

THIRTEENTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE
ON
PUBLIC ACCOUNTS
(2014-2016)**

ONE HUNDRED AND TWENTIETH REPORT

(Presented on 18th February, 2016)



**SECRETARIAT OF THE KERALA LEGISLATURE
THIRUVANANTHAPURAM
2016**

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**COMMITTEE
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(2014-2016)**

ONE HUNDRED AND TWENTIETH REPORT

on

**Action Taken by Government on the Recommendations contained in the
19th Report of the Committee on
Public Accounts (2011-2014)**

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COMMITTEE ON PUBLIC ACCOUNTS (2014-2016)

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Smt. A. K. Shaila, Deputy Secretary

Shri G. P. Unnikrishnan, Under Secretary.

INTRODUCTION

I, the Chairman, Committee on Public Accounts, having been authorised by the Committee to present this Report, on their behalf present the 120th Report on Action Taken by Government on the Recommendations contained in the 19th Report of the Committee on Public Accounts (2011-2014).

The Committee considered and finalised this Report at the meeting held on 15th February, 2016.

Thiruvananthapuram,
18th February, 2016.

DR. T. M. THOMAS ISAAC,
Chairman,
Committee on Public Accounts.

REPORT

This Report deals with the Action Taken by Government on the recommendations contained in the Nineteenth Report of the Committee on Public Accounts (2011-14).

Nineteenth Report of the Committee on Public Accounts (2011-14) was presented to the House on 13th December, 2012. The Report contained 4 recommendations relating to various Departments. The Report was forwarded to the Government on 22nd January, 2013 to furnish the Statement of Action Taken on the recommendations contained in the report and final reply was received on 16th February, 2015.

The Committee examined the Statements of Action Taken received from Government at its meetings held on 27-8-2013, 23-7-2014, 18-2-2015 and 17-6-2015 and decided not to pursue further action on the recommendations in the light of the replies furnished by Government. Such recommendations and Government replies are incorporated in this report.

LOCAL SELF GOVERNMENT DEPARTMENT

Recommendation

(Sl. No. 1, Para No. 9)

Noting that the excess expenditure incurred is due to the double drawal of the same amount by the Director of Urban Affairs and Secretary, Cochin Corporation, the Committee expresses its displeasure over the serious irregularity committed by the Department and directs the Department to take measures to avoid such errors in future.

Action Taken

On this recommendation Director of Urban Affairs Department and Secretary, Kochi Municipal Corporation were requested to take utmost care to avoid such errors in future. The amount ₹ 2.64 crore received additionally during 2004-05 by the Cochin Municipal Corporation were recovered from their General Purpose Fund by the Director of Urban Affairs Department. And in the succeeding years the concerned Officers are keeping the records with care. At present the allotments are accounted by the Treasury on receipt of Treasury Copy of the Letter of Authority. Thus the possibility of double drawing is avoided.

PUBLIC WORKS DEPARTMENT**Recommendation**

(Sl. No. 2, Para No. 10)

The Committee disapproves the contention of the Department that the funds obtained as loans for projects like KSTP, CRF, NABARD, TRAP, TPP etc. could be reappropriated for regularisation of excess expenditure and directs that the Department should be more attentive in submitting bona fide and reliable explanation for excess expenditure.

Action Taken

All the Chief Engineers in PWD were instructed to take care while utilizing the funds in the respective Head of Account and to take utmost attention to assure that no excess expenditure on budget provision are incurred. And also directed that no proposal for re-appropriation for the fund earmarked for KSTP, CRF, NABARD etc. should be forwarded to Government in future. Circular issued in this regard is (No. 19951/C1/2013/PWD. dated 6-6-2014) enclosed.

Recommendation

(Sl. No. 3, Para No. 11)

The Committee generally expresses its utmost displeasure to the Social Welfare Department, Revenue Department, Planning and Economic Affairs Department, Health and Family Welfare Department which showed evident dereliction of duty by not submitting notes explaining reasons for excess expenditure over a decade. The Committee warns that such practices shall not be entertained in future.

Action Taken by the Government**SOCIAL WELFARE DEPARTMENT**

This Department has noted the remarks for future guidance and has assured that efforts will be taken not to repeat it in future.

REVENUE DEPARTMENT

The delay in submitting the report to PAC on the reason for excess expenditure of ₹ 21,12,10,533 from Calamity Relief Fund, in 1995-96 financial year, was due to delay in getting reports from the concerned District Collectors. Delay of one decade is not justifiable. However, all possible efforts shall be made to avoid such delays in future.

PLANNING AND ECONOMIC AFFAIRS DEPARTMENT

As per letter No. 8339/P/04/Plg. dated 19-5-2011, 40 final copies of the Notes for regularization of excess expenditure under Grant XXVIII for the year 1990-91 duly vetted by audit had been forwarded to Legislature Secretariat.

HEALTH AND FAMILY WELFARE DEPARTMENT

The observation of the Committee will be taken into consideration and such delays will be avoided in future. The excess expenditure has been regularised by SDG/Re-appropriation.

FINANCE DEPARTMENT

Recommendation

(Sl. No. 4, Para No. 12)

The Committee also directs the Finance Department to take urgent steps to ensure that the Departments which failed to furnish explanatory notes on reasons for excess expenditure disclosed in Appropriation Accounts of various years submit the same without further delay.

Action Taken

Finance Department has taken earnest efforts to settle pending cases of excess expenditure mentioned in Appropriation Accounts. Circular Nos. 61/2009/Fin. dated 30-7-2009, 64/10/Fin. dated 7-7-2010 and 91/2010/Fin. dated 3-11-2010 were issued directing the Administrative Department to furnish the explanatory notes on the reasons of excess expenditure disclosed in

Appropriation Accounts urgently. Persistent follow-up action has been taken by Finance Department through reminders and D.O. letters. Moreover in all AMC meetings of Finance Department, Chief Secretary's Apex Committee Meeting the cases of excess expenditure is a permanent item for discussion. As a result of these efforts all long pending excess expenditure up to 2010-11 were cleared. All cases for furnishing notes for regularization of excess expenditure mentioned in Appendix II of 19th report of PAC (2011-14) an amount of ₹ 144,96,11,881 final vetted notes for regularization have been forwarded to Legislature. The excess expenditure over voted Grants/charged Appropriation for the year from 1990-91 to 2009-10 as detailed in paragraphs 8 of the Report and also recommended by PAC for regularization, action is being followed in the Finance Budget Wing for regularizing the same in SDG/Budget as the case may be. Of the 17 cases of excess regularization as disclosed in Appropriation Accounts for the year 2011-12. 10 cases of final vetted notes have been forwarded to Legislature and action is being taken on the remaining 7 cases. Finance Department will strive hard to see that all the pending cases of excess regularization are cleared as early as possible.

Thiruvananthapuram,
18th February, 2016.

DR. T. M. THOMAS ISAAC,
Chairman,
Committee on Public Accounts.

APPENDIX
GOVERNMENT OF KERALA

Public Works (C) Department

CIRCULAR

No. 19951/C1/2013/PWD.

Dated, Thiruvananthapuram, 6th June, 2014.

Public Accounts Committee (PAC) in its 19th report (2011-14), disapproved the contention of this department that the funds obtained as loans for projects like KSTP, CRE, NABARD, TRAP, TPP etc. could be reappropriated for regularization of excess expenditure. Considering the recommendations of PAC, all the Chief Engineers and Head of the Departments in PWD are strictly instructed to take utmost care while utilizing the funds on the respective Head of Account and utmost attention should be taken that no excess expenditure over budget provisions are incurred. It is also directed that no proposal for re-appropriation for the fund earmarked for KSTP, CRE, NABARD etc. shall be forwarded to Government in future. Any deviation from the directions would be viewed seriously.

T. O. SOORAJ,
Secretary to Government.

To

All Chief Engineers in PWD.
All Head of the Departments in PWD.
Finance Department.
Website, Stock File/Office Copy.

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