
Chapter - II

Financial Management and Budgetary Control

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2.1 Introduction

Effective financial management ensures that policy decisions are implemented at the administrative level without wastage or diversion of funds and with reasonable assurance about successful implementation of policy at the ground level. This chapter reviews the appropriations and allocative priorities of the State Government and comments on its budgetary processes during 2017-18.

2.2 Audit of Appropriation Accounts for the current year

Appropriation Accounts reveal the expenditure of the Government for each financial year, compared with the amounts of the voted grants and appropriations charged for different purposes as specified in the schedules appended to the Appropriation Acts passed by the Legislature.

These Accounts depict the original budget provision, supplementary grants, savings, surrenders and re-appropriations and indicate actual capital and revenue expenditure on various specified services *vis-à-vis* those authorised by the Appropriation Act. The Appropriation Accounts are therefore, complementary to Finance Accounts.

Audit of appropriation by the C&AG of India seeks to ascertain whether expenditure actually incurred under various grants is within the authorisation given under the Appropriation Act and that the expenditure required to be charged under the provisions of the Constitution is so charged. It also ascertains whether the expenditure so incurred is in conformity with the law, relevant rules, regulations and instructions.

2.2.1 Summary of Appropriation Accounts

The summarised position of actual expenditure, savings/excesses and amount surrendered during 2017-18 against 82 Grants/ Appropriations (78 Grants and four Appropriations) is indicated in **Table 2.1**.

Table 2.1: Summarised position of Actual Expenditure vis-à-vis Original/Supplementary provision

(₹ in crore)

Voted/ Charged	Nature of Expenditure	Original Grant/ Appropriation	Supplementary Grant/ Appropriation	Total	Actual expenditure	Saving (-)/ Excess (+)	Total Amount surrendered	Amount surrendered on 31 March 2018	Percentage of savings surrendered by 31 March (col. 8/col 7)
1	2	3	4	5	6	7	8	9	10
Voted	I Revenue	64,258.65	10,940.77	75,199.42	55,139.20	(-) 20,060.22	3,145.80	3,144.80	15.68
	II Capital	12,389.43	2,462.68	14,852.11	7,692.84	(-) 7,159.27	745.79	740.79	10.42
	III Loans & Advances	510.40	72.63	583.03	254.07	(-) 328.96	3.32	3.32	1.01
Total Voted		77,158.48	13,476.08	90,634.56	63,086.11	(-) 27,548.45	3,894.91	3,888.91	14.14
Charged	IV Revenue	4,060.80	4.31	4,065.11	3,492.28	(-) 572.83	5.09	5.09	0.89
	V Capital	Nil	Nil	Nil	NA	NA	NA	NA	NA
	VI Public Debt Repayment	4,703.41	Nil	4,703.41	1,958.60	(-) 2,744.81	Nil	Nil	NA
Total Charged		8,764.21	4.31	8,768.52	5,450.88	(-) 3,317.64	5.09	5.09	0.15
Appropriation to Contingency Fund (if any)		Nil	50.00	50.00	50.00	Nil	Nil	Nil	Nil
Grand Total		85,922.69	13,530.39	99,453.08	68,586.99	(-) 30,866.09	3,900.00	3,894.00	12.64

Source: Appropriation Accounts; NA: Not Applicable

During the year 2017-18, Government of Assam (GoA) incurred expenditure of ₹ 68,586.99 crore against the total grants and appropriations of ₹ 99,453.08 crore resulting in overall savings of ₹ 30,866.09 crore. The overall savings of ₹ 30,866.09 crore stood at 31 per cent of total grants and appropriations. This shows poor financial management by the State. It also indicates that budget estimates were not prepared properly and that the activities were not executed in a well-planned manner.

The overall savings of ₹ 30,866.09 crore was the net result of total saving of ₹ 31,130.69 crore in 84 grants and three appropriations under Revenue Section and 58 grants and one appropriation under Capital Section offset by excess of ₹ 264.60 crore in two grants under Revenue Section and one grant under Capital Section.

Further, against the overall savings of ₹ 30,866.09 crore, only an amount of ₹ 3,900.00 crore (12.64 per cent) was surrendered during 2017-18, of which ₹ 3,894.00 crore (99.85 per cent) was surrendered on the last day of the year i.e., 31 March 2018, which was not available for other Departments for spending indicating poor financial management.

The Accountant General (A&E), Assam had called for reasons for savings/excesses in respect of 2,310 sub-heads/sub sub-heads. Government of Assam did not furnish any explanation for variation in respect of 1,962 sub-heads/sub sub-heads, while for 86 sub-heads/sub sub-heads partial explanation was received. Complete explanation furnished in respect of 262 sub-heads/sub sub-heads have been incorporated in the Appropriation Accounts of 2017-18.

Furnishing of explanations by the departments in respect of savings/excesses would show true and fair view of Accounts.

During Exit Conference, the Principal Secretary, Finance agreed with the audit observation and stated (January 2019) that the Government would reduce the size of the budget to minimise overall savings and also issue direction to the Departments concerned for submission of explanation for savings/Excess.

2.2.2 Appropriation vis-à-vis Allocative Priorities

The audit of Appropriation Accounts revealed that in 84 cases relating to 62 grants and one appropriation, savings exceeded ₹ 10 crore in each case and also by more than 20 per cent of total provision (*Appendix 2.1*). Against the total savings of ₹ 31,130.69 crore, savings of ₹ 29,858.29 crore (95.91 per cent) occurred in 63 cases relating to 45 grants and one appropriation where savings were ₹ 50 crore and above in each case as indicated in *Appendix 2.2*.

Out of 63 cases, savings of ₹ 200 crore or more occurred in 34 cases. Details of those 34 cases are given in the **Table No. 2.2**.

Table 2.2: Statement showing list of grants with savings more than ₹ 200 crore

(₹ in crore)						
Sl. No.	No. and Name of the Grant	Original	Supple-mentary	Total	Actual Expenditure	Savings
1	2	3	4	5	6	7
Revenue-Voted						
1	5 - Sales Tax and Other taxes	144.54	383.81	528.35	174.21	354.14
2	11 - Secretariat & Attached Offices	2874.40	372.40	3246.80	1182.89	2063.91
3	14 - Police	4447.53	506.40	4953.93	3652.19	1301.74
4	17 - Administrative & Functional Building	414.76	171.81	586.57	246.85	339.72
5	19 - Vigilance Commission and Others	317.24	455.91	773.15	442.61	330.54
6	23 - Pension and Other Retirement Benefits	9641.34	0	9641.34	8276.12	1365.22
7	26 - Education (Higher Education)	2165.02	182.03	2347.05	1865.91	481.14
8	29 - Medical & Public Health	4187.57	777.12	4964.69	3966.10	998.59
9	31 - Urban Development (Town & Country Planning)	537.47	13.72	551.19	251.47	299.72
10	34 - Urban Development (Municipal Administration Department)	742.41	169.03	911.44	194.23	717.21
11	37 - Food Storage, Warehousing and Civil Supplies	557.94	183.62	741.57	497.62	243.94
12	38 - Welfare of SC/STs & OBC .	1158.91	42.12	1201.03	456.50	744.53
13	39 - Social Security, Welfare & Nutrition	1750.49	112.21	1862.70	955.05	907.65
14	48 - Agriculture	1020.93	514.06	1534.99	1036.20	498.79
15	55 - Forestry & Wild Life	850.16	77.70	927.86	473.60	454.26
16	56 - Rural Development (Panchayat)	3110.78	56.78	3167.56	1618.52	1549.04
17	57 - Rural Development	4007.97	197.41	4205.38	3175.03	1030.35
18	58 - Industries	183.68	310.05	493.73	82.50	411.23
19	62 - Power (Electricity)	907.35	1809.81	2717.16	1566.95	1150.21
20	66 - Compensation & Assignment to Local Bodies and PRI	318.80	206.68	525.48	125.05	400.43
21	71 - Education (Elementary, Secondary etc.)	10846.05	886.73	11732.78	10448.56	1284.22
22	73 - Urban Development (Guwahati Development Department)	607.07	301.24	908.31	136.36	771.95
23	76 - Hill Areas Department (KAAC)	925.01	56.42	981.43	775.28	206.15

Revenue-Charged						
24	Appropriation: Public Debt and Servicing of Debt	3956.72	0	3956.72	3415.29	541.43
Capital-Voted						
25	29 - Medical and Public Health	446.11	40.25	486.36	220.66	265.70
26	44 - North Eastern Council Schemes	1106.68	16.06	1122.74	272.75	849.99
27	48 - Agriculture	354.36	3.78	358.14	70.98	287.16
28	49 - Irrigation	402.66	64.36	467.02	78.57	388.45
29	62 - Power (Electricity)	689.92	510.38	1200.30	992.34	207.96
30	63 - Water Resources	2402.23	0	2402.23	271.04	2131.19
31	64 - Roads & Bridges	2209.99	353.76	2563.75	1965.40	598.35
32	73 - Urban Development (Guwahati Development Department)	829.74	10.00	839.74	367.80	471.94
33	76 - Hill Areas Department (KAAC)	283.48	150.44	433.92	143.79	290.13
Capital Charged						
34	Appropriation: Public Debt and Servicing of Debt	4703.41	0	4703.41	1958.60	2744.81

The Government did not furnish the reasons for these savings (November 2018).

Further, under 73 grants and 2 Appropriations, there was significant variation (20 per cent and above of total provision in each case) between the total grant / appropriation and expenditure incurred aggregating ₹ 26,826.80 crore. The reasons for the same were not explained appropriately in the Appropriation Accounts.

2.2.3 Excess Expenditure

Under one grant, expenditure of ₹ 432.47 crore exceeded the approved provision by ₹ 168.35 crore and also by more than 20 per cent of the total provision. Details are given in *Appendix 2.3*.

2.2.4 Expenditure without Budget Provision

According to Chapter-8 (Paragraph-8.3) of the Assam Budget Manual, expenditure should not be incurred on a scheme/service without provision of funds.

Audit, however, noticed that expenditure of ₹ 2,660.39 crore was incurred in 88 cases as depicted in *Appendix 2.4* without any provision in the original Budget estimates/supplementary demand and without issue of any re-appropriation order(s) to that effect. 10 major cases of such expenditure are also given in **Table 2.3**.

Table 2.3: Expenditure incurred without Provision during 2017-18

Sl. No.	Grant No./Appropriation-Major Head of Accounts-Sub-Head-Detailed Head	(₹ in crore) Expenditure without provision
1	11-2052-090-0406-464 World Bank Assisted Public Financial Management Strengthening Project (EAP)-General	93.07
2	11-2052-090-2929-755 Citizen Centric Service Delivery Project (WB)-General	34.10
3	62-4801-06-800-4168 Externally Aided Project(ADB)-General	155.96
4	64-3054-03-337-0123 PMGSY Maintenance(Block Grant)-General	157.88
5	64-3054-80-799-0291 Miscellaneous Public Works Advances-General	800.00
6	64-5054-80-799-0291 Miscellaneous Public Works Advances-General	888.45
7	2049-01-101-6874 7.30 per cent Assam State Development Loan, 2027 ₹ 50000.00 lakh-General (Charged)	33.52

8	77-4552-244-4874	Project & Scheme for Dima Hasao Autonomous Territorial Council as per MOS (DHATC Package) Sixth Schedule (Pt. I) Areas	29.13
9	78-2075-800-5946-112	Developmental Grant Sixth Schedule (Pt. I) Areas	182.45
10	78-4552-226-2957	Additional Package for Bodoland Territorial Autonomous Council Development (BTAD) - Sixth Schedule (Pt. I) Areas	27.11

Thus, the expenditure so incurred by the respective departments was against the spirit of financial regulations and also against the will of the Legislature, which was indicative of lack of financial discipline.

2.2.5 Excess Expenditure relating to previous years requiring regularisation

As per Article 205 of the Constitution of India, it is mandatory for State Government to get the excess over a grant/appropriation regularised by the State Legislature. There is no time limit provided in the Article for regularisation of expenditure. The regularisation of excess expenditure is done after completion of discussion of the Appropriation Accounts by the State Public Accounts Committee (PAC).

As of 30 November 2018, the PAC had not recommended the total excess expenditure amounting to ₹ 9,323.63 crore for the years 2005-06 to 2016-17 for regularization as detailed in **Appendix 2.5**. The year-wise position of excess expenditure pending regularization for grants/appropriations is given in **Table 2.4**.

Table 2.4: Excess expenditure relating to previous years requiring regularization

(₹ in crore)

Year	Number of		Amount of excess over provision	Status of Regularization
	Grants	Appropriations		
2005-06	2	2	2.45	Not yet discussed by PAC
2006-07	4	2	80.61	
2007-08	9	2	113.24	
2008-09	6	2	108.40	
2009-10	3	Nil	10.18	
2010-11	1	1	4.27	
2011-12	5	2	915.14	
2012-13	4	Nil	1,195.61	
2013-14	5	Nil	1,499.89	
2014-15	5	1	3,801.63	
2015-16	3	Nil	243.77	
2016-17	5	Nil	1,348.44	
Total	52	12	9,323.63	

The excess expenditure of ₹ 9,323.63 crore requires regularisation under Article 205 of the Constitution of India. Government should request PAC to discuss respective Appropriation Accounts so that excess expenditure could be regularized.

During Exit Conference, the Commissioner and Secretary, Finance stated (January 2019) that as per laid down procedure, this issue would be addressed.

2.2.6 Excess Expenditure during 2017-18 requiring regularisation

Table 2.5 contains the summary of total excess expenditure amounting to ₹ 264.47 crore incurred in two cases under Grant No. 78 over authorisation from the Consolidated Fund of State (CFS) during 2017-18.

Table 2.5: Excess expenditure over provision during 2017-18 requiring regularisation

(₹ in crore)				
Sl. No.	Number and title of Grants/ Appropriations	Total Grants/ Appropriation	Expenditure	Excess
1	2	3	4	5
1	78-Welfare of Plain Tribes & Backward Classes (Bodoland Territorial Council) (Revenue Voted)	2,210.45	2,306.57	96.12
2	78-Welfare of Plain Tribes & Backward Classes (Bodoland Territorial Council) (Capital Voted)	264.12	432.47	168.35
Total		2,474.57	2,739.04	264.47

Thus, the excess expenditure incurred during the year also requires regularisation under Article 205 of the Constitution.

Recommendation: Such excess expenditure over grants approved by the Legislature are in violation of the will of the Legislature and the basic principle of democracy that not a rupee can be spent without the approval of the State Legislative Assembly. It therefore, needs to be viewed seriously and regularized at the earliest.

2.2.7 Unnecessary Supplementary provision

Supplementary provision aggregating ₹ 6,029.67 crore was obtained in 75 cases amounting to ₹ 10 lakh or more in each case during the year. This proved unnecessary as the expenditure under the respective heads was even less than the original budget provision as detailed in **Appendix 2.6**.

2.2.8 Excessive/unnecessary Re-appropriation of funds

Re-appropriation is transfer of funds within a grant from one unit of appropriation, where savings are anticipated, to another unit where additional funds are needed.

Injudicious re-appropriation proved excessive and resulted in savings of ₹ 10 lakh and above in 16 sub-heads/sub sub-heads. Out of this, the savings in four sub-heads were more than ₹ one crore as detailed in **Appendix 2.7**.

Moreover, the re-appropriation also proved unnecessary in 67 cases as the re-appropriated amount ultimately resulted in savings of ₹ 10 lakh and above in each

case. Of these, the savings were even more than ₹ one crore in 56 sub-heads as detailed in *Appendix 2.8*.

Thus, substantial savings of more than ₹ one crore registered in 60 cases, where the re-appropriation was made, indicated that the funds could not be spent as estimated and planned under the respective heads.

2.2.9 Substantial surrenders

Table 2.1 showed total surrenders of ₹ 3,894.00 crore as on 31st March 2018. In overall cases, surrenders exceeded ₹ 10 crore and above in respect of five cases on account of either non-implementation or slow implementation of schemes/programmes. Out of the total provision amounting to ₹ 3,120.33 crore made in those five cases, ₹ 253.47 crore (8.12 *per cent*) was surrendered at the close of the financial year. The details of such cases are given in **Table 2.6**.

Table 2.6: Cases of substantial surrenders (amount exceeding ₹ 10 crore) made on 31st March 2018

(₹ in crore)					
Sl. No.	Number and title of Grant/ Appropriation	Major Head	Total provision	Amount of surrender	Percentage of surrender
1	2	3	4	5	6
1	1-State Legislature	4217	67.93	21.69	31.93
2	44-North Eastern Council Schemes	4552	1,122.74	14.70	1.31
3	50-Other Special Areas Programmes	4575	156.15	127.67	81.76
4	64-Roads and Bridges	3054	1,695.13	52.73	3.11
5	75-Information Technology	2852	78.38	36.68	46.80
Total			3,120.33	253.47	8.12

Thus, surrender of funds at the end of March 2018 indicated inadequate financial control by the respective departments. Delay in surrender denied the utilisation of savings for other developmental purposes.

2.2.10 Anticipated savings not surrendered

According to Para 11.17 of Assam Budget Manual, the spending departments were required to surrender the grants/appropriations or portion thereof to the Finance Department as and when the savings were anticipated.

At the close of the year 2017-18, there were, however, 60 grants/appropriations in which substantial savings of ₹ five crore and above occurred. But the departments concerned did not surrender the amount. The amount involved in those cases was ₹ 22,514.82 crore (72 *per cent* of the total savings) (*Appendix 2.9*).

In addition to above, of the total savings of ₹ 5,825.15 crore occurred under 12 grants (saving of ₹ five crore and above registered in each grant), the departments concerned surrendered only ₹ 1,034.00 crore (18 per cent) and did not surrender ₹ 4,791.15 crore (82 per cent), details of which are given in *Appendix 2.10*.

2.2.11 Rush of expenditure

According to the Subsidiary Order 50 of Assam Treasury Rules, rush of expenditure in the closing month of the financial year should be avoided.

Audit observed that in case of 40 Major Heads under 34 grants, the departments concerned incurred total expenditure of ₹ 8,195.47 crore (expenditure exceeding ₹ 10 crore and also more than 50 per cent of the total expenditure in each case). Out of this, ₹ 5,626.74 crore (68.66 per cent) was incurred in March 2018 alone. Details are given in *Appendix 2.11*.

Major 11 cases in which more than 80 per cent of the expenditure was incurred only during the last month of the financial year are detailed in **Table 2.7**.

Table 2.7: Cases of rush of expenditure (more than 80 per cent) towards the end of the financial year 2017-18

Rush of Expenditure

(₹ in crore)

Sl. No.	Grant No. and Name	Head of Account	Total Expenditure during the year	Expenditure during March 2018	
				Amount	Percentage of Total Expenditure
1	9 - Transport Services	5055	80.06	78.72	98.33
2	11 – Secretariat and Attached Offices	7465	11.95	10.95	91.63
3	14 – Police	4055	157.19	134.97	85.86
4	29 – Medical and Public Health	4210	220.66	203.39	92.17
5	32 – Housing Schemes	2216	15.77	14.77	93.66
6	43 – Cooperation	2851	35.36	35.36	100.00
		2852	11.87	11.87	100.00
7	48 – Agriculture	4401	70.99	70.99	100.00
8	52 – Animal Husbandry	4403	50.23	42.72	85.05
9	66 – Compensation and Assignment to Local Bodies & PRI	3604	125.05	121.69	97.31
10	71 – Education (Elementary, Secondary etc.)	4202	16.44	16.44	100.00
11	75 – Information Technology	2852	41.70	34.74	83.31

For a sound financial management, uniform pace of expenditure should be maintained. Thus, contrary to the spirit of financial regulation, a substantial amount incurred by the department at the fag end of the year was indicative of poor financial control over the expenditure.

During Exit Conference, the Commissioner and Secretary, Finance stated (January 2019) that the whole expenditure process is being reformed and Rush of Expenditure would be minimized in coming years.

2.2.12 Misclassification of expenditure

Revenue expenditure is recurring in nature and is intended to be met from revenue receipts. Capital expenditure is defined as expenditure incurred with the object of increasing concrete assets of a material of permanent character, or of reducing recurring liabilities.

As per the Indian Government Accounting Standards (IGAS) 2, expenditure on Grants-in-Aid is to be classified as Revenue expenditure, regardless of end utilization. However, during the year, the State Government made budget provision and classified Grants-in-Aid of ₹ 3,945.04 crore under Capital major heads, instead of under the Revenue section in violation of provision of IGAS-2. Thus, during 2017-18, Revenue Deficit of the State was understated whereas Capital Expenditure was overstated to that extent.

2.3 Reconciliation of Departmental figures

2.3.1 Pendency in submission of Detailed Countersigned Contingent Bills against Abstract Contingent Bills

The Contingency Manual of the Government of Assam stipulates that detailed bills for the charges drawn in Abstract Contingent (AC) bills in a month should be submitted to the Controlling Officer (CO) by the 2nd of the following month.

The CO shall dispatch all Detailed Countersigned Contingent (DCC) bills to the Accountant General (Accounts and Entitlements) by 25th of the following month. The Treasury Officers (TOs) should ensure that no payment is made after the 10th of a month on any AC bill unless it is certified by the drawing officer that all DCC bills for sums drawn on AC bills in the previous month have been forwarded to the CO.

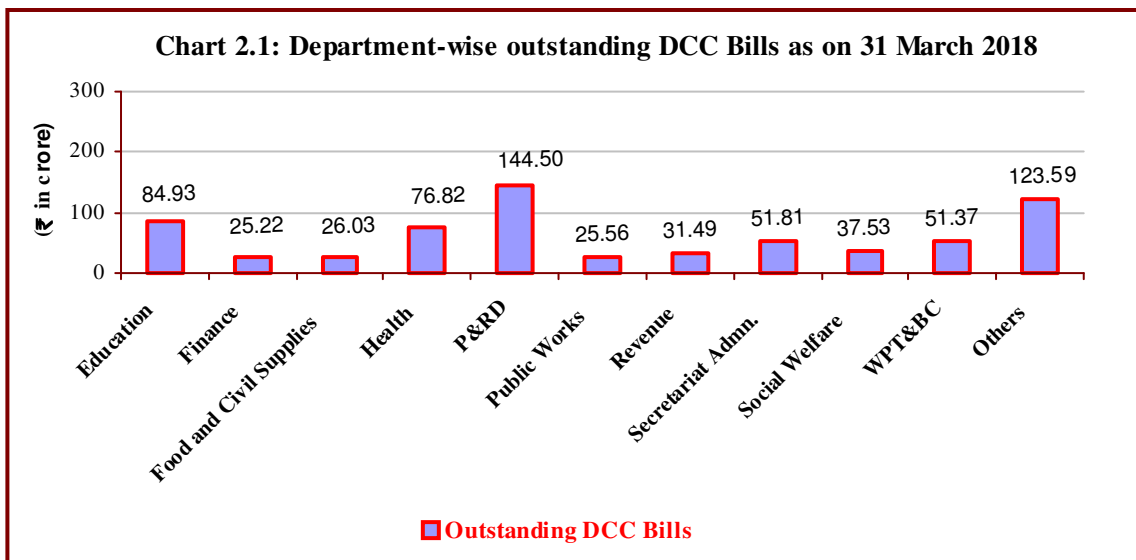
The total amount of DCC bills received was only ₹ 837.52 crore against the amount of AC bills of ₹ 1516.37 crore resulting in an outstanding balance of DCC bills of ₹ 678.85 crore as on 31 March 2018. Year-wise details are given in **Table 2.8**.

Table 2.8: Pendency in submission of DCC bills against the AC bills

Year	Amount of AC bills	Amount of DCC bills received	DCC bills received as percentage to AC bills	Outstanding DCC bills	
				No.	Amount
Upto 2015-16	1376.64	826.61	60.05	1044	550.03
2016-17	12.66	10.21	80.65	13	2.45
2017-18	127.07	0.70	0.55	9	126.37
Total	1516.37	837.52	55.23	1066	678.85

(₹ in crore)

Department-wise pending DCC bills for the years up to 2017-18 are detailed in *Appendix 2.12*. Status of outstanding DCC bills in respect of 10 major departments is also given in **Chart 2.1**.



Non-adjustment of advances for long periods is fraught with the risk of misappropriation and therefore, requires close monitoring by the respective DDOs about the submission of DCC bills. Besides, the TOs should not make payments in respect of AC Bills unless DCC Bills for previous month are submitted to the CO. It is further recommended that responsibility of DDOs and TOs may be fixed if they fail to perform their prescribed duties.

During Exit Conference, the Principal Secretary, Finance stated (January 2019) that the Finance Department would issue instructions to the all Departments concerned to submit DCC Bills to the O/o the A.G. (A&E), Assam in a timely manner.

2.3.2 Un-reconciled Receipt and Expenditure

Financial Rules stipulate that receipt and expenditure recorded in the books of accounts of COs be reconciled by them every month during the financial year with those recorded in the books of the Accountant General (Accounts and Entitlements). This was to enable Controlling Officers (COs) of departments to exercise effective control over expenditure to keep it within the budget grants and to ensure accuracy of their accounts.

2.3.2.1 Non-reconciliation of Receipt and Expenditure figures by the State Government

Status of reconciliation of receipt and expenditure figures by the Controlling Officers (COs) in the State was as shown in the **Table 2.9**.

Table 2.9: Status of Reconciliation of Receipt and Expenditure figures

Sl. No.	Particulars	Total No. of COs	Fully Reconciled	Partially Reconciled	Not reconciled at all
1	Receipts	54	4	3	47
2	Expenditure	54	14	26	14

It would be evident from the above table that during 2017-18, out of 54 COs, only four carried out full reconciliation of departmental receipts figures and 14 COs carried out full reconciliation of departmental expenditure figures with those reflected in the books of the Office of the Accountant General (Accounts and Entitlements), Assam.

Audit had pointed out non-reconciliation of figures regularly in earlier Audit Reports year after year, but lapses on the part of COs in this regard continued to persist even during 2017-18 without any tangible improvement in this regard.

Reconciliation and verification of figures is an important tool of financial management. Failure to exercise/adhere to the codal provisions and executive instructions not only results in misclassifications of the expenditure but also defeats the very objectives of budgetary process.

Thus, it is recommended that the COs should reconcile their receipts and expenditure figures regularly to ensure correctness of the accounts, failing which their responsibility should be fixed.

2.3.2.2 Non-reconciliation of expenditure figures by the Bodoland Territorial Council (BTC)

During 2013-14 to 2017-18, against the allocation of ₹ 11,329.73 crore, the Bodoland Territorial Council (BTC) authorities incurred an expenditure of ₹ 10,676.89 crore under Grant No. 78 – Welfare of Plain Tribes and Backward Classes (BTC).

Further, the information collected from the Office of the Accountant General (A&E), Assam revealed that BTC authorities had not done reconciliation for the above expenditure incurred during the period from 2013-14 to 2017-18 under the Grant No. 78. Details of year-wise expenditure have been given in **Table 2.10**.

Table-2.10: Non-reconciliation of expenditure figures by BTC

(₹ in crore)					
Grant No.	Name of the Grant	Financial Year	Nature of Expenditure	Amount of Grant/ Appropriation	Amount of Expenditure
78	Welfare of Plain Tribes and Backward Classes (Bodoland Territorial	2013-14	Revenue Voted	1,431.51	1,422.89
			Capital Voted	109.76	422.41
		2014-15	Revenue Voted	1,820.14	1,663.64
			Capital Voted	223.20	471.89
		2015-16	Revenue Voted	1,926.95	1,700.34
			Capital Voted	370.07	246.92

	Council)	2016-17	Revenue Voted	2,639.04	1,816.76
			Capital Voted	334.48	192.99
		2017-18	Revenue Voted	2,210.46	2,306.57
			Capital Voted	264.12	432.48
Total				11,329.73	10,676.89

Source: Appropriation Accounts

Non-reconciliation of expenditure resulted in variations between figures of expenditure booked in the Grant No. 78 (BTC) of the Appropriation Accounts and Annual Accounts of BTC against the same Major Head. The issue was also reported in the Audit Report on the accounts of BTC (2008-09 to 2013-14) placed before the Council (BTC) on 29 August 2017.

Thus, it is recommended that the BTC must reconcile the expenditure figures booked in the Appropriation Accounts as per the reconciliation programme drawn by the Office of the Accountant General (A&E), Assam from time to time. This would help in bringing conformity between the figures booked in the Appropriation Accounts and Annual Accounts.

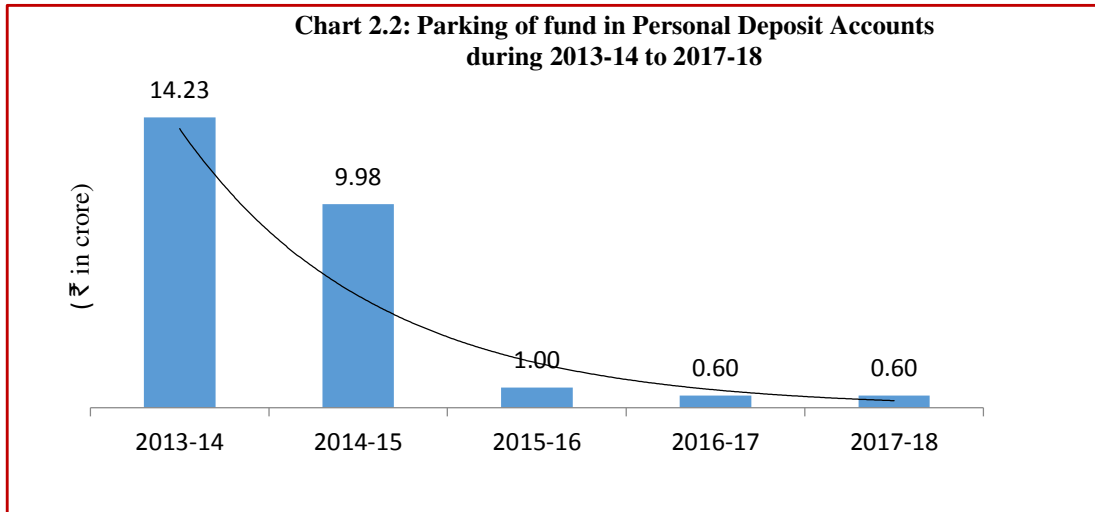
During Exit Conference, the Commissioner and Secretary, Finance stated (January 2019) that the Finance Department would issue specific instructions to all the Departments for regular reconciliation of figures.

2.4 Personal Deposit Accounts

The operations of Personal Deposit Accounts (PDA) are authorised on the basis of proposal(s) received from department(s) concerned along with sanction(s) of the Finance Department of the Government of Assam.

As per specific instructions, the PDA remains operative for a financial year *i.e.*, from 1 April to 31 March and is required to be closed at the end of the financial year and if needed, PDA may be re-opened next year after observing the prescribed procedure.

Chart 2.2 showed the status of funds lying in PDA on the last day of the financial year during 2013-18.



It is evident from above Chart that the State has shown significant improvement towards closing PDA during 2013-18 as funds in PDA had reduced from ₹ 14.23 crore in 2013-14 to ₹ 0.60 crore during 2017-18.

As of 31 March 2018, there were 26 PDA being operated in the State in which an amount of ₹ 60.12 lakh was lying. Other details i.e., name of the treasury, name of PDA holder, closing balance etc., are given in **Appendix 2.13**. Thus, departments concerned had violated the provision by not closing the PDA at the end of financial year. Further, the Departmental officers had not conducted verification/reconciliation of the balances also with those maintained by the Office of the Accountant General (Accounts and Entitlement), Assam.

This practice of retaining funds in the PDA after the close of the financial year is fraught with the risk of misuse of funds and therefore, needs to be stopped. Besides, strict action needs to be taken against the officers who fail to close such PDA at the end of financial year.

2.5 Outcome of Review of selected Grant (s)

2.5.1 Introduction

The outlays on the various activities of Government are met from the Consolidated Fund which is made up of revenue receipts, loans raised by Government and recoveries of loans and advances made by the State Government.

No money can be withdrawn from the Consolidated Fund of a State for expenditure by Government unless the State Legislature approves the amount to be spent under a Major Head (or a Group of Major Heads) during the year beginning from 1 April to 31 March. This approval takes the form of Budget Grant. Demands for Grants are placed before the Legislature at the beginning of each financial year.

Audit conducted (August-September 2018) a review titled “Prescribed Budgetary Procedure and Compliance thereof under two grants (i) Grant No. 30 (Water Supply

and Sanitation) in respect of Major Heads 2215-Water Supply & Sanitation & 4215-Capital Outlay on Water Supply & Sanitation operated by Public Health Engineering Department and (ii) Grant No. 55 (Environment and Forest)” in respect of Major Heads 2406-Forestry and Wild Life, 2415-Agricultural Research and Education and 4406-Capital Outlay on Forestry and Wild Life operated by Environment and Forest Department.

Review by Audit showed that authorities concerned bypassed the mandatory provisions of Budget Manual, financial Rules etc., regarding preparation and submission of Budget Estimates (BEs), withdrawal and utilization of funds from the Consolidated Fund of the State. The accountability obligations were also not always fulfilled as brought out in the succeeding paragraphs.

2.5.2 Grant No. 30 – Water Supply and Sanitation

i) Delayed submission of Budget Estimates

As envisaged in Para 6.1 of the Assam Budget Manual 2012, the Administrative Heads are required to submit the Budget Estimates of receipts and expenditures for the succeeding year along with revised estimates for the current year to the Finance Department by 15 October each year both for General and Sixth Schedule Areas.

Audit observed on test-check of records of Public Health Engineering Department, that there were delays in submission of the Budget Estimates in respect of receipts and expenditures for the years 2014-15, 2015-16, 2016-17 and 2017-18 to the Finance Department as indicated in **Table-2.11**.

Table-2.11: Delay in submission of Budget Estimates

Grant No.	Financial Year	Due date of submission of BEs to the Finance Department	Actual date of sending the BEs to the Finance Department		Delay in submission (in days)	
			Non-Plan	Plan	Non-Plan	Plan
30	2013-14	15.10.2012	NA	NA	NA	NA
	2014-15	15.10.2013	25.11.2013	23.07.2014	40	278
	2015-16	15.10.2014	01.12.2014	14.02.2015	46	115
	2016-17	15.10.2015	02.07.2016	27.01.2016	257	102
	2017-18	15.10.2016	02.01.2017	18.01.2017	77	93

Source: Departmental Records NA: Not Available;

Delay in submission of Budget Estimates to the Finance Department ranged between 40 and 278 days, which was against the norms prescribed in the Assam Budget Manual.

ii) Unrealistic budget estimation

Assam Budget Manual provides that on receipt of the estimates from the subordinate estimating officers, the Controlling Officers (COs) will scrutinize and consolidate them for each major head or for the several minor heads of account for which the CO is responsible. The CO will then forward the estimates to the Administrative Department and the Finance Department along with copy of each of the estimates received from the estimating officers.

The summarized position of budget provision and actual expenditure thereagainst for the year 2017-18 in respect of Major Heads 2215 and 4215 under the Grant No. 30 is presented in **Table-2.12**.

Table-2.12: Summarized position of Budget Provision and Actual Expenditure

(₹ in crore)

Nature of expenditure	Major Head	Budget Provision			Actual expenditure	Saving	Percentage of Savings
		Original	Supplementary	Total			
Revenue	2215	475.96	58.56	534.52	417.65	116.87	21.86
Capital	4215	1210.55	926.04	2136.59	2130.82	5.77	0.27
Total		1686.51	984.60	2671.11	2548.47	122.64	4.59

Source: Appropriation Accounts (2017-18)

It is evident from the **Table 2.12** that budget estimation under the Major Head 4215 was accurate as actual expenditure under the head was almost equivalent to the budget provision under the Grant No. 30. However, there was overestimation of funds under the Major Head 2215 as the percentage of savings stood 21.86 per cent of the total budget provision. This was indicative of the fact that the estimation was made without proper analysis of actual requirement.

iii) Unnecessary Supplementary Grant

Supplementary Grant as defined in the Para-8 of Budget Manual means an additional provision included in an Appropriation Act during the course of a financial year, to meet expenditure in excess of the amount previously included in the Appropriation Act for that year.

Audit observed on the basis of test check of records for the year 2017-18 that supplementary provision of ₹ 58.56 crore under Major Head 2215 proved unnecessary as the expenditure of ₹ 417.65 crore did not even reach the level of original provision as detailed in **Table-2.13**.

Table-2.13: Unnecessary supplementary Provision

(₹ in crore)					
Grant No.	Head of Account	Original Provision	Actual expenditure	Savings out of original provision	Supplementary Grants
30	2215	475.96	417.65	58.31	58.56

Source: Appropriation Accounts 2017-18

This indicated the poor financial management on the part of Public Health Engineering Department as the supplementary provision was made without assessing actual requirement. Thus, there was need for strengthening monitoring controls for ensuring financial discipline.

iv) Rush of expenditure

According to the Subsidiary Order 50 of Assam Treasury Rules, rush of expenditure in the closing month of the financial year should be avoided.

Audit observed that out of total expenditure of ₹ 2,548.47 crore, PHED, Assam incurred an expenditure of ₹ 934.15 crore (36.66 per cent) in March 2018 during 2017-18 under the Major Heads 2215 and 4215. Details are given in **Table 2.14**.

Table 2.14: Rush of expenditure

(₹ in crore)						
Major Head	Total Provision			Total Expenditure	Expenditure in March	Percentage of Total Expenditure
	Original	Supplementary	Total			
2215	475.96	58.56	534.52	417.65	61.22	14.66
4215	1210.55	926.04	2136.59	2130.82	872.93	40.97
Total	1686.51	984.60	2671.11	2548.47	934.15	36.66

For a sound financial management, uniform pace of expenditure should be maintained. Thus, contrary to the spirit of financial regulations, the department incurred a substantial amount at the fag end of year. This was indicative of poor financial control over the expenditure.

v) Anticipated savings not surrendered

According to Para 11.17 of Assam Budget Manual, the spending departments were required to surrender the grants/appropriations or portion thereof to the Finance Department as and when the savings were anticipated.

Audit observed that at the close of the year 2017-18, PHE department incurred an expenditure of ₹ 2,548.47 crore against the budgetary allocation of ₹ 2671.11 crore and this resulted into savings of ₹ 122.64 crore. However, the savings of ₹ 122.64 crore were not surrendered by the PHE department as detailed in preceding **Table 2.12**.

Had the surrenders been made in time, the funds could have been utilised for other development purposes by the needy departments.

vi) Persistent Savings

Audit observed that substantial portion of the budget grants remained unutilized due to non-achievement of projected financial outlays in the respective years. The Finance/Administrative Department made budget allocation without considering the previous year's expenditure which resulted in persistent savings during 2013-18 under the Grant No. 30 as shown in **Table-2.15**.

Table 2.15: Persistent Savings

(₹ in crore)						
Grant No.	Year	Head of Account	Total grant	Total expenditure	Saving	Savings (per cent)
30 (Water Supply and Sanitation)	2013-14	4215	491.80	106.88	384.92	78.27
	2014-15	4215	1550.98	480.88	1070.10	69.00
	2015-16	4215	2146.32	456.39	1689.93	78.74
	2016-17	4215	2112.16	1097.36	1014.80	48.05
	2017-18	4215	2136.59	2130.82	5.77	0.27
Total			8437.85	4272.33	4165.52	49.37

Source: Appropriation Accounts

Persistent savings ranged between 48.05 per cent and 78.74 per cent under the Major Head 4215 during 2013-17. This indicated that the process of preparation of Budget Estimates by the department was unrealistic and needs to be revisited.

vii) Lack of Budgetary control and monitoring

Under the provision of Para 11.16 of the Budget Manual, for monitoring the progress of expenditure and provisions of additional funds when required, a statement in Form-O in duplicate should be submitted by the CO twice a year to reach the Finance Department, once by 25 November and again by the 1 January at the latest.

The first statement should be based on the previous seven months actual expenditure and the second on eight months actual expenditure, specifying the reasons for anticipated savings and excesses of expenditure over the sanctioned budget grants under each head. These returns would enable Finance Department to consider adjustment of budgetary provisions and additional financial implication, if any.

Audit observed that the Chief Engineer (Sanitation) of Public Health Engineering Department, Assam had not prepared and submitted such statement/return to the Finance Department.

On this being pointed out, the Chief Engineer (Sanitation) of Public Health Engineering Department, stated (October 2018) that they had neither prepared

Form-O nor submitted to the Finance Department. Thus, non-compliance of the instructions of the Budget Manual by the COs resulted in shortcoming like unutilized budget provision, rush of expenditure etc., as mentioned in preceding paragraphs. These being necessary control measures, action may be taken against officers concerned for their failure to adhere to such provisions.

viii) Gender Budget

Scrutiny of Gender Budget (2017-18) disclosed that an amount of ₹ 1,453.63 crore was earmarked by the PHE Department for implementation of Piped Water Supply Schemes and installation of Spot Sources in Rural habitations to benefit 3.37 lakh women of the State as detailed in **Table 2.16**.

Table 2.16: Gender Budget (2017-18)

Head of Account	Name of the Scheme	Budget allocation (₹ in crore)		Total (₹ in crore)	Nos. of Targeted beneficiaries	Expenditure
		Establishment Expenditure etc.	SOPD, CSS etc.			
4215-Capital Outlay on Water Supply & Sanitation and 2215-Water Supply & Sanitation	Implementation of Piped Water Supply Schemes and installation of Spot Sources in Rural habitations	874.38	579.25	1453.63	3.37 lakh	Nil

Audit observed that the purpose of preparation of Gender Budget was defeated as no expenditure was incurred during the year on the scheme as stated by the Chief Engineer (PHE), Water (December 2018).

ix) Budget Commitment

The Finance Minister, Government of Assam in his budget Speech for the year 2017-18 made commitment to provide drinking water to Luming town and to provide Solar Power System in Chaparis, Majuli, Remote and other difficult areas and to provide potable water in tea garden areas. An amount of ₹ 19 crore was earmarked in the budget for the above purposes as detailed in **Table 2.17**.

Table: 2.17: Non-fulfillment of Budget Commitment (2017-18)

(₹ in crore)		
Scheme	Budget Allotment	Expenditure
To provide drinking water to Lumding town	10	Nil
Solar Power System in Chapraris, Majuli and other difficult areas	4	Nil
To provide potable water in tea garden areas	5	Nil
Total	19	Nil

Audit, however, observed that commitment made in the budget was not materialized as no expenditure was incurred during 2017-18 on the schemes announced in the Budget for the PHE Department.

In reply, the Chief Engineer (PHE), Water stated (December 2018) that schemes could not be started during 2017-18 due to technical and ground conditions. Thus, the commitment made during budget speech could not be implemented due to lack of planning and timely action to undertake the execution of slated works.

2.5.3 Grant No. 55 – Environment and Forest

i) Delayed submission of Budget Estimates

As envisaged in Para 6.1 of the Assam Budget Manual 2012, the Administrative Heads are required to submit the Budget Estimates of receipts and expenditures for the succeeding year along with revised estimates for the current year to the Finance Department by 15 October each year both for General and Sixth Schedule Areas.

On scrutiny of records of Environment and Forest Department, it was observed that there were delays in submission of the Budget Estimates in respect of receipts and expenditures for the years 2014-15, 2015-16, 2016-17 and 2017-18 to the Finance Department as indicated in **Table-2.18**.

Table-2.18: Delay in submission of Budget Estimates

Grant No.	Financial Year	Due date of submission of BE's to the Finance Department	Actual date of submission to the Finance Department	Delay in submission (in days)
55	2013-14	15-10-2012	NA	NA
	2014-15	15-10-2013	25-09-2014	345
	2015-16	15-10-2014	23-02-2015	131
	2016-17	15-10-2015	12-07-2016	271
	2017-18	15-10-2016	24-01-2017	101

Source: Departmental Records; NA: Not Available

Delay in submission of Budget Estimates to the Finance Department ranged between 101 and 345 days, which was against the norms prescribed in the Assam Budget Manual.

ii) Unrealistic budget estimation

Assam Budget Manual provides that on receipt of the estimates from the subordinate estimating officers, the Controlling Officers (COs) will scrutinize and consolidate them for each major head or for the several minor heads of account for which the CO is responsible. The CO will then forward the estimates to the Administrative Department and the Finance Department along with copy of each of the estimates received from the estimating officers.

The summarized position of budget provision and actual expenditure there against for the year 2017-18 under the Grant No. 55 is presented in **Table-2.19**.

Table-2.19: Summarized position of Budget Provision and Actual Expenditure

Nature of Expenditure	Major Head	Budget Provision			Actual expenditure	Saving	Percentage of Savings
		Original	Supplementary	Total			
Revenue	2406 & 2415	850.16	77.70	927.86	473.60	454.26	48.96
Capital	4406	14.45	Nil	14.45	1.02	13.43	92.94
Total		864.61	77.70	942.31	474.62	467.69	49.63

Source: Appropriation Accounts (2017-18)

It would be evident from the **Table 2.19** that the savings against the budget provision under Grant No. 55 stood at 49.63 per cent during 2017-18. This was indicative of the fact that the estimation was made without proper analysis of actual requirement. This calls for revamping of the budget preparation exercise through training and capacity building.

iii) Unnecessary Supplementary Grant

Supplementary Grant as defined in the Para-8 of Budget Manual means an additional provision included in an Appropriation Act during the course of a financial year, to meet expenditure in excess of the amount previously included in the Appropriation Act for that year.

As a result of the test check of records for the year 2017-18, Audit observed that supplementary provision of ₹ 77.70 crore under Major Head 2406 and 2415 proved unnecessary as the expenditure of ₹ 473.60 crore did not even reach the level of original provision (₹ 850.16 crore) as detailed in **Table-2.20**.

Table-2.20: Unnecessary supplementary Provision

Grant No.	Major Head	Budget Allotment			Expenditure	Savings out of original provision
		Original	Supplementary	Total		
55	2406 & 2415	850.16	77.70	927.86	473.60	376.56

Source: Appropriation Accounts (2017-18)

This indicated the poor financial management on the part of Environment and Forest Department as the supplementary provision was made without assessing actual requirement.

iv) Rush of expenditure

According to the Subsidiary Order 50 of Assam Treasury Rules, rush of expenditure in the closing month of the financial year should be avoided.

Audit observed that out of total expenditure of ₹ 474.62 crore, Forestry and Wildlife Department, Assam incurred an expenditure of ₹ 145.73 crore (30.71 per cent) in March 2018 of financial year 2017-18 under the Major Head 2406, 2415 and 4406 as detailed in **Table 2.21**.

Table 2.21: Rush of expenditure

Major Head	Total Provision			Total Expenditure during the year	Expenditure in March	Percentage of Total Expenditure
	Original	Supplementary	Total			
2406	833.26	77.70	910.96	465.12	144.11	30.98
2415	16.90	0	16.90	8.48	0.80	9.43
4406	14.45	0	14.45	1.02	0.82	80.39
Total	864.61	77.70	942.31	474.62	145.73	30.71

For a sound financial management, uniform pace of expenditure should be maintained. Thus, contrary to the spirit of financial regulations, the department incurred a substantial amount at the fag end of year. This was indicative of poor financial control over the expenditure.

v) Persistent Savings

Audit observed that substantial portion of the budget grants remained unutilized due to non-achievement of projected financial outlays in the respective years. The Finance/Administrative Department made budget allocation without considering the previous year's expenditure which resulted in persistent savings during 2013-18 under the Grant No. 55 (Environment and Forest) as shown in **Table 2.22**.

Table 2.22: Persistent Savings

Grant No.	Financial Year	Total Grant	Expenditure	Savings	Savings as percentage of grant received
					(₹ in crore)
55	2013-14	631.95	386.73	245.22	38.80
	2014-15	539.63	308.74	230.89	42.79
	2015-16	605.33	301.18	304.15	50.25
	2016-17	787.23	451.83	335.40	42.61
	2017-18	942.31	474.62	467.69	49.63

Source: Appropriation Accounts

Persistent savings ranged between 38.80 *per cent* and 50.25 *per cent* during 2013-18 under the Grant No. 55. This indicated that the process of preparation of Budget Estimates by the department was not strict and realistic and needs to be revisited.

vi) Lack of Budgetary control and monitoring

Under the provision of Para 11.16 of the Budget Manual, for monitoring the progress of expenditure and provisions of additional funds when required, a statement in Form-O in duplicate should be submitted by the Controlling Officers (COs) twice a year to reach the Finance Department, once by 25 November and again by the 1 January at the latest.

The first statement should be based on the previous seven months actual and the second on eight months actual, specifying the reasons for anticipated savings and excesses of expenditure over the sanctioned budget grants under each head. These returns would enable Finance Department to consider adjustment of budgetary provisions and additional financial implication, if any.

Audit observed that the Principal Chief Conservator of Forests & Head of Forest Force, Assam had not prepared and submitted such statement to the Finance Department.

On this being pointed out, the Environment and Forest Department stated (October 2018) that it had neither prepared Form-O nor submitted the same to the Finance Department. Thus, non-compliance of the instruction of the Budget Manual by the COs resulted in shortcoming like unrealistic budget estimation, rush of expenditure etc., as mentioned in preceding paragraphs, which calls for fixing of responsibility of the officials at fault.

vii) Anticipated savings not surrendered

As per Para 11.17 of the Assam Budget Manual, 2012, all the Controlling Officers are required to submit a statement of anticipated savings to the Finance (Budget) Department not later than 15 February of each year. The statement of anticipated savings is necessary for: -

- (i) Re-appropriation of savings against the excess under any Major Head within the same grant;
- (ii) For preparation of the Revised Estimates of expenditure.

Audit observed that at the close of the financial year 2017-18, Environment and Forest Department incurred an expenditure of ₹ 474.62 crore against the budgetary allocation of ₹ 942.31 crore and this resulted into savings of ₹ 467.69 crore. However, the savings of ₹ 467.69 crore were not surrendered by the Environment and Forest department as detailed in preceding **Table 2.19**.

Had the surrenders been made in time, the funds could have been utilised for other development purposes. As such, financial controls and monitoring need to be

strengthened to ensure surrender of anticipated savings for meaningful utilization for other developmental activities.

viii) Budget Commitment

The Minister of Finance, Government of Assam, while delivering the Budget speech for the year 2017-18, committed ₹ 45 crore on five schemes to be implemented by Environment & Forest Department. Further details of the schemes are given in **Table 2.23**.

Table: 2.23: Non-fulfillment of Budget Commitment (2017-18)

(₹ in crore)

Sl. No.	Scheme/projects announced in the Budget Speech (2017-18)	Amount committed in Budget Speech	Budget Allotment	Expenditure	Savings
1	To set up 2 Interpretation Centre cum Museums at Jaypur and Manas Wildlife Sanctuary	Nil	10	Nil	10
2	To help Assam gain the status of Carbon Negative State	5	Nil	Nil	Nil
3	For improvement of forest cover through restoration and afforestation	15	Nil	Nil	Nil
4	Green initiative for greater Guwahati city	5	Nil	Nil	Nil
5	To provide sophisticated arms and equipment to forest guards and forest protection forces	20	10	10	Nil
Total		45	20	10	10

Source: Budget Speech (2017-18) and Detailed Appropriation Accounts (2017-18)

Audit, however, observed that commitment made in the budget did not materialize as only an expenditure of ₹ 10 crore was incurred by the Environment and Forest Department during 2017-18 on the schemes announced in the Budget.

2.6 Significant audit observations

- Sound financial management requires advance planning and accurate estimation of revenue and expenditure. There were instances of excess expenditure or substantial savings with reference to budget provision made during the year, exhibiting weakness in expenditure monitoring and control.
- During the year 2017-18, Government of Assam (GOA) incurred expenditure of ₹ 68,586.99 crore against the total grants and appropriations of ₹ 99,453.08 crore resulting in overall savings of ₹ 30,866.09 crore. The overall savings of ₹ 30,866.09 crore stood at 31 per cent of total grants and appropriations. This shows poor financial management by the State.

- The overall savings of ₹ 30,866.09 crore was the net result of total savings of ₹ 31,130.69 crore in 84 grants and three appropriations under Revenue Section and 58 grants and one appropriation under Capital Section offset by excess of ₹ 264.60 crore in two grants under Revenue Section and one grant under Capital Section.
- Against the overall savings of ₹ 30,866.09 crore, only an amount of ₹ 3,900.00 crore (12.64 *per cent*) was surrendered during 2017-18, of which ₹ 3,894.00 crore (99.85 *per cent*) was surrendered on the last day of the year i.e., 31 March 2018.
- Excess expenditure over allocation amounting to ₹ 9,323.63 crore pertaining to years from 2005-06 to 2016-17 was yet to be regularized as of November 2018. The cases of excess expenditure over grants are serious matters and are in violation of the wishes of the Legislature, which calls for fixing of responsibility in this regard to discourage this practice.
- Supplementary provision aggregating ₹ 6,029.67 crore obtained in 75 cases (₹ 10 lakh or more in each case) proved unnecessary as the expenditure under the respective heads was even less than the original budget provision.
- At the close of the year 2017-18, there were 60 grants/appropriations in which substantial savings of ₹ five crore and above occurred. But the departments concerned did not surrender the amount. The amount involved in these cases was ₹ 22,514.82 crore (72 *per cent* of the total savings).
- The total amount of Detailed Countersigned Contingent (DCC) bills received was only ₹ 837.52 crore against the amount of Abstract Contingent (AC) bills of ₹ 1,516.37 crore, leaving an outstanding balance on account of non-submission of DCC bills of ₹ 678.85 crore as on 31 March 2018.
- Out of 54 COs, only four carried out full reconciliation of departmental receipts figures and 14 carried out full reconciliation of departmental expenditure figures with those reflected in the books of the Office of the Accountant General (Accounts & Entitlement), Assam.
- The Accountant General (A&E), Assam called for reasons for savings/excesses in respect of 2,310 sub-heads/sub sub-heads. Government of Assam did not furnish any explanation for variation in respect of 1,962 sub-heads/sub sub-heads. While for 86 sub-heads/sub sub-heads partial explanation was received. Complete explanation furnished in respect of 262 sub-heads/sub sub-heads have been incorporated in the Appropriation Accounts of 2017-18.
- Excessive/unnecessary re-appropriations of funds were also observed. Unrealistic budgetary allocations resulting in substantial savings, unnecessary supplementary grants and expenditure without provisions pointed to poor budget management.