

CHAPTER II

Allocative priorities and appropriation

2.1 Introduction

The Appropriation Accounts prepared annually indicate capital and revenue expenditure on various specified services vis-à-vis those authorised by the Appropriation Act in respect of both charged and voted items of budget.

Audit of Appropriation Accounts by the Comptroller and Auditor General of India seeks to ascertain whether the 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 Summary of Appropriation Accounts

The summarised position of actual expenditure during 2007-08 against 59 grants/appropriations was as follows:

Nature of expenditure		Original grant/ appropriation	Supplementary grant/ appropriation	Total	Actual expenditure ¹	Saving(-)/ Excess(+)
(R u p e e s i n c r o r e)						
Voted	I Revenue	26522.63	2504.85	29027.48	27623.72	(-) 1403.76
	II Capital	2882.61	224.61	3107.22	2905.88	(-) 201.34
	III Loans and Advances	1668.73	16.70	1685.43	1062.12	(-) 623.31
Total Voted		31073.97	2746.16	33820.13	31591.72	(-) 2228.41
Charged	IV Revenue	11903.89	17.65	11921.54	11659.04	(-) 262.50
	V Capital	0.09	7.92	8.01	7.71	(-) 0.30
	VI Public Debt	5534.75	53.24	5587.99	17443.61	(+) 11855.62
	VII Loans and Advances	-	0.28	0.28	-	(-) 0.28
Total Charged		17438.73	79.09	17517.82	29110.36	(+) 11592.54
Grand Total		48512.70	2825.25	51337.95	60702.08	(+) 9364.13

The overall excess of Rs 9364.13 crore was the net result of excess of Rs 12145.54 crore in 14 grants and eight appropriations, offset by savings of Rs 2781.41 crore in 54 grants and 29 appropriations. Explanations for savings/excesses were either not received or were received incomplete in 90 per cent of the cases.

¹ These are gross figures without taking into account the recoveries adjusted in accounts as reduction of expenditure under revenue expenditure: Rs 968.34 crore and capital expenditure: Rs 225.86 crore.

2.3 Fulfilment of allocative priorities

2.3.1 Appropriation by Allocative Priorities

Out of the total savings of Rs 2781.41 crore, major savings of Rs 1470.50 crore (53 per cent) occurred in eight grants and one appropriation as mentioned below:

Grant No.	Original	Supplementary	Total Grant	Actual Expenditure	Saving
	(R u p e e s i n c r o r e)				
7-Revenue (Voted)	382.85	42.44	425.29	361.23	64.06
13-Revenue (Voted)	888.49	64.60	953.09	860.48	92.61
18-Revenue (Charged)	11722.51	-	11722.51	11489.98	232.53
24-Revenue (Voted)	1771.66	79.33	1850.99	1689.57	161.42
24-Capital (Voted)	130.0	-	130.00	62.17	67.83
32-Capital (Voted)	359.18	-	359.18	233.04	126.14
38-Revenue (Voted)	47.02	192.38	239.40	110.76	128.64
39-Revenue (Voted)	1475.25	130.33	1605.58	1335.69	269.89
40-Revenue (Voted)	2077.36	153.06	2230.42	2105.28	125.14
54-Revenue (Voted)	1075.90	-	1075.90	873.66	202.24
Total	19930.22	662.14	20592.36	19121.86	1470.50

The departments did not intimate any reason for savings. Areas in which major savings occurred in these nine grants are given in *Appendix 2.1*.

In 58 cases, savings exceeding rupees one crore in each case and also by more than 10 per cent of total provision amounting to Rs 1505.73 crore occurred as indicated in *Appendix 2.2*. In four² of these cases, the entire provision totalling Rs 103.50 crore was not utilised.

There was excess of Rs 12145.54 crore under 14 grants and eight appropriations requiring regularisation by the Legislature. The excess under Grant Nos. 6-Animal Resources Development, 18-Finance and 21-Food and Supplies amounted to Rs 12048 crore.

2.3.2 Persistent savings

In 22 cases, involving 11 grants and seven appropriations, there were persistent savings of more than Rupees one crore in each case and 20 per cent or more of provisions. Details are given in *Appendix 2.3*.

2.3.3 Excess requiring regularisation

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get the excess over a grant/appropriation regularised by the State Legislature. However, the excess expenditure amounting to Rs 16055.11 crore for the years 2003-04 to 2006-07³ as detailed in the table had not been regularised so far (September 2008). This was a breach of legislative control over appropriations.

² 20 (Capital Charged), 47 (Capital Voted), 47 (Capital Charged) and 58 (Capital Voted)

³ Act of regularisation on excess expenditure for the years 2003-2007 is awaited. Consolidated replies from Government for the years 2003-2008 were yet to be received.

Year	Number of grants/appropriations	Grant/ Appropriation number(s)	Amount of excess (Rs in crore)	Reasons for excess
2003-04	18	5, 7, 9, 16, 18, 27, 28, 29, 31, 36, 37, 43, 45, 47, 51, 54, 55, 56	10734.02	Not received
2004-05	13	1, 6, 8, 18, 20, 21, 24, 25, 29, 36, 48, 53, 56	4767.14	Not received
2005-06	16	6,7,9,11,12,18,20,30,38,43,44,45,50,52,53, 54	260.64	Not received
2006-07	19	5,6,8,9,11,13,20,23,26,27,28,30,31,42,43,45, 47, 53,54	293.31	Not received
Total			16055.11	

Further, the excess of Rs 12145.54 crore under 14 grants and eight appropriations during 2007-08 requires regularisation under Article 205 of the Constitution. Details are given below:

Grant No.	Description of the grant/appropriation	Section	Total grant/appropriation	Actual expenditure	Amount of excess
A	Voted		Rupees	Rupees	Rupees
3	Council of Ministers	Revenue	48872000	49219476	347476
4	Agricultural Marketing	Capital	57000000	227560682	170560682
5	Agriculture	Revenue	4361019000	4432172678	71153678
9	Commerce and Industries	Revenue	4466542000	4530319629	63777629
18	Finance	Revenue	43306957000	43683214615	376257615
20	Fisheries	Revenue	698850000	722055328	23205328
21	Food and Supplies	Revenue	3543345000	4570916005	1027571005
26	Hill Affairs	Revenue	1878112000	1897914398	19802398
32	Irrigation and Waterways	Revenue	3235280000	3246989836	11709836
43	Power and Non-Conventional Energy Sources	Revenue	422611000	608942583	186331583
		Capital	17755100000	17819616295	64516295
44	Public Enterprises	Capital	372500000	438471510	65971510
46	Refugee, Relief and Rehabilitation	Revenue	240226000	245008281	4782281
50	Sunderban Affairs	Revenue	377008000	423899334	46891334
56	Women and Child Development and Social Welfare	Revenue	7396619000	7553251994	156632994
Total : A – Voted			88160041000	90449552644	2289511644
B	Charged				
6	Animal Resources Development	Capital	1000000	306514800	305514800
9	Commerce and Industries	Revenue	26000000	26110377	110377
18	Finance	Capital	54646398000	173416995323	118770597323
23	Forest	Revenue	2493000	2493084	84
34	Judicial	Revenue	339486000	429086933	89600933
42	Personnel and Administrative Reforms	Revenue	959000	959201	201
		Capital	2156000	2156365	365
53	Transport	Revenue	108501000	108525814	24814
55	Water Investigation and Development	Revenue	17000	22530	5530
Total : B - Charged			55127010000	174292864427	119165854427
Total : A and B			143287051000	264742417071	121455366071

Reasons for the excesses had not been furnished by the Government as of September 2008.

2.3.4 Original budget and supplementary provisions

Supplementary provisions (Rs 2825.25 crore) made during this year constituted six *per cent* of the original provision (Rs 48512.70 crore) against four *per cent* of previous year.

2.3.5 Unnecessary/excessive/inadequate supplementary provisions

Supplementary provisions of Rs 488.94 crore made in 25 cases during the year proved unnecessary in view of aggregate saving of Rs 840.90 crore as detailed in *Appendix 2.4*.

In 24 cases, against additional requirement of only Rs 757.78 crore, supplementary grants and appropriations of Rs 1317.06 crore were obtained, resulting in savings in each case exceeding Rs 10 lakh, aggregating Rs 559.28 crore. Details of these cases are given in *Appendix 2.5*.

In 14 cases, supplementary provision of Rs 923.02 crore proved insufficient leaving an uncovered excess expenditure of Rs 12087.78 crore. Details of these cases are given in *Appendix 2.6*.

In five cases, though expenditure exceeded budget provision by Rs 57.75 crore, no supplementary grant was provided. Details of these cases are given in *Appendix 2.7*.

2.3.6 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. Cases where the re-appropriation of funds proved injudicious in view of final excess/savings over grant by over rupees one crore are detailed in *Appendices 2.8 and 2.9* respectively.

2.3.7 Defective re-appropriation

During 2007-08, 229 re-appropriation orders of Rs 1688.22 crore were issued. Of these, 28 orders aggregating Rs 112.74 crore were not considered in accounts due to delayed receipt.

Of the remaining 201 orders, 93 orders involving Rs 1272.40 crore were issued on 31 March 2008, the last day of the fiscal year and four orders involving Rs 175.65 crore were issued after the close of the financial year.

2.3.8 Anticipated savings not surrendered

According to rules, the spending departments are required to surrender the grants/appropriations or portion thereof to the Finance Department as and when savings are anticipated. However, at the close of the year 2007-08, there were 54 cases in which savings above rupees one crore in each case amounting to Rs 1836.42 crore had not been surrendered. In 14 cases, even after partial surrender, savings of rupees one crore and above in each case aggregating Rs 496.61 crore (68 per cent of total savings) remained un-surrendered. This included un-surrendered savings of Rs 23.77 crore (99 per cent of total savings under Grant No. 8-Co-operation-Revenue-Voted), Rs 18.13 crore (98 per cent of total savings under Grant No. 35 – Labour-Revenue-Voted), Rs 269.56 crore (99 per cent of total savings under Grant No. 39-Municipal Affairs-Revenue-Voted) and Rs 8.93 crore (94 per cent of total savings under Grant No. 47-Relief-Capital-Charged). Details are given in *Appendices 2.10 and 2.11* respectively.

2.3.9 Expenditure without provision

As envisaged in the Budget Manual, expenditure should not be incurred on a scheme/service without provision of funds therefor. Some instances (10 cases involving Rs 9594.63 crore) are shown in *Appendix 2.12* where no provisions in the original estimates/supplementary demands were made or re-appropriation orders issued.

2.3.10 Surrender in excess of actual savings

In 13 cases, the amount surrendered was in excess of actual savings, indicating inadequate budgetary control. As against the total savings of Rs 185.55 crore, the amount surrendered was Rs 281.50 crore resulting in excess surrender of Rs 95.95 crore.

In six cases Rs 62.30 crore were surrendered in spite of the fact that the expenditure exceeded the approved provision by Rs 76.69 crore. Details are given in *Appendix 2.13*.

2.3.11 Advances from Contingency Fund

The Contingency Fund of the State was established under the Contingency Fund Act 1956, in terms of provisions of Articles 267(2) and 283(2) of the Constitution of India. Advances from the Fund were to be made only for meeting expenditure of an unforeseen and emergent character, the postponement of which, till its authorisation by the Legislature would be undesirable. The Fund was in the nature of an imprest and its corpus was Rs 20 crore.

As on 1 April 2007, the balance in the fund was Rs 12.81 crore. During the year advances drawn but unrecouped totalled Rs 7.28 crore (44 sanctions were issued for withdrawal of total amount of Rs 9.60 crore, of which Rs 2.32 crore was recouped during the year). Also Rs 7.16 crore was recouped out of the advances drawn during previous years. Thus, the closing balance of the fund as on 31 March 2008 was Rs 12.69 crore.

2.3.12 New Service/New Instrument of Service

Article 205 of the Constitution provides that expenditure on a ‘New Service’ not contemplated in the Annual Financial Statement (Budget) can be incurred only after its specific authorisation by the Legislature.

In three cases, expenditure totalling Rs 40.72 crore, which should have been treated as ‘New Service’/‘New Instrument of Service’, was met by re-appropriation without obtaining the requisite approval of the Legislature. Details of these cases are given in *Appendix 2.14*.

2.4 Rush of expenditure

The financial rules require that Government expenditure should be evenly distributed throughout the year. Rush of expenditure particularly in the closing months of a financial year is to be regarded as breach of financial regularity and should be avoided. The position in respect of expenditure upto third quarter, for the fourth quarter and also for the month of March 2008 as depicted below shows that the expenditure incurred in March 2008 in 20 cases ranged between 53 and 100 *per cent* of the total expenditure during the year.

Description of Major Head	Expenditure up to 3rd quarter	Expenditure in 4th quarter	Total expenditure	Expenditure in March 2008	Percentage of expenditure in March 2008
	(R u p e e s i n c r o r e)				
2501-Special Programmes for Rural Development	88.65	218.81	307.46	178.04	58
2810-Non-conventional Sources of Energy	0.74	8.38	9.12	5.98	66
2852-Industries	92.72	335.59	428.31	317.50	74
3425-Other Scientific Research	1.34	9.63	10.97	9.14	83
3435-Ecology and Environment	0.56	8.31	8.87	7.17	81
3452-Tourism	3.03	10.34	13.37	8.00	60
3604-Compensation and Assignments to Local Bodies and Panchayati Raj Institutions	144.35	286.68	431.03	235.39	55
4055-Civil Outlay on Police	1.51	5.70	7.21	5.01	70
4070-Capital Outlay on Other Administrative Services	4.35	20.62	24.97	18.79	75
4215-Capital Outlay on Water Supply and Sanitation	79.56	467.02	546.58	417.03	76
4216-Capital Outlay on Housing	9.30	16.92	26.22	14.90	57
4217-Capital Outlay on Urban Development	5.02	9.38	14.40	7.76	54
4235-Capital Outlay on Social Security and Welfare	1.08	20.32	21.40	11.30	53
4250-Capital Outlay on Other Social Services	0.43	4.55	4.98	4.07	82
4403-Capital Outlay on Animal Husbandry	0.14	0.91	1.05	0.91	86
4404- Capital Outlay on Dairy Development	-	2.95	2.95	2.24	76
4405-Capital Outlay on Fisheries	2.51	6.58	9.09	5.88	65
4435-Capital Outlay on Other Agricultural Programmes	-	2.76	2.76	2.76	100
5465-Investments in General Financial and Trading Institutions	-	19.93	19.93	19.93	100
5475-Capital Outlay on Other General Economic Services	0.30	9.22	9.52	8.61	90

2.5 Operation of Personal Ledger Accounts

In terms of Rule 6.09 of West Bengal Treasury Rules (WBTR) 2005, the Personal Deposit Account created by debit to the Consolidated Fund of the State other than those created under any law or rule having the force of law by transferring fund from the Consolidated Fund of the State for discharging liability of the Government arising out of special enactments, shall be closed at the end of the financial year by minus debit of the balance to the relevant service heads in the Consolidated Fund of the State. It is also stated in Rule 6.08 of West Bengal Treasury Rules that any Personal Deposit Account, if not operated for consecutive two years, shall be closed and if there is reason to believe that the need for such Deposit Account has ceased, the same shall be closed.

The provisions of rules as narrated above were not followed as would be evident from the succeeding paragraphs.

The balance under Personal Ledger Accounts of the State at the end of March 2008 was Rs 1561.76 crore. Test-check of 31 Personal Ledger Accounts (PLAs) of 28 Drawing and Disbursing Officers (DDOs) of seven Departments viz (i) Land and Land Reforms, (ii) Home (Police), (iii) Health and Family Welfare, (iv) Labour (v) Animal Resources Development, (vi) Jails, and (vii) Agriculture revealed that the PLAs were opened by those DDOs during the period from 1962-1963 to 2001-2002. Twenty DDOs unauthorisedly opened 21 PL Accounts without consulting the Accountant General (A&E). None of the DDOs closed the PLAs at the end of the financial years, though required under rules, resulting in accumulation of Rs 465.79 crore at the end of 31 March 2008. Details are given in the *Appendix 2.15*.

Six DDOs (Two DMs, Director of Agriculture and DG & IG of Police, West Bengal, Superintendent, Dum Dum Central Correctional Home, Medical

Superintendent cum Vice-Principal (MSVP), National Medical College and Hospital, Kolkata) retained for various periods since 1990-91 unspent balances of Rs 59.10 crore pertaining to different Scheme Funds in their PLAs till March 2008 (*Appendix 2.16*).

Six PLAs remained inoperative for a period ranging between six and 22 years, having a total balance of deposit of Rs 1.66 crore as on 31 March 2008 in contravention of Rule 6.08 of WBTR (*Appendix 2.17*).

Departmental receipts of Rs 1.51 crore collected during January 1997 to December 2005, were deposited and retained in PLAs unauthorisedly as of 31 March 2008 by the MSVPs of two Medical College and Hospitals (Medical College and Hospital Kolkata, and National Medical College and Hospital, Kolkata), Principal of Dr R Ahmed Dental College and Hospital and Director, Institute of Post Graduate Medical Education and Research (IPGME&R), Kolkata without consultation with the Accountant General (A&E), West Bengal.

There were discrepancies between PLA Cash Books and corresponding Treasury Pass Books in respect of 13 PLAs due to non-reconciliation as required under Rule 6.08 (5) of WBTR 2005 (*Appendix 2.18*).

The balances held under PLAs of the State had increased substantially from Rs 513.91 crore in March 2002 to Rs 1561.76 crore in March 2008 indicating lack of treasury control over expenditure of substantial amount of Government funds (*Appendix 2.19*).

Thus, funds meant for various developmental works were locked in PLAs without undertaking works for which these were sanctioned and released flouting the rules of WBTR regarding Personal Ledger Account.

2.6 Huge amounts drawn on Abstract Contingent (AC) Bills remaining outstanding

Administrative Departments issue sanction orders with the concurrence of Finance Department, authorising different Drawing and Disbursing Officers (DDOs) to draw advances on Abstract Contingent (AC) bills. These AC bills are required to be adjusted by submission of Detailed Contingent (DC) bills with the countersignature of the Controlling Officer within 60 days from the respective dates of drawal from the Treasury or within one month from the date of actual utilisation of amounts drawn.

Mention was made in paragraph 2.7 of the Report of the Comptroller and Auditor General of India for the year ended 31 March 2007 (Civil), Government of West Bengal, regarding huge sum of money (Rs 65.09 crore) remaining pending for adjustment for years together. The departments obviously had not taken any action to arrest such practice as is evident from the succeeding paragraphs.

Records of 12 DDOs test-checked during 2007-08 disclosed that Rs 122.01 crore was drawn upto 2007-08 through AC bills including Rs 72.04 crore (153 bills) drawn during 2007-08. As against Rs 122.01 crore so drawn in AC bills, Rs 97.10 crore remained unadjusted as of March 2008

(**Appendix 2.20**). It was further noticed that advance for Rs 33.70 crore have not been adjusted for more than one year.

Scrutiny of AC/DC bills showed the following irregularities:

In course of submission of AC bills to Treasury, the DDO was required to furnish a certificate to the effect that DC bills for the previous AC bills had been submitted within a period of 60 days and the expenditure had been incurred for the purpose for which it was drawn. None of the test-checked DDOs furnished such certificates in AC bills. The DDOs drew advances of Rs 72.04 crore on AC bills during 2007-08 of which Rs 8.64 crore only was adjusted as of March 2008, despite non-submission of DC bills against previous AC bills for Rs 49.97 crore drawn upto 2006-07.

An advance check register is required to be maintained by the DDOs for recording AC and DC bills. Out of the 12 offices test-checked only two DDOs (SP, North 24 Parganas and Director of Health Services, West Bengal, Kolkata) maintained the said register.

Out of total outstanding amount of Rs 97.10 crore drawn upto March 2008, only four offices, namely Director of Social Welfare (Rs 30.62 crore), AO, Kolkata Police (Rs 25.01 crore), Commandant, SAP 6th Battalion (Rs 18.41 crore) and DHS, Kolkata (Rs 7.68 crore), accounted for 84 *per cent*.

Prolonged retention of huge public funds by the DDOs without giving account of its utilisation by submitting DC bills is fraught with the risk of serious financial irregularities/misappropriation.

2.7 Budgetary and expenditure control

Control over budget and expenditure is essential for optimum utilisation of limited resources to achieve the objectives of the department. The following shortcomings were noticed in control over preparation of the budget and expenditure thereof in respect of Urban Development Department (Grant No 54):

Defective system of preparation of budget

Under the provisions of West Bengal Financial Rules and West Bengal Budget Manual, the departmental budget estimates are required to be prepared by the respective department of Government after obtaining budget proposals from the subordinate offices.

The Departmental Controlling Officer or a Disbursing Officer, under whose disposal the grant is placed, is required to keep constant watch over the progress of expenditure under different sub-heads of Grant received by the concerned Developmental Authorities and to monitor the progress of expenditure by obtaining monthly statement of expenditure (SOE) from the concerned authority. Further, Departmental Controlling Officers are also required to maintain Departmental Consolidated Accounts (DCA) and arrange their verification month by month with those maintained by the Accountant General (A&E), West Bengal.

As different Development Authorities under the Urban Development Department did not maintain any Appropriation Register for a particular scheme/head, Audit could not verify the expenditure scheme/head wise.

Urban Development Department prepared budget estimate for submission to Finance Department on the basis of expenditure incurred during the last financial year after adding a percentage on it.

Release of funds in March

Rule 373 of WBFR stipulates that after receiving the amount of grant for a particular year from the Finance Department, the Urban Development Department should make arrangement for distributing and communicating the sanctioned funds among the Drawing and Disbursing Officers (DDOs) at the beginning of the financial year. The DDOs would then plan their work programme as per availability of fund for the current year. Whereas scrutiny or records and registers, maintained by the Urban Development Department, relating to grants sanctioned to different Development Authorities, revealed that in many cases grants were released to different Development Authorities at the close of the financial year (as shown below), for which the said Development Authorities were not able to utilise the funds within the stipulated period.

Year	Name of the Development Authority (Grantee)	Total grants released during the year	Grants released during last quarter	Grants released in the month of March	Percentage of grants released in March/ last quarter
(Rupees in lakh)					
2006-07	Burdwan Development Authority	305.00	160.00	160.00	52/52
	Siliguri-Jalpaiguri Development Authority	781.00	543.90	543.90	70/70
	Sriniketan-Santiniketan Development Authority	335.00	160.05	113.75	34/48
	Digha-Sankarpur Development Authority	225.51	124.92	59.93	27/55
	Midnapur-Kharagpur Development Authority	298.00	177.00	177.00	59/59
	Jaigaon Development Authority	40.00	22.75	12.75	32/57
2007-08	Burdwan Development Authority	315.00	315.00	165.00	52/100
	Sriniketan-Santiniketan Development Authority	450.00	112.50	92.50	21/25
	Digha-Sankarpur Development Authority	250.00	62.50	62.50	25/25
	Midnapur-Kharagpur Development Authority	318.09	318.09	-	100
	Siliguri-Jalpaiguri Development Authority	785.00	190.00	-	32
	Jaigaon Development Authority	108.00	80.50	-	75

Non-utilisation of funds

Rule 373 of WBFR stipulates that after receiving the amount of grant for a particular year from the Finance Department, the Urban Development Department should make arrangement for distributing and communicating the sanctioned funds among the DDOs at the beginning of the financial year. The DDOs would then plan their work programme as per availability of fund for the current year.

Lack of planning and failure to implement the project accordingly resulted in underutilisation of budget funds and huge savings in the Account for the period 2005-08, as detailed below:

Name of the Development Authority	Year	Total grant received under different heads of account	Actual expenditure under different heads of account	Unspent balance	Percentage of funds unutilised	Unutilised funds related to
		(R u p e e s i n L a k h)				
Medinipur-Kharagpur Development Authority	2007-08	318.09	-	318.09	100	LUDCP, BMS, etc
Digha-Sankarpur Development Authority	2005-06	107.00	6.65	100.35	94	Plan Grant, BMS, etc.
	2006-07	225.51	27.06	198.45	88	LUDCP, ACA
	2007-08	250.00	-	250.00	100	LUDCP, BMS
Jaigaon Development Authority	2005-06	15.00	10.69	4.31	29	BMS
	2006-07	40.00	24.07	15.93	40	BMS, Plan Grant
	2007-08	108.46	15.08	93.38	86	BMS, Plan Grant
Burdwan Development Authority	2005-06	136.50	70.58	65.92	48	BMS, Plan Grant
	2006-07	305.00	42.19	262.81	86	ACA, BMS, Plan Grant
	2007-08	315.00	145.92	169.08	54	BMS, Plan Grant

LUDCP: Land Use and Development Control Plan, BMS: Basic Minimum Services, ACA: Additional Central Assistance

From the above, it is evident that the Developmental Authorities could not utilise 29 per cent to 100 per cent of the funds, on different heads within the stipulated year. This indicated deficiency in planning and control of expenditure.

2.8 Other topics of interest

2.8.1 Irregularities in the functioning of treasuries

Non-maintenance of records relating to sanction orders

During inspection of treasuries for the year 2007-08, it was noticed that in 12 treasuries the system of noting the sanction orders relating to drawal on AC Bills/Grants-in-aid/withdrawal from GPF, CVP/Gratuity and other bills were not maintained and as such the authenticity of the claims could not be checked leaving scope for fraudulent drawal/double drawal of Government money from the treasuries by presenting fake bills.

Irregularities in payment of pension

Scrutiny of the records of treasuries disclosed that Rs 1.34 crore in respect of pension, family pension and relief thereon was paid in excess to the pensioners due to wrong calculation of pension, payment of relief even after re-employment/ re-marriage, non-reduction of basic pension, payments of pension even after death of the pensioners and non-reduction of enhanced rate of family pension even after the stipulated period. Details are as under:

- (i) In 30 treasuries an amount of Rs 81.82 lakh was paid in excess to 145 pensioners on account of relief paid to re-employed pensioners, non-reduction of enhanced rate of family pension after the stipulated period, wrong calculation of pension paid on remarriage, etc.
- (ii) The Treasury Officers of 54 treasuries failed to recover Rs 47.74 lakh deposited to 663 deceased pensioners' bank accounts even after the death of the pensioners.
- (iii) Due to non-reduction of commuted value of pension from the basic pension in time Rs 4.67 lakh was overpaid in eight treasuries in 26 cases, requiring recovery from the pensioners.