

HARYANA VIDHAN SABHA
PUBLIC ACCOUNTS COMMITTEE
(1994-95)
(THIRTY NINTH REPORT)

REPORT
ON THE
Appropriation Accounts/Finance Accounts of the Haryana
Government for the year 1989-90



HARYANA VIDHAN SABHA SECRETARIAT
CHANDIGARH
1995

(Presented to the House on)

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COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE

CHAIRMAN

- *1. Shri Rajinder Singh Bisla
- **2. Shri Hari Singh Nalwa

MEMBERS

- 3. Smt. Chandrawati
- 4. Shri Brij Anand
- ***5. Shri Amar Singh Dhanak
- 6. Shri Jai Pal Singh
- 7. Shri Mohan Lal Pippal
- 8. Shri Aitar Singh
- 9. Shri Ram Bilas Sharma
- ****10. Shri Anand Singh Dangi
- *****11. Shri Amir Chand Makkar

SECRETARIAT

- | | |
|-----------------------|------------------|
| 1. Shri Sumit Kumar | Secretary |
| 2. Shri Kuldeep Singh | Deputy Secretary |

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- * Resigned from the Membership & Chairmanship of the Committee w.e.f. 27th July, 1994 on his appointment as Chairman, Finance Commission, Haryana.
 - ** Nominated as Chairman of the Committee for the remaining period of the year 1994-95 against the vacancy caused by the resignation of Shri Rajinder Singh Bisla, M.L.A.
 - *** Resigned from the membership of the Committee w.e.f. 20th September, 1994 (F.N.) on his appointment as Cabinet Minister.
 - **** Nominated as member of the Committee on the Public Accounts for the remaining period of the year 1994-95 against the vacancy caused by the resignation of Shri Rajinder Singh Bisla, M.L.A.
 - ***** Nominated as member of the Committee for the remaining period of the year 1994-95 in the vacancy caused by the resignation of Shri Amar Singh Dhanak, M.L.A.

(v)

INTRODUCTION

1. The Chairman of the Public Accounts Committee having been authorised by the Committee in this behalf, present their Thirty Ninth Report on the Appropriation Accounts/Finance Accounts of the Haryana Government for the year 1989-90.

2. The Committee for the year 1994-95 was nominated by the Hon'ble Speaker in pursuance of motion moved and passed by the Haryana Vidhan Sabha in its sitting held on 1st March, 1994, authorising him to nominate the members of the Committee on Public Accounts for the year 1994-95 on 27th April, 1994.

3. The Appropriation Accounts/Finance Accounts for the year 1989-90 were laid on the Table of the House on 17th December, 1991. These accounts have disclosed excess over voted grants and charged appropriations as detailed in the Report. The Committee in their meetings held on 14th November, 1994, 15th November, 1994 and 2nd January, 1995 considered the reasons for excess and surrenders furnished by the concerned departments and the evidence tendered by them.

4. A brief record of the proceedings of the meetings of the Committee has been kept in the Haryana Vidhan Sabha Secretariat.

Chandigarh
the 14th February, 1995.

HARI SINGH NALWA
CHAIRMAN

**EXCESS OVER VOTED GRANTS/CHARGED APPROPRIATIONS FOR
THE YEAR 1989-90 REQUIRING REGULARISATION EXCESS
FOR THE YEAR 1989-90**

2.4 The overall saving was Rs. 433.68 crores in 23 grants and appropriations. The overall excess on the other hand, was Rs. 33.63 crores in 6 grants/appropriations requiring regularisation under Article 205 of the Constitution. The details of the grants are given below :—

Grants/charged Appropriation where excess requires regularisation

Sr. No.	Name and number of Grant	Total Grant	Expenditure	Excess
1	2	3	4	5
Revenue				
1.	6—Finance	51,51,32,000	71,26,01,624	19,74,69,624
2.	7—Other Administrative Services	1,05,63,08,000	1,06,40,25,820	77,17,820
3.	8—Buildings & Roads	50,04,40,000	57,05,30,342	7,00,90,342
4.	11—Urban Development	8,17,00,000	8,21,20,836	4,20,836
5.	23—Transport	1,42,63,09,500	1,44,01,35,181	1,38,25,681
Capital				
6.	15—Irrigation	61,62,71,000	66,30,08,694	4,67,37,694
				<u>33,62,61,997</u>

2.8 Drawal of funds in advance of requirement.

Financial rules of the Government stipulate that money should not be drawn from the treasury unless required for immediate disbursement or had already been paid out of permanent advance. Drawal of advance from the treasury for the execution of works, completion of which is likely to take considerable time is also inadmissible. Any unspent balance is required to be refunded into the treasury promptly. During test check, it was noticed that (as detailed in Appendix II) funds aggregating Rs. 220.87 lakhs drawn (January 1990 : Rs. 3.22 lakhs and March 1990 : Rs. 217.65 lakhs) for purchase of materials, execution of works and disbursement of grants/subsidy/loan, etc., were retained in the forms of cash or Remittance Treasury Receipts (RTRs) or other forms. Out of the amounts so retained Rs. 29.33 lakhs were disbursed during 1990-91 and Rs. 191.54 lakhs were still lying undisbursed upto the months noted against each is detailed below. The up-to-date position has not been intimated (November 1990).

Drawal of funds in advance of requirement

Department/Office	Month of drawal	Amount (in lakhs of rupees)	Remarks
1	2	3	4
-1. Housing Department			
Deputy Commissioner, Kurukshetra (LIGH/MIGH)	March 1990	26.00	The amount drawn and handed over to Sub Divisional Officers (Civil) Thanesar and Pehowa for disbursement of loans under LIGH/MIGH schemes were still lying undisbursed (August 1990).
Deputy Commissioner, Sirsa (LIGH/MIGH)	March 1990	18.00	The amount drawn for disbursement of loans under LIGH/MIGH schemes was still lying undisbursed (August 1990).
Deputy Commissioner, Narnaul (LIGH/MIGH)	March 1990	23.70	The amount drawn for disbursement of loans to beneficiaries under LIGH/MIGH schemes was retained in a saving bank account (August 1990).
2. Medical and Health Department			
Director General, Health Services, Haryana, Chandigarh	March 1990	21.92	Of the total amount of Rs. 21.92-lakhs, Rs. 20.81 lakhs were drawn and retained in the shape of RTRs. An amount of Rs. 0.30 lakh drawn for the purchase of film slides was lying undisbursed as the material had not been supplied by the firm. Out of another amount of Rs. 0.81 lakh drawn for the purchase of tape recorders, Rs. 0.75 lakh were paid to the firm and the balance amount of Rs. 0.06 lakh was yet to be paid to the firm which were to supply the leather cases for the tape recorders. (August 1990).
Principal, Hospital Engineering Institute, Rohtak	March 1990	0.29	The amount drawn for the purchase of certain material and retained in the shape of bank drafts in the first instance was paid to the firm only in May 1990.
Chief Medical Officer, Sirsa	March 1990	0.26	The amount was drawn and retained in the shape of bank drafts. The purpose of withdrawal, details of material received and particulars of payment made to the firm were not intimated (August 1990).

1	2	3	4
3. Industries Department			
General Manager, Distt. Industries Centre Gurgaon (Contingency)	March 1990	1.34	The amount drawn from treasury for making payment of honorarium to enumerators for conducting census of SIDO units in the State was retained in the shape of bank draft and was still lying undisbursed (August 1990).
General Manager, Distt. Industries Centre, Gurgaon (Loan and Subsidy)	March 1990	0.42	The amount drawn for disbursement as shed subsidy to the beneficiaries was lying undisbursed in the shape of bank drafts (August 1990).
General Manager, Distt. Industries Centre Sonapat (Contingency)	March 1990	0.60	Out of the total amount of Rs. 0.60 lakh drawn, Rs. 0.32 lakh were intended for payment of honorarium to enumerators of census work of SIDO units, Rs. 0.24 lakh for subsidy to small scale units for the purchase of testing equipments and Rs. 0.04 lakh for the purchase of furniture. The entire amount is lying undisbursed (August 1990).
General Manager, Distt. Industries Centre, Jind	March 1990	0.44	The amount drawn for making payment of subsidy to various beneficiaries under Handloom and shoe making schemes was lying undisbursed in the shape of RTRs (August 1990).
General Manager, Distt. Industries Centre Kurukshetra	March 1990	0.42	The amount drawn for releasing subsidy under various schemes like work-shop shed, toolkits and stipend for training was disbursed only in July 1990.
4. Education			
Distt. Education Officer, Ambala City	March 1990	7.93	Out of Rs. 7.93 lakhs, Rs. 4.57 lakhs were drawn for the purchase of uniform cloth for free supply to students of Scheduled Castes and weaker sections and Rs. 3.36 lakhs on account of pay and allowances for February 1989 to Employees working under Adult Education Programme. The entire grant was lying unutilised (August 1990).
Principal, Govt. National College Sirsa	March 1990	0.57	Out of Rs. 0.57 lakh, Rs. 0.35 lakh were drawn during March 1990 for the purchase of furniture and Rs. 0.22 lakh for the purchase of service stamps. Though the amount of Rs. 0.35

1	2	3	4
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lakh was shown as paid through bank draft in the cash book in March 1990, the bank draft was lying with the department. The service stamps were actually purchased in May 1990 and not in March 1990.

Block Education Officer-II
Charkhi Dadri

March 1990 0.21

The amount drawn in March 1990 for the purchase of certain material was utilised in May 1990 but details of the material purchased and its cost had not been intimated (August 1990).

5. Industrial Training Department

Principal,
Industrial Training
Institute, Gohana

March 1990 2.40

The amount drawn for the purchase of surface and tool Grinders and retained in the shape of bank draft was lying undischursed (August 1990).

6. Co-operation Department

Registrar,
Co-operative
Societies Haryana
Chandigarh

March 1990 8.92

The entire amount drawn for procurement of computer through National Co-operative Development Corporation was placed in suspense account of the Co-operative bank and order for the supply of computer had not been placed (August 1990).

OBSERVATIONS/RECOMMENDATIONS OF THE COMMITTEE

The main reasons for the excess expenditure over various grants were attributed due to drawal of funds in advance from the Treasury/Banks and withholding the same with the Department as unused for a considerable time.

During the course of oral examination the Committee observed that six Departments namely, Housing, Health, Industries, Education, Industrial Training and Co-operation have withdrawn the funds in advance and withheld with them as unused till a long time, and the Government thus suffered heavy loss of interest and other necessary expenditure/requirements as such new schemes could not be implemented due to paucity of funds.

The withdrawal of funds in advance from Treasury or banks and withholding the same with the department as unused for a considerable time is against the financial rules of the Government which stipulates that money should not be drawn from treasury unless required for immediate disbursement or had already been paid out of permanent advance. Any unspent balance is required to be refunded into Treasury promptly.

The Committee observed that the Departments concerned may be asked to fix the responsibility for such misutilisation of funds and action be taken against the concerned officers/officials under intimation of the Committee.

The Committee also observed that reasons for the excess over grants were attributed due to wrong estimation of the Departments.

The Committee recommend that the Finance Department should re-iterate its previous circulars/instructions regarding excess of Expenditure and drawal of funds in advance to all Heads of Departments and the responsibility of Drawing and Disbursing Officers/Controlling Officers for any kind of mis-appropriation/mis-utilisation of funds be fixed in future.

Subject to these observations, the Committee recommends that excess expenditure detailed above may be regularised by the Legislature in the manner prescribed under article 205 of the Constitution of India.

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