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PAC-153



**COMMITTEE ON PUBLIC ACCOUNTS  
(2018-2021)  
HUNDRED AND FIFTY THIRD REPORT**

**(FOURTEENTH ASSEMBLY)**

**Report of the Committee on Public Accounts, Assam Legislative Assembly on the Report of the Comptroller and Auditor General of India (Civil) and Report of the Comptroller and Auditor General of India on Social, General and Economic (Non- PSUs) Sectors for the years 2008-2009 and 2014-2015 relating to Transformation and Development Department, Government of Assam.**

**Presented to the House on 26<sup>th</sup> July, 2019**

**Assam Legislative Assembly Secretariat,  
Dispur, Guwahati-6.**

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## COMPOSITION OF THE COMMITTEE

### Chairman :

1. Shri Rajdeep Goala

### Members :

2. Shri Prasanta Phukan
3. Shri Padma Hazarika
4. Shri Bir Bhadra Hajer
5. Shri Ritu Parna Baruah
6. Smti. Angoorlata Deka
7. Smti. Suman Haripriya
8. Shri Ramendra Narayan Kalita
9. Shri Utpal Dutta
10. Shri Rabiram Narzary
11. Shri Wazed Ali Choudhury
12. Shri Rekibuddin Ahmed
13. Hafiz Bashir Ahmed

### Secretariat :

1. Shri M.K. Deka, Principal Secretary
2. Shri M.K. Sarma, Deputy Secretary
3. Shri Thaneswar Deka, Under Secretary

## PREFATORY REMARKS

I, Shri Rajdeep Goala, Chairman, Committee on Public Accounts, Assam Legislative Assembly having been authorized to submit the report on its behalf present this HUNDRED AND FIFTY THIRD Report of the Committee on Public Accounts on the Audit paras contained in the Report of the C & AG of India (Civil) and Report of the C & AG of India on Social, General and Economic(Non-PSUs) Sectors for the years 2008-2009 and 2014-15 pertaining to Transformation and Development Department, Government of Assam.

2. The Report of the C & AG of India (Civil) and Report of the C & AG of India on Social, General and Economic(Non-PSUs) Sectors for the years 2008-2009 and 2014-15 was presented before the House on 2.3.2010 & 18.7.2016 respectively.

3. The Report mentioned above relating to the Transformation & Development Department was considered by the out going Committee (as an Annexure-I) in their sitting held on 12.7.2018 but could not be presented before the House owing to expiry of its term.

4. The 153<sup>rd</sup> Report of the Committee on Public Accounts was finalized and approved by the Committee in their sitting held on 11.07.2019.

5. The Committee wishes thanks to the outgoing Committee for their strenuous works. The Committee has also appreciated the valuable assistance rendered by the Principal Accountant General (Audit),

Assam and her Officers and staff during the examination of the Department.

6. The Committee thanked to the Departmental witnesses as well as Finance Department for their kind Co- operation. The Committee also pleased to offer thanks to the Principal Secretary, Assam Legislative Assembly along with the officers and staff of the Committee on Public Accounts Branch for their valuable services rendered to the Committee.

7. The Committee earnestly hope that the Government would implement the recommendations made in this Report.

Dispur :  
The 11<sup>th</sup> July, 2019.

**SHRI RAJDEEP GOALA,**  
Chairman  
Committe on Public Accounts.

## **The Report**

### **Transformation and Development Department Planning (Audit sub para 1.2.7/C & AG(Civil) /2008-2009)-P-26)**

- 1.1 The audit has pointed out the guidelines of MLAADS, each MLA should recommend works for his/her constituency upto the annual entitlement during the financial year within 90 days from the commencement of the financial year to the concerned district authorities. Further, special attention is to be given for development of infrastructure in areas inhabited by SC and ST population including areas affected by natural calamities. None of the DCs of the test-checked districts maintained records indicating the dates of receipt of recommendations from the MLAs, details of schemes commended, cost of each scheme and also the areas inhabited by SCs/STs covered under the scheme. During the exit conference the Department stated that the MLAs recommended the schemes in piecemeal. However, it did not state the reason for non-maintenance of records. In the ten sample districts, scrutiny of the recommendations revealed that the district authorities received recommendations of MLAs for 4,902 works valued at Rs. 28.17 crore, for 2004-09, with delays ranging between 5 and 682 days beyond the stipulated 90 days. Further as against the allotment of Rs. 96.90 crore during 2004-09 recommendations for 10,465 works, valued at Rs. 81.37 crore were received from the MLAs during the period. Recommendations for utilisation of balance allotment of Rs.

15.53 crore were not received as of March 2009. As a result, the unutilised balance was retained by the district authorities. Accepting the audit observation, the Department stated that MLAs would be requested to submit proposals for the entire allotted fund.

- 1.2 The department by their written reply has stated that according to MLAADS guidelines concerned MLA should recommend works for his/ her constituency upto the annual entitlement during the financial year within 90 days from the commencement of the financial year to the concerned district. Normally, funds for the particular financial year is sanctioned & released by the State Government during 3rd / 4th quarter of the financial year. After getting intimation of receiving the fund from the District Authority, the concerned MLA recommends the schemes from time to time within the financial year. Hence, the authority is not in a position to receive the recommendations within 90 days of the commencement of the financial year. While recommending the schemes by concerned MLA, SC/ST population is taken into consideration.

### **Observations / Recommendations**

- 1.3 The Committee recommended and suggested that the department should be more cognizant on releasing the sanctioned fund. So, the Government should be responsible to collect the information such as P & E, Completion Certificate, U.Cs, APRs, Photographs PPRs etc. from the district authority before hand. It is observed that the processes are being opted on tradition system so far. The

fund is received in the month of December/ January i.e. the last part of the financial year. So, the fund is not utilized during the end of the financial year. The recommendation should be received within the 90 days starting from the financial year. The Committee has also directed to the Department that the proposals of all the MLAs should be forwarded within the 1st quarter of the financial year and accordingly, fund be released in priority basis on time bound manner. This should be followed. Action taken in this regard may be intimated to the Committee within 30 days from the date of the presentation of the Report before the House.



**Prioritisation of projects**  
**(Audit sub para 1.3.7.2/C & AG(Civil) /2008-2009)-P-41-42)**

1.4 The audit has pointed out that the priority list for the projects required to be prepared as per guidelines of NLCPR before submission of proposals to the GOI, was prepared in PDD during 2002-09. It was seen that out of 659 projects included in the priority list during 2002-09, only 67 projects were approved for Rs. 479.58 crore for execution during 2004-09. The remaining 83 (53 percent) projects (out of 150 sanctioned projects) for Rs. 545.12 crore (Rs. 1024.70 crore - Rs. 479.58 crore) were approved without including in the priority list. The basis for selection of these 83 projects was not on record. Thus, the required procedure for selection and prioritization of projects was not followed. In the exit conference (October 2009), while accepting the audit contentions, the Nodal Department stated that all the approved projects were included in the priority list except one and furnished a revised list. But according to the earlier list submitted during audit, 83 projects for Rs. 545.12 crore were not included in the priority list. It appeared that maintenance of records by the Nodal Department was not very transparent. Further, in certain cases, prioritisation was unjustified as would be evident from the following example. The GOI approved (between May 2006 and March 2008 ) two RCC bridges over river Shantijan within 100 to 150 meter of each other viz, (i) Bridge No. 15/1 on Nagaon Bhuragaon Road with approaches for Rs.2.21 crore and (ii) Bridge No. 1/1 on Srimanta Shankardev Gavesona Kendra Road for Rs. 2.81 crore on the basis of approved DPRs and with the objective of connecting Nagaon and Bhuragaon leading to

Batadrava Satra. The first project was not included in the priority list. The executing agencies of the two projects were Nagaon State Road Division and Nagaon Rural Road Division respectively. As of March 2009, the physical progress of the two projects were 85 and 19 percent against financial progress of Rs. 1.62 crore and Rupees one crore respectively. As the objective of constructing both the bridges was to connect Batadrava Satra with Nagaon, there was no justification for constructing two bridges in such close vicinity of each other. Further, there existed a RCC foot bridge constructed by DRDA, in the same vicinity. Besides, these were rural roads connecting Batadrava village with Nagaon township having minimal traffic movement. Thus, the gap analysis was not done properly for identification, prioritization and approval of the second bridge at Rs. 2.81 crore, resulting in wasteful expenditure especially given the fact that many competing projects were awaiting approval and funding. In the exit conference (October 2009), the Nodal Department did not offer any comment.

- 1.5 The department by their written reply as well as oral deposition has stated that a State Level Committee for Non- Lapsable Central Pool of Resources was constituted vide PDP (PP) 14/2002/23 dtd. 06.11-2002 to scrutinize the project proposals submitted by concerned departments and to prioritize them for funding under NLCPR. Project proposals were examined and discussed in details in the Committee meeting prior to finalisation of projects to be included in the Priority List. Of the 172 projects approved from 2004-09, projects are from BTC packages which are outside the priority list. Of the remaining 131 approved projects, name of the projects approved during the years from 2004-05 to 2008-09.

## **Observations / Recommendations**

- 1.6 The Committee, expressed its dissatisfaction on the selection of projects as per guideline for meaningful implementation of NLCPR fund. The Project formulation provided in the scheme guideline was not adhered to in the State. Out of 172 projects approved by the Government of India (Gol), from 2004-2009, 131 projects were listed on Prioritization during the years from 2004-05 to 2008-09. 41 projects were not included in the priority list. The Govt. of India had created the NLCPR in 1998 with the aim of speeding up the execution of infrastructure projects in the North Eastern states. Since the State had not carried out a gap analysis the extend of achievement of the objective of reducing the gap between the required and available infrastructure facilities in the State and its impact on the economy and social fabric of the State could be assessed in audit. Therefore the Committee recommended and suggested that the Nodal Department should be ensured of project formulation and selection of projects as per guideline of NLCPR funds. Stringent inspection of all on going projects should be carried out regularly to ensure timely utilization of funds and source of intended benefits. Regarding releasing of funds, the Transformation & Development Department should be streamlined in a time bound manner for speedy implementation of the project on the part of State Government. And Monitoring and supervision of the projects should be strengthened at all levels to ensure that the projects are cruising in the planned direction at desired speed. The department should pay special attention on 'Transparency' by adopting participatory approach in selection of schemes. The T & D

department should be ensure on projects formation and selection of projects as per guideline of the NLCPR Fund strictly. Financial Management should be strengthened for optimum utilization of public fund and also monitoring mechanism should be strengthened both at State and district levels. Therefore, the Committee also suggested to the Transformation & Development Department to re-circulate the guideline of the MLAADS and NLCPR along with NESIDS. Action taken in this regard may be intimated to the Committee within 30 days from the date of the presentation of the Report before the House.

### **Payment in Cash**

**(Audit sub para 3.2.8.7/C & AG (SGE)(Non-PSUs)S /2014-2015) P-130)**

- 1.7 The audit has pointed out that GoA, Finance Department ordered (18 May 2013) to close all the accounts maintained by Drawing and Disbursing Officers (DDOs) with an instruction to make all payment directly to the recipient account. The P&D Department also instructed (22 May 2014) that no advance and cash payment should be made under any programme and funds are to be released only through Account Payee cheques by the construction Committee to Muster Roll Workers wherever they were engaged for. Prior to May 2013, payments in cash upto Rs.5000 only was permissible. Scrutiny of records of the implementing agencies of the test-checked districts revealed that, out of Rs. 58.03 crore received for implementation of works, Rs.43.75 crore (75 percent) was paid in cash (exceeding Rs. 5000 in each case) by 59 implementing agencies of seven test -checked districts (Appendix -3.3) during 2010-15 in violation of financial rules indicating lack of transparency in financial management.
- 1.8 The department by their written reply as well as oral deposition has stated that all the schemes under MLAAD fund are being executed through the BDO's of respective LACs and the fund of the schemes are released to the BDO's through A/C Payee cheques. No advance and cash payment are done. In turn, the BDO's submitted the UC's to the Deputy Commissioner after utilizing of the same. The modalities of fund release at BDO's

level is not know to Deputy Commissioner. However , the BDO's are instructed to follow the existing financial rules & norms while sanctioning fund from this end. It is assured once again that, the BDO's will be asked not to make any payment in cash and to pay directly to recipient A/C.

### **Observations / Recommendations**

- 1.9 The Committee expressed dissatisfaction on the violation of financial rules by paying in cash instead of cheque (A/C payee) payment leading to lack of transparency in financial management. The Finance Department Govt. of Assam ordered to close all the accounts maintained by the DDO with an instruction to make all payments directly to the recipient account. The T & D Department also instructed that no advance and cash payment should be made under any programme and funds are to be released only through Account Payee cheques.

Therefore, the Committee recommended and suggested that such occurrence should not happen in future and disciplinary action should be imposed on the responsible Officer(s), if found accountable.

### **Deficiencies in implementation**

**(Audit sub para 3.2.9.3/C & AG(SGE)(Non-PSUs)S/2014-2015) P-134-135)**

1.10 The audit has pointed out that according to the guidelines of MLAAD scheme, each MLA shall recommend works for his constituency up to the annual entitlement during the financial year, preferably within 90 days of the commencement of the financial year (This was changed to within the financial year from April 2012.) to the concerned District Authority for administrative approval and financial sanction based on the feasibility of the works. The works are to be sanctioned by the DCs within 45 days from the date of recommendations by the MLAs, subject to availability of funds. It is mandatory to verify the feasibility of the works before its sanction. The guidelines of the scheme prohibited execution of works like construction of office building, private schools, repairs and maintenance of any type, creation of asset for individual benefit, construction of religious structures, grants in aid to individuals or groups of people. As per sanction order, the works were to be completed within 15 to 180 days from the date of sanction. Deficiencies relating to implementation of the scheme noticed in audit are discussed in the succeeding (i) Recommendations not received timely : in six out of eight test checked districts, despite availability of funds with the district authorities, recommendations of works from 35 MLAs against the available fund of Rs. 30.16 crore during the years 2013-14 and 2014-15 respectively were not received by the concerned DCs as of March 2015. This indicated the inability on the part of the MLAs to initiate timely selection of the works for the benefit of the population. However, recommendation of 581 works for

the entire allotted amount of Rs. 15.00 crore for the year 2014-15 were received from 16 MLAs by the DCs of four districts. (ii) Sanction Pending : In seven out of eight test checked districts, 964 recommended works valuing Rs. 17.88 crore for the period 2010-15 were not sanctioned as of 31 March 2015 as shown in below . In Sonitpur, however, all the 2156 recommended works were sanctioned during 2010-15.

**Table 3.6 : Position of works pending sanction**

(in lakh)

| Sl. No.   | District      | Name of Constituencies | No. of works Recommended |                  | No. of works sanctioned |                  | No. of works not sanctioned |                  |
|-----------|---------------|------------------------|--------------------------|------------------|-------------------------|------------------|-----------------------------|------------------|
|           |               |                        | No.                      | Estimated amount | No                      | Estimated amount | No                          | Estimated amount |
| 1         | Barpeta       | Chenga                 | 55                       | 227.00           | 32                      | 121.00           | 23                          | 106.00           |
| 2         |               | Jania                  | 255                      | 324.80           | 157                     | 214.15           | 68                          | 110.65           |
| 3         |               | Barpeta                | 469                      | 284.50           | 435                     | 264.75           | 34                          | 19.75            |
| 4         |               | Baghbar                | 171                      | 317.70           | 163                     | 301.00           | 8                           | 16.70            |
| 5         |               | Bhawanipur             | 353                      | 329.70           | 346                     | 312.70           | 7                           | 17.00            |
| 6         |               | Patacharkuchi          | 260                      | 310.83           | 249                     | 296.33           | 11                          | 14.50            |
| 7         |               | Sorbhog                | 296                      | 323.95           | 246                     | 274.35           | 50                          | 49.60            |
| 8         |               | Sarukhetri             | 285                      | 329.75           | 284                     | 329.25           | 1                           | 0.50             |
| Sub-total |               |                        | 2114                     | 2448.23          | 1912                    | 2113.53          | 202                         | 334.70           |
| 9         | Nowgaon       | Batradava              | 249                      | 266.58           | 192                     | 189.90           | 57                          | 76.68            |
| 10        |               | Samaguri               | 336                      | 299.87           | 325                     | 293.59           | 11                          | 6.28             |
| 11        |               | Hojai                  | 243                      | 380.00           | 221                     | 280.00           | 22                          | 100.00           |
| 12        |               | Barhampur              | 320                      | 329.02           | 297                     | 298.07           | 23                          | 30.95            |
| 13        |               | Dhing                  | 328                      | 287.74           | 319                     | 267.69           | 9                           | 20.05            |
| 14        |               | Yamunamukh             | 335                      | 270.90           | 308                     | 249.50           | 27                          | 21.40            |
| 15        |               | Kaliabor               | 382                      | 308.00           | 381                     | 303.00           | 1                           | 5.00             |
| 16        |               | Lumding                | 329                      | 380.00           | 264                     | 280.00           | 65                          | 100.00           |
| 17        |               | Sadar                  | 179                      | 238.24           | 144                     | 179.69           | 35                          | 58.55            |
| 18        |               | Raha                   | 493                      | 373.50           | 461                     | 308.70           | 32                          | 64.80            |
| 19        |               | Rupahihat              | 269                      | 330.00           | 226                     | 230.00           | 43                          | 100.00           |
| Sub-total |               |                        | 3463                     | 3463.85          | 3138                    | 2880.14          | 325                         | 583.71           |
| 20        | Karbi Anglong | Howraghat              | 93                       | 330.00           | 90                      | 323.00           | 3                           | 7.00             |
| 21        |               | Diphu                  | 200                      | 339.50           | 191                     | 305.00           | 9                           | 34.50            |
| 22        |               | Bokajan                | 184                      | 280.00           | 182                     | 277.00           | 2                           | 3.00             |
| 23        |               | baithalangso           | 62                       | 360.00           | 43                      | 210.00           | 19                          | 150.00           |
| Sub-total |               |                        | 539                      | 1309.50          | 506                     | 1115.00          | 33                          | 194.50           |



|           |           |                |      |          |      |          |     |         |
|-----------|-----------|----------------|------|----------|------|----------|-----|---------|
| 24        | Cachar    | Katigorah      | 435  | 380.00   | 384  | 330.00   | 51  | 50.00   |
| Sub-total |           |                | 435  | 380.00   | 384  | 330.00   | 51  | 50.00   |
| 25        | Kokrajhar | Kokrajhar East | 148  | 377.40   | 111  | 294.70   | 37  | 82.70   |
| 26        |           | Kokrajhar West | 270  | 381.20   | 201  | 267.20   | 69  | 114.00  |
| 27        |           | Gossaigaon     | 164  | 379.40   | 138  | 291.70   | 26  | 87.70   |
| Sub-total |           |                | 582  | 1138.00  | 450  | 853.60   | 132 | 284.40  |
| 28        | Dibrugarh | Duliajan       | 282  | 379.40   | 208  | 269.00   | 74  | 110.40  |
| 29        |           | Moran          | 333  | 340.00   | 317  | 310.00   | 16  | 30.00   |
| 30        |           | Dibrugarh      | 545  | 379.40   | 536  | 374.00   | 9   | 5.40    |
| 31        |           | Lahowal        | 296  | 379.40   | 246  | 314.80   | 50  | 64.60   |
| 32        |           | Chabua         | 102  | 131.20   | 101  | 130.08   | 1   | 1.12    |
| 33        |           | Tingkhong      | 309  | 379.40   | 283  | 329.70   | 26  | 49.70   |
| 34        |           | Naharkatia     | 186  | 279.70   | 184  | 277.20   | 2   | 2.50    |
| Sub-total |           |                | 2053 | 2268.50  | 1875 | 2004.78  | 178 | 263.72  |
| 35        | Dhubri    | Mankachar      | 148  | 329.88   | 147  | 326.88   | 1   | 3.00    |
| 36        |           | Gauripur       | 181  | 367.16   | 140  | 298.48   | 41  | 68.68   |
| 37        |           | Golakganj      | 180  | 376.87   | 179  | 371.87   | 1   | 5.00    |
|           |           | Sub-total      | 509  | 1073.91  | 466  | 997.23   | 43  | 76.68   |
|           |           | Total          | 9695 | 12081.99 | 8731 | 10294.28 | 964 | 1787.71 |

1.11 The department by their written reply has stated that there is no pendency of schemes in regards to sanctioning with effect from 2010-2015 in the district. The land document/ NOC of land are ensured prior to sanction / fund release. Considering the durability, construction of earthen road / kachha road is not encouraged. Preferences are given for construction of box culvert, C.C. block pavement, sand graveling or metalling in case of road schemes.

### **Observations / Recommendations**

1.12 The Committee recommended and suggested that installation of HTW/ T.Ps etc. it is clear that no individuals have been considered to give the benefit. Community benefit should be given prime important. The name of individual (s) is / are made custodian of HTW/ T.P etc only. So, to install any such HTW/TP in a private land / property considering local felt need, necessary NOC, Agreement etc. will be obtained from the owner of the land in future. The para is considered as dropped.

## **Annexure-I**

### **COMPOSITION OF THE OUT GOING COMMITTEE (2016-2018)**

#### **Chairman :**

1. Shri Rajdeep Goala

#### **Members :**

2. Shri Prasanta Phukan
3. Shri Padma Hazarika
4. \* Shri Pijush Hazarika
5. Shri Bir Bhadra Hagjer
- 6.\* Shri Topon Kumar Gogoi
- 7.\* Shri Bhabesh Kalita
8. Shri Ramendra Narayan Kalita
9. Shri Utpal Dutta
10. Shri Rabiram Narzary
11. Shri Wazed Ali Choudhury
12. Shri Rekibuddin Ahmed
13. Hafiz Bashir Ahmed

**\*Ceased the Memberships from the Committee for inclusion to  
the Council of Ministers w.e.f. 26th April, 2018.**