of Bhatti Lohit Kashi Kata Fishery it was intimated by Government in May 1969 that the Fishery was settled with the second highest bidder on the consideration that the

first highest bidder was a defaulter, his bid was speculative and that he was a young man having no responsibility and asset. When it was pointed out in June 1969 that the remarks recorded on the proceeding book of the S. D. O. while settling the fishery did not indicate these grounds it was stated by Government in July 1969 that unfortunately all the points were not recorded in the proceedings book.

6.2. The Committee in the course of its examination wanted to know the following:—

1. What is the basis of Government's contention since these were not recovered in the proceeding book?
2. Did the Department make any attempt to settle the fishery with the second highest bidder at the rate offered by the first highest bidder?
3. What were the considerations on which rules 13 (b) and 46 (as amended on 2nd February 1960) of the fishery rules were by passed.

Bhati Lohit Kashikata Fishery—Here the first highest bid was Rs. 60,075 and the second highest was Rs. 45,975, the difference being Rs. 14,100. In preference to the highest bidder the lease was granted to the second bidder and the loss of Government revenue was to the extent of Rs. 14,100.

Now, the reason for preferring the second highest bid as noted by the S. D. O. on the advice of the Advisory Board was that the Fishery should be settled with the second highest bidder. So, he an individual fisherman belonging to the scheduled caste community and ex-lessee and not a society.

So far as the tender notice is concerned, according to rules when the second tenderer fulfilled the three extra-ordinary qualifications while the S. D. O. could give settlement only to the highest auction, the settlement was given to the second bidder. So, how can he bring this loss of revenue to the Government and escape the notice of the Government. This was in violation of rules as existed at that time.

The Secretary informed the Committee that the S. D. O., sent an explanation and a copy of this was sent to the Accountant General also.

The Committee further enquire whether the S. D. O. compensate the loss? Why Government should not take action for violation of the rule? What steps Government have taken or propose to take?

The Secretary assured the Committee that he will refer the matter to the Chief Secretary to the Government of Assam to take appropriate action in the matter.

Dhulidower Mahar Fishery—The second case regarding the Dhulidower Mahar Fishery is just the otherway. This time the Government brought the loss. So, the committee wanted to know the following:—

1. Why had the Government settled Fishery mahal directly? Did Government ascertain before such settlement whether a sale notice was issued by the S. D. O. and what was the highest bid received? If not, why?

2. What was the overall consideration on which the prayer of the Co-operative society. Society pending with the Government for direct settlement at a higher bid was ignored?

3. Government stated as follows (January, 1969) "Direct settlement is given by Government not merely on consideration of the revenue offered but on overall consideration as otherwise the process of direct settlement will turn to be merely another form of tender at Government level. The Co-operative society in question considered from its antecedents, did not deserve consideration for direct settlement even though the revenue offered was higher on the other hand, while settling a fishery direct, which is very often meant to protect the weaker section, the Government have to fix a reasonable revenue and not necessarily the maximum possible revenue".

Can you state what is the composition of the members of the Co-operative Society and what percentage of the members belong to Scheduled caste or tribes? Was it definitely ascertained that the weaker section of the Community is not represented by the Co-operative Society? Was it not a Co-operative Society of actual fishermen? If so, is it not more prudent to protect a society rather than an individual? Why was the provisions of rule 46 of fishery rules ignored?

Now, if Government wanted to give direct settlement when there are two parties—one is by an individual at an amount of Rs.12,000 and another by a Registered Co-operative Society at Rs 17,000 what was the consideration that lead to the loss of Government revenue in preference of an individual to a Co-operative Society.

The Secretary explained that Government considered this aspect. There was a person at the back of the Society who appeared to be unscrupulous one and the Society was not functioning properly.

The Committee further enquired if the Society was not functioning properly, not a real society, was it not the duty of the Government to see that proper steps are taken against the society through the Co-operative Department?

In this particular case, Government might save if this aspect is correct, the Government preferred an honest individual to a spurious society. Is it not correct? Government ought to have taken an action. Why Government halted?

To these enquiries the Secretary replied that it was not referred to Government in this Department. There appears to have been an allegation against the Co-operative society lying with the co-operation Department. But it is not known to us as to the action taken thereon. But it is not known to this Department as to the action taken thereon. There was a procedure just to give protection to backward caste.

The Committee further asked: Did the Government ascertain it from the S. D. O. ? Public should not be given unnecessary harassment. or did the Government inform the S. D. O. that this fishery was kept apart ? Was there some influence by somebody ?

The Secretary said that the S. D. O. knew it fully well that it was settled by Government on 12th January 1967. It was referred to him in time.

The Committee again asked : Did you inform the S.D.O. ?

The Secretary confirmed and said that he was informed.

The S. D. O. was informed telegraphically before the settlement was made by him that it should not be settled and it should be settled by Government.

The Committee wanted to know the date of issue of the notification which is most vital whether the notification was prior to 12th January, 1967.

The A. G. clarified that the S. D. O. was called upon to issue the tenders. That was for registered fishery, that was due for settlement. Here, why an exception was not made by Government to the S.D.O.

The Secretary explained that at that time it set a part by Government to help the actual and poor fisherman by way of direct settlement.

RECOMMENDATION

6.3. (a) In respect of Bhati Lohit Kashikata Fishery the Secretary of the Fishery Department has assured the Committee that he will refer the matter to the Chief Secretary to the Government of Assam to take appropriate action in the matter. The Department should submit a report of the action taken in the matter to the Committee within six months of presentation of this report to the House.

(b) **Dhulidower Mohar Fishery.** - In respect of this Fishery, in the opinion of the Committee, there is something very fishy in this matter. Those who are in high position should not deal matters in this way. The Committee disagree with the Government's action.

Action taken by the Government

The Government has informed the Committee that it has taken a policy decision that henceforward, there will be no direct settlement, and that in giving settlement to a society, all relevant records and certificates will be carefully scrutinised.

The Under Secretary to the Government of Assam, Veterinary (Fisheries Department) informed the Under Secretary Assam Legislative Assembly, Shillong in his letter No. VTFG.124/68/39, dated Shillong, the 18th September 1971.

"I am directed to say that as per the policy decision of the State Government, certain relevant sections including Rule 12 of the Fishery Rules, 1953 empowering Government to more direct settlement of fisheries have since been amended. Rule 12 of the Rule for settlement of Fisheries coming the Government to resort to direct settlement has entirely been deleted with effect from 7th August 1971—being the date of publication of the Notification revising the provisions of the Fishery Rules as aforesaid. It is further stated that necessary clauses, as to production of relevant records and certificates by the Fishery Societies as well as by individual numbers of respective communities at the time of submission of tenders so as to ensure their financial stability and soundness and their subsequent careful scrutiny by the officers conducting the sale at the time of opening the tenders in the presence of Advisory Board have duly been incorporated in the statutory sale notice in Form No.101 of the Assam Land and Revenue Manual volume II as all settlement of Fisheries will be made under tender system at the District and subdivisional Headquarters as per the newly amended fishery rules".

Paragraph 44 at pages 48-49 of Audit Report 1969 Loss of Revenue:—

6.4 (A) In March 1967, the subdivisional officer, Golaghat settled three fisheries for 3 years from 1967-68. Rates offered for one year by some bidders were incorrectly noted as for three years in the "Settlement Register of Fisheries" which is intended for finding out the relative position of bids; this had the effect of wrong determination of highest bids, leading to loss of revenue amounting to Rs. 0.62 lakh. The details of the cases are given below:—

(a) **Goraimari Fishery:**—Bids of Rs. 28,950 and Rs. 28,650 per year were shown in the register as for 3 years and were rejected, and settlement made with another bidder at his bid of Rs. 12,000 per year or Rs. 36,000 for three years. The omission to consider the highest bid of Rs. 28,950 per year or Rs. 85,850 for 3 years deprived government of additional revenue of Rs. 50,850.

(b) **Borpak Fishery:**—Bids of Rs. 7,020, Rs. 6,000 per year were shown in the register as for 3 years and were rejected and settlement made with another bidder at his bid of Rs. 5,275 per year or Rs. 15,825 for three years. Had the highest bid of Rs. 7,020 per year or Rs. 21,060 for three years been accepted and an additional revenue of Rs. 5,235 would have accrued to Government.

(c) **Ganakdhubaidhua Fishery**:—Bids of Rs. 13,000 and Rs. 11,207 per year were rejected and settlement made with another bidder at his bid of Rs. 11,015 per year or Rs. 33,045 for 3 years. The omission to consider the highest bid of Rs. 13,000 per year or Rs. 36,000 for 3 years deprived Government of additional revenue of Rs.5,955.

(B) Under Rule 46 of the Fishery Rules (as amended in February 1960) the Co-operative Fishery societies are eligible for preferential treatment in the matter of settlement provided their tendered amount is not less than 60 per cent of the highest bid and they agree to raise the offer to the level of $7\frac{1}{2}$ per cent below the highest bid. Notwithstanding this, the Golabil Fishery was settled by the Sub-Divisional Officer, Golaghat in March, 1967, with a fisherman's Co-operative Society (Lowest in a group of 6 tenders) for three years from 1967-68 at Rs.7,000 per year (raised from Rs.4,525 per year on negotiation) as against the highest bid of Rs.23,300 per year. The incorrect settlement of the fishery lease deprived Government of additional revenue of Rs.49,000 for the three years period.

(C) In the following cases, the department suffered a loss of revenue of Rs.6,000 due to interpolation in records.

The offer of Rs 10,000 per year for Elengmary Fishery was found altered to Rs.8,000 without attestation either by the tender or the officer opening the tenders and the fishery was settled in March 1967 for three years from 1967-68 at the rate of Rs.8,000 per year,

The cases were reported to Government in February 1968; their reply is awaited (March, 1969).

In reply to the audit para Government forwarded in September 1969 a copy of sub-divisional officer, Golaghat's letter dated 5th June, 1968 which stated as follows:—

(a) **Goraimari Fishery**. The bids of Rs.28,950 and Rs.28,650 offered by other two tenderers were for three years terms of settlement and the fact was clearly explained by them verbally when questioned at the time of settlement before the Advisory Board.

(b) **Barpeta Fishery**. Bids for Rs.7,020 and Rs.6,000 offered by two tenderers were rejected as one was defaulter and Bakijai proceedings were started against him and with other another fishery was settled.

(c) **Gonaladhubai dua fishery**. The bids of Rs.13,000 and Rs.11,207 were rejected as one of the tenderer could not produce necessary document in respect of unincumbered movable and immovable property that he wanted to furnish a security.

(B) **Golabil Fishery**. The highest bid of Rs.23,300 was rejected as the tenderer was a defaulter.

(C) **Elengmary fishery**. The alteration of figures in the tender was found to have been done by the applicant himself.

On receipt of the Government's comments on the paragraph a further audit check of the records of the Sub-divisional Officer Golaghat was conducted locally and the position stated by the Subdivisional Officer Golaghat in his letter dated 5th June, 1968 was not found acceptable to audit in as much as there was nothing in record to testify the views expressed by the Sub-divisional Officer. On being pointed out the matter back to Government in February, 1970, the Government decided to institute a departmental enquiry in January, 1971 and appointed the Commissioner of Plains Division as enquiry Officer.

The Committee wanted to know:

(1) Has the enquiry report since been received by Government? If so, what it reveals? If not, what are the reasons for delay?

(2) How the Government could simply forward a copy of the Sub-divisional Officer's letter to audit in reply to the draft para, without verifying the facts stated therein?

(3) What precautions have been taken by Government to guard against the loss of revenue in the types of cases referred to above in future?

Besides, the Committee wanted to know in particular in respect of "Loss of revenue in connection with the settlement of (a) Goraimari Fishery, (b) Borpak Fishery, (c) Gonakdhobaidhua Fishery" and asked whether this mistake in the register was a bonafide mistake or this was shown as a in order to help some persons? Why the enquiry was ordered only in 1971? Without examining the tenders how can the settlement be given? The mistake could immediately be detected, on the face of it, was not the Subdivisional Officer guilty of neglect of his duties or guilty of proper attention and care?

The Accountant General informed the Committee at this stage that copy of inspection note is forwarded to the Commissioner of Divisions also. The Commissioner did not take any action whatsoever. The Department have to initiate action from Government side.

There was however no reply from the Departmental witness appearing before the Committee including the Secretary of the Department

RECOMMENDATION

6.5 In this case in respect of settlement of Fisheries—(a) Goraimari, (b) Barpak and (c) Gonakdhobaidhua even after the Audit pointed out the mistake in entries in the register leading to loss of Government revenue, the Government did not wake up. Rather, Government tried to justify the Settlement by informing the Audit that the entries in the Registers were correct, that these offers were for a period of three years and not annual. This information was furnished by the Government to the Accountant General on the basis of a letter written by the S. D. O., Golaghat justifying his position. The Accountant General could have remained satisfied with this position of the Government. But, when a local verification was ordered, on verification, it was found that the S.D.O.'s explanatory letter was contrary to truth. It was only after this was

intimated to the Government, that the Government after a lapse of two years from the date of raising of audit objection, had decided to institute an enquiry through the Commissioner of Divisions who also was informed by Accountant General about this irregularity more than two years ago.

6-6. In the premises, the Committee observe as follows:—

The person or persons who made the entries in the register from the tenders were either guilty of Commission or neglect. The S. D. O. was guilty of the lack of proper supervision and negligence. The S. D. O. is further guilty of sending false information to the Government and thereby misleading the Government and justifying his wrong deed. Even, if the original action of the S. D. O., might have been due to oversight or negligence, the second act on his part is definitely very serious and needs to be taken very seriously by the Government.

Under Rule 46 of the Fishery, the Co-operative Fishery Societies are eligible for preferential treatment in the matter of settlement provided their tendered amount is not less than 60 per cent of the highest bid and they agree to raise the offer to the level of $7\frac{1}{2}$ per cent below the highest bid.

The Golabil fishery was settled by the Subdivisional Officer, Golaghat in March, 1967, with a fishermen's Co-operative Society for three years from 1967-68 at Rs. 7,000 per year as against the highest bid of Rs.23,000 per year. The incorrect settlement of the fishery lease deprived Government of additional revenue of Rs.49,000 for the three years period. The Secretary of the Department told the Committee that this matter is under enquiry by the Commissioner of Plains Division.

In the case of Elengmary fishery, the original offer was Rs.10,000 but it was settled with Rs.8,000 without attestation of either by the tenderers or the officers who opened the tender. The fishery was settled in March, 1967 for three years from 1967-68. In this way department suffered a loss of revenue of Rs 6,000 for three years.

This is also a serious matter and subject matter of thorough enquiry.

The office of the Accountant General is meant to assist the Government where there is any irregularity should brought to the notice of the Government. Government should take advantage of this. It is not that, the Accountant General is an outside authority and it is a hostile authority which will lead us to worse. The Accountant General will help us in the matter of financial irregularities. Therefore, the constitution of India created the post of Accountant General and the Auditor General an independent body. This is necessary for a good Government. We should not be deprived of the service of the Accountant General.

The Committee was very sorry to find that the Government remained silent for a long period. This is an utter callousness on the part of the Government and the Public Accounts Committee is really concerned about this sort of callousness on the part of the Government.

Therefore, the Committee propose to write to the Chief Secretary to take serious and immediate steps against those settlement. Steps taken by the Chief Secretary will find place in the Committee's Action taken Report in due course.

Asked whether the enquiry has by now been completed and whether Government have received the report the Secretary informed the Committee that it has not yet been received. This report also should be made available to the Committee for record in the action taken report of the Committee.

Grant No. 22 at page 44 of Appropriation Accounts, 1967-68

6.7. Major head 31—Agriculture—

Original	20,51,400
Supplementary	68,700
Total	<u>21,20,100</u>
Savings ...	3,17,122

Amount surrendered during the year (March 1968) Rs.2,55,464.

The Committee asked—

- (1) Why an amount of Rs.2.55 lakhs only was surrendered against the final saving of Rs.3.17 lakhs?
- (2) What was the basis on which a Supplementary grant of Rs.0.69 lakhs was obtained? (The actual expenditure was less than even the original provision).

Here also, there was a great saving but smaller surrender, asked why the entire saving was not surrendered the Director of Fisheries explained that because it was a general cut. By mistake we did not surrender. Ask why there was a supplementary demand when the original provision could not be spent the director replied that supplementary was taken before the General cut. General cut came afterwards.

6.3. The Committee further asked why the department came for a supplementary? This money could have been spent some where else?

6.9. The Director explained that supplementary was obtained from the non-plan budget, but the general cut was obtained from plan budget.

RECOMMENDATION

6.10. The department admitted that it was by mistake that they did not surrender. The expenditure should be watched carefully and the surrender saving statement prepared accurately in future so that the money can be spent some where else.

FOREST DEPARTMENT

7.1. The following table shows, revenue from forest resources and revenue expenditure under forest during the last three years ending 1969-70:—

Year	Revenue from Forest resources	Revenue Expenditure under Forest	Net Revenue
(In lakhs of rupees)			
1967-68	324.68	162.33	162.55
1968-69	327.18	206.95	120.23
1969-70	378.65	226.47	152.18

7.2. The Committee wanted to know:—

- (i) It may be seen from the foregoing table that while gross revenue of the department has been going up net revenue has deteriorated. Can the department explain the reasons for this shortfall in revenue? What was the expenditure of Government regarding realisation of revenue under forest during each year of the Fourth Five Year Plan and to what extent the expectations have been fulfilled?

- (ii) The following table shows the arrears on realisation of forest revenues at the close of 1967-68 to 1969-70:—

Year	Arrears as on 31st March		
1967-68	Rs. 1.31 crores
1968-69	Rs. 1.45 crores
1969-70	Information not furnished by Government.

It appears from para 2(b) at page 3 of the Audit Report, 1970 that a total amount of Rs. 1.45 crores being the arrears in collection of forest revenue is outstanding at the end of March 1969. What are the factors responsible for such huge arrears in collection of revenue? Is it due to lack of proper administrative machinery or lapses on the part of officials? What action has been taken by Government to minimise the arrears? What is the present position of recovery?

- (iii) The following table shows debits and credits of suspense transactions for the last three years:—

Year	Debit (In lakhs of rupees)	Credit
1967-68	3,17.58	2,96.46
1968-69	2,46.00	1,92.04
1969-70	2,02.19	2,34.40

Can the department give any year-wise analysis of outstandings under 'Suspense'? Who are the major parties from whom credits/adjustment are awaited? Is the outstanding due to non-acceptance of debit or non-submission of B. T. Bills, for adjustment to the A. G. Office.

(iv) Statement 15 at pages 128-29 of the Finance Accounts, 1968-69 shows a debit balance of the 98,19,083 as on 31st March, 1969 under "Inter divisional Transfer". Why could it not be cleared?

(v) An economic survey conducted by the statistics department in 1970 disclosed "Mizo district has the distinction of having forest cover followed by Lakhimpur and Kamrup districts. But almost the entire forest area in Mizo district fall under the unclassified category". (Total unclassified forest in 1969-70 was 24.4 thousand sq. kilometres as against total forest area of 41.2 thousand sq. kilometres). Can the department state what steps have so far been taken to survey and make use of this unclassified forests?

7.3. The committee first took up Finance Accounts for 1967-68 and 1968-69. In these two years there has been a slight increase in revenue from forest resources. It was Rs. 324.66 lakhs in 1967-68 and Rs. 327.18 lakhs in 1968-69. So far as revenue expenditure under forests is concerned, it has risen steeply from Rs. 162.33 lakhs in 1967-68 to Rs. 206.95 lakhs in 1968-69. The result is that the net revenue has fallen from Rs. 162.33 lakhs in 1967-68 to Rs. 120.23 lakhs in 1968-69. The committee asked the departmental witnesses to explain the reasons for this shortfall in net revenue?

7.4. The Secretary, Forests replied that last time in the Public Accounts Committee a specific reference was made to this. He then made the point that the net revenue as shown in the Finance Accounts has an element of suspense recovery or non-recovery, which gets reflected. If the suspense accounts are taken separately it will be seen that the total revenue was on the increase. He referred back to his statement of last year before the Public Account, Committee and told that in that year, viz., 1967-68, the expenditure under 'suspense' was Rs. 3,17,00,000 whereas the suspense recovery for that year, which should have been of the order of Rs. 3 crores, i. e., Rs. 2,96,00,000. That year there was a shortfall of 21 lakhs in suspense recovery. So, the final net picture was Rs. 1,62,00,000 in terms of total revenue.

7.5. The Secretary then read out a statement showing the suspense expenditure and recovery year by year and their effect on the net revenue and made the point that to get a correct picture the figures for a number of years should be taken together. He handed over the statement to the Accountant General. The Accountant General clarified the matter and said that so far as the State Legislature is concerned, they want to know the net contributaries of the Forest Department to the general revenues. The Secretary's point is that the suspense account is not reflected in the yearly accounts in computing the net revenue for a particular year. Ultimately it comes to this. You may have to take a review of your suspense operations and see whether the suspense operations have been working properly and efficiently so that it may not be a burden on the department.

7.6. The Secretary, however, did not deny that rather he admitted that last year in terms of suspense and inter-divisional transfers the budgetary provision was insufficient. The department have not been able to send out all the bills.

On being asked that the department must maintain *pro-forma* accounts to show what is the cumulative balance of arrears, the Secretary, Revenue replied that the department can give the total outstanding at the end of 1968-69. The point he was trying to make is this, the Finance Accounts are no doubt correct in its assessment of net revenue every year, but it does not necessarily reflect the revenue earning capacity of the department.

7.7. Asked what is the reason for non-recovery in certain year, the Chief Conservator of Forests informed the Committee that they may not be able to submit bills within 31st March. The Secretary also added to this that there will be a time gap of about six months between payment and recovery from the parties, of course, for that the department are levying an administrative charge of 10 per cent. The Chief Conservator of Forests gave the real picture that the total outstanding from 1949-50 upto date is Rs.23.00 lakhs.

7.8. On being asked whether the department have not got their own ledger, the Secretary informed that they have party-wise balance which he can give. The Chief Conservator of Forests also added that some times parties make payment. It is not adjusted in books of the department unless they get information.

7.9. The Committee wanted to examine another aspect at this stage, and asked that in the Fourth Plan, there was certain expectation year-wise and how far it was fulfilled? What was the expectation of Government regarding realisation of revenue under forest during each year of the Fourth Five Year Plan and to what extent the expectation has been fulfilled?

7.10. On being further asked, what was the amount that the department anticipated as revenue from forest available for plan expenditure and how much has been realised. The Secretary assured that he will give the figures. The CCF. told that this was reflected in their budget. As assured by the Secretary, the Joint Secretary, Forest has furnished the figures in his letter No.FRN.32/70/91, dated 31st August, 1971 addressed to the Under-Secretary, Legislative Assembly, Assam.

Anticipated revenue during the Fourth Five-Year Plan as shown to the Fifth Finance Commission is as follows:

					Rs.	
1969-70	...	...	...	...	320.00	lakhs
1970-71	...	...	...	...	330.00	"
1971-72	...	...	...	...	340.00	"
1972-73	...	...	...	...	350.00	"
1973-74	...	...	...	...	360.00	"

Actual collection so far against the above is as follows :—

					Rs.
1969-70	...	...	...	...	378.65 lakhs
1970-71	...	...	...	...	369.02 „

The Conservator of Forests informed the Committee that they have anticipated an annual increase of revenue by Rs. 15 lakhs.

7.11. The Committee asked whether at the time of estimating the revenue they have taken into account their establishment cost because every year, the establishment cost is increasing, and the establishment cost is more than the revenue earned?

7.12. To this, the Chief Conservator of Forests replied that he has shown already in his statement that his surplus revenue has increased from Rs.63 lakhs in 1961-62 to Rs.182 lakhs in the year 1970-71. This is not revenue after deducting the total expenses of the department including developments.

7.13. The Secretary also added the following:—

The total expenditure of the department in 1961-62 were Rs.1.22 crores and the same has gone up to Rs.1.86 crores (provisional) in 1970-71. The net revenue in the year 1961-62 was Rs.63 lakhs which is about 60 per cent of the expenditure. In the year 1970-71 the net revenue was Rs.186 lakhs (provisional) and the expenditure charge was also Rs.186 lakhs (provisional, i. e., 100 per cent. In the year 1961-62, the net revenue was 30 per cent of the total receipt and in the year 1970-71 it was 50 per cent of the total receipt. The total revenue in the year 1961-62 was 1.65 lakhs out of which our net revenue was 63 lakhs, and in the current year (1970-71) the total revenue was 368 lakhs of which net revenue was 182 lakhs. The expenditure on establishment is going up but the revenue is increasing at a higher rate.

7.14. The Chief Conservator of Forests added to this that in the year 1965-66 the establishment cost was Rs. 5.50 lakhs and in the year 1970-71 it was Rs. 7.50 lakhs (provisional.)

7.15. The Committee then asked with regard to realisation of arrears of forest revenue what is the latest position.

7.16. The Chief Conservator of Forests replied that out of the total arrears as on 31st. March, 1970 an amount of Rs. 34 lakhs have been realised but some new arrears were added to it. In the year 1969-70 the arrears have fallen down to Rs. 137 crores.

7.17. The Committee observed that the department will appreciate that where the gross revenue of the department is Rs. 327 lakhs, the arrear revenue of Rs. 147 lakhs is rather a huge amount.

7.18. The Accountant General also added to this observation that some of the arrears relate to the year 1943-44 and it is not known how they propose to realise the arrears.

7.19. The Secretary replied that the department have advised that the old arrears if not realisable should be written off. Asked what is the explanation for this huge accumulation of arrears, the Secretary said that this is the accumulated figure. For the recent arrear the department is not worried.

7.20. The Committee again asked that it seems that every year some amounts remain in arrear and as a result there has been a huge arrear. Is it due to the lack of administrative control or is it due to the lapse on the part of some officers?

7.21. The Secretary replied that there is not adequate supervision because of multifarious duties. Had the arrear been in only one or two cases then that would have been due to the lapse of the officers?

7.21. The Committee then asked in order to obviate—the lack of supervision what steps have you taken?

7.22. The Secretary informed the Committee that they have issued instructions to the Conservator of Forests in this regard.

7.23. The Committee finds that the arrear accumulation is rising particularly from 1964-65. Upto that year the rise was not much.

7.24. The Secretary explained that in that year, the figure was much higher than the previous years and subsequent years. The year-wise break-up is as follows:—

Year	Amount of arrear
1964-65	Rs. 12.95 lakhs
1965-66	Rs. 13.71 „
1966-67	Rs. 14.43 „
1967-68	Rs. 8.10 „
1968-69	Rs. 7.76 „

But these figures have now come down from—

Rs. 12.95 to Rs. 10.36 lakhs.

Rs. 13.71 lakhs to Rs. 12.98 lakhs.

Rs. 14.43 lakhs to Rs. 13.53 lakhs.

7.25. The Committee insisted for the correct figures. There are certain divisions where the arrears are abnormally high in comparison with other divisions. For example, in Darrang and Sibsagar the arrears are very high.

7.26. The Secretary explained that the figures were wrongly posted to different divisions. The actual position is:—

Darrang—Rs. 10.30 lakhs

Sibsagar—Rs. 24.40 lakhs

Digboi—Rs. 19.06 lakhs

Digboi is the richest revenue earning

Digooi is the richest revenue earning division and the department is really very worried that there is such a huge arrear in that division. Four divisions contribute a more than 50% of the total arrear. Apart from issuing instructions to the CFs., the C.C.F. has made the planning officers responsible in the matter.

7.27. Asked to give the names of the parties from whom huge amounts are to be realised names of the parties who are to pay more than Rs.1 lakh. The Chief Conservator of Forest, informed that the names are not with them. The Secretary told the committee that last year there was a decision that the names of the defaulters should be circulated to the various divisions. They said that they would publish the names.

7.28 The Committee also held that they should circulate the names to all the divisions so that all may know what are the defaulters.

7.29 The Chief Conservator of Forests, however, made it clear to the Committee that circulation of names to different divisions will not help because it has been noticed that the people who work in a particular division do not generally go to other divisions. Only the big contractors do business in different divisions.

Coming to the item of outstandings under suspense, the Committee found that both in the debit side as well as in the credit side certain figures were not understandable to them. So, the Secretary was asked to clarify the matter. The Secretary explained that this was actually working Capital. Within one or two years, recoveries were more than the expenditure.

7.30. The Committee observed that according to Statistic department in some districts, viz., Mizo Hills, Lakhimpur and Kamrup, forest recoveries are large. Mizo Hills is the largest, Lakhimpur stands second and Kamrup stands third. The Committee wanted to know the steps taken or to be taken by the department to make survey and make use of this unclassified forests. The Chief Conservator of Forests replied that they had already got a development schemes.

RECOMMENDATION

7.31. When asked whether the Secretary would supply year-wise analysis of outstandings under the suspense, the Secretary informed that he would check it up. The Committee now recommends that the department should supply the year-wise analysis of outstandings under the suspense within three months of the presentation of this report in the House.

7.32. Again it was expected that the department were prepare a *proforma* because, the Government should not suffer loss. The Secretary said that it was a commercial operation. The Committee now recommends that the department would carry out a study and suspense accounts and prepare a *proforma*.

7.33. Further, the Committee wanted to know the steps taken or to be taken by the department to make survey and make use of this unclassed forest. (Total unclassed forest in 1969-70 was 24.4 thousand square kms., as against total forest area of 41.2 thousand sq. kms.). The Chief Conservator of Forest, however, informed that they had already got a development scheme. The Committee now recommends that the department should submit a detailed report on this development scheme undertaken by them for information of the Committee and for better appreciation of the survey and how best the department propose to make use of this unclassed forest. The report should reach the Committee within six months of the presentation of this report to the House.

Paragaph 21 at page 34 of Audit Report, 1969 Loss

7.34. Administrative approval for construction of hostel building for tourists of low income group at Mathanguri-Manas wild life sanctuary was accorded in November, 1959 for Rs.0.75 lakhs. The Planning Officer had advised earlier (October 1959), that the building should be constructed at a place not subject to erosion. The building was completed in November, 1961 for Rs.0.75 lakh. It was on the verge of being washed away by river Beki and the structure had to be dismantled in August, 1962. The loss because of demolitions of the building was Rs.0.57 lakh.

The matter was reported to the Government in January 1967, reply is awaited (March, 1969).

It was intimated by Government in May, 1970, that the department had undertaken the work of construction of the building on the basis of the map of the E. & D. showing their protection works in the area and also in view of the embankment that was being erected by the E. & D. Department.

7.35. The Committee wanted to know the reasons of constructing the building, contrary to the advice of the Planning Officer, at a place at Mathanguri where erosion was likely. The Chief Conservator of Forests explained that the construction of the building was done on the basis of the map of the E. & D. showing their protection works in the area and also in view of the embankment that was being erected by the E. & D. Department. When the embankment was broken due to flood, the building was damaged.

RECOMMENDATION

7.36. Whether the departmental explanation is the fact remains that the building was constructed at Mathanguri contrary to the advice of the Planning Officer at a place subject to erosion because that was actually damaged by erosion. The department should be more careful in future and take a serious note of this loss as a lesson for their future guidance not to commit such error in judgment any more.

Paragaph 46 at page 48 of Audit Report, 1969 loss of Revenue

7.37. Darrang Cane Mahal No.5 combined with Sibsagar Cane Mahal No.7 was based on for the period from February, 1963 to August, 1966 to the fourth highest bidder at the offer of the highest bidder of Rs.3.15 lakhs.

No record was available to indicate the reasons for settlement with this bidder in preference to other higher bidders. When the lessee, after paying Rs.0.34 lakh (Rs.0.26 lakh at first kist money and Rs.0.08 lakh as security deposit) defaulted in payment the Mahal was put to resale after cancelling the lessee twice at defaulters risk and third time in July 1965 at nobody's risk. But the highest bids on all the three occasions when the Mahal was put to Evacuation (Rs.2.82 lakhs, Rs.0.48 lakh and Rs.0.21 lakh respectively) being considered low, the Mahal was left unsettled. This resulted in loss of revenue to the tune of Rs.2.81 lakhs ; of this only a sum of Rs.1.500 was realised by auction of forest produce seized from the lessee.

The case was reported to the Government in September 1966, their reply is awaited (March, 1969).

7-38. The Committee wanted to know the reason of settling the Darrang Cane Mahal No.5 combined with the Sibsagar Cane Mahal No.7 with the fourth highest bidder in preference to the claims of other highest bidder.

7-39. The Secretary, Forests gave a detailed account regarding settlement of Mahals. He informed that Government after considering all cases decided to settle the Mahal with the 4th tenderer who belonged to the scheduled tribe community at the highest offer of Rs.3,15,513. He paid the security of Rs.7,940.00 and the 1st kist of Rs.26,293, and executed the agreement and then defaulted payment of further kists as fixed under clause of the agreement. Then due to the breach of the terms of the agreement the Mahal was put to resale at the risk of Mahaldar in response to which 4 tenderers were received with the highest offer of Rs. 2,81,751. The second highest offer was Rs. 1,31,111. Since the highest tender was invalid due to non-affixing of court-fee stamp as also in absence of any satisfactory certificate of financial soundness, the Mahal could not be settled at his highest offer. The bids of the other tenderers were considered too low. Hence, it was decided to sale the Mahal afresh at the risk of the original Mahaldar.

The Mahal was then put to re-sale for the second time, *vide* sale notice dated 9th June, 1964. The highest offer received was for Rs.47,777 from M/s. Assam Cane Suppliers whose offer in the 1st re-sale was Rs.1,31,111.

At this stage when the highest offer was found to be too low, a point was raised whether to put the Mahal to re-sale again and also as to whether the original settlement holder could be legally made liable for the difference of the sale value in the second re-sale. The point was referred to Legal Remembrancer who opined that the original settlement holder could not be made liable for any difference more than that which accrued in the 1st re-sale which was not acted upon. At this stage as already viewed by Legal Remembrancer, that it was no longer possible to sell the Mahal at the risk of the original settlement holder, it was decided to put the Mahal for fresh sale for the remaining period, at nobody's risk. The Mahal when put to fresh sale received the highest offer of Rs.20,550 from Assam Cane Suppliers with whom the Mahal was settled.

7.40. Asked what is the total loss of Government revenue, Secretary informed that the total loss of government revenue comes to Rs. 2,58,225.00.

Asked whether it could not be avoided the Secretary replied that this could have been avoided if the 1st. resale was acted upon in which case the difference of the sale value could have been realised from the original Mahalder, in accordance with the terms of agreement. It appears, at the time of 1st. resale, it was assumed that if the low offer received were accepted government would have lost a considerable amount of revenue where as in fact was a resale at the risk of the Mahalder and the Government had no risk or loss. The Chief Conservator of Forests added that they used to give preference to scheduled castes and scheduled tribes.

7.41. When asked about the rule, if any of settlement of mahal, the Secretary replied that before 1966, they did not have any rule for settlement. This was promulgated only in 1967. Before that, it was based on the sale notice. Government policy was to give preferences to the scheduled castes and scheduled tribes tenderers and the specified classes.

It was then asked whether any such preference was given in case of other contracts. The Secretary informed that preference was given in case of Fishery Mahal and all other contracts also. With regard to suitability of a party belonging to scheduled castes and scheduled tribes, some time Government uses its discretion.

7.42. The Committee again asked if the Government did not follow the policy in respect of settlement of such mahals, then what is the difference between direct settlement and settlement through tenders?

7.43 The Secretary replied that the Department would like to know the market price. Here 8 parties offered tenders and we settled with 4th highest bidder at the highest bid because he belonged to the preferential class.

RECOMMENDATION

7.44 It was a settlement by calling for sealed tenders and not a bid in auction. Every tenderer gave his rates once and for all. When that seal is broken and a man is given settlement at the highest bid which was offered by another tenderer, then the original notice in reality become infructuous.

7.45 The Secretary, Forests however wanted to justify this settlement and in his bid to do so referred to the recent given ruling given by the High Court that there has been a recent ruling by the High Court that you cannot settle a mahal or a coupe at any bid other than the bid made by the person concerned. This is the latest position. But the Department feel that preferences to these classes should perhaps be given. They may go to the extent of amending the rules, as they feel that simultaneously they should also protect their revenue if the party is able to accept at the highest bid. Then, of course, the mahal should be settled by tender cum auction.

7.46 But for the present the committee is not at all concerned with any amendment of rules by the Government. The High court ruling is also very recent. This is a case at the time of settlement when there were no rules at that time. That was given on the basis of sale notice.

7.47 The Committee therefore held that Government should have a considered policy with regard to settlement of mahals, the real purpose of the constitution should be appreciated. The weaker section of the society should be protected. On this point the Secretary, also expressed the Government's determined policy when he informed the committee that he would like to give preference to weaker section even at the cost of Government's loss of revenue and with regard to suitability of a party belonging to scheduled castes and scheduled tribes Secretary stated that sometimes Government uses its discretion.

7.48. The committee however held emphatically that if the discretion goes wrong Secretary should not advise use of discretion. In this case the loss came about in a round about way, and that too form error of judgement of the department. The Government should have been told enough to settle these mahals to the fourth highest bidder at his own bid, if it was at all settled on consideration of being a scheduled caste party. The loss if that way came it would have been understandable and the committee also would have been in a position to appreciate that the loss came about for settlement giving preference to the scheduled caste party. But at that time the department even did not care to keep any record to indicate the reasons for settlement with this bidder in preference to other higher bidders.

7.49. Again at the resale stage the Government committed another error of judgement which the Secretary of the department also admitted that there was some error. The Secretary further admitted that the total loss of Government revenue of Rs.2,58,225.00 could have been avoided if the 1st resale was acted upon in which case the difference of the sale value could have been realised from the original mahalder in accordance with the terms of agreement.

7.50. The committee therefore held that the department is fully responsible for their error of judgement and for not avoiding the loss of revenue to the tune of Rs.2.58 lakhs even when they could have avoided and recommend that an enquiry to this scandal should be held by Government and fix the responsibility on the particular officer/officers responsible for the loss and adequately punished if considered necessary. The enquiry report together with its findings and nature of punishment awarded should reach the committee as and when completed. The enquiry should be completed within sixth months of the presentation of this report to the House.

Paragraph 47 at pages 50-51 of Audit Report 1969. Loss of Revenue.

7.51. In response to sale notice dated 12th April, 1965 for settlement of cane mahal No 4 of 1965-68 under Dibrugarh forest division eight tenders were received. The Conservator of Forest, Upper Assam Circle who had doubts about the *bonafides* of the highest bidder (Rs.2,15,551)

recommended settlement of the mahal with the sixth highest tenderer who was agreeable to raise the offer to the highest tenderer amount. The other higher bidders were not considered suitable for the sale. Government settled the mahal with the highest bidder in September 1965 at Rs.2,51,551. The lessee, however, failed to pay the required security and first Kist money thereupon the mahal was resold (April 1966) at the risk of the defaulting lessee at Rs.65,511. Action to recover the difference of mahal value amounting to Rs.1,86,040 through legal means proved unsuccessful as the lessee was reported to have no immovable property. The records produce did not also indicate that steps were taken to ascertain the financial status of the lessee before awarding the lease.

The matter was reported to Government in November, 1968, their reply is waited (February 1969).

7.52. Here the Committee finds Government exercising its extraordinary powers. The officers of the department had doubts about the *bonafides* of the highest bidder. The Conservator of Forests, who is a senior and experienced officer, recommended settlement of the mahal with the sixth highest tenderer; probably. He thought others were not quite good. This 6th tenderer was agreeable to raise his offer to the highest tendered amount. If the logic of the previous case was followed, this man ought to have got it if the Government had confidence in its Senior officers. But in this case the Government settled the Mahal with the highest bidder, the bidder whom the Conservator of Forests considered unsuitable. The highest bidder having got the settlement failed to pay the required security and the first Kist, money. So, the Conservator was proved to be correct and Government's judgement proved to be incorrect. Thereafter the Mahal was resold at the risk of the defaulting lessee at Rs.65,511. Here there was a colossal loss to the Government. Action to recover the difference of Mahal value amounting to Rs.1,86,040 though legal means proved unsuccessful as the lessee was reported to have no immovable property. The records produce did not also indicate that steps were taken to ascertain the financial status of the lessee before awarding the lease by the Government. When the Divisional Forests Officer and the Conservator did not submit his registration certificate as per clause 3(C) of the sale notice, what are the special considerations on the part of the Government for giving settlement to this gentleman?

7.53. The Secretary, Forests explained that he was the highest tenderer and there was no report against his financial soundness. It was, however, said that the firm was not a registered firm. Then a certificate was produced from the Registrar of Firms by the Party saying that it need not be registered under the partnership Act, and that was accepted. The Secretary, however, said that the certificate produced was not relevant to this case.

7.54. The committee asked whether Government verified his financial status before giving settlement, particularly when it was against the recommendation of the officers?

7-55. The Secretary said that there seemed to have been no attempt at verification separately. It was assumed perhaps that when there was no report against his financial soundness and the registration business having been cleared by the certificate from the Registrar of Firms there was no objection to settle it with him.

When asked the Chief Conservator of Forest, informed the committee that he did not submit any certificate of financial soundness along with the tender.

7-56. The Committee again asked when he failed to deposit the security money and the first Kist money, why attempt was not made to settle the mahal with the 6th bidder, who was recommended by the Divisional Forest Officer and who originally offered to pay Rs.2,51,151 ?

The Chief Conservator of Forests replied that as soon as the order of settlement is given, the sale is supposed to be completed. It cannot be received. If the lessee fails to implement the conditions who have to sell it at his risk. They cannot revive the tenders again.

7-57. Asked whether Government investigated this case as a precaution for the future the Secretary replied that no investigation was done.

When asked whether there is any system of signing an agreement between both parties the Chief Conservator of Forests replied that once the settlement order is issued, it is for the party to come and pay the security and first Kist Money and there he should sign an agreement.

7-58. The Committee observed that so far as the Divisional Forest Officer was concerned, he informed the Government about the position. He said that he did not recognise the first tenderer on the ground that he had not submitted his Registration certificate as per clause (3) of the sale notice and submitted the tender in an individual capacity and therefore he did not recommend.

On being asked when the lease was given to M/S. Assam Cane Suppliers did you give it in the name of the Firm or it was given in the name of the individual ? If the tenderer is non-existent then your suit will fail.

The secretary replied that the suit will stand in the name of the signatory.

RECOMMENDATIONS

7-59. The Committee recommends that in these matters our experienced executive should apply their mind. The Committee is, however, not at all happy to find Government incurring colossal loss in this case also.

Paragraph 48 at page 51 of Audit Report 1969 loss of Revenue

7-60. In response to sale notice dated August, 1965 for settlement of sand mahal No.8 (1,50,00,000 cft. of sand) of 1965-67 under Dibrugarh Forest Division, three tenders for Rs.38,640, Rs.22,980 and the third without

any amount quoted by the tenderer were received. The Divisional Forest Officer while forwarding the tenders to the Conservator of Forests in October, 1965 remarked that the first and third tender were invalid as the tenderers did not submit the necessary tender forms along with declaration forms required under the sale notice. Nevertheless, the mahal was settled at Rs.38,640 with the highest bidder. When the lessee failed to sign the agreement and deposit the security money and first kist money the mahal was settled at Rs.6,000 in favour of another at the risk of the defaulting lessee. In January, 1967, the Bakijai Officer entrusted with the recovery of Rs.32,640 reported that the defaulting lessee did not have movable or immovable property and the case was dropped. A sum of Rs.150 only was adjusted against this amount by forfeiting the earnest money. Acceptance of the invalid tender without ascertaining the financial status of the tenderer resulted in loss of revenue of Rs.32,490. The loss even at the rate of 1963-65 when the mahal was settled at Rs.7,000 for 40,000 cft. of sand comes to Rs.20,150.

The matter was reported to Government in November, 1968, their reply is awaited (February, 1969).

7-61. The Committee asked, in this case how can you explain the acceptance of invalid tender without ascertaining the financial soundness of the tenderer which resulted in a loss of about Rs.32490.

7-62. The Chief Conservator of Forests explained that there are two points in the question, first the acceptance of the invalid tender and second point is about the financial soundness of the party. The Divisional Forest Officer's remark that the tender was invalid was not correct. The Divisional Forest Officer found the tender to be in order. The second point, of course, on verification it is found that there is nothing on record to show that this financial soundness was verified. The tenderer submitted his tender in a stamped paper setting forth everything necessary. So, the Conservator of Forest, considered it to be a valid tender. Moreover, at that time there was no prescribed tender form on scrutiny of the file it is found that his financial soundness was verified. The Divisional Forest Officer said that he did not verify the financial soundness.

7-63. The Committee again asked, with regard to the financial soundness what is the policy of the Government? Are the Mahals settled without verifying the financial soundness of the parties?

The Chief Conservator of Forests replied that is not their policy.

The Committee asked why then in this case it was not verified? The Chief Conservator of Forest explained that he cannot say whether it was verified or not but he could not find anything on record. He has not personally asked the officer concerned. The Secretary added that it will have to be presumed that the Chief Conservator had satisfied himself. But there is nothing on record to show that he did so.

7-64. The Committee further asked, Don't you think that there should be something on record? Whether according to the sale notice the financial soundness was to be satisfied?

765. The Chief Conservator of Forests explained that there is no particular clause like that. But clause 18 says "no extension of time or other concession will be granted in the event of delay in the settlement owing to enquiries made with regard to the financial position of the successful tenderer et'".

766. The committee observed "satisfaction of the financial soundness of the party is the business of the Department."

767. The Secretary explained that now it is mandatory to give a certificate of financial soundness of the party but at that time it was not so. Even then it was necessary to verify the financial soundness of the party but in this case it is not known whether the Conservator of Forest verified it or not. It is presumed that he must have verified it and satisfied himself.

768. On being asked whether there is any direction to the Divisional Forest Officer that before accepting the tenders he should verify the financial soundness of the tenderer. The secretary explained that is not necessary to give such a direction to the Conservator of Forest.

On being further asked whether he could held him responsible for not verifying the same the secretary replied that they can certainly held him responsible for not having verified the financial soundness of the party.

This point need not be specifically told.

The committee asked : Do not you think it necessary to pinpoint the responsibility ?

The Secretary assured the committee that he will go further into the question. He has taken note of it.

RECOMMENDATIONS

769. The committee held that it is necessary to pinpoint the responsibility. The Secretary also assured the committee that he will go further into the question and that he has taken note of it.

770. The committee further desired their a report containing details of further investigation by the secretary the results of such investigations including fixation or the responsibility etc. should reach the committee within three months of the presentation of this report to the House.

Paragraph 49 at pages 51-52 of Audit Report 1969 Non-realisation of royalty:

771: According to an agreement entered into with a lessee of Forest reserves in a forest division for the period from 1st April, 1957 to 30th November, 1960 which was subsequently extended upto 31st May 1965 the lessee was required to pay minimum royalty of Rs. 50,000 per annum. It was also stipulated that even in case of short working, the lessee would be liable for full royalty upto 31st January 1965 as stipulated in the agreement and made himself liable for short working amounting to Rs. 1,46,266. No

exemption from payment of minimum royalty for short working was given by Government (August 1963) nor was any attempt made to recover the amount although the same lessee has been allowed to work in the reserves upto 31st May 1971.

7.72 The committee asked the Departmental witness appearing before the committee to give the reasons why no reply to the para was furnished to the Accountant General?

The Secretary replied that at the time he joined the reply stage was over.

The committee then asked why no action was taken by Government to recover the outstanding amount of royalty from the lessee has the amount since been realised? If so, when? If not, why?

The Chief Conservator of Forests replied that there is no outstanding amount against the lessee.

The committee again asked despite the fact that the lessee was a defaulter why he was allowed to work upto 31st May 1971.

The Chief Conservator of Forest replied that the lessee was not defaulter.

Grant No.53 at page 93 of Appropriation Accounts 1967-68, Forests.

7.73. As against the final saving of Rs.81,871 (total provision: Rs.4,59,60,856 expenditure: Rs.4,58,78,935) Rs.3,96,408 was surrendered in March, 1968.

The Committee asked why and how could the department surrendered such a huge amount? what was the basis?

The secretary replied that the amount surrendered was Rs.3,96,000. Over and above that, another amount of Rs.81,000 was surrendered. The details of the amounts surrendered will be given by them. Truly speaking, the surrender was a fictitious one.

The Committee then asked why was this surrender made and so much of the excess savings.

The secretary explained that he is submitting a statement which will clarify the position. In the statement the surrenders have been shown under different heads.

RECOMMENDATIONS

7.74. The committee observed that only the final saving of Rs.81,871 ought to have been surrendered and no fictitious amount should have been surrendered. It indicates lack of proper budgetary control on the part of the Department. The committee therefore recommends that the Department should exercise proper control over the budget.

HOME (POLICE) DEPARTMENT

Grant No.12 at Pages 24-25 of Appropriation Accuonts, 1967-68

8.1. The excess of Rs.24,52,606 over the voted grant (provision Rs.11,41,58,500 expenditure Rs.11,66,11,106) occurred mainly under B—District Executive Force B—District Police and E Special Police and was due to adjustment of arrear debits of borrowed battalions and adjustment of cost of arms and ammunitions to earlier years. In view of the excess of Rs 24.53 lakhs, the surrender of Rs.60 lakhs on the penultimate day of the financial year proved injudicious. The committee wanted to know the reason of making surrender of Rs.60 lakhs.

The I.G.P. explained to the committee that actuality it was done by the Secretariat that the Police Department must surrender Rs 60 lakhs.

The Special Secretary added that in 1967 Government wanted to cut normal expenditure in all the Department including Police.

The Committee disapprove the idea of cutting expenditure in all the Department when the requirement of Police increasing.

RECOMMENDATIONS

8.2. The Committee finds that they are to recommend regularisation of the excess expenditure of Rs.24,52,606.

The excess expenditure is because of adjustments of certain debits relating to the year after the close of the year of which the department was not aware. Therefore, they could not keep fund in anticipation of the debit column. Hence this excess expenditure is recommended to be regularised.

REVENUE DEPARTMENT

Paragraph 42 at Page 47 of the Audit Report, 1969 Misappropriation of Land and other Revenues

9.1. A Mouzadar of Uttar Barkhatri Mouza (Nalbari) did not deposit into treasury a sum of Rs.33,740 out of the amounts of land revenue and other revenue collected by him during 1958-59 to 1966-67 ; the amount was stated to have been misappropriated by the Mauzadar.

The Mauzadar was placed under suspension by the Deputy Commissioner, Kamrup thrice on 2nd May, 1963, 4th September, 1964 and 3rd April, 1967 but on two occasions the suspension orders were kept in abeyance by the Government who allowed the Mauzadar to continue since according to the Mauzadar an amount of Rs.21,820 was due to him as commission earned on revenue collected by the Mauzadar.

In May, 1968 Government stated that action was being taken to recover the outstanding amount from the Mauzadar.

Secretary, Revenue Department explained the matter to the Committee in the following way:—

In this case it was not reported to the Police. The suspension order was stayed by the Government before implementation. It came to the notice of Government in the year 1963. He was suspended on 2nd May, 1963 for the first time. On enquiry it was found that he had misappropriated the revenues for the period 1958-59 to 1966-67. He was suspended thrice by the Deputy Commissioner, Kamrup. But on two occasions the suspension orders were kept in abeyance by the Government who allowed the Mauzadar to continue since according to the Mauzadar an amount of Rs.21,820 was due to him as commission earned on revenue collected by the Mauzadar.

Asked by the Committee whether any special consideration was shown to the Mauzadar who did not deserve it the Secretary, Revenue replied that there is no mention of special consideration in the records of the Department.

RECOMMENDATIONS

9-2. According to rule 149 of the Assam Land Revenue Manual Vol. I Mauzadars are required to remit their collection to the treasury at least once a month. Had there been appropriate and regular departmental check it could not escape the notice of departmental officer entrusted with the work of supervision for such a long time. This shows the lack of periodical supervision over the collection of revenues as required under rule 50 of the Assam Land Revenue Manual Vol. I by the Deputy Commissioners and Subdivisional Officer concerned. The misappropriation of revenue by the Mauzadar has more or less become a regular feature. Some cases of similar type of misappropriation were mentioned in the Audit Report of 1968 also.

The Committee recommends to the Government to conduct a general investigation to find out—

- (i) factors responsible for such misappropriations ;
- (ii) lacuna if any in the departmental rules and regulation ;
- (iii) laxity on the part of supervisory staff facilitating the misappropriation

and thereby to minimise the scope of misappropriation once for all so that there may not arise any such case at all in future.

Paragraph 43 at page 47 of Audit Report 1969

9.3. Retention of heavy revenue at hand and alleged misappropriation—A test audit of accounts of the Deputy Commissioner, Nowgong, conducted in November, 1967 indicated the following irregularities :

(a) Land Revenue amounting to Rs. 38,637 collected by a Mauzadar of Jagial Mauza for 1962 to 1967 was not deposited into the Treasury ; the amount was alleged to have been misappropriated. The Mauzadar was placed under suspension on 8th July, 1967.

(b) In three other Mauzas (*viz.* Kondali, Mayang and Duar Salama) land revenue amounting to Rs.47,600 collected by the Mauzadars for 1962 to 1967 was not deposited into the treasury in November, 1967 Government intimated in September, 1968 that the amount was by then deposited.

(c) An amount of Rs.319 collected by the Mauzadar of Duar Salama Mauza during October-November 1967 was not accounted for in the Mauzadar's collection register or the cash book.

The cash books and daily collection registers for the years prior to 1967 in respect of this Mouza not produced for audit.

It was intimated by Government in October, 1969 that the Deputy Commissioner Nowgong realised the entire cash retained by the Mauzadar of Jagial Mauza and vacated the suspension order passed on him. Earlier it was intimated by Government that a sum of Rs.14,612 was realised through Bakijai proceedings and partly by cash deposits made by the Mauzadar. As regards other three Mauzas it was stated by Government that excess collections retained by the Mauzadars had since been deposited.

Regarding Jagial Mauza the Committee wanted to know whether the misappropriation was a temporary one and asked the department to give a statement showing the date on which the amount was misappropriated and deposited by the Mauzadars.

In reply the Secretary, Revenue told the Committee that the amount misappropriated was Rs.38,636.57 and gave the following statement of deposit by the Mouzadar.

		Amount deposited
		Rs.
Chalan No. 93, dated 15th November, 1967	...	1001.00
Chalan No. 69, dated 7th December, 1967	...	2000.00
Chalan No. 138, dated 14th December, 1967	...	1000.00
Chalan No. 168, dated 22nd January, 1968	...	500.00
Chalan No. 190, dated 22nd February, 1968	...	2000.00
Chalan No. 16, dated 1st March, 1968	...	1110.00
Chalan No. 15, dated 1st March, 1968	...	1500.00
Chalan No. 124, dated 14th May, 1968	...	4000.00
Chalan No. 104, dated 13th June, 1968	...	1000.00
Chalan No. 119, dated 4th July, 1968	...	501.00
Chalan No. 183, dated 21st August, 1968	...	500.00
Chalan No. 198, dated 25th September, 1968	...	1500.00
Chalan No. 146, dated 19th November, 1968	...	1998.00
Chalan No. 195, dated 21st January, 1969	...	2000.00
Chalan No. 77, dated 11th February, 1969	...	2595.00
Total	...	<u>23,205.00</u>
Deposited by the S. D. C. i/c	...	494.61
Total	...	<u>23,699.61</u>
Commission due to Mauzadar	...	15,179.32
Total	...	<u>38,878.93</u>
Amount misappropriated	...	<u>38,636.57</u>
Amount of excess deposit	...	<u>242.36</u>

9.4. The Committee finds that there was apparently lack of adequate supervision on the part of the Department. The Committee therefore recommends that there should be periodic supervision regularly in all Mauzas to minimise the scope of misappropriation. At least on Government side there should not be any laxity on the part of the supervisory staff.

With regard to the Duarsalana Mauza the Committee enquired why cash books of the Mauzadar were not shown to Audit? To this the Secretary of the Department replied that they are not Government books. They are maintained by Mauzadars.

The Committee further insisted that there should not be any difficulty in asking the Mauzadars to produce the cash books.

The Secretary, Revenue again replied that they are not readily available. It is the responsibility of the D. C. to call for these if required by the Audit. It is not part and parcel of Government records.

RECOMMENDATIONS

9.5. The Committee is not interested to know who is responsible for that. The Committee cannot go on asking the D. C. or the S.D.C. concerned as to why he failed to cause the cash books to produce before the Audit. It is the duty and concern of the Government to see whether the D. Cs/S. D. Os are functioning or not as they should.

In this case the Committee finds that cash book was not produced before the Audit. The Committee therefore recommends that cash books and other records should be produced before the Audit as and when demanded.

Grant No. 50 at pages 39 and 90 of Appropriation Accounts, 1967-68

9.6. **Famine relief:**—The expenditure exceeded the grant by Rs.1,70,90,618 (provision Rs.1,73,21,000; expenditure Rs.3,44,11,618) which require regularisation. In view of the excess the surrender of Rs.12,69,408 in March, 1967 proved injudicious. In the previous year also there was an excess of Rs.69.59 lakhs under this grant. The excess was due to more expenditure than anticipated consequent on taking up of unavoidable repairing works following flood damages.

Here, the expenditure exceeded. Asked why adequate provision could not be made by obtaining supplementary grant or an advance from the Contingency fund the Secretary of the Revenue Department explained that actually this excess expenditure is incurred by the public Work (Roads and Buildings) and (Flood Control and Irrigation) Departments. The respective Chief Engineers exercises control over these expenditures. The Chief Engineers are the drawing and Disbursing Officers. The Secretary, Revenue had in fact no control over this. But the responsibility is his because the money was placed under the Head of Account of the Revenue Department. The point is that an amount of Rs.1 crore was budgetted for Public Work (Roads and Buildings) and (Flood Control and Irrigation) Departments. The actual figures of expenditure are not known to the Revenue Department. The budgetted amounts were released to the two Departments. But they spent in excess. Some portion of this will be reimbursable by Government of India.

9.7. The Committee decided to examine both the Chief Engineers of P.W. (Roads and Buildings and F.C. and I.) Departments at a later date because they cannot recommend regularisation of this excess expenditure to the Legislature unless they are satisfied themselves first.

9.8. The Committee has decided to examine the Chief Engineers, P.W. (R. and B. and F.C. and I.) Departments along with the Financial Commissioner on 10th August, 1971.

At its meeting on 10th August 1971 the Chairman on behalf of the Committee explained the purpose and asked the Commissioner to explain the allocation of grant No.50 in the Revenue Department. There was an excess expenditure over the provision by Rs.1,70,17 lakhs. Last year also objection was raised by the Audit regarding similar excess. The Secretary, Revenue in course of his deposition the other day explained that the expenditure was incurred by the P.W.D. and F.C. and I. Departments over which he had no control. At that time no satisfactory explanation could be obtained from the Revenue Department. The Committee wanted the assistance of the Finance Department to clarify the position to the committee. How can Finance Department allow money to float without proper control? In view of this the Committee will have to request the Financial Commissioner to explain the matter.

9.9. The Accountant General also pointed out that when the money was placed under the head of the Revenue Department and P.W.D. was asked to spend the same, it was the duty of the Revenue Department to account for the expenditure.

9.10. The Financial Commissioner gave the following explanation:—

The Revenue Department have been connected with the relief measure—in this connection natural calamities from a long time. The procedure is that the Revenue Department should have control over all the expenditure on relief measures on account of natural calamities, floods, etc., sanctioned by the Revenue Department.

Till 1959, the Revenue Department was virtually the Controlling Department with regard to grant No.50, Major—Head 64—Famine Relief. The amount was shown under the Head of Revenue Department and it was released by the Revenue Department to other Departments P.W.D., F.C. and I. Department, etc. So, they are to obtain the expenditure statement from the spending department so far as their grant is concerned. For any saving, etc., or excess under this head, the Revenue Department should be held responsible. This is not only the Revenue Department which is facing such kind of trouble. Many other Departments like T.A.D. and Relief and Rehabilitation Departments also face similar trouble. It cannot be said that spending departments are not to help the Revenue Department with necessary reason either of saving or of excess out of the fund allotted to the spending Departments.

The matter was discussed in a meeting where a well established procedure had been adopted. The Government have been following that procedure. But recently a slight modification was done by a circular. This circular was issued by the Finance Department under their No.Fin.BB(I)100 69/5, dated 2nd January 1970.

After the modification the responsibility of the Revenue has been a bit diluted. Even then the Revenue Department is supposed to play the important role. With effect from enforcement of that circular, the Revenue Department is partly responsible for the expenditure under this head.

From the Finance side, they have issued a circular revising the procedure and prescribing certain control over expenditure. This circular was issued on the basis of discussion held on 11th November 1969.

Apart from that the Finance Department tried to go into details in regard to past expenditure. A meeting was held in this connection with Financial Commissioner, Secretaries, P.W.D. and F.C. and I Department where discussions about excess expenditure incurred by P.W.D. (R & B)s and (F.C. & I) and other irregularities Committee by them were held.

9-11. In view of the circumstances the Committee insisted whether the Government evolve some code to help regularising this sort of expenditure and asked whether any other states has formulated such code?

9-12. The Financial Commissioner explained that in the Executive Manual there are certain provisions which are out of date and which need^s modifications.

With regard to excess expenditure under 64 Famine Relief, the Deputy Secretary, Revenue, explained that a sum of Rs 49,70,000 was sanctioned in favour of the Chief Engineer, P.W.D. & F.C. & I., for repairing the damages caused by the floods on 2nd September 1967. On 11th November 1967 the F.C. & I. Wing wrote a letter to Revenue Department requesting for an additional fund of Rs.1,55,84,770 saying that if that amount was not allotted, the repairing works will be left incomplete. The Revenue Department replied on 22nd November saying that it was not possible to allot any more funds as requested. The implication was that the P.W.D. should not go ahead with the works if it was not covered by the existing allotment of funds. In no time, after that, the F.C. & I. Wing brought to the notice of the Revenue Department that they actually spent money and repaired the damages.

Similarly, on 3rd August, 1967 a sum of Rs.49 lakhs was allotted to the Road and Building Wing of the P. W. D. to repair the damages caused by the floods. On 14th November, 1967 the P. W. D. (R. and B.) also came up with a request to sanction additional sum of Rs.66,69,421 to which Revenue Department replied saying that it was not possible to sanction the additional sum. After this, Revenue had no knowledge as to whether P. W. D. actually incurred the expenditure or not. In view of the above perhaps the fault did not lie with the Revenue Department.

A clarification was also sought for as to how the repairs of roads and bridges were undertaken from Famine Relief allotment under 64 Famine Relief.

9.13. The Deputy Secretary, Revenue referred to a letter from the Government of India, Ministry of Finance, Department of Co-ordination (letter No.S (I)- P/65, dated the 21st September 1966. The content of the letter was that the Government of India would arrange to depute a team of officers to the affected areas of different State to make on-the-spot assessment of the relief measures. The team will ascertain the extent to which the requirement of funds for the relief operations could be made from the annual plan, to which extent, additional expenditure on major, medium or minor irrigation works, soil conservation, forests, roads and rural works might be necessary and to which extent funds be required for various types of relief and unproductive works.

On this line, a team from the Planning Commission visits Assam almost every year to assess the damages caused by the natural calamities and to ascertain the quantum of help to be given to the State Government to repair the damages.

9.14. The Financial Commissioner explained the position saying that matter was brought to the notice of the Finance Department in 1969. After that, the procedure was revised and a circular was issued by the Finance Department.

On being pointed out that there should be a famine code.

The Financial Commissioner stated that in certain States there are some codes; in some States there are not, but, in such cases, instructions are issued from time to time. In the case of Assam also there are certain circulars, though there is no famine code. The Financial Commissioner agreed that the circular issued were not up-to-date and they required very extensive revision and modification. The Commissioner continued saying that this should be done by the Revenue Department in consultation with the Organisation and Method Department, Finance and other concerned departments. Financial Commissioner also added that they would try to bring out some sort of compilation of this Famine Relief Measures and try to put them in a systematic way or modify them.

Previously for the flood damages Government of India did not allow any fund. In Finance Commission's report and all that certain ceiling was fixed, and that was divided for each year. Government of Assam have consulted the Finance Ministry and Planning Commission and this ceiling is divided between various departments. In regard to the flood what Government of India says is that they will be making the entire amount available in natural calamities, so far flood damages have no separate provision is there.

RECOMMENDATIONS

9.15. In view of the explanation and assurances given by the department concerned that this will not receive in future of the Committee recommends that the excess be regularised,

Grant No. 62 at page 102 (Note 2)

Other miscellaneous compensations and assignments

9.16. The voted grant closed with a saving of Rs.3.62 lakhs which mainly occurred due to non-finalisation of annuity cases and compensation estimates under "Religious Acquisition Act", etc.

Asked by the Committee the Secretary, Revenue explained that the annuity and compensation cases are being finalised year by year. The provision was, however, made before finalisation in anticipation. The entire amount was not surrendered on presumption that the grantees would come in time before the end of the financial year to take their money. The amount has, however, been sanctioned next year and payment made.

RECOMMENDATIONS

9.17. The presumption was not quite necessary when the budget provision can easily be made in the next year for the same purpose. The Department should not commit irregularity of this type in future in anticipation of something because that something may never happen and thereby land the Department in difficulty.

HOUSING DEPARTMENT

**Grant No.87 at page 126 of Appropriation Accounts 1967-68—
Loans and advances by State Government Housing Loans**

10.1. The saving of Rs.4.5 lakhs under the grant was mainly due to non-utilisation of entire provision under Development Schemes (Fourth-Five Year Plan)—II—Other State Plan Schemes—Loans under subsidised Industrial Housing Schemes—Sixth Schedule (Part A) Areas owing to non-payment of loan to M.S. Assam Cement Ltd., as the company failed to fulfil the terms and conditions for grant of the loan.

The Committee asked:

- (i) What was the basis on which the provision was made? Was provision made even before completion of formalities?
- (ii) Why the Department surrendered only an amount of Rs.3.39 lakhs out of the total saving of Rs.4.15 lakhs.

10.2. The Secretary, Housing Department explained—

Provision in the Budget was made before it was known that it would not be utilised. Schemes were sanctioned previously. For the second instalment they wanted money. Money given in the first instalment was not fully utilised. So, they could not be given money in the second instalment.

10.3. The Committee enquired of the Department whether provision was made for giving housing loan to the Assam Cement Company though they have failed to fulfil the terms and conditions of the grant?

10.4. The Secretary replied in the affirmative and explained that in the first instalment, they have completed about 150 houses. After completing them they have changed their mind. They have utilised a portion out of the loan and the other portion is expected to be utilised.

RECOMMENDATIONS

10.5. When they failed to complete the Scheme, they are not entitled to get the money. The Department should have decided in that line. Anyhow, the Department will please complete the enquiry and submit a report of its findings to the Committee within three months of the presentation of this report to the House.

SUPPLY DEPARTMENT

Paragraph 72 at page 63 of Audit Report, 1969—Loss

11.1. During 1963-64 and 1964-65, the Deputy Directors of Supply, Gauhati and Dhubri issued large quantities of rice and essential commodities to the refugee camps at Tura and Matia through private carriers who delivered the same to the Departmental officers stationed at those camps for making over to the Relief and Rehabilitation Department. When the bills were preferred by the Supply Department, the Relief and Rehabilitation Department rejected claim for Rs.2.10 lakhs as representing value of supplies not received by them. This resulted in a loss of Rs.2.10 lakhs to Government which has neither been investigated nor regularised yet (February 1969).

11.2. The Secretary, Supply explained that one stage, the Secretary, Supply and the Secretary, Relief and Rehabilitation met and decided that the transit loss will be borne by the Supply Department. The matter was further examined in the Supply Department and it was found that the Supply Department handed over the stock to the carriage contractor who was appointed by the Relief and Rehabilitation Department. The Supply Department Officers were not in-charge of the stock in the camps of the Relief and Rehabilitation Department. As soon as the stock was handed over to the carriage contractor, the function of the Supply Department was finished. If any loss occurred in transit, it was the Relief and Rehabilitation Department, and this matter is still pending in spite of six reminders. This matter came to his knowledge when he took up the direct responsibility of the Relief and Rehabilitation Department. He assured the Committee that he would certainly take up the matter with the Relief and Rehabilitation Department.

11.3. On this explanation the Committee observed—

It might be that since the same person has the Secretary of both the Department some adjustment would be possible. But the Committee is concerned with something else. It therefore, wanted to know it clearly whether there was any arrangement made between the Supply Department and the Relief and Rehabilitation Department that in cases of transit losses the Supply Department has to bear it. The Secretary, Supply replied that at the initial stage there was no such arrangement.

11.4. When asked if any arrangement was made that as soon as the Supply Department loads the materials to the loading point and the Relief and Rehabilitation Department, takes over charge of them, the responsibility goes to the Relief and Rehabilitation Department. The Secretary said that this point was not thrashed out.

RECOMMENDATIONS

11.5. The Committee finds that Supply Department has nothing to show that the materials they despatched reached the destination. According to Relief and Rehabilitation Department the quantities are not the same as claimed by the Supply Department.

It requires some investigation because there may be some people in league with the Government employee who have stolen these goods.

The Committee therefore recommends that both the Department should put their heads together and try to locate the responsibility. Those who are guilty should be appropriately dealt with.

Paragraph 73 at page 63-64 of Audit Report, 1969—Shortage

11.6. Three hundred and seventy-three quintals of rice valuing Rs.29,462 were found short of physical verification of stock in the godown of the Deputy Commissioner (Supply), Shillong, conducted in February, 1966.

The shortage has not been written off after proper investigation (February 1969).

Three hundred and seventy-three quintals of rice was found short in February, 1966. The total quantity handled in the godown was 2,08,755 quintals from 1st July, 1963 to 26th February 1966. The last verification of stock was done in February. Prior to February, 1966 there was no record of physical verification.

RECOMMENDATIONS

11.7. For almost three years, records do not show any physical verification. The Committee therefore recommends that physical verification of stock should be done periodically and the shortage found if any should be written off according to rules.

Paragraph 74 at page 64 of Audit Report, 1969—Loss

11.8. During August, 1965 to January 1966 the Deputy Director of Supply, Tezpur procured 6,368 bags of Masur dal valued at Rs.7.38 lakhs; of these 1,424 bags were sold during August, 1965 to September, 1966 for Rs.1.91 lakhs. In September, 1966 the Animal Husbandry and Veterinary Department when asked to take over some stocks reported to the Deputy Director of Supply that 925 bags valued at Rs.1.19 lakhs were unfit for animal consumption. The condemned staff was not destroyed, instead it was sold as cattle feed during April-May 1967 to the highest bidder for Rs.0.59 lakh.

A local verification conducted by Audit in May, 1969 revealed that the remaining stock of 4,019 bags (6,368—1,424+925) of Masur dal was disposed of during March, 1967 to July, 1967 and that the Department suffered a total loss of Rs.2.34 lakhs in the deal as shown below:—

Procurement value (6,368 bags) Rs.7.38 lakhs.

Amount received by sale:—

(i) At Government approved rate (1,414 bags) Rs. 1.96 lakhs.

(ii) by auction (925 bags) Rs. 0.59 lakhs

(iii) by auction (4,019 bags) Rs. 2.54 lakhs

Rs. 5.04 lakhs.

11.9. The Secretary of the Department explained to the committee that the report submitted by the Animal Husbandry Department was on 27th September, 1966. Prior to this, the foodstuff was shown to the Civil Surgeon. He saw the stock, but he did not mention about the stock fit for human consumption. Actually, the Civil Surgeon went to the godown and sorted out some bags. He then referred to the District Animal Husbandry Officer. The Animal Husbandry Officer then went to the godown and found 163 bags, i. e., 30 per cent of the foodstuff is fit for human consumption. He divided the contents of the bags into two divisions one part fit for consumption and another part unfit for consumption. In the lot he found 537 bags, i. e., 10 to 15 per cent fit after sifting. The total then comes to 925 bags. Deputy Commissioner, it appears did not accept this report. I think Deputy Commissioner is right in his presumption.

11.10. The committee wanted to know the basis of this presumption as the report of the Veterinary Surgeon may be true in the sense that 30 per cent of each bag is fit when sifted and sorted out.

11.11. The Secretary clarified the matter and said that a portion of the foodstuff was declared as completely unfit for human consumption, and the rest could be used provided they were sifted and sorted out.

RECOMMENDATIONS

11-12. The Committee felt that the Deputy Commissioner in not accepting the report of the District Animal Husbandry Officer has taken an arbitrary decision of his own. The report was given and a reference being made to them by the Civil Surgeon. If the Deputy Commissioner had any doubt of the report of the Civil Surgeon, he could have referred the matter to the higher specialised authority.

It is open to suspicion that this unfit foodstuff had been actually given for human consumption.

The department should not allow any Deputy Commissioner to take a decision over the experts to endanger the health of the people.

Paragraph 75 at page 64 of Audit Report 1969—Loss of Bufferstock

11-13. For creating a bufferstock of essential commodities, foodstuffs were purchased from time to time by Government during January 1963 to March 1966. The issue rates, which were in most cases higher than the market price, resulted in accumulation of stocks and consequent damage and deterioration in quality.

Tenders were invited and the stocks disposed of in January 1967 sustaining a loss of Rs. 1.98 lakhs was besides, stock valued at Rs. 1 lakh was found short/damage/destroyed due to long storage. The above loss of Rs. 2.98 lakhs is exclusive of storage and administration charges which are not ascertainable. The matter was reported to Government in May 1968 their reply is still awaited (March 1969).

Government stated in January 1970 that the stock valued at Rs. 1 lakh was found short/damage/destroyed due to unscientific condition of the godown with prolonged storage as better godowns were not available.

The purpose of this bufferstock is to meet the shortages of essential commodities in the market. With this purpose in view of essential commodities, foodgrains were purchased from time to time by Government during January 1963 to March 1966. There was a loss of Rs. 2.98 lakhs. Stocks disposed of in January 1967 sustained a loss of Rs. 1.98 lakhs. Again stock valued at Rs. 1 lakh was found short/damaged/destroyed.

Unscientific condition of the godown may not be available for want of better godown facilities but prolonged storage could be avoided by quick disposal and methodical issue by reviewing and refixing the issue rate from time to time.

RECOMMENDATIONS

11-14. The Department should take all possible steps to avoid such loss in future and watchful of the storage with greater care and with foresight.

PUBLIC WORKS DEPARTMENT (ROADS AND BUILDINGS)

Paragraph 22 at page 35 of the Audit Report 1969—Expenditure incurred without or in excess of detailed estimates

12.1. Ordinarily no new work may be commenced or any liability incurred thereon till its detailed estimates has been sanctioned. A revised estimate is required to be prepared when the sanctioned estimate is likely to be exceeded by more than 5 per cent.

Rs. 10.60 lakhs were spent on the following two works (exceeding Rs 3 lakhs in each case) (not mentioned in earlier Audit Reports) upto March, 1968 the detailed estimates of which had not been sanctioned.

- | | | |
|---------------------------------------|--|-------------|
| 1. Construction Division,
Gauhati. | Extension to the
existing building
at Chanakyapuri,
New Delhi. | 3.99 lakhs. |
| 2. Abhayapuri | Construction of
gridbund and high
approaches up to
the high bank road
of proposed bridge
over River Manas | 6.61 |

Total ... 10.60 lakhs

On the following five other works (not mentioned in earlier Audit Reports expenditure was incurred in excess of 5 per cent of their sanctioned estimates, the amount of such excess in each individual case being more than Rs. 3 lakhs and the total excess was Rs. 26.57 lakhs.

1. Rangia Division	Job No. 67/AS/31 (from mile 84/ 3F to 92/4F of N. R. Road)	Estima- ted cost	Expendi- ture to the end of March, 1968.	Excess
		9.97	17.40	7.43
	N.G. road to 23/ 4F of North Trunk Road	12.18	16.13	3.95
	Job No.1.37/AS/ 31 (Reconstruction of R. C. C. minor bridges)	30.19	37.52	7.33

(In lakhs of rupees)

		Estimated cost	Expenditure to the end of March 1968	Excess
2. Chapa g u r i L. R. Divi- sion.	Establishment of Soil testing laboratory and temporary accommodat i o n for the laboratory staff for the mobile unit in the field. Job No.LRP/AS/ 31.	2.59	5.96	3.37
3. Abhay a p u r i (R. and B.).	Reconstruction of R. C. C. minor bridge Foundation on National High- way from Boxirhat- Amingaon (Bila- shipara Division) Job No.134/AS/31.	14.37	18.86	4.49
Total		...	...	26.57

12.2. The Committee wanted to know under what circumstances expenditure was incurred, firstly an extension of the existing building at Chanakyapuri and secondly, on construction of bund and approaches to the proposed bridge over river Manas without first getting the estimates prepared and approved by competent authority.

12.3. The Secretary, P. W. D. (R. and B.) replied that record shows that for the Assam House Building at Chanakyapuri administrative approval was accorded on 14th August 1965 amounting to Rs.5,13,731. The first estimate was for Rs.3,68,097, and the revised administrative approval was accorded for Rs.5,13,731.

12.4. Asked whether there was any technical sanction the Chief Engineer explained that technical sanction rests with the competent authority and for every work there is technical sanction.

12.5. When the Accountant General raised the point regarding sanction to the detailed estimate the Committee wanted to know that the original estimate was for a sum near about 3 lakhs. On the basis of that estimate a grant was taken. The point is whether detailed estimates were prepared with regard to this original plan? Paragraph 314 of Public Works Department Code (Government of Assam) enjoins that no work shall be commenced unless the detailed design and estimates have been sanctioned, allotment of funds made and order for its commencement has been issued. The point is that this work was started without getting detailed design and estimates.

12.6. The Accountant General further clarified that there are two types of sanction, one is expenditure sanction, which has to be given by the authority using it and the other is the technical sanction which has to be given by competent engineering authority. Very often it has come to the

notice of Audit that the Executive Engineers start the work without estimates being approved by the competent authority. In a subsequent Audit Report sanction was made about a case where a two crores worth project was undertaken without estimates being approved.

12.7. The Departmental witness explained that the Department cannot go on with a work without given sanction may be piecemeal, this must have been done.

12.8. Asked what was the difficulty in issuing formal technical sanction for the building as a whole the Departmental witness replied that the Drawing Branch was not very strong in the Chief Engineer's Office and the whole thing could not be done within the time given for starting construction. So, piecemeal sanction to different components was given.

12.9. Asked whether the Department has got any design branch the Departmental witness replied that they have and are trying to strengthen it.

12.10. The Committee then asked as to what extent expenditure was incurred without getting the estimates prepared and approved by competent authority.

12.11. The Departmental witness replied that they will have to find the history of the case from different files. It will take time and assured the Committee that full facts of the case will be given later on.

RECOMMENDATIONS

12.12. These two works, viz., extension of the existing building at Chanakyapuri at New Delhi and construction of bund and approaches to the proposed bridges over the river Manas were done without observing the letter and spirit of Rule 268 of the Assam Financial Rules and Rule 314 of the Assam P. W. D. Code. The explanation given by the Department that this was done on the basis of the rough estimates is not convincing. The Department could not give the exact dates of the commencement of the works and the detailed technical sanction and estimates of part of the works even in spite of the audit objections pending with them so long. The Committee is of the firm view that rules are there for observance and not breach and in future, the Departments should scrupulously see that rules as they exist are observed.

12.13. In connection with Assam House Chanakyapuri the Department should furnish the following information to the Committee within three months of the presentation of this Report to the House. The Departmental witness in this connection assured that full facts of the case will be given later on.

- (1) The date on which the work was started.
- (2) The date on which detailed estimates were given and the dates on which sanction was accorded in respect of this work.
- (3) Circumstances which warranted this sort of splitting up?
- (4) Under what P. W. D. Code or Financial Rule, these were permitted?

12.14. On five works, viz., three roads in the Rangia Division and one work in Chapaguri Division and another in Abhayapuri Division were done in the relevant period. On these works, the excess expenditure over the sanctioned amount went to the extent of Rs. 26.57 lakhs. The Departmental witness states that the works being of urgent nature, the Executive Engineers concerned could not wait for sanction of revised estimates, though according to rules, this was a must. Even upto now, the revised estimates have not been sanctioned. The Department now in contemplating to sanction completion certificates and therein to explain the situation. The expenditure on these works, being borne by the Government of India, the Department hopes that the Government of India will grant the ex post facto sanction. This, in the opinion of the Committee, is a sad reflection on the Department in regard to observance of the financial rules and the provisions of the Public Works Department Code. Even if the Government of India agrees to grant ex post facto sanction, this is not a cogent and valid ground for non-observance of the existing rules.

Paragraph 23 at page 35 of the Audit Report 1969
Rejection of lowest tenders

12.15. In 1966-67 lowest tenders were not accepted for execution of fourteen groups of works in Dibrugarh Roads and Buildings Division. No reasons for allotting the works to higher tenderers were recorded. With reference to the second lowest offers, this meant extra expenditure of Rs. 1.99 lakhs.

12.16. The additional Chief Engineer in his letter dated 10th May 1969, stated that the lowest tenderers were not registered nor deposited the required earnest money and as such the work was allotted to local contractors at negotiated rate.

12.17. The Committee asked whether before deciding to select local contractors at negotiated rates which were higher, the lowest tenderers were given the chance to deposit earnest money or to complete the formalities relating to their registration so that the Department could get the benefit of the low rate quoted by them. If so, what was the result. If however this was not done the reason why this course was not adopted and why the Department preferred to negotiate with local contractors only.

12.18. The Departmental witness replied that the Department selected the local contractors at negotiated rate although the rate was high. The cases of lowest tenderers were not considered as they were not genuine contractors. They neither deposited the earnest money nor registered their names.

12.19. The Committee again asked that in this particular tender the Department have accepted loss so far rate is concerned. The Committee do not challenge the authority of the Department because they have got that authority but at the same time the Department have got obligations also. When have given them that authority to write off about 2 lakhs of rupees from the public exchequer?

12.20. The Departmental witness however explained the matter by saying that from their previous experiences they found that they are lossier by giving contracts to contractors who furnish low rates.

12-21. The Committee again made the point clear that they are not challenging the wisdom and powder of the Department but only asking that when the Department is the authority they should also have recorded the order specifically against the lowest tenderer who was deprived of the words.

12-22 The Departmental witness replied that reasons were recorded in the file.

12-23. The Committee again observed that the audit inspection report was sent on 19th April, 1968 but all these things happened on 1966-68. There was sufficient opportunity was not availed of. Then the draft paragraph was sent on 5th March, 1969. Within this stipulated time no explanation was sent. As a matter of fact, we are free so far as Legislature is concerned. We are not challenging your authority or wisdom but our point is that why you did not keep proper record of the case. After all as legislature we are to see the Government revenue and you are to best judge in the given circumstances. Therefore, please do not go with the idea that we are challenging your authority. Our point is that when a lowest tender is deprived of, the reasons should be sufficiently and specifically recorded.

12-24. The Accountant General also clarified that at the time of negotiation the Department should have taken into consideration the cases of lowest tenderers, or they could have negotiated amongst the lowest valid tenderers.

12-25. The Departmental witness replied that the cases of the lowest tenderers were not considered on the ground that neither they were registered contractors nor they deposited the earnest money which were the vital points in this connection. So, at the time of negotiation they were not considered suitable.

12-26. Asked whether that local contractor was a registered one or he was one of the tenderers the Departmental witness said that he was one of the tenderers.

12-27. The Committee went on asking that they are sitting as a judiciary body. The Department is on oath. Now, the Accountant General has pointed out that the Department have found a large number of tenders. The Department have rejected the 1st and 2nd. If the 1st and the 2nd one is disqualified why the third?

12-28. The Additional Chief Engineer replied that when it is found that he had not given earnest money they rejected it without going into the merit the of case.

12-29. The Committee agreed that any Registered Contractor who have not registered nor deposited the earnest money they reject because that cannot be negotiated, that tender is dead. Those who are dead they cannot be negotiated. The Department negotiated among valid tenders. Their negotiation was with regard to the rate. The Committee examined

a Departmental file and found that another firm they rejected. They have applied for Class I registration (M/S. Misra Bros). The Committee observed that the reasons for rejection should be clearly stated because the Committee is trying to save Government money. Reasons should be recorded for not accepting the particular tender.

12.30. The Departmental witness replied that the 1st, 2nd and the 3rd were not accepted and 6th also not acceptable due to some reasons and so the 5th one is given.

At this stage it came to the notice of the Committee that a note was posted subsequently on the original note sheet. This gave rise to suspicion.

RECOMMENDATION

12.31 In this case pertaining to Para 23 the Departmental witness now states that after the Audit raised the objection with regard to the rejection of the lowest tenders, the Officer concerned, viz. the Additional Chief Engineer, Eastern Zone, Dibrugarh, posted in the remarks column of the comparative statement a typed note explaining the reasons why the lowest tenderer or 2nd or 3rd lowest tenderer, as the case may be, were rejected and why the particular tenderer were offered the contracts at negotiated rates. This typed note is purported to be prepared from certain loose sheet of papers kept in the files and this has been dated as 12th December, 1966. The Committee here wants to point out that the audit inspection was made in September, 1967 at which time this note did not appear in the comparative statement nor was the audit party shown, as is evident from the party's inspection note.

The Audit party had sent their Inspection Note to the Department on the 30th January 1968 and copy thereof to the Government in the Department on 19th April, 1968 and thereafter the dropped para of audit objection on 2nd December, 1968- On receipt of these above three even, the Department did not inform Audit about the existence of the said note sheet. The officer concerned wrote to the Government on 21st July, 1969 alleging existence of the said note sheet and the subsequent incorporation of a copy of that note in the comparative statement. In September, 1969 Government sent a copy of this to the Accountant General. The Committee, in this connection, comments as follows:—

(1) It is the comparative statement which should contain the reasons for acceptance or rejection of tenders. In this case on the date of the acceptance of tenders, viz., 12th December 1966, this was non-existence in the comparative statement.

(2) In spite of three opportunities available to the Department and as a matter of that, to the Officer concerned, the existence of the alleged note sheet was not reported to audit.

(3) In the comparative statement where the purported copy of the alleged note sheet has been pasted, it is nowhere mentioned as to the date on which this was pasted and there is no remark as to why it was not originally recorded and as to why this has been subsequently pasted,

In the circumstances, the Committee cannot accept this plea as genuine. It is a clear case of interpolation. The Officer concerned was a high-ranking Officer and from such Officers the highest amount of diligence and carefulness is expected. The Committee takes a serious view of the matter and draws the attention of the Government for appropriate action.

Paragraph 24 page 36 of the Audit Report 1969

12-32. **Arrears of house-rent**—A test audit of the records of a few Public Works Divisions revealed that Rs.1.33 lakhs remained unrealised as rent of Government buildings in some cases for over 20 years.

Each Division of P. W. D. is required to maintain a rent register to watch the progress of recovery of rent for each residential building.

12-33. The Committee at the very outset said that as a matter of fact they have got no figures for all the Divisions, but they have got information of at least two Divisions, for one upto March, 1971 and the other upto March, 1969. In Shillong Division, which is under the charge of the Estate Officer, upto the end of March, 1971 there was an arrear of Rs.6,51,000. In Gauhati West there is about Rs.3 89,000. The Committee do not know about other divisions.

12-34. The Departmental witness replied that except Estate Officer, the Department have got figures upto May, 1971. He handed over a statement and said that at one stage the Estate Officer, Shillong had an arrear of Rs.4,57,074 upto 31st March, 1971.

12-35. The Committee, however, observed that this has increased to Rs.6,51,000.

12-36. The Departmental witness explained that 90 per cent is accounted for by the Pinewood Hotel, about the rent of which there is a dispute, and we are trying to resolve the dispute. The Departmental witness said that on that day (9th August, 1971) also he had a Conference with the Financial Commissioner and they have arrived at a certain solution. According to the Pinewood authorities, the rent fixed is very high.

12-37. Asked whether there was any agreement between the Pinewood authorities and the Government with regard to rent the Departmental witness informed the Committee that it was not fixed in the beginning. It was taken over from a private party, who used to pay Rs.3,000 but according to the Financial Rule it should be near about Rs.5,000. The main dispute is with regard to supervisory charge of 15 per cent for repairs etc. They contend that since it is a Government agency, the Department should not levy this supervisory charge. The Department is now considering this aspect. There is a provision that Government can relax this rule regarding supervisory charge.

12-38. Asked why the Pinewood Hotel is not depositing at least the amount they considered to be fair the Departmental witness informed the Committee that they have deposited some money but he cannot say what amount they have paid. The Estate Officer knows. According to the

estimate of the Department it will be about six lakhs but according to their estimate it will be something like 4 lakhs. The Departmental witness further stated that the Estate Officer was also responsible for Assam Houses in Calcutta and Delhi.

12.39. The Committee observed that outstanding amount from Assam House, Calcutta, is Rs.2,19,000 and asked about the cases pending for over 20 years. The Departmental witness informed the Committee that some people have died and the Department had to waive with the concurrence of Finance. Some retired and some have gone abroad.

12.40. The Committee asked what the Department is proposing to do with regard to the individual officer whose arrear rent has gone upto Rs.8,000.

12.41. The Departmental witness inform the Committee that he has written a D. O. to him to pay up immediatly, so that the Department is not compelled to approach Accountant General for retrenchment slip.

RECOMMENDATION

12.42. The Committee finds that in Jorhat Division the Department have got arrears of Rs.39,803; in Tezpur Division Rs.64,864; Diphu Rs.19,948; Dhubri Rs.13,893; Dibrugarh Rs.24,131; Aijal West—Rs.54,430 and so on. According to the list given by the Department Gauhati West is not included, where there is an arrear of Rs.3,89,000.

12.43. In short, there are huge amounts of arrears laying unrealised. The total amount will exceed Rs.10 lakhs. Some of these are outstanding for the last 20 years. In one case, one of the seniormost I. A. S. Officers serving this Government had defaulted rent to the extent of over Rs.8,000 and in spite of reminders from the Department he is not paying. Even the Treasury Officer, Gauhati, has failed in his duty in realising the arrears. The Finance Department may kindly note this and immediately pull up that Treasury Officer. Government should take appropriate steps to realise the arrears from this Officer as also all the outstandings without delay.

paragraph 25 at page 36 of Audit Report, 1969—Non recovery of dues

12.44. A Sectional Officer was suspended on 29th June, 1962 for excess payment of Rs.16,860 (due to inflated measurements of earthwork in construction of Azar Kalitagaon road). He was re-instated in February, 1965. In March, 1965 the Chief Engineer ordered stoppage of three increments and stoppage of promotion as Subdivisional Officer for one year from the date of reinstatement of the Officer. Recovery of Rs.25,760 (Rs.16,860 for excess payment and Rs.8,900 for value of stock and tools and plant found short upto September, 1961) was also ordered. In addition, recovery for shortage of stock (value Rs.5,340) was also to be effected.

The Sectional Officer was promoted as Subdivisional Officer on 27th May, 1966. In August, 1966 it was found in Audit that the Officer had entertained Muster Roll labourers in excess of the sanctioned strength, the variation sometimes being 100 per cent. The amount ordered to be recovered remains unrealised as the Officer has not drawn pay from the date of promotion.

The matter was brought to the notice of Government by Audit in November, 1968, reply is awaited (March, 1969).

Out of the large sum due only a small part has so far (upto February, 1971) been recovered from him (Rs.825 from his non-gazetted bill, Rs.900 from his pay bill, for the period from the year 1968 to May, 1969 and Rs.1,050 from his pay bills for the period from August, 1970 to January, 1971. The Officer has not drawn his pay for the period from 27th May 1966 to 31st May 1968 and from June, 1969 to July, 1970.

12.45. The Committee wanted to know who has made the inflated measurements of earthwork in construction of the road ?

The Departmental witness replied that it was done during the incumbency of Shri D. C. Das, the then Sectional Officer in North lakhimpur Division.

12.46. Asked whether the Sectional Officer, who committed such a serious type of irregularities was promoted to the rank of S. D. O. P. W. D., the Secretary replied in the affirmative and said that the Sectional Officer was promoted as Sub-divisional Officer, P. W. D. on 27th May, 1966.

12.47. Asked what was the due date for his promotion to the rank of S. D. O., the Departmental witness said that his promotion was due in 1965. In March, 1965, the Chief Engineer ordered stoppage of promotion as Sub-divisional Officer for one year.

12.48. The Committee asked that out of the large amount due, what amount so far been recovered from him. The Departmental witness replied that total recovery made upto June, 1970 is Rs. 9,825.

12.49. Asked how many years he has got to retire the Departmental witness informed the Committee that he has got about 9 or 10 years to retire.

12.50. The Committee then wanted to know whether the Officer was given promotion to the rank of S. D. O. with the recommendation of the A. P. S. C. ? If he is selected by the A. P. S. C. whether all the facts were placed before the A. P. S. C. ? If not, on what consideration the authority ignored his past records ?

12.51. The Departmental witness simply said that this is the most complicated part of the case.

12.52. Asked whether the Government has investigated how he could do without drawing his pay for more than three years the Departmental witness replied that there is nothing on record to find the information. But the Officer has drawn his pay from June, 1968 to May, 1969. Arrear

pay bill for May, 1966 to May, 1968 and June, 1969 to July, 1970 submitted by the Officer were sent back to him for rectification. For not drawing pay for these periods, proceedings have been drawn against him. Then we appointed some enquiry Officer to go into the case. Then explanation was called for on 12th June 1972.

When asked what is the last date given for his explanation the Departmental witness explained that actually he was asked to submit his explanation within ten days on receipt of the order, but later on it was extended upto 5th August 1971.

RECOMMENDATIONS

12.53. The Department should complete the investigation and report to the Committee their findings and result of the said investigation within six months of the presentation of this Report to the House.

Paragraph 26 at page 36 of of the Audit Report, 1969—Extra expenditure

12.54. In Dibrugarh Roads and Buildings Division lowest tenders were not accepted during 1967-68 in seven groups of works for collection of gravel and earthwork. The lowest tenders were rejected on the ground that these rates being below the schedule rates of the Division were unworkable. Acceptance of higher tenders resulted in extra expenditure of Rs.35,700.

Government stated in November, 1968 that the Executive Engineer had been instructed to avoid such irregularity in future.

In one group the highest of 14 tenderers and in another the highest of the 12 tenderers who quoted for the work, were allotted the work resulting in extra expenditure of Rs.10,937. The instances also include that of work having been allotted to highest of the 13th tenderers (extra-expenditure Rs.4,160) to the 11th lowest tenderer (extra-expenditures, Rs.3,910 to 10th lowest tenderers (extra-expenditure, Rs.2,310, etc. In case of earthwork for Dhola Channel, of the 5 contractors submitting tenders, three quoted Rs.1.25 per C. M. against the estimated cost of Rs.2.90. The work was allotted to a contractor for Rs.2.61 per C. M. The estimated rate Rs.2.90 was arrived at by an addition of Rs.1.50 per C. M. on account of Forest Royalty.

12.55. The Committee wanted to know that if the judgement of the Executive Engineer is that the rates offered were below the schedule rates and were unworkable, how and why he could be instructed to avoid such irregularities in future.

12.56. The Departmental witness explained to the Committee that on presumption the Department had to finalise it. The Additional Chief Engineer, Eastern Zone was asked to investigate and report whether the

estimate was really inflated and whether the conclusion of the Executive Engineer regarding non-workability of the lowest tendered rate was genuine or motivated. The Additional Chief Engineer has reported that estimates were correct and not inflated. Hence, Executive Engineer's actions is considered to be regular.

12-57. Asked whether it is not suspicious that the rates quoted by all the 13 tenderers were unworkable the Departmental witness replied that in is very difficult to select contractors. There are some people who quote low rates only to get the contracts. There is always foul play. We cannot rely these contractors. They always try how they can get the contract at lower rate.

12-58. When asked how in this case did the Department ascertain the contractor whom the contract was awarded was a genuine one the Departmental witness informed the Committee that before awarding a contract to a person other than registered contractor, his financial position and ability, etc., are verified.

The Committee then asked why should the question of the Forest royalty arise in this case ?

12-59. The Departmental witness explained that the work is for collection of gravel and earthwork. For earthworks, there is no question of royalty. But for gravel, we have to give royalty now a days. Formerly it was free. Now it has been included.

12-60. The Accountant General, however, clarified the matter that in the schedule of rates the term like royalty should not be included.

Government stated in November, 1968 that the Executive Engineer had been instructed to avoid such irregularity in future, suitable action taken against this officers.

12-61. The Departmental witness informed the Committee that after enquiry, the Additional Chief Engineer (Now present Chief Engineer, Hills) reported that Executive Engineer's action was considered to be regular and estimates were correct. However, to avoid irregularities in allotting works to tenderers, instructions have been issued to all Executive Engineers with copies to the Superintending Engineers.

RECOMMENDATIONS

12-62. The Committee desired and therefore recommends that further enquiry should be made and the results of such enquiry should be intimated to the Committee within six months of the presentation of this report to the House.

PART II

**Recommendations, Remarks, Observations, etc.
On the Audit Report, 1969 Appropriation Accounts
1967-68 and Finance Accounts 1967-68**

PART II

RECOMMENDATIONS, REMARKS, OBSERVATIONS, ETC., ON
THE AUDIT REPORT, 1969, APPROPRIATION ACCOUNTS,
1967-68 AND FINANCE ACCOUNTS, 1967-68

POWER (ELECTRICITY) MINES AND MINERALS DEPARTMENT

Serial No.	Reference	Recommendations
(1)	(2)	(3)
1 General		<p>The Board is taking an advance and it has no sufficient profit to pay interest. On payment of the interest due to Government the surplus shown becomes not only perhaps nil but it will reveal a position of loss. The surplus position shown by the Department is incorrect and misleading. It is recommended therefore that when Government places something before the Committee or Assembly it must be based on facts. In spite of the earnest endeavour of making profit there may be loss.</p> <p>The organisation should, therefore, try to find out the causes leading to such loss and rectify the defects in order to earn profit in future instead of developing a tendency to hide things which is not only misleading to the House but harm most the organisation itself.</p>
2 Paragraph 58 (e) at page 57 of the Audit Report, 1969.		<p>The locomotives and trolleys as purchased by the Board at the cost of Rs.1.73 lakhs for Mechanical Division, Barapani in July, 1965 have been lying idle for six years. It has been stated by the Department that these are being utilised for the same purpose in another project. Though the Committee has nothing to comment further in this connections still it holds that the machineries purchased by the Board for some particular purposes should be used as such and in no circumstances they should not be allowed to remain idle.</p>
3. Paragraph 58(f) at page 58 of the Audit Report 1969.		<p>The Committee observed that in view of the recovery it would not pursue the matter further.</p>

Serial No.	Reference	Recommendations
(1)	(2)	(3)
3	Paragraph 58 (f) at page 58 of the Audit Report, 1969.	Regarding physical verification, the Chief Engineer, Assam State Electricity Board explained that works of all the units have not yet been completed and as the lodge A/C., etc., are not up-to-date they want to verify the stores and to find out the correct position. The Committee then asked the Department to send a note on physical verification to the Committee through the Accountant General.
4	Paragraph 58 (g) at page 58 of the Audit Report, 1969.	The law should not be applicable only on the common people. Unless Government gives specific directions the arrears should not be written off or exempted, and if necessary this should be taken up in the Secretariat level.
		A proper and a definite system was to be followed by the Board in consultation with the State Government for realising the arrears at an early date. The Department also would do well to inform the Accountant General about the concrete steps taken by the Board for realising these huge arrears from different Establishments and Industries within three months.
5	Paragraph 59 at page 58 of the Audit Report, 1969.	The Committee had to remain satisfied very reluctantly with the explanation of calculated risk which is said to have resulted in the saving of about 8 lakhs ultimately instead of any inflexible expenditure on this. Because after all it is yet to be seen whether the saving which was made by abandoning pre-cooling in the upper strata was justified or proper.
		The risk could have been taken after completion of pre-cooling as contemplated in the estimates as well. In that case the payment would have been at least regular leaving no scope for audit objection or any suspicion.
		The Committee, therefore, recommends that the Government should keep in view the estimates while executing works of the type in order to achieve a definite result.

Serial No.	Reference	Recommendation
(1)	(2)	(3)
6	Paragraph 60 at pages 58-59 of the Audit Report, 1969.	The Department/Board should see that such claims are preferred in due time in future.
7	Paragraph 61 at page 59 of the Audit Report, 1969.	When the Audit para is sent or the Audit report is printed the Departmental officers should carefully study them and they should come prepared before the Public Accounts Committee. It appears that the accounts maintained in the Board do not differ from the audit para. Now, it is for the Government to settle the matter. The Committee therefore recommends for an early settlement of the matter.

PUBLIC WORKS (F.C. & I. WING) DEPARTMENT

- 8 Paragraph 22 at page 35 of the Audit Report, 1969. The Committee observed that under paragraph 230 of the Public Works Department Code both the administrative approval and the technical section were necessary so that mere administrative approval without the technical sanction was as good as no approval at all and constitutes a case of clear violation of the Code. It is however understandable that sometimes such things happen due to certain unavoidable circumstances. But, then the order for starting such works should be taken in writing and the Audit Officer has to be informed immediately by the officer executing the work under para 316 of the Public Works Department Code.
The Committee therefore recommends that such cases of clear violation of the Public Works Department Code leading to spending crore of rupees should be scrupulously avoided in future even if unavoidable circumstances prevail. In such cases the Department should take up the matter with the Chief Secretary who, in turn, will take it up with the Chief Minister.
- 9 Paragraph 29 at page 27 of the Audit Report, 1969. Whenever might be the reason of rejection of any tender, the reason thereof must be recorded by the Department. The Department has the authority and also the wisdom to reject any tender but that should be done after recording the reasons in justification of their action.

Serial No.	Reference	Recommendation
(1)	(2)	(3)
		The Committee also finds that no action was taken against those contractors, who could not complete the work within the fixed time even after getting several extension.
		The Committee is, therefore, of the opinion that it was a pure case of discrimination costing much higher expenditure than the estimated cost. The Committee hopes that such discriminatory case will never recur in the Department in future.
10 Paragraph 30 at page 38 of the Audit Report, 1969.		The Committee finds that the agreement with the contractor being that he would supply boulders at the rate of Rs.51.40 per cubic meter, the forest royalty and monopoly fee being borne by him entirely it would have been quite natural to deduct the entire royalty and monopoly fee from his rate when the Department arrange with the Forest Department for making the collection free of these charges.
		The Committee, therefore, recommends that in future in such cases the entire amount of royalty and monopoly fee should be deducted from the contractor without fail or the rate should be fixed excluding the royalty, etc., so that the Forest Department can realise royalty, etc., from the contractor directly.
11 Paragraph 37 at pages 42-43 of the Audit Report, 1969.		The Committee opines to bring this case specifically to the notice of the Government as a pointer for future guidance and, if possible, for appropriate action against those who play with public responsibility and public money.
12 Grant No.44 at pages 70-76 of the Appropriation Accounts, 1967-68.		All these, the Department says, were urgent expenditure which could not be avoided for public interest and, therefore, the expenditure had to be incurred in excess of the grant. In view of this, the Committee recommends regularisation of the excess. But at the same time the Committee observes that in future the Department should be careful to see that excess expenditure is scrupulously avoided.
13 Note 3 of Serial 9 at page 72 of the Appropriation Accounts, 1966-67.		The Department has said that the Divisional Officers had been requested to submit the monthly accounts showing the break up. The Committee recommends that it should be followed up and see that the direction are respected by the Divisional Officers.

INDUSTRIES (MAJOR AND COTTAGE) DEPARTMENT

Serial No.	Reference	Recommendations
(1)	(2)	(3)
14 General		The Committee recommends that Government will do well to send boys for real training to take up the latest technic, find out the lacuna, remove them for industrial growth to a certain standard. The Committee also hopes that the mature projects like Ashok Paper Mill, Sugar Mill at Cachar, the Assam Alkali Allied and Chemicals and Assam Petro Chemicals will all go into production soon.

15 Paragraph 5(c) at page 8 of the Audit Report, 1969.	The Industries Department being a co-ordinating Department is to help the industries. After the loan is issued it should remain in constant touch with the loanee and watch the progress and to advise in the matter of industrialisation and the matter of repayment taken up at the right time. This Department is not a money-lending company. It has a definite purpose for issuing loan and it is the duty of the Department to make enquiry about the difficulties of the person who for some reason or other could not repay the loan in time. In base of T. Hussain for example who took Rs.17,000 from Industries Department, the Department ought to have the full informations with them including not only the whereabouts of the person but also the whereabouts of his industry—whether actually started and if so where—what is the progress of all that?
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After all the source of money is the poor people of the State. This Government's money has been given to some individual or some body with the definite purpose to industrialise the State. If this money is not utilise properly the purpose for which it has been given will not be fulfilled and the State will be lagging behind in respect of industrialisation. The Committee wants that this money should be paid back by the loanees with the purpose for which it was issued and the Department should be in full knowing to whom the money has been given and the purpose of industrialisation of the country is fulfilled.

Serial No.	Reference	Recommendations
(1)	(2)	(3)
		<p>The Committee further expresses its displeasure that far from knowing the actual position of the utilisation of the industrial loan, the Department even cannot give the important information regarding the defaulting loanees. So, the Committee recommends that the Departments after giving a loan to a particular industry should keep watch over its development.</p>
<p>16 Paragraph 14(b) at page 30 of the Audit Report, 1969.</p>	<p>The Committee finds that sometimes Finance Department send back the same proposal with queries more than once. They therefore recommend that whatever financial snags are there for which queries are made, all queries should be made at a time.</p>	
		<p>The Committee also finds that in these cases money was actually drawn in advance of requirements and whatever the explanation of the Department may be this action of the Department was irregular. The Committee do not like and encourage the fictitious entry in the cash book and do not find any reason as to why the officers concerned should be so reckless as to commit such kind of serious irregularity in accounts. The Committee therefore recommends the Government to stop recurrence of this future forthwith in future.</p>
<p>17 Paragraph 64 at page 60 of the Audit Report, 1969.</p>	<p>The Committee finds that the Government marketing shops often remain closed during business hours, when the other private shops keep them open. As a result the Government marketing shops incur losses and just remain a going concern. Until and unless there is some force or regulation on the staff, there will not be any appreciable improvement of the condition of the marketing shops</p>	
<p>18 Paragraph 68 at page 62 of the Audit Report, 1969.</p>	<p>The Assam Small Industries Development Corporation Limited up till now is a losing concern. During 1967-68 it incurred a loss of Rs.3.82 lakhs.</p>	
		<p>The Committee recommends that all possible steps should be taken to improve the position.</p>

Serial No.	Reference	Recommendation
(1)	(2)	(3)
		The Department should give a detailed report to reach the Committee within six months of presentation, of this report to the House about the present position of ceramic plant in which the Government provided the working capital and machinery.
19 Paragraph 69 at page 62 of the Audit Report, 1969.	The bamboo and Cane Mills unit of the Assam Small Industries Development Corporation Limited, suffered loss of Rs.3.70 lakhs upto 1966-67 and is giving continued loss ever since its establishment.	The Committee recommends that the Department should take a decision either to close down the unit in view of the continued loss or to take definite steps for its improvement. This sorry state of affairs should not be allowed to continue indefinitely.
20 Paragraph 79 and 80 at pages 70-72 of the Audit Report, 1969.	The Department should take all possible steps to settle all old items upto 1966-67 if necessary by mutual discussion with the Accountant General.	

21 Grant No.28 at page 49 of the Appropriation Accounts, 1967-68.	The Department should be more careful in future not to provide funds beyond its requirement. The Department should surrender the entire amoxnt of saving.
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ANIMAL HUSBANDRY AND VETERINARY DEPARTMENT

22 General	Agriculture and Cattle are indispensable and in separable. Both should be developed side by side. Veterinary Department shall have to play an important role. Without improving cattle, Agriculture cannot be thought of. Realising the importance the Depaatment will do well to take all possible steps to improve the lot of our cattle.
23 Paragraph 8 at pages 16-17 of the Audit Report, 1969.	The Department should submit a report to the Committee informing when these certificates were actually obtained by the Department. This report should reach within three months of the presentation of this report to the House.
24 Paragraph 18 at pages 31-32 of the Audit Report 1969.	Unless the plant is utilised to the fullest extant, the loss is inevitable. The plant therefore should be utilised to its fullest extent to earn profit.

Serial No.	Reference	Recommendation
(1)	(2)	(3)
25	Grant No.33 at pages 46-47 of the Appropriation Accounts, 1967-68.	The Department should keep in touch with the disbursing officers to obtain the figures of expenditure periodically to know the actual progress of expenditure. There should be a regular periodic review of the progress of expenditure to avoid anomaly in the budget at the end of the year.

MUNICIPAL ADMINISTRATION DEPARTMENT

26	Paragraph 55 at page 54 of the Audit Report, 1969.	The entire amount is a downright loss. It is to be found out who is responsible for it. Those who needed benefit, did not get the benefit. If the Municipal authority is found responsible, that department should be made to compensate the loss. The Committee think, this is a matter into which the Government should make a thorough enquiry and if the Municipal authority is found responsible, that department should be made to compensate the loss. The Committee think, this is a matter into which the Government should make a thorough enquiry and if the Municipal Board is found responsible for it, deserving measures from the Government side should be taken.
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The Committee also recommends that this should be done very quickly and the Government's findings in this respect should be reported to the Committee within six months of the presentation of this report in the House.

FISHERY DEPARTMENT

27	Paragraph 41 at page 46 of the Audit Report, 1969.	<p>(a) In respect of Bhati Lohit Kashikata Fishery the Secretary of the Fishery Department has assured the Committee that he will refer the matter to the Chief Secretary to the Government of Assam to take appropriate action in the matter. The Department should submit a report of the action taken in the matter to the Committee within six months of presentation of this report to the House.</p> <p>(b) Dhulidower Mohar Fishery—In respect of this fishery, in the opinion of the Committee, there is something very fishy in this matter. Those who are in high position should not deal matters in this way. The Committee disagree with the Government's action.</p>
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Serial No	Reference	Recommendations
(1)	(2)	(3)
28	Paragraph 44 at pages 48-49 of the Audit Report, 1969.	<p>In this case in respect of settlement of Fisheries (a) Goraimari, (b) Barpak and (c) Ganakdhobaidhuba even after the Audit pointed out the mistake in entries in the register leading to loss of Government revenue, the Government did not wake up. Rather, Government tried to justify the settlement by informing the Audit that the entries in the Registers were correct, that these offers were for a period of three years and not annual. This information was furnished by the Government to the Accountant General on the basis of a letter written by the Subdivisional Officer, Golaghat justifying his position. The Accountant General could have remained satisfied with this position of the Government. But, when a local verification was ordered, on verification, it was found that the Subdivisional Officer's explanatory letter was contrary to truth. It was only after this was intimated to the Government that the Government after a lapse of two years from the date of raising of audit objection, had decided to institute an enquiry through the Commissioner of Division who also was informed by the Accountant General, about this irregularity more than two years ago.</p> <p>In the premises, the Committee observes as follows :—</p> <p>The person or persons who made the entries in the register from the tenders were either guilty of Commission or neglect. The Subdivisional Officer was guilty of the lack of proper supervision and negligence. The Subdivisional Officer is further guilty of sending false information to the Government and thereby misleading the Government and justifying his wrong deed. Even if the original action of the Subdivisional Officer, might have been due to oversight or negligence, the second act on his part is definitely very serious and needs to be taken very seriously by the Government.</p> <p>Under Rule 46 of the Fishery, the Co-operative Fishery Societies are eligible for preferential treatment in the matter of settlement provided their tendered</p>

Serial No.	Reference	Recommendations
(1)	(2)	(3)
		<p>amount is not less than 60 per cent of the highest bid and they agree to raise the offer to the level of 7½ per cent below the highest bid.</p>
		<p>The Golabil fishery was settled by the Subdivisional Officer, Golaghat in March, 1967, with a fishermen's Co-operative Society for three years from 1967-68 at Rs.7,000 per year as against the highest bid of Rs.23,000 per year. The incorrect settlement of the fishery lease deprived Government of additional revenue of Rs.49,000 for the three year period. The Secretary of the Department told the Committee that this matter is under enquiry by the Commissioner of Plains Division.</p>
		<p>In the case of Elengmary fishery, the original offer was 10,000 but it was settled with Rs.8,000 without attestation of either by the tenderers or the officers who opened the tenders. The fishery was settled in March, 1967 for three years from 1967-68. In this way department suffered a loss of revenue of Rs.6,000 for three years.</p>
		<p>This is also a serious matter and subject matter of thorough enquiry.</p>
		<p>The office of the Accountant General is meant to assist the Government where there is any irregularities should brought to the notice of the Government. Government should take advantage of this. It is not that the Accountant General is an outside authority and it is a hostile authority which will lead us to worse. The Accountant General will help us in the matter of financial irregularities. Therefore, the constitution of India created the post of Accountant General and the Auditor General an independent body. This is necessary for a good Government. We should not be deprived of the services of the Accountant General.</p>

Serial No.	Reference	Recommendations
(2)	(2)	(3)
		<p>The Committee was very sorry to find that the Government remained silent for a long period. This is an utter callousness on the part of the Government and the Public Accounts Committee is really concerned about this sort of callousness on the part of the Government.</p>
		<p>Therefore, the Committee propose to write to the Chief Secretary to take serious and immediate steps against those settlement. Steps taken by the Chief Secretary will find place in the Committee's action taken report in due course.</p>
		<p>Asked whether the enquiry has by now been completed and whether Government have received the report the Secretary informed the Committee that it has not yet been received. This report also should be made available to the Committee for record in the action taken report of the Committee.</p>
<p>29 Grant No.22 at page 44 of Appropriation Accounts, 1967-68.</p>	<p>The department admitted that it was by mistake that they did not surrender. The expenditure should be watched carefully and the surrender saving statement prepared accurately in future so that the money can be spent somewhere else.</p>	

FOREST DEPARTMENT

- 30 General.
- When asked whether the Secretary would supply year-wise analysis of outstandings under the suspense the Secretary informed that he would check it up. The Committee now recommends that the department should supply the year-wise analysis of outstandings under the suspense within three months of the presentation of this report in the House.
- Again it was Accountant General expected that the department will prepare a *pro-forma* because the Government should not suffer loss. The Secretary said that it was a commercial operation. The Committee now recommends that the department would carry out a study on suspense accounts and prepare a *pro-forma*

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

Further, the Committee wanted to know the steps taken or to be taken by the department to make survey and make use of this unclassified forest. (Total unclassified forest in 1969-70 was 24.4 thousand square kilometers as against total forest area of 41.2 thousand square kilometers. The Chief Conservator of Forests, however, informed that they had already got a development scheme. The Committee now recommends that the department should submit a detailed report on this development scheme undertaken by them for information of the Committee and for better appreciation of the survey and how best the department propose to make use of this unclassified forest. The report should reach the Committee within six months of the presentation of this report to the House.

31 Paragraph 21 at page 34 of the Audit Report, 1969. Whatever the departmental explanation is, the fact remains that the building was constructed at Mathanguri contrary to the advice of the Planning Officer at a place subject to erosion because that was actually damaged by erosion. The department should be more careful in future and take a serious note of this loss as a lesson for their future guidance not to commit such error in judgment any more.

32 Paragraph 46 at page 48 of the Audit Report, 1969. It was a settlement by calling for sealed tenders and not a bid in auction. Every tenderer gave his rates once and for all. When that seal is broken and a man is given settlement at the highest bid which was offered by another tenderer, then the original notice in reality becomes inflexible.

The Secretary, Forests, however, wanted to justify this settlement and in his bid to do so referred to the recent ruling given by the High Court that there has been a recent ruling by the High Court that you cannot settle a mahal or a coupe at any bid other than the bid made by the person concerned. This is the latest position. But the department feel that preferences to these classes should perhaps

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

be given. They may go to the extend of amending the rules, as they feel that simultaneously they should also protect their revenue, if the party is able to accept at the highest bid. Then, of course, the mahal should be settled by tender-cum-auction.

But for the present, the Committee is not at all concerned with any amendment of rules by the Government. The High Court ruling is also very recent. This is a case at the time of settlement when there were no rules at that time. That was given on the basis of sale notice.

The Committee, therefore, held that Government should have a considered policy with regard to settlement of mahals, the real purpose of the constitution should be appreciated. The weaker section of the society should be protected on the point, the Secretary also expressed the Government's determined policy when he informed the Committee that he would like to give preference to weaker section even at the cost of Government's loss of revenue and with regard to suitability of a party belonging to scheduled castes and scheduled tribes. Secretary stated that sometimes Government uses its discretion.

The Committee, however, held emphatically that if the discretion goes wrong Secretary should not advise use of discretion. In this case the loss came about in a round about way, and that too form error of judgment of the department. The Government should have been told enough to settle these mahals to the Fourth highest bidder at his own bid. If it was at all settled on consideration of being a scheduled caste party. The loss if that way came it would have been understandable and the Committee also would have been in a position to appreciate that the loss came about for settlement giving preference to the scheduled caste party. But at that time the department even did not care to keep any

Serial No.	Reference	Recommendations
(1)	(2)	(3)
		<p>record to indicate the reasons for settlement with this bidder in preference to other higher bidders.</p> <p>Again at the resale stage, the Government Committed another error of judgment which the Secretary of the department also admitted that there was some error. The Secretary further admitted that the total loss of Government revenue of Rs.2,58,225.00 could have been avoided if 1st resale was acted upon in which case the difference of the sale value could have been realised from the original mahaldar in accordance with the terms of agreement.</p> <p>The Committee, therefore, held that the department is fully responsible for their error of judgment and for not avoiding the loss of revenue to the tune of Rs.2.58 lakhs even when they could have avoided and recommends that an enquiry to this scandal should be held by Government and fix the responsibility on the particular officer/officers responsible for the loss and adequately punished, if considered necessary. The enquiry report together with its findings and nature of punishment awarded should reach the Committee as and when completed. The enquiry should be completed within six months of the presentation of this report to the House.</p>
33	Paragraph 47 at pages 50-51 of the Audit Report, 1969.	The Committee recommends that in these matters our experienced executive should apply their mind. The Committee is, however, not at all happy to find Government incurring colossal loss in this case also.
34	Paragraph 48 at page 51 of the Audit Report, 1969.	The Committee held that it is necessary to pinpoint the responsibility. The Secretary also assured the Committee that he will go further into the question and that he has taken note of it.
		<p>The Committee further desired that a report containing details of further investigation by the Secretary, the results of such investigations including fixation of the responsibility, etc., should reach the Committee within three months of the presentation of this report to the House.</p>

Serial No	Reference	Recommendations
(1)	(2)	(3)
35	Grant No.53 at page 93 of the Appropriation Accounts, 1967-68.	The Committee observed that only the final saving of Rs.81,871 ought to have been surrendered and no fictitious amount should have been surrendered. It indicates lack of proper budgetary control on the part of the department. The Committee, therefore, recommends that the department should exercise proper control over the budget.

HOME (POLICE) DEPARTMENTS

- 36 Grant No.12 at pages 24-25 of the Appropriation Accounts, 1967-68.

The Committee finds that they are to recommend regularisation of the excess expenditure of Rs.24,52,606.

The excess expenditure is because of adjustments of certain debit relating to the year after the close of the year of which the department was not aware. Therefore, they could not keep fund in anticipation of the debit column. Hence, this excess expenditure is recommended to be regularised.

REVENUE DEPARTMENT

- 37 Paragraph 42 at page 47 of the Audit Report, 1969.
- According to rule 149 of the Assam Land Revenue Manual, Volume I, Mauzadars are required to remit their collection to the treasury at least once a month. Had there been appropriate and regular departmental check, it could not escape the notice of departmental officer entrusted with the work of supervision for such a long time. This shows the lack of periodical supervision over the collection of revenues as required under rule 50 of the Assam Land Revenue Manual, Volume I, by the Deputy Commissioners and Sub-divisional Officer concerned. The misappropriation of revenue by the Mauzadars has more or less become a regular feature. Some cases of similar type of misappropriation were mentioned in the Audit Report of 1968 also.

Serial No.	Reference	Recommendations
(1)	(2)	(3)
		The Committee recommends to the Government to conduct a general investigation to find out :—
		(i) factors responsible for such misappropriation ;
		(ii) lacuna in the departmental rules and regulations ;
		(iii) laxity on the part of supervisory staff facilitating the misappropriation ;
		and thereby to minimise the scope of misappropriation once for all so that there may not arise any such case at all in future.
38	Paragraph 43 at page 47 of the Audit Report, 1969.	The Committee is not interested to know who is responsible for what. The Committee cannot go on asking the Deputy Commissioner or the Subdivisional Officer concerned as to why he failed to cause the cash books to produce before the Audit. It is the duty and concern of the Government to see whether the Deputy Commissioners/Subdivisional Officers are functioning or not as they should.
		In this case, the Committee finds that cash book was not produced before the Audit. The Committee, therefore, recommends that cash books and other records should be produced before the Audit as and when demanded.
39	Grant No.50 at pages 89-90 of Appropriation Accounts, 1967-68.	In view of the explanation and assurances given by the department concerned that this will not recur in future. The Committee recommends that the excess be regularised.
40	Grant No.62 at page 102 of the Appropriation Accounts, 1967-68.	The presumption was not quite necessary when the budget provision can easily be made in the next year for the same purpose. The department should not commit irregularity of this type in future in anticipation of something because that something may never happen and thereby land, the department in difficulty.

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

HOUSING DEPARTMENT

11. Grant No.87 of page 126 of the Appropriation Accounts, 1947-68. When they failed to complete the Scheme, they are not entitled to get the money. The department should have decided in that line. Anyhow, the department will please complete the enquiry and submit a report of its findings to the Committee within three months of the presentation of this report to the House.

SUPPLY DEPARTMENT

42. Paragraph 72 at page 63 of the Audit Report, 1969. The Committee finds that Supply Department has nothing to show that the materials they despatched reached the destination. According to Revenue Reforms-Department, the quantities are not the same as claimed by the Supply Department. It requires some investigation because there may be some people in league with the Government employee who have stolen these goods. The Committee, therefore, recommends that both the departments should put their heads together and try to locate the responsibility. Those who are guilty should be appropriately dealt with.
43. Paragraph 73 at pages 63-64 of the Audit Report, 1969. For almost three years, records do not show any physical verification. The Committee, therefore, recommends that physical verification of stock should be done periodically and the shortage found, if any, should, be written off according to rules.
44. Paragraph 74 at page 64 of the Audit Report, 1969. The Committee felt that the Deputy Commissioner in not accepting the report of the District Animal Husbandry Officers has taken an arbitrary decision of his own. The report was given and a reference being made to them by the Civil Surgeon. If the Deputy Commissioner had any doubt of the report of the Civil Surgeon, he could have referred the matter to the higher specialised authority. It is open to suspicion that this unfit food-stuff had been actually given for human consumption.

Serial No.	Reference	Recommendations
(1)	(2)	(3)
		The department should not allow any Deputy Commissioner to take a decision over the experts to endanger the health of the people.
45 Paragraph 75 at page 64 of the Audit Report, 1969.		The department should take all possible steps to avoid such loss in future and watchful of the storage with greater care and with foresight.

PUBLIC WORKS (ROADS AND BUILDINGS) DEPARTMENT

46 Paragraph 22 at page 35 of the Audit Report, 1969.	These two works, viz., extension of the existing building at Chanakyapuri at New Delhi and construction of bund and approaches to the proposed bridges over the river Manas were done without observing the letter and spirit of Rule 268 of the Assam Financial Rules and Rule 314 of the Assam Public Works Department Code. The explanation given by the department that this was done on the basis of the rough estimates is not convincing. The department could not give by exact dates of the commencement of the works and the detailed technical sanction and estimates of part of the works even in spite of the Audit objections pending with them so long. The Committee is of the firm view that rules are there for observance and not breach and in future, the departments should scrupulously see that rules as they exist are observed.
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In connection with Assam House, Chanakyapuri, the department should furnish the following information to the Committee within three months of the presentation of this Report to the House.

The departmental witness in this connection assured that full facts of the case will be given later on :—

- (1) The date on which the work was started.

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

(2) The date on which detailed estimates were given and the dates on which sanction was accorded in respect of this work.

(3) Circumstances which warranted this sort of splitting up ?

(4) Under what Public Works Department Code or Financial Rule these were permitted ?

On five works, viz., three roads in the Rangia Division and one work in Chapaguri Division and another in Abhayapur Division were done in the relevant period. On these works, the excess expenditure over the sanctioned amount went to the extent of Rs.26.57 lakhs. The departmental witness states that the works being of urgent nature, the Executive Engineers concerned could not wait for sanction of revised estimates, though according to rules, this was a must. Even upto now, the revised estimates have not been sanctioned.

The department is now in contemplating to sanction completion certificates and therein to explain the situation. The expenditure on these works, being borne by the Government of India, the department hopes that the Government of India will grant the "export facto" sanction. This, in the opinion of the Committee, is a sad reflection on the department in regard to observance of the financial rules and the provisions of the Public Works Department Code. Even, if the Government of India agrees to grant 'export facto' sanction, this is not a cogent and valid ground for non-observance of the existing rules.

47 Paragraph 23 at page 35 of the Audit Report, 1969. In this case pertaining to Paragraph 23 the departmental witness now stated that after the Audit raised the objection with regard to the rejection of the lowest tenders, the officer concerned, viz., the Additional Chief Engineer, Eastern Zone,

Serial No.	Reference	Recommendations
(1)	(2)	(3)
		<p>Dibrugarh, pasted in the remarks column of the comparative statement a typed note explaining the reasons why the lowest tenderer or 2nd or 3rd lowest tenderer, as the case may be, were rejected and why the particular tenderers were offered the contracts at negotiated rates. This typed note is purported to be prepared from certain loose sheet of papers kept in the files and this has been, dated as 12th December, 1966. The Committee here wants to point out that the audit inspection was made in September, 1967 at which time this note did not appear in the comparative statement nor was the audit party shown, as is evident from the party's inspection note. The Audit party had sent their Inspection Note to the department on 30th January, 1968 and a copy thereof to the Government in the department the 19th April, 1968 and thereafter the dropped para of Audit objection on 2nd December, 1968. On receipt of these above three even, the department did not inform Audit about the existence of the said note sheet. The officer concerned wrote to the Government on 21st July, 1969 alleging existence of the said note sheet and the subsequent incorporation of a copy of that note in the comparative statement. In September, 1969 Government sent a copy of this to the Accountant General, The Committee, in this connection, comments as follows :—</p>

- (1) It is the comparative statement which should contain the reasons for acceptance or rejection of tenders. In this case, on the date of the acceptance of tenders. In viz., 12th December, 1966, this was non-existence in the comparative statement.

Serial No. (1)	Reference (2)	Recommendations (3)
		(2) In spite of three opportunities available to the department and as a matter of that, to the officer concerned, the existence of the alleged note sheet was not reported to Audit.
		(3) In the comparative statement where the purported copy of the alleged note sheet has been pasted, it is nowhere mentioned as to the date on which this was pasted and there is no remarks as to why it was not originally recorded and as to why this has been subsequently pasted.

In the circumstances, the Committee cannot accept this plea as genuine. It is a clear case of inter-polation. The officer concerned was a high-ranking officer and from such officers the higher amount of diligence and carefulness is expected. The Committee takes a serious view of the matter and draws the attention of the Government for appropriate action.

- 48 Paragraph 24 of the Audit Report, 1969. The Committee finds that in Jorhat Division the department have got arrears of Rs.39,863 in Tezpur Division Rs.64,864 ; Diphu Rs.19,918 ; Dhubri Rs.13,193 ; Dibrugarh Rs.24,131 ; Aijal West Rs.54,430 and so on. According to the list given by the department, Gauhati West is not included where there is an arrear of Rs.3,89,000.

In short, there are huge amounts of arrears lying unrealised. The total amount will exceed Rs.10 lakhs. Some of these are outstanding for the last 20 years. In one case, one of the senior most I.A.S. officers serving this Government had defaulted rent to the extent of over Rs.8,000 and in spite of reminders from the department he is not paying. Even the Treasury officer, Gauhati, has failed in his duty in realising the arrears. The Finance department may kindly note this and immediately pull up that Treasury officer. Government should take appropriate steps to realise the arrears from this officer as also all the outstandings without delay.

Serial No.	Reference	Recommendations
(1)	(2)	(3)
49	Paragraph 25 at page 36 of the Audit Report, 1969.	The department should complete the investigation and report to the Committee their findings and result of the said investigation within six months of the presentation of this Report to the House.
50	Paragraph 26 at page 36 of the Audit Report, 1969.	The Committee desired and, therefore, recommends that further enquiry should be made and the results of such enquiry should be intimated to the Committee within six months of the presentation of this report to the House.

APPENDIX I

List of Officers who were examined by the Public Account Committee

Serial No.	Designation of officers	Date of examination
(1)	(2)	(3)
1	Secretary to the Government of Assam in the Forest Department.	6th July, 1971.
2	Secretary to the Government of Assam in the Animal Husbandry and Veterinary Department.	7th July, 1971.
3	Secretary to the Government of Assam in the Municipal Administration Department.	2nd August, 1971.
4	Secretary to the Government of Assam in the Housing Department.	2nd August, 1971.
5	Secretary to the Government of Assam in the Fisheries Department.	3rd August, 1971.
6	Special Secretary to the Government of Assam in the Home (Police) Department.	5th August, 1971.
7	Secretary to the Government of Assam in the Revenue Department.	5th August, 1971.
8	Secretary to the Government of Assam in the Public Works Department (R. & B.)	6th August, 1971. 7th August, 1971. 9th August, 1971.
9	Secretary to the Government of Assam (F. C. & I.)	10th August, 1971. 27th August, 1971.
10	The Secretary to the Government of Assam in the Supply Department.	28th August, 1971.
11	Secretary to the Government of Assam in the Industries Department.	19th October, 1971. 20 October, 1971. 16th December, 1971.
12	Secretary to the Government of Assam in the Power (Electricity) Mines and Minerals Department.	27th December, 1971. 28th December, 1971.

Time devoted to each day's meeting

Date	Time of meeting	Date of examination
(1)	(2)	(3)
6th July, 1971 ...	10.30 hours to 12.30 hours	2 hours
7th July, 1971 ...	10.30 hours to 12.40 hours	2 hours 10 minutes
2nd August, 1971	11.00 hours to 12.30 hours 14.00 hours to 16.30 hours	4 hours
3rd August, 1971	11.00 hours to 12.30 hours	1 hour 30 minutes
5th August, 1971	11.00 hours to 12.30 hours 14.00 hours to 16.30 hours	4 hours
6th August, 1971	10.15 hours to 11.40 hours	1 hour 25 minutes
7th August, 1971	10.30 hours to 12.30 hours	2 hours
9th August, 1971	14.00 hours to 16.30 hours	2 hours 30 minutes
10th August, 1971	10.30 hours to 12.30 hours	2 hours
27th August, 1971	14.00 hours to 16.20 hours	2 hours 20 minutes
28th August, 1971	14.00 hours to 17.00 hours	3 hours
19th October, 1971	14.00 hours to 16.15 hours	2 hours 15 minutes
20th October, 1971	10.30 hours to 12.00 hours	1 hour 30 minutes
16th December, 1971	11.00 hours to 12.30 hours	1 hour 30 minutes
27th December, 1971	11.00 hours to 12.30 hours	1 hour 30 minutes
28th December, 1971	11.00 hours to 12.30 hours 14.00 hours to 16.30 hours	4 hours
Total ...		<u>37 hours 40 minutes</u>