

***CHAPTER-III***

***GENERAL SECTOR***

***COMPLIANCE AUDIT***



## CHAPTER-III GENERAL SECTOR

### 3.1 Introduction

The findings based on audit of State Government Departments/ offices under General Sector feature in this Chapter.

During 2018-19, against a total budget provision of ₹16,858.58 crore, 15 departments incurred an expenditure of ₹10,448.92 crore. **Table 3.1** gives details of budget provision and expenditure incurred there against by these departments during 2018-19:

**Table-3.1: Department-wise details of budget provision and expenditure**

(₹ in crore)

Department	Grant No. and Name	Budget provision		Expenditure	
		Revenue	Capital	Revenue	Capital
Administrative Reforms and Training	22-Administrative Training	19.74	7.86	14.35	1.57
Border Protection and Development	50- Other Special Areas Programme	6.12	155.27	1.54	36.84
Election	4-Election	200.86	9.00	185.86	8.89
General Administration	12-District Administration	535.73	130.20	278.35	81.71
	25-Miscellaneous General Services	3467.91	871.00	1846.24	104.53
	47-Trade Adviser	1.49	--	1.23	--
Home and Political	14-Police	5077.49	188.67	3871.12	109.08
	15-Jails	103.07	25.29	81.40	7.25
	18-Fire Services	132.03	71.33	126.03	33.73
	19-Vigilance Commission & others	475.90	11.05	378.16	3.41
	20-Other Administrative Services	286.90	0.20	239.82	0.19
Judicial	3- Administration of Justice	493.58	177.72	335.52	109.24
Legislative	1-State Legislature	83.45	57.12	59.16	42.87
Governor's Secretariat	Head of State	11.90	--	8.30	--
CM Secretariat	2-Council of Ministers	9.61	--	6.88	--
Printing and Stationery	16- Printing and Stationery	45.70	2.64	29.95	1.11
Revenue and Disaster Management	6-Land Revenue and Land Ceiling	409.84	15.00	257.10	4.85
	41- Natural Calamities	1283.08	--	949.54	--
	72- Social Security and Welfare	20.02	--	17.42	--
Secretariat Administration	11- Secretariat and Attached Offices	1026.37	5.00	786.04	--
Information and Public Relations	35- Information and Publicity	65.58	--	57.91	--
Personnel	Public Service Commission	15.20	--	11.42	--
Transformation and Development	45-Census, Surveys and Statistics	84.06	2.64	38.88	2.64
	44- North Eastern Council Schemes	23.96	1249.00	3.06	315.73
<b>Total</b>		<b>13879.59</b>	<b>2978.99</b>	<b>9585.28</b>	<b>863.64</b>
<b>Grand total (Includes Charged)</b>			<b>16858.58</b>		<b>10448.92</b>

Source: Appropriation Accounts 2018-19

### 3.1.1 Planning and Conduct of audit

During 2018-19, out of 436 auditable units under General Sector, the Office of the AG (Audit), Assam conducted audit of 183 units<sup>65</sup> involving an expenditure of

<sup>65</sup> High risk units: 10, medium risk units: 23 and low risk units: 150.

₹5,270.13 crore (including expenditure of earlier years). This Chapter contains two Compliance Audit paragraphs.

The major observations made in audit during the year 2018-19 are discussed in the succeeding paragraphs.

## **Compliance Audit**

### **Personnel Department and Pension and Public Grievances Department**

#### **3.2 Compassionate Family Pension Scheme *in-lieu* of Compassionate Appointment**

##### **3.2.1 Introduction**

The Government of Assam (GoA)'s Compassionate Appointment Scheme (CAS), provides for appointment on compassionate grounds to a dependant family member of a deceased Government servant or who is retired on medical grounds. The purpose of the Scheme is to relieve the family of the Government servant concerned from financial destitution. The CAS is being implemented in Assam since September 1983. As per the scheme guidelines, an eligible dependant family member of the deceased employee who died in harness or retired on medical grounds, and missing Government servant subject to certain conditions may be appointed to a post of Class III service (Not above the level of Junior Administrative Assistant) or in a Class IV service. However, there was a limit that not more than five *per cent* of the cadre strength of the above mentioned eligible posts can be filled up through Compassionate Appointment.

The Supreme Court (SC) in a plethora of cases<sup>66</sup> has held that consideration for appointment on compassionate ground is to be construed as violation of Articles 14 and 16 of the Constitution of India and is only in the nature of concession and therefore does not create a vested right in favour of the claimant.

While Article 14 provides for equality before the law or equal protection of the laws within India, Article 16 expands on this and provides for equality of opportunity in matters of public employment. Specifically, Article 16(2) says that “No citizen shall, on grounds only of religion, race, caste, sex, descent, place of birth, residence or any of them, be ineligible for, or discriminated against in respect or, any employment or office under the State Territory prior to such employment or appointment”.

The applicants seeking Compassionate Appointment are exempted from recruitment procedure only but otherwise they should be eligible and suitable for appointment to the post. The appointment is in addition to the normal Family Pension/ Pension entitlement of the deceased Government Servant/ Compulsory Retired Government

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<sup>66</sup> State of Haryana and Others vs Rani Devi and others (JT 1996 (6) SCC 646), I.G. (Karnik) and others vs Prahalad Mani Tripathi ((2007) 6 SCC 162), Umesh Kumar Nagpal vs State of Haryana ((1994) 4 SCC 138).

Servant and applicable dearness relief and other entitlements admissible as per Assam Service (Pension) Rules, 1969.

Government of Assam (GoA) launched (April 2017) a new scheme namely “Compassionate Family Pension Scheme (CFPS)” *in-lieu* of the Compassionate Appointment Scheme (CAS) on the grounds that the existing Compassionate Appointment Policy did not fully serve the desired objectives of supporting the family income of the employee who died-in-harness. It was felt that the terms and conditions of the CAS resulted in very often the legal heir failing to get an appointment immediately due to practical difficulties such as lack of educational qualifications and non-availability of vacancies within the stipulated five *per cent* of total vacancies, delays in appointment, *etc.* The CFPS is further discussed in detail in **paragraph 3.2.6** of the Report.

### **3.2.2 Audit objectives**

The objectives of the Thematic Audit were to assess the extent to which:

- Compassionate Appointment in the State was implemented effectively in compliance with the prescribed policy, rules and guidelines; and
- The Compassionate Family Pension Scheme of 2017 was in keeping with the principles and legal guidelines regarding Compassionate Appointments. Scheme implementation was consistent with norms of prudent financial management and how it compared with the earlier Appointments Scheme.

### **3.2.3 Audit Criteria**

The criteria against which the Audit findings were benchmarked were derived from the following sources:

- Assam Service (Pension) Rules, 1969;
- Policy, rules, guidelines in respect of scheme of appointment on Compassionate grounds;
- CCS (Pension) Rule, 1972;
- Guidelines on implementation of Compassionate Family Pension Scheme and;
- Memorandums/ orders/ notifications/ circulars, etc. issued by GoI/ GoA.

### **3.2.4 Scope of Audit and Audit Methodology**

We conducted the Thematic Audit (TA) covering the period 2014-15 to 2018-19 during November 2019 to January 2020. The CA scheme was implemented Department wise; as such, information on compassionate appointment were collected from all 56 departments under GoA. Test check of records of compassionate appointment was carried out based on the available data and records. The records relating to CFP were also audited in the office of the Directorate of Pension and Director of Accounts and Treasury.

An entry conference was held (November 2019) with the representatives of the Personnel, Pension and Public Grievances and Finance Department (FD) of GoA

wherein the audit objectives, audit criteria, scope and methodology of TA were discussed.

Audit discussed (10 August 2020) the draft Audit Report with the Government in the Exit Meeting and the views expressed by the representatives of GoA in the Exit meeting were incorporated in the Report at appropriate places.

### **3.2.5 Compassionate Appointment Scheme**

#### **3.2.5.1 Implementation procedure**

The application for compassionate appointment was to be submitted by the dependants within three months<sup>67</sup> from the date of death of employee in the office where the deceased or the person incapacitated or missing government servant worked. The concerned office was required to examine the applications/ documents and send the same for evaluation by the District Level Committee (DLC)<sup>68</sup>. The recommendation of the DLC was to be considered by the State Level Committee (SLC)<sup>69</sup> for final recommendation of the cases for appointment. In case of Sixth Schedule areas, the applications for compassionate appointments were to be forwarded to SLC through the district and territorial councils constituted by its own District Level Committee excluding Deputy Commissioner and Superintendent of Police but with the competent officers of equivalent rank under control of the Council.

In June 2015, the GoA had issued consolidated instructions on Compassionate Appointment which were consistent with the overall philosophy of Compassionate Appointment as espoused time and again by various Supreme Court/ High court orders. It reiterated that compassionate appointment is not a matter of right, and is subject to eligibility and other conditions so that the compassion of the State is shown only on the deserving and needy.

#### **3.2.5.2 Status of recommended/ rejected cases**

Out of 56 departments, 34 departments made appointments on compassionate ground and 21 departments furnished a nil report for the audit period 2014-19. The CA cases falling under the remaining one Department (Hill Area), which is the Administrative Department for Karbi Anglong Autonomous Council (KAAC) and North Cachar Hill Autonomous Council (NCHAC) did not forward CA cases for consideration and approval of the SLC as the same were finalised by the ADCs themselves.

In 34 departments in which the appointments were made, total 6,161 cases were reviewed in the SLC's meetings, of which, the SLC had recommended 3,260 cases

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<sup>67</sup> Revised to one year from the date of death of employee after Hon'ble HC order

<sup>68</sup> DLC: It consisted of Deputy Commissioner and Superintendent of Police of the district concerned, with district head of departments (in which applications were received) co-opted as Additional Member of the Committee.

<sup>69</sup> SLC: GoA had prescribed a State Level Committee for final recommendation of the Cases for appointment on compassionate ground. The SLC consisted of Chief Secretary to the Government of Assam (Chairman), Commissioner and Secretary to the Government of Assam, Finance Department (Member) and Commissioner & Secretary to the Government of Assam of Administrative Department (Member Secretary)

(53 per cent) for appointment and 2,901 cases (47 per cent) were not considered for various reasons viz., delay in receipt of application, dearth of vacancy, non-submission of requisite information, etc.

### 3.2.5.3.1 Audit Findings

#### (i) Deferment of cases

On scrutiny of SLC minutes, we noticed that SLC deferred 371 cases pertaining to 19 departments to be discussed in the subsequent SLC's meetings for various reasons like non-submission of documents, lack of vacancy, need for further scrutiny, etc. Of the 371 cases so deferred, 48 cases were on the ground of non-submission of required information/ document, which suggests absence of proper scrutiny of the case files at DLC, Department and office levels before submission of the same to the SLC for final recommendation for appointment. Deferment of cases, without recording reasons was not justified, since the SLC had to take a final view on the appointments against the referred cases.

#### (ii) Delay in Selection of Candidates

GoA vide OM (June 2015), directed that the meetings of SLC were to be convened once in three months by the Commissioner and Secretary (Member Secretary of SLC) of the respective Department to which the cases for compassionate appointments pertained. These instructions on regular conduct of the SLC meetings were in keeping with the Gauhati High Court order<sup>70</sup> dated 03 August 2006, which had given detailed instructions for addressing Compassionate Appointment cases in a time bound manner.

Scrutiny of records, however, revealed that despite these directions, the SLC meetings were not convened regularly. Against a total of 20 meetings required to be held by each Department during 2014-15 to 2018-19, only one to seven meetings were convened during the period.

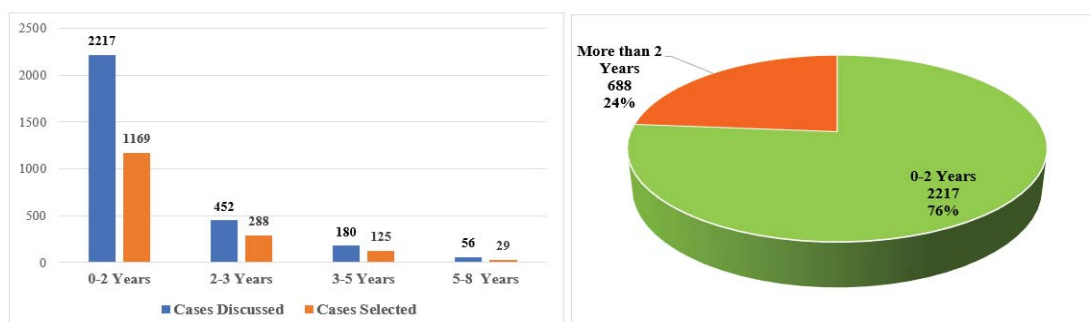
Further, GoA's OM dated 01 June 2015 stipulated that the applications of eligible candidates that remained pending and which could not be considered due to want of vacancies for a period of two years from the date of application, will require no further consideration and must be understood to have spent their force. This instruction too was in keeping with the Gauhati High Court order of 2006.

Audit analysed the timeliness in recommending candidates on compassionate grounds for appointment, based on available data pertaining to 15 departments. It was seen that out of the 2,905 cases reviewed by the SLC, 688 cases (24 per cent) were reviewed and 442 cases (15 per cent) were recommended for appointment after two to ten years from the date of recommendation of the cases by the DLC. Cases reviewed/ recommended for appointment and time taken thereto are shown in **Chart-3.1**. Department-wise details of number of SLC meetings held, cases reviewed, cases recommended for appointment and cases rejected by SLC are shown in **Appendix-3.1**.

<sup>70</sup> In the order of 2006 against Writ Petition no.3875 of 2005

Thus, by delaying the meetings and providing appointment after a delay of more than two years from the date of submission of applications, the departments had not complied with extant norms of GoA's OM, based on the Gauhati High Court order of 2006, which had observed that "Delay in making such appointment would be fatal; with the passage of time, the State and the Courts must understand that the family of the deceased has been able to meet the crisis caused by the death of the sole bread-earner. If the applications or eligible candidates remain pending and cannot be considered due to want of vacancies for a period of two years from the date of making such applications, all such applications will require no further consideration and must be understood to have spent their force".

**Chart 3.1: Time period between the dates<sup>71</sup> of SLC and DLC's meetings**



Thus, the objective of relieving the family of the deceased Government servant, who died in harness or who was retired on medical grounds, from financial destitution by providing Government job on compassionate ground was not effectively achieved in the delayed cases as brought out in the chart above.

**(iii) Poor documentation under CA Scheme**

Audit scrutiny of 6,161 cases reviewed by the SLC showed the following:

- a. Name of the deceased Government Servant was not mentioned in 1,390 cases (23 per cent), out of which, 602 cases were finally recommended by the SLC;
- b. Date of death of the Government Servant was not mentioned in 6,061 cases (98 per cent), out of which, 3,215 cases were finally recommended by the SLC;
- c. Name of the office where the deceased Government Servant served, was not mentioned in 3,171 cases (51 per cent), out of which, 1,248 cases were finally recommended by the SLC;
- d. Relation of the applicant with the deceased Government Servant was not mentioned in 3,291 cases (53 per cent), out of which, 1,424 cases were finally recommended by the SLC;
- e. Out of 2,260 cases (37 per cent) rejected by the SLC, reasons for rejection were not mentioned in 103 cases; and
- f. Out of 641 cases (10 per cent) deferred by the SLC, reasons for deferment were not mentioned in 23 cases.

<sup>71</sup> Time period/gap should be assessed from the date of Application, however due to lack of this data in the SLC minutes, the date of DLC has been considered. The delay in selection would be larger if the gap is taken from the date of Application.



Thus, in absence of complete documentation an assurance that the cases were finalised for appointments as per the terms and conditions of the Scheme could not be obtained to the extent of deficiencies pointed out.

### 3.2.6 Compassionate Family Pension Scheme - Origin

To address the shortcomings in the Compassionate Appointment scheme, primarily the delays in finalising the appointment, the State Government announced a new scheme, called the 'Scheme for Compassionate Family Pension *in-lieu* of Compassionate Appointment' or CFP Scheme, in replacement of the CA Scheme in the Budget Speech of FY 2017-18, and the scheme was notified on 14 September 2017. As mentioned later, there was no separate budget outlay for the Scheme.

The CFP Scheme is applicable to all employee who die in harness on/ after 1 April 2017 and has completed a minimum of one year of continuous service, as was the case in Normal Family Pension (NFP) as per Assam Service (Pension) Rules, 1969. The dependant of the deceased employee is entitled to receive family pension equal to 100 *per cent* of the last pay drawn by the deceased employee, to be paid for a period up to the date of deemed superannuation of the deceased employee. Apart from above, the dependant will also get the applicable dearness relief and other reliefs admissible under NFP as per the Assam Service (Pension) Rules, 1969. On attaining the age of deemed superannuation, the CFP would be converted into normal family pension fixed at 50 *per cent* of the CFP till 67 years of age of the deceased employee. On completion of 67 years, the pension shall be reduced to 30 *per cent*.

#### 3.2.6.1 A quick comparison of the two Schemes – CA & CFP

While the CA Scheme extended the compassion of the State to the needy and the genuinely deserving legal heirs of government servant to the extent possible. Moreover, the State also got the services of the eligible heir on their employment with the Department concerned. Whereas, the CFP scheme is a pure entitlement based scheme which gives 100 *per cent* of the last pay drawn as family pension to the eligible legal heir of the government servant as shown in the comparison drawn in **Table-3.2**:

**Table-3.2: Comparison of CA & CFP Schemes**

Criteria	Compassionate Appointment Scheme (as per OM-June 2015)		Compassionate Family Pension Scheme (as per OM-September 2017)
	Compassionate Appointment	Family Pension	Family pension
Benefits under Scheme			
Rights Criteria	CA is not a matter of right	All employee who die in harness or retired compulsorily on medical grounds are entitled	All employees who die in harness are entitled.
Eligibility Criteria	Eligibility criteria specified as given below:	No eligibility criteria specified	No eligibility criteria analogous to CA was specified
Vacancy Availability	Limited to maximum of five <i>per cent</i> of the sanctioned strength	No limitation by vacancy	No limitation by vacancy
Service Left	The deceased employee should have balance of minimum three years of service	All employees who have put in a minimum of one	All employees who have put in a minimum of one year of service are eligible

Criteria	Compassionate Appointment Scheme (as per OM-June 2015)		Compassionate Family Pension Scheme (as per OM-September 2017)
	Compassionate Appointment	Family Pension	Family pension
Benefits under Scheme		year of service are eligible	
Financial eligibility	Strict Financial eligibility conditions to show weak financial position	No financial eligibility condition	No financial eligibility condition
DCRG	There is no stipulation in regard to minimum length of service rendered. Death Gratuity is based on the number of years of service put in by the deceased government servant.	--	There is no stipulation in regard to minimum length of service rendered. Death Gratuity is based on the number of years of service put in by the deceased government servant.
Financial benefits (pension as per cent to last pay drawn)	NA	<b>Up to the time period from the death of the Government servant</b>	<b>Up to the time the Government servant would have attained the age of</b>
100 per cent		NA	60 years
50 per cent		10 years <sup>72</sup> or 67 years of age, whichever is less	67 years
30 per cent		Beyond 10 years <sup>73</sup> or 67 years of age, whichever is early	After 67 years
Benefit Limitation Criteria	CA only to Grade-III and Grade-IV posts	Based on the last pay drawn, and not limited to Grade-III or Grade-IV pay level	Based on the last pay drawn, and not limited to Grade-III or Grade-IV pay level
Time Limitation Criteria	CA application which are pending for more than two years for want of vacancies should not to be considered as these have spent their force	No such time limit	No such time limit

NA:-Not Applicable

### **3.2.6.2 Audit Findings**

The CFP scheme has been in operation since 01 April 2017. Audit examined the data pertaining to sanction of CFP in the period April 2017 to October 2019—a period of over two and a half years. Since the implementation of the Scheme in the State, 2,302 dependants of deceased government employees were provided CFP. Department-wise break-up cases are provided in **Appendix-3.2**. The Audit findings are discussed below:

<sup>72</sup> Since April 2016. Prior to April 2016, up to the date the deceased Government Servant would have attained the age of 67 years

<sup>73</sup> Since April 2016. Prior to April 2016, 30 per cent of the last pay drawn was allowed after the deceased Government Servant would have attained the age of 67 years

(i) *Financial Liability under CFP Scheme*

The CFP scheme primarily provides direct financial support to the family of employees dying in harness through the provision of a higher rate of pension than is normally admissible as Family Pension, was given, terming this benefit as Compassionate Family Pension. Actual outgo on 2,302 cases since the inception of CFP Scheme (April 2017 to October 2019) was ₹171.55 crore as detailed in the table placed alongside. The total additional outgo<sup>74</sup> (₹21.45 crore) under the CFP scheme during 2018-19 constituted 0.04 *per cent*<sup>75</sup> of the Revenue Expenditure of the State. As a result, the Revenue Expenditure of the State increased by ₹21.45 crore which could have otherwise, been utilised for other productive purposes.

Year	Total outgo on CFP (₹ in crore)
2017-18	127.94
2018-19	42.89
2019-20 (up to October 2019)	0.72
<b>Total</b>	<b>171.55</b>

Audit also estimated the annual additional liability of operation of the CFP Scheme at ₹156.91 crore. The annual additional liability of ₹156.91 crore was arrived at by calculating the difference between liabilities on account of CFP Scheme *vis-à-vis* payment due as NFP for 2,302 cases till the deceased employee would have attained the age of 67 years. The additional liability was computed for the CFP Scheme cases arising between April 2017 to October 2019 (31 months), which worked out to ₹405.34 crore for these 2,302 cases. This translates to an annual additional liability of ₹156.91 crore for GoA due to introduction of CFP Scheme *vis-à-vis* NFP, by dividing the total liability by 2.58 (two years and seven months converted to years), assuming further that the rate of cases every year would remain the same.

The breakup of the lifetime financial benefit equivalent to the CFP for the 2,302 cases is given in *Table-3.3*:

**Table 3.3: Financial Benefit through CFP**

Lifetime Financial Benefit equivalent to CFP	Number of Cases	Percentage of Total Cases	Total Outgo	Percentage of Total Outgo
0-5 Lakh	429	18	10,58,40,223	3
5-15 Lakh	698	30	68,43,77,697	17
15-25	544	24	1,07,85,89,157	27
25-50	596	26	1,99,31,89,662	48
50+	35	2	19,14,47,078	5
<b>TOTAL</b>	<b>2,302</b>		<b>4,05,34,43,817</b>	

The table above shows that in 48 *per cent* of the cases, the financial benefit given is less than ₹15 lakh; while in 28 *per cent* cases the benefit given was in excess of ₹25 lakh, this group accounting for 54 *per cent* of the total outgo.

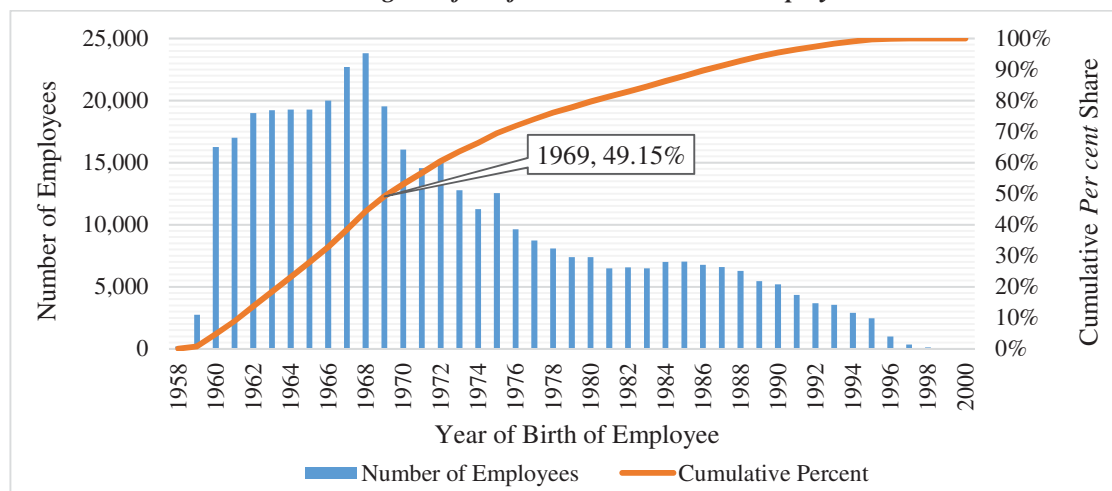
Audit analysed the age profile of Assam Government employees as made available by Finance Department. The stratification by age of the employee, given below, shows that over 50 *per cent* of the employees are above 50 years of age. However, this group

<sup>74</sup> The difference between Normal family Pension (@50 *per cent* of last pay drawn) and CFP (@100 *per cent* of the last pay drawn) is the additional outgo under the CFP scheme.

<sup>75</sup> Additional outgo of ₹21.45 crore as *per cent* of Revenue Expenditure of ₹56,899 crore.

constituted 74 per cent of the cases of death in harness, indicating a higher mortality rate in this group. Thus, it is very likely that the financial outgo on CFP would increase in the days to come if the current trend continues.

**Chart 3.2: Age Profile of Assam Government Employees<sup>76</sup>**



Thus, apart from the significant financial burden of the CFP Scheme on the State, the Scheme violates the basic tenements of Compassionate Schemes by assuring 100 per cent pension to legal heirs of eligible employees. The CA Scheme to reiterate could not employ more than a maximum of five per cent of the vacant posts that too in deserving cases. Further, no comparable family pension scheme, of either GoI or any State Government, to the best of our knowledge, offers 100 per cent of the last pay drawn as family pension till age of superannuation. The State Government has thus invited an avoidable financial burden on itself by implementing this Scheme.

**(ii) Extension of CFP Scheme to employees covered under National Pension System**

Government of Assam introduced (January 2010) the ‘National Pension System’ (NPS) applicable to all new entrants joining State Government Service on regular basis against vacant sanctioned post(s) on or after 01 February 2005. State Government gave an option to the existing employees to either opt for the system with retrospective effect (from February 2005) or from January 2010. Provisions of Assam Service (Pension) Rules, 1969 are not applicable to employees appointed under the NPS; as such, are not entitled for grant of regular pension.

The Government OM, which had notified the CFP Scheme has vide paragraph 5.9, extended the benefit under the scheme to all State Government employees under NPS category. The State Government has created additional financial liability by extending the benefits of CFP Scheme to State Government Employees under NPS category.

<sup>76</sup> There were 4,06,613 State Government employees as per data obtained from Finance Department, GoA. However, Chart 3.5 excludes 1,678 employees (0.4 per cent) because of gaps in data.

**(iii) Extension of CFP Scheme to AIS Officers**

The Government OM, which had notified the CFP Scheme has vide paragraph 5.9, extended the benefit under the scheme to All India Services (AIS) officers borne on Assam cadre. In this context, it is pertinent to note that the pension liability of AIS officers under present arrangements is that of Government of India. The State Government has extended the CFP scheme to AIS officers, without having any consultation with the GoI.

**(iv) Total outgo under CFP Scheme booked under Pension**

Audit noticed that the State Government, while allowing a higher rate of pension than was normally admissible under the CFP, did not ask for separate budgetary allocation and the entire expenditure on CFP was treated as Pension. The additional financial outgo has been subsumed within the grant for Pension. This is misleading since this is not a superannuation scheme and being a separate Scheme with intended objectives, a separate budget outlay and accounting of expenditure under the Scheme is necessary. The State Government needs to correct this anomaly.

**3.2.7 Conclusion**

The Compassionate Appointment Scheme as implemented by GoA prior to 2017 was not effectively managed due to delays in appointment of eligible heirs of employees who died in harness/ compulsorily retired on medical grounds. The documentation of the CA scheme was also incomplete and deficient. Instead of correcting these deficiencies, the State introduced Compassionate Family Pension Scheme for employees who died in harness which has ‘**entitlement features**’ and hence not in keeping with well laid down legal principles, regarding compassionate appointments by the State.

Government of Assam by providing Family Pension under CFP Scheme to the dependant of Government employees dying in harness after April 2017, at a rate of 100 *per cent* of the last pay drawn until age of superannuation, has put an additional avoidable burden on the State Exchequer. The financial outgo under the Scheme has been ₹171.55 crore so far and audit has estimated an additional financial burden of ₹156.91 crore per annum on the State budget.

Further, the State Government have extended the benefits under the CFP Scheme to cover officers of AIS, whose pension/ family pension liability is borne by GoI, without consulting the GoI.

The State Government has not made separate budget allocation for the CFP Scheme and by booking the entire expenditure under “Pension” have violated Budget and Accounting Rules applicable to a New Scheme and have also camouflaged the expenditure as normal Pension.

Moreover, in the wake of the current ‘COVID-19’ pandemic and the high rate of positive cases as well as mortality rate, the financial burden on the State Exchequer may increase to an unbearable proportion in the years to come. Scarce financial resources

need to be utilised for welfare schemes for its people and not only for government servants dying in harness who are otherwise taken care of under the existing family pension scheme.

### **3.2.8 Recommendations**

It is therefore recommended that:

- Government may reconsider the design of the CFP scheme by limiting the benefits under the Scheme to that of the Normal Family Pension as admissible under Assam Service (Pension) Rules, 1969. Any incremental expenditure beyond the existing family pension, needs to be separately budgeted and classified by the State.
- The Scheme though introduced as a welfare measure for the State Employees has imposed an additional financial burden on the State by increasing their revenue expenditure when there is a need to spend more on creation of infrastructure and on capital expenditure and hence the State Government may review the continuance of the Scheme.

## **Printing and Stationery Department**

### **3.3.1 Idle Expenditure**

**Construction of Government press at Titabor, Jorhat remained incomplete for a period of four years after incurring expenditure of ₹80.45 lakh, due to lackadaisical approach of the Executive Engineer, PWD (Building), Jorhat and Director of Printing and Stationery. In addition, expenditure of ₹45.82 lakh was incurred on renovation of the existing rented premises of the Press.**

The State has two Presses at Dispur and Jorhat for undertaking printing works for Assembly Secretariat as well as Civil Secretariat, Dispur and printing of Schedule and Non-Schedule forms of different Government offices, catering to the needs of the offices particularly in the Upper Assam region.

The Government Press in Jorhat was functioning in a rented shed of Assam Industrial Infrastructure Development Corporation at Cinnamara, Jorhat since September 1990. It was decided to construct Jorhat Branch Press building in a meeting (October 2012) chaired by the Minister, Printing and Stationery Department (PSD), Assam, along with the Secretary, Joint Secretary and Director of PSD. PSD accorded (February 2014) administrative approval of ₹400.00 lakh for construction of branch of Assam Government Press at Titabor, Jorhat. The work was to be executed by State Public Works Department (PWD).

The Chief Engineer (CE), PWD, Assam allotted (July 2014) the work to a Company at a tendered value of ₹354.26 lakh with the stipulation to complete the work within 12 months from the date of allotment of the work. The Executive Engineer (EE), PWD (Building) Division, Jorhat was the supervising agency for the work. The work commenced on 10 December 2014 and as of December 2015, only 39 *per cent* physical

progress was achieved and the contractor was paid ₹80.45 lakh<sup>77</sup>. As per the records of EE, the contractor stopped the work (October 2016) due to low-lying earthen approach road. Our scrutiny of records (May 2019) revealed the following deficiencies:

Though it was decided in the first meeting itself (October 2012) that an approach road was necessary for the Press building, the work estimate prepared did not include this item. The CE submitted the estimate of ₹52.75 lakh to the Commissioner & Special Secretary, (PWD) GoA for approval only in October 2019 and the same was yet to be approved (September 2020). There were no recorded reasons for the initial exclusion and the delays in preparing the estimates.

Carrying of construction materials and work execution became difficult due to the low-lying approach road becoming muddy and frequently submerged under rainwater, thereby, delaying progress of the work.

The contractor's payments for executed works were delayed by two years. The additional items like boundary wall, which were executed at the behest of the PSD, were not approved by the PWD.



**Date of photograph:-20 June 2019**

The work remained incomplete even after four years from the stipulated date of completion (June 2015) and expenditure of ₹80.45 lakh (major items of work: Supplying, fitting and fixing in position reinforcement bars for RCC-₹25.37 lakh, Providing and laying plain reinforced cement concrete work-₹22.45 lakh, materials-₹18.70 lakh) incurred on construction of the Government Press became idle. The press continued to function from the rented premises and the Department had to incur an expenditure of ₹45.82 lakh on renovation of premises.

Thus, the project was executed without proper planning; the work estimates prepared were faulty due to omission of necessary items, which were required by the Department *ab-initio*. The project execution by the State PWD was lackadaisical with delays at every stage and no follow up for getting required approvals. Neither did the Administrative Department (PSD) take any initiative to get the work completed.

On this being pointed out, the Director stated (May 2019) that the matter would be taken up with the PWD for early completion of the work.

<sup>77</sup> Including secured advance of ₹18.70 lakh.

The matter was reported to the Government in November 2019; their reply had not been received (September 2020).

***Recommendation: The Department may take necessary steps to approve the work estimates, provide adequate funding and complete the project***