

**FOURTEENTH KERALA LEGISLATIVE ASSEMBLY**

**COMMITTEE  
ON  
PUBLIC ACCOUNTS  
(2016-2019)**

**THIRTY NINTH REPORT.**  
(Presented on 3rd December, 2018)



**SECRETARIAT OF THE KERALA LEGISLATURE  
THIRUVANANTHAPURAM**

**2018**

**FOURTEENTH KERALA LEGISLATIVE ASSEMBLY**

**COMMITTEE  
ON  
PUBLIC ACCOUNTS  
(2016-2019)**

**THIRTY NINTH REPORT**

**On**

**Action taken by Government on the Recommendations contained  
in the 159th Report of the Committee on Public Accounts  
(2008-2011)**

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**COMMITTEE ON PUBLIC ACCOUNTS  
(2016-2019)**

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**Shri A. Jafar Khan, 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 39th Report on Action Taken by Government on the Recommendations contained in the 159th Report of the Committee on Public Accounts (2008-2011).

The Committee considered and finalised this Report at the meeting held on 3-12-2018.

Thiruvananthapuram,  
3rd December, 2018.

V. D. SATHEESAN,  
Chairman,  
Committee on Public Accounts.

## **REPORT**

This Report deals with the Action Taken by Government on the recommendations contained in the 159th Report of the Committee on Public Accounts (2008-2011).

The 159th Report of the Committee on Public Accounts (2008-2011) was presented to the House on 23rd February 2011. The Report contained recommendations on excess expenditure relating to Higher Education, Finance and Various Departments. Government was addressed on 1-3-2011 to furnish the statements of Action Taken on the recommendations contained in the Report and the final reply was received on 10-6-2015.

The Committee considered the Action Taken Statements at its meetings held on 15-2-2012, 15-5-2012, 17-10-2012, 29-12-2014 and 17-10-2017 and decided not to pursue further action on the recommendations.

The recommendations and the Action Taken by Government are incorporated in this Report.

### **HIGHER EDUCATION DEPARTMENT**

#### **Recommendation**

*(Sl. No. 1, Para. No. 8)*

The Committee criticises the department for taking more than fifteen years to intimate the reasons for the excess expenditure which could have well been submitted within one week of the Court's direction.

#### **Action Taken**

Various administrative procedures for preparing and vetting the note for regularization of expenditure for Appropriation for 1993-94 caused delay in submitting the notes before the committee. There was no willful negligence on the part of the Department in submitting notes. Therefore, it is requested that the committee may kindly condone the delay occurred in submitting the notes.

**FINANCE DEPARTMENT****Recommendation***(Sl. No. 2, Para. No. 9)*

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

**Action Taken**

Finance Department had already issued circular No. 61/2009/Fin. dated 30-7-2009 (Annexure I) No. 64/10/Fin. dated 7-7-2010 (Annexure II), and No. 91/2010/Fin. dated 3-11-2010 (Annexure III) and five D.O. Letters at the level of Secretary (Finance Expenditure) since 2009, Six U.O. Note and number of reminders instructing the Administrative Departments to settle Appropriation Accounts of excess expenditure for that matter in PAC reports. The latest letter issued is on 21-11-2011. Besides review meetings chaired by Secretary (Finance Expenditure), AMC Meeting chaired by Principal Secretary (Finance) have been conducted with Head of Departments in a scheduled intervals also to expedite action. We have already conducted six review meetings on various months i.e., 20-1-2011, 3-3-2011, 7-6-2011, 2-9-2011, 30-11-2011 and 6-12-2011 chaired by Secretary (Finance Expenditure) and two AMC Meetings on 4-4-2011 and 23-9-2011 chaired by Principal Secretary (Finance) in the current year considering the importance of the matter. In the Apex Committee Meeting held on 28-4-2011 it was decided that the review of pendency regarding various Legislative Committee reports/recommendations would be a regular agenda item in the Chief Secretary's monthly meetings with the Secretaries. In addition to the meeting on 28-4-2011, an Apex Committee Meeting was held on 15-11-2011 and 29-12-2011.

As a result of persistent follow up action on the part of Finance Department the notes on regularization of excess expenditure in respect of all items shown in Appendix II of the report has been cleared, except Grant No. XVII, Education, Sports, Arts & Culture for 2003-2004. The notes in respect of above has been forwarded to the office of Accountant General on 16-11-2011 for vetting. Finance Department will work its nerve end to see that the PAC/PUC/Audit Paras are cleared as early as possible.

### VARIOUS DEPARTMENT

#### **Recommendation**

*(Sl. No. 3, Para. No. 10)*

The Committee also insists upon the respective departments to submit the notes explaining the reasons for excess expenditure, duly affixing the necessary certificate in respect of items mentioned in Appendix II within two weeks of presentation of this Report.

#### **Action Taken**

### HIGHER EDUCATION DEPARTMENT

Forty copies of the notes explaining reason for excess/savings in the Appropriation Accounts for 2003-04 under Grant No. XVII, duly vetted by the Audit, has been forwarded to Legislature Secretariat as per Lr. No. 46491/P/2010/H. Edn. Dated, 15-6-2012 with copies to Principal Accountant General and Finance Department.

### SOCIAL JUSTICE DEPARTMENT

Notes for Regularization of Excess/Savings for the years 1998-1999 & 2000-2001 under Grant No. XXV duly vetted by Audit have already been forwarded to Legislature vide Lr. No. 10067/A3/10/SWD dated 18-5-2011.



## SCHEDULED CASTES/SCHEDULED TRIBES DEVELOPMENT DEPARTMENT

The Final copy of notes explaining the reason of excess expenditure for the year 1998-99 and 2000-01 are already furnished to Legislature Secretariat.

### HOME DEPARTMENT

40 copies of the notes for regularization of excess expenditure, under Grant No. XII (Revenue Voted & Capital Voted) contained in the Appropriation Accounts for the year 2008-2009, duly vetted by Audit on 12-1-2011, have been furnished to Legislature Secretariat on 28-2-2011 vide Government Lr. No. 20312/E4/2010/Home.

### TOURISM DEPARTMENT

Tourism department has already furnished the notes explaining the reasons for excess expenditure as mentioned in Appendix II, for an amount of ₹ 1,27,72,873 after affixing the necessary certificate to Secretary, Kerala Legislative Assembly vide Government letter No. 20635/C3/2008/TSM dated 4-6-2011.

### PLANNING & ECONOMIC AFFAIRS DEPARTMENT

Forty copies of the Notes for regularization of excess expenditure pointed out in the 64th Report for the year (1990-91) under Grant No. XXVIII—Miscellaneous Economic Services duly vetted by Audit was submitted to the PAC on 19-5-2011 as per Government letter No. 8839/P/04/Plg.

### TAXES (REGISTRATIONS) DEPARTMENT

It is submitted that the notes for regularization of excess expenditure under Grant No. VII—Stamps and Registration for the year 2008-2009 have already been forwarded to the Legislature Secretariat on 16-4-2011 vide Govt. letter No. 9414/E3/2010/TD dated 4-4-2011.

### PUBLIC WORKS DEPARTMENT

In the Appendix II enclosed along with the Audit Observation, the notes explaining the reasons for expenditure for the year 2008-09 pertaining to PWD was

shown as pending. But it is submitted that the notes for the same was already been furnished on 18-11-2011 vide Government letter No. 7065/C1/11/PWD to the Secretary, Kerala Legislative Assembly.

#### WATER RESOURCES DEPARTMENT

Notes explaining the reasons for excess expenditure under Demand No. XXXVIII in the Appropriation accounts for 2008-09 after incorporating the remarks pointed in Audit for incorporation has already been forwarded to the Legislature Secretariat vide Government letter No. 6779/P1/10/WRD dated 19-3-2011.

#### TRANSPORT DEPARTMENT

The notes explaining reasons for excess expenditure under Grant No. IX (Taxes on Vehicles) Revenue (Voted) for the year 2008-2009 duly vetted by the Audit and affixing the necessary certificate has been forwarded to the Legislature Secretariat vide Govt. letter No. 2960/B2/2010/TRAN, dated 22-2-2011. The Accountant General vide Lr. No. Report (Civil/PAC)/8-Excess/08-09-171 dated 11-3-2011 has suggested certain more corrections in the note. Therefore 40 copies of the revised note as suggested by Accountant General was forwarded to the Legislature Secretariat vide Government letter No. 3539/B2/2011/Tran. Dated 16-5-2011.

#### REVENUE DEPARTMENT

Twenty five copies of the notes for regularization of excess expenditure pointed out in the 64th Report for the year (1990-91) under Grant No. XXVI and XI contained in the appropriation accounts for years 1995-96, 2001-2002 and 2003-2004 have already been furnished to Legislature Secretariat.

Thiruvananthapuram,  
3rd December, 2018.

V. D. SATHEESAN,  
Chairman,  
Committee on Public Accounts.

## ANNEXURE I

GOVERNMENT OF KERALA  
Finance (PAC) Department  
CIRCULAR

No. 61/2009/Fin.

Dated, Thiruvananthapuram, 30th July, 2009.

*Sub:*—Recommendation of Committee on Public Accounts (2006-2008)—60th Report (Para 21)—Regularisation of excess over voted grants and charged Appropriation—Instructions issued.

As per Circular No. 11/82/Fin. dated 17-8-1982 new procedure was issued to regularize the excess expenditure over voted grants or charged Appropriations for regularisation and it was instructed to reconcile the departmental figures of expenditure with those booked by Accountant General as soon as the Appropriation account of any year and the connected Audit Report are placed on the Table of the House and in any case within a period of 3 months from the date of presentation. The Departments of Secretariat should forward to the Legislature Secretariat notes explaining reason that lead to the excess after getting them vetted in Audit. Again vide Circular No. 89/08/Fin. dated 19-12-2008, it was directed to forward the notes on excess regularisation for the pending periods.

The Committee on Public Accounts (2006-2008) in Para 21 of their 60th Report has expressed displeasure on the lapse on the part of Administrative Departments in not adhering to the time limit for furnishing notes for regularisation of excess grant and has directed Finance Department to issue strict instructions to those Departments that have failed to furnish notes showing the reason for excess expenditure disclosed in the Appropriation Accounts of various years and for timely reconciliation of expenditure.

In the circumstances the Administrative Departments concerned are directed to conduct timely reconciliation of expenditure and to furnish notes explaining the reason for excess expenditure in respect of items mentioned in Appendix II attached, duly vetted in Audit [notes for vetting along with files are to be forwarded to Finance (PAC) Department for getting it vetted by Accountant General and return]. The vetted notes for the head of accounts noted in Appendix II after consolidation by Administrative Department shall be forwarded to the Secretary, Legislature Secretariat with copies to Accountant General (Audit), Kerala and to Finance (PAC) Department within two weeks without fail.

ISHITA ROY,

*Secretary (Finance-Expenditure).*



**GOVERNMENT OF KERALA**  
**Finance (PAC) Department**

**CIRCULAR**

No.64/2010/Fin.

Thiruvananthapuram, Dated, 7.7.2010.

***Sub :- Excess Expenditure on Voted Grants / Charged Appropriations -  
Notes explaining reasons for variations - Further instructions - Issued.***

***Ref :- Circular No. 38/09/Fin, dated 7.5.2009.***

As per the Circular referred to above, the responsibility for consolidating the notes explaining the reason for excess expenditure in respect of Demands for Grants operated by multiple Departments shall be with the Administrative Departments i.e, Nodal Departments who are controlling the major portion of the Grant. In the case of a Grant exclusively operated by a single controlling Administrative Department, that Department will consolidate the notes of all Heads of Accounts under the Grant. In both the cases, the concerned Administrative Departments should furnish the Notes for Regularisation of excess grant to Finance (PAC) Department for getting them vetted by Accountant General. Forty copies of the vetted notes are to be forwarded by Administrative Departments to the Secretary, Legislature Secretariat with copies to Accountant General (Audit) and to Finance (PAC) Department.

The Committee on Public Accounts has expressed concern and dissatisfaction regarding the large volume of pendency in cases of regularisation of Excess Expenditure by the Departments. The Department wise statement of items in respect of which notes explaining reasons for Excess Expenditure over Voted Grants / Charged Appropriations have not been furnished to Legislature Secretariat as on 11.3.2010 is attached as Appendix.

In the circumstances, the concerned Administrative Departments are directed to collect notes explaining the reason for excess / savings of all Heads of Accounts under their Grant, in respect of items pending regularization and furnish the same to Finance Department on or before 25.7.2010, failing which necessary instructions will be issued to the Treasuries concerned to withhold the salaries of the Controlling Officers.

**ISHITA ROY**  
Secretary (Finance - Expenditure)



**GOVERNMENT OF KERALA**

**Finance (PAC) Department**

**CIRCULAR**

No.91/2010/Fin.

Thiruvananthapuram, Dated, 3.11.2010.

*Sub :- Excess Expenditure over Voted Grants / Charged Appropriation -  
Recommendation of the Committee on Public Accounts in its 128<sup>th</sup>  
Report (2008 - 2011) - Instructions - Issued.*

The Committee on Public Accounts in its 128<sup>th</sup> Report (2008 - 2011) directed Finance Department to give necessary instructions to the Departments which have failed to furnish the explanatory notes on the reasons of excess expenditure disclosed in the Appropriation Accounts of various years and to submit the same to Legislature Secretariat without further delay.

In the circumstance, the Administrative Departments concerned are directed to furnish the notes explaining the reason for excess expenditure in respect of items mentioned in the Appendix, to Finance (PAC) Department for getting it vetted by the Accountant General. Forty (40) copies of the vetted notes shall be forwarded directly to Legislature Secretariat with the necessary certificate.

The Department wise statement of items in respect of which notes explaining reason for Excess Expenditure over Voted Grants / Charged Appropriation have not been furnished to Legislature Secretariat as on 28.7.2010 is attached as Appendix.

**S. M. VIJAYANAND**  
Principal Secretary (Finance)

To

The Accountant General (Audit / A&E), Kerala, Thiruvananthapuram.  
The Secretary, Legislature Secretariat, Thiruvananthapuram.  
All Administrative Departments and concerned Sections of Secretariat.  
All Heads of Departments / Controlling Officers.

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