

FIFTEENTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE
ON
PUBLIC ACCOUNTS
(2023-2026)**

FIFTY EIGHTH REPORT

(Presented on 26th June, 2024)



SECRETARIAT OF THE KERALA LEGISLATURE
THIRUVANANTHAPURAM
2024

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On

**Action Taken by Government on the Recommendations
contained in the Seventy Seventh Report
of the Committee on Public Accounts (2014-2016)**

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COMMITTEE ON PUBLIC ACCOUNTS

(2023-2026)

Composition

Chairperson :

Shri Sunny Joseph.

Members :

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Shri M. V. Govindan Master

DR. K. T. Jaleel

Shri C. H. Kunhambu

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Shri M. Vincent.

Legislature Secretariat :

DR. N. Krishna Kumar, Secretary

Shri Selvarajan P. S., Joint Secretary

Shri Jomy K. Joseph, Deputy Secretary

Smt. Beena O. M., Under Secretary.

INTRODUCTION

I, the Chairperson, Committee on Public Accounts, having been authorised by the Committee to present this Report, on their behalf present the Fifty Eighth Report on Action Taken by Government on the Recommendations contained in the Seventy Seventh Report of the Committee on Public Accounts (2014-2016).

The Committee considered and finalised this Report at the meeting held on 8th May, 2024.

Thiruvananthapuram
26th June, 2024.

SUNNY JOSEPH,
Chairperson,
Committee on Public Accounts.

REPORT

This Report deals with the Action Taken by the Government on the recommendations contained in the 77th Report of the Committee on Public Accounts (2014-2016)

The 77th Report of the Committee on Public Accounts (2014-2016) was presented in the House on 16th December 2014. The Report contained 8 recommendations relating to Industries Department & Revenue Department.

Government was addressed on 29th December 2014 to furnish the Statements of Action Taken on the recommendations contained in the report and the final reply was received on 21st January 2021.

The Committee examined the Statements of Action Taken in its meeting held on 20-9-2017, 12-10-2017, 18-7-2018 and 6-10-2022. The Committee was not satisfied with the action taken by the Industries Department on the recommendation contained in paragraph 18.

This recommendation, reply furnished thereon and further recommendation of the Committee are included in Chapter I of this Report. The Committee decided not to pursue further action on the remaining recommendations in the light of the replies furnished by Government.

Such recommendations/comments and their replies are incorporated in Chapter II of this Report.

CHAPTER I

RECOMMENDATIONS IN RESPECT OF WHICH ACTION TAKEN BY THE
GOVERNMENT ARE NOT SATISFACTORY AND WHICH REQUIRE REITERATION
INDUSTRIES DEPARTMENT**Recommendation***(Sl. No.6, Para No. 18)*

1.1) The Committee comments that the miscalculation of quantity of granite by applying division method instead of multiplication could not be considered as a simple error and it could not be rectified simply by recovering the loss from the concerned parties. The Committee exhorts that the Revenue Department and the Mining and Geology Department are equally responsible for the fraudulent act. So it recommends that the Revenue Department should re-examine the case and take disciplinary action against the delinquent officials

Action Taken

1.2) As per Notification No.20944/G3/69/ID dated 11-7-1978 (copy enclosed), the Revenue Department was authorized to exercise the powers and perform the functions of the 'competent authority' under the Kerala Minor Mineral Concession Rules 1967. The notification was amended vide. Notification No.32010/L2/93/ID dated 22-6-1995 (Copy enclosed). By these Notifications, the Revenue authorities had the power to implement the Rules. Consequently, the royalty and cost of rock were calculated by the Tahsildar, Kunnathunadu and not by the Department of Mining & Geology. As advised in the Audit observation, the Revenue Department has been apprised of this case and requested to have a relook into the case. (Annexure I)

Further Recommendation

1.3) As it is informed that the two proposals submitted to the Government for improving the functioning of Mining & Geology department were rejected, the Committee directs that the rejected proposals should be restructured with modified guidelines and the same should be submitted to the Committee at the earliest.

CHAPTER II

RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN THE LIGHT OF THE REPLIES FURNISHED BY THE GOVERNMENT

Recommendation

(Sl. No.1, Para No. 13)

2.1) The Committee expresses its anguish over the lackadaisical attitude of the officials in the department in furnishing the remedial measures taken statements on the audit objection within the stipulated time and directed that action should be taken against those who failed to obey the instruction in this regard. It urged the Revenue Department that technical problems which lead to the inordinate delay in submitting the RMT statement, should be rectified and a report should be furnished to the Committee.

Action Taken

2.2) Though there was no willful laxity in submitting the replies, the delay occurred in this regard is considered serious and accordingly strict directions were issued to officers of state level as well as District level to ensure furnishing of action taken reports within the stipulated time. Apart from this, periodical Audit Monitoring Committee meetings are being held at Govt. level to ensure timely submission of replies to audit objections.

Further Recommendation

2.3) The Committee approved the SOAT on para no. 13 and expressed its strong displeasure over the laxity of the officials in submitting the RMT statements on audit paras in time and directed that all the pending RMT's on audit paras should be submitted at the earliest and strict measures should be taken to furnish the statements within the stipulated time in future.

Action Taken

2.4) As per the recommendation on para 13, an Audit Monitoring Committee has been constituted (vide GO(Rt) No.2936/2020/Rev dated 23-09-2020 (Copy enclosed) for reviewing and monitoring the audit objections pending in the Revenue Department. The Committee consists of the following members:—

1. Deputy Secretary, Revenue (PS) Department (Convener)
2. Deputy Secretary, Revenue (B&SC) Department (Member)
3. Under Secretary, Revenue (N,R&SC) Department (Member)
4. Under Secretary, Revenue (A,L&U) Department (Member)
5. Under Secretary, Revenue(DMA,DMB&T) Department (Member)
6. Under Secretary, Revenue (H,S&PS) Department (Member)
7. Under Secretary, Revenue(E&F) Department (Member)
8. Under Secretary, Revenue(C&D) Department (Member)
9. Under Secretary, Revenue (P&G) Department (Member)

2.5) The Audit monitoring Committee will meet every two months. The committee will monitor and review the progress of the remedial measures taken on the audit objections pending in the Revenue Department. The monitoring & reviewing of the Committee will ensure the timely submission of replies to the audit objections within the stipulated time. Apart from this, periodic meetings of the Audit monitoring committee, headed by Chief Secretary are also being held at Government level to ensure timely submission of replies to audit paras. In view of the above, audit objection may kindly be dropped.

Recommendation

(Sl.No. 2, Para No. 14)

2.6) The Committee permits the Revenue Department to withdraw the statement furnished earlier regarding the audit paragraph 6.2 and opines that the department could not comply with the assurance it made to the Committee while furnishing the notes.

Action Taken

2.7) The Budget Estimate for the financial years 2010-2011 & 2011-2012 has been raised to nearly triple due to the estimation of Rs. 100 crore under the head of account 0029- 00-800-90 (Receipts under the Kerala Conservation of Paddy land wet land act 2008). Through the Budget Speech for the year 2009-2010 (in Para 196), it is announced that the amount will be collected from the paddy/wet land owners as fine, who reclaimed the paddy/wet land before 01-01-2005, i.e, the commencement period of the above said act. In continuation to that Budget Speech, an amount of Rs. 100 crore is seen included in the Budget Estimate for 2010-2011 & 2010- 2012. Even though the amount was included in the Budget Estimate, no Orders specifying the methods to collect the above amount was issued in this regard. So, the One Time fees anticipated under the head of account 0029-00-800-90 from reclamation of paddy field/wet land has not been implemented. Thus, a difference of estimated amount of 100 crore is reflected in the actual receipt for the financial years 2010-2011 & 2011-2012.

2.8) Budget Estimates and Actual receipts from Land Revenue for the financial year 2010-11, 2011-12, 2012-13, 2013-14 and 2014-15 is as follows: -

Year	Budget Estimates (Rs. in Crores)	Actual Receipt (Rs. in Crores)
2010-11	155.13	55.97
2011-12	162.84	60.84
2012-13	127.72	121.58
2013-14	223.20	165.25
2014-15	260.14	252.93

From the above table, it can be seen that after the financial years 2010-2011 & 2011-12 the Department is following a realistic budget process.

Considering the above facts further action in this regard may be dropped.

Recommendation

(Sl. No. 3, Para No. 15)

2.9) Considering the measures taken to gear up the Revenue Recovery proceedings, the Committee suggests the Revenue Department to furnish a detailed report on the present position of the cases in which revenue recovery is pending to be realised as pointed out by Audit.

Action Taken

2.10) As the result of the measures taken by the Revenue Department to gear up the Revenue Recovery proceedings, collection in Revenue recovery has been considerably increased during the financial year 2014-2015. The Comparative details on revenue recovery proceedings are shown below:-

(Rupees in Crore)

	Revenue Recovery status for the financial Year 2013-14		Revenue Recovery status for the financial Year 2014-15	
	No. of cases	Amount (Rupees in Crore)	No. of cases	Amount (Rupees in Crore)
Total Demand	267998	3051.01	268475	3492.41
Court Stay	4402	800.57	4848	734.73
Government Stay	19921	565.75	18188	726.38
Appellate Authority Stay	3425	339.43	3469	411.83
Total Stay	27748	1705.75	26505	1872.94

Amount not collectable due to Re assessment by Requisition authorities	3039	16.67	2099	38.22
Amount not collectable due to remission/write off	5896	63.47	22533	135.82
Amount not collectable due to RRC Returned	16246	617.16	19779	756.66
Collectable Demand	215069	647.96	197559	688.76
Total Collection	90488	441.9	104812	610.82
Collectable Balance in Collectable Demand	124581	206.06	92747	77.94
Percentage of Collection	..	68.20%	..	88.68%
Balance amount pending to be realized (including stay amount)	152329	1911.81	119252	1950.88

2.11) As per the Revenue Recovery DCB for the financial year 2014-15, the total amount in Revenue Recovery pending to be realized as on 31-3-2015 was 1950.88 crore [Collectable Balance (77.94 crore)+Total Stay (1872.94 crore)]. To realise the pending amount and to increase the Revenue Recovery collection, a collection target for the Financial Year 2015-2016 has been fixed by the Revenue Department and it has been communicated to the District Collectors with strict direction to achieve the monthly targets fixed for each districts. It is also directed to analyse all stay cases and action is being taken to vacate the stay in every possible cases. The Revenue Recovery collection target for the Financial Year 2015-2016 has been fixed accordingly.

2.12) To ensure the co-ordination among the requisition authorities and the Revenue department, meetings are being conducted periodically at the District level and in the meeting, effective rectification measures are being discussed and taken by the various departments to gear up the Revenue Recovery proceedings.

2.13) During the last months of every financial year, a special drive is being conducted by the department aimed at stepping up of Revenue Recovery Collection. A district level and taluk level monthly evaluation of revenue collection is being done and timely instructions are also being given to the officials on the basis of the evaluation.

2.14) Implementation of a "State Level Revenue Recovery Online Monitoring System" is in progress with the technical assistance of NIC and on completion of the same, state level monitoring and data collection on Revenue Recovery proceedings will be more effective and time bound.

Recommendation

(Sl. No. 4, Para No. 16)

2.15) The Committee remarks that had the internal audit wing in the Revenue functioned more effectively, the department itself could have rectified many defects without waiting for the Audit of the Accountant General to rectify the errors. It recommends that, the Taxes Department should fix a target for conducting inspections and earnest effort should be made to achieve the target.

Action Taken

2.16) The Internal Audit Wing of the Land Revenue Commissioner, is not in a position to audit all Sub-Offices in a year or two due to insufficient number of staff in the IAW. Moreover, there exists a ceiling in claiming TA. Hence, the audit team could not visit the offices in a large number. Periodical Internal Audit Committee meetings are being conducted for the speedy settlement of audit objections at District level and thereby considerable progress could be achieved in the settlement of the audit observations raised by the Internal Audit Wing.

Recommendation

(Sl. No. 5 Para No. 17)

2.17) The Committee is of the opinion that exempting profit making institutions from the lease rent is not tenable. It directs the Revenue Department that there should be distinction between educational and Semi Commercial institutions as the Government prefers to give title deed to educational institutions. After making such a differentiation, steps should be taken to realise lease rent from institutions other than educational institutions at the earliest.

Action Taken

2.18) The rates of rent and fee for lease and licence of land and trees have been revised in Panchayat areas and in Municipal & Corporation areas as per G.O (Ms)No.96/2016/RD dated 6-2-2016 and G.O(P)No.64/2016/RD dated 28-1-2016 respectively. Distinction between various categories of institutions like commercial and non-commercial charitable, aided educational, unaided educational, public sector etc. for fixing lease rent has been clearly specified in the above Government orders. It is also instructed therein to apply the revised rate from the date of these orders.

Recommendation

(Sl. No. 6, Para No. 18)

2.19) The Committee comments that the miscalculation of quantity of granite by applying division method instead of multiplication could not be considered as a simple error and it cannot be rectified simply by recovering the loss from the concerned parties. The Committee exhorts that Revenue Department and Mining and Geology Department are equally responsible for the fraudulent act. So it recommends that Revenue Department should re examine the case and should take disciplinary action against the delinquent officials.

Interim Reply

2.20) മേൽ ശിപാർശ സംബന്ധിച്ച് ലാൻ്റ് റവന്യൂ കമ്മീഷണറുടെ റിപ്പോർട്ട് സർക്കാരിൽ ലഭ്യമായിട്ടുണ്ട്. ആയത് പരിശോധിച്ചതിൽ നിന്നും റിട്ട. തഹസിൽദാർ ശ്രീ. പി.എം. അബ്ദുൽ അസീസ്, റിട്ട. ജൂനിയർ സൂപ്രണ്ട്, ശ്രീ. എം. പി. വർഗീസ്, സെക്ഷൻ ക്ലാർക്ക് ശ്രീ. ആർ. ഹരികുമാർ എന്നിവർ കുറ്റക്കാരാണെന്ന് കണ്ടെത്തിയിട്ടുണ്ട്. സേവനത്തിൽ തുടരുന്ന സെക്ഷൻ ക്ലാർക്ക് ശ്രീ. ആർ. ഹരികുമാറിനെതിരെയുള്ള അച്ചടക്ക നടപടി സ്വീകരിക്കുവാനായി ബന്ധപ്പെട്ട രേഖകൾ റവന്യൂ (പി) വകുപ്പിന് കൈമാറിയിട്ടുണ്ട്. സേവനത്തിൽ നിന്നും വിരമിച്ച ശ്രീ. പി. എം. അബ്ദുൾ അസീസ്, ശ്രീ. എം. പി. വർഗീസ് എന്നിവർക്കെതിരെ അച്ചടക്ക നടപടി സ്വീകരിക്കുന്നതിന്റെ ഭാഗമായി, ടിയാളുകൾ സർക്കാരിന് നഷ്ടം വരുത്തിയ തുക സംബന്ധിച്ച വ്യക്തത വരുത്തി, ടിയാളുകൾക്ക് പെൻഷൻ ആനുകൂല്യങ്ങൾ നൽകിയിട്ടുണ്ടോ എന്നത് സംബന്ധിച്ച് റിപ്പോർട്ട് നൽകുവാൻ ലാൻ്റ് റവന്യൂ കമ്മീഷണറോട് ആവശ്യപ്പെട്ടിട്ടുണ്ട്. പ്രസ്തുത റിപ്പോർട്ട് ലഭ്യമായിട്ടില്ല. ആയത് ലഭ്യമാക്കി നടപടി സ്വീകരിച്ച് വിവരം റിപ്പോർട്ട് ചെയ്യുന്നതാണെന്ന് അറിയിക്കുന്നു.

Action Taken

2.21) The Public Accounts Committee (PAC), as per para 18 of its 77th report (2014-2016), directed to take departmental action against all erring officials whose negligence resulted in the loss of Royalty to the Government in Ernakulam District. The PAC found that there was a willful negligence on the part of the Revenue as well as Mining and Geology officials in calculating Royalty due to Government as per section 6(1) of the Kerala Land Conservancy Act. The Land Revenue Commissioner was directed to initiate further action in the matter based on the above report of the PAC. The Commissioner of Land Revenue reported that the details of the delinquent revenue officers, namely Shri P. M Abdul Azeez, the then Tahsildar, Shri M. P Varghese, the then Junior Superintendent Shri R. Harikumar, the then Section Clerk who processed the file in which the impugned order was issued, have been gathered from the Tahsildar, Kunnathunad. Of these officials, Shri P. M Abdul Azeez and Shri M.P Varghese have already retired from service. Action against these officials is being initiated in the Revenue (D) Department in Government and that Department had been directed to furnish the report directly to the Committee. The Land Revenue Commissioner has issued memo of charges and Statement of Allegations against Shri R. Harikumar, who is currently working as Deputy Tahsildar in Manjeswaram Taluk office.

2.22) Since the initiation of departmental action against officials of Mining and Geology Department, is being dealt with by the Industries (A) Department of the Government, that department has already been directed to furnish the Action Taken Report directly to the Committee.

Further Recommendation

2.23) Regarding the short levy of royalty and cost of rock, the Committee criticises the Revenue department for not submitting the action taken statement and directs that the report regarding the disciplinary action taken against the officials responsible for the miscalculation of granite and details of steps taken to recover the loss should be submitted to the Committee within 10 days.

Action Taken

2.24) മേൽ ശിപാർശ സംബന്ധിച്ച് ലാന്റ് റവന്യൂ കമ്മീഷണറുടെ റിപ്പോർട്ട് സർക്കാരിൽ ലഭ്യമായിട്ടുണ്ട്. ആയത് പരിശോധിച്ചതിൽ നിന്നും റിട്ട. തഹസിൽദാർ ശ്രീ. പി. എം. അബ്ദുൽ അസീസ്, റിട്ട. ജൂനിയർ സൂപ്രണ്ട് ശ്രീ. എം. പി. വർഗീസ്, സെക്ഷൻ ക്ലാർക്ക് ശ്രീ ആർ. ഹരികുമാർ എന്നിവർ കുറ്റക്കാരാണെന്ന് കണ്ടെത്തിയിട്ടുണ്ട്. സേവനത്തിൽ തുടരുന്ന സെക്ഷൻ ക്ലാർക്ക് ശ്രീ. ആർ. ഹരികുമാറിനെതിരെയുള്ള അച്ചടക്ക നടപടി സ്വീകരിക്കുവാനായി ബന്ധപ്പെട്ട രേഖകൾ റവന്യൂ (പി) വകുപ്പിന് കൈമാറിയിട്ടുണ്ട്. സേവനത്തിൽ നിന്നും വിരമിച്ച ശ്രീ. പി. എം. അബ്ദുൽ അസീസ്, ശ്രീ. എം.പി. വർഗീസ് എന്നിവർക്കെതിരെ അച്ചടക്ക നടപടി സ്വീകരിക്കുന്നതിന്റെ ഭാഗമായി, ഇക്കാര്യത്തിൽ ധനവകുപ്പിന്റെ അഭിപ്രായം തേടിയിരുന്നു. KSR Part III Rule 116(6) പ്രകാരം ചട്ടം 3 പ്രകാരമുള്ള നടപടിയ്ക്ക് നിർണയിച്ചിട്ടുള്ള സമയപരിധി അവസാനിച്ചതു കാരണം ടിയാളുകൾക്കെതിരെ അച്ചടക്ക നടപടി സാധ്യമല്ലാതാകയാൽ, സർക്കാരിന് നേരിട്ട സാമ്പത്തിക നഷ്ടം വസൂലാക്കുന്നതിനായി ടിയാളുകൾക്കെതിരെ ബാധ്യത തിട്ടപ്പെടുത്തി ടിയാളുകളെ അറിയിക്കുവാനും ടിയാളുകളിൽ നിന്നും സർക്കാരിന് നഷ്ടം വന്ന തുക റവന്യൂ റിക്കവറി മുഖേന വസൂലാക്കുവാനും നടപടി കൈക്കൊള്ളാൻ ലാന്റ് റവന്യൂ കമ്മീഷണർക്ക് നിർദ്ദേശം നൽകിയിട്ടുണ്ട്.

Recommendation

(Sl. No. 7, Para No. 19)

2.25) The Committee evaluates that similar misappropriation had occurred in the assessment of building tax. The Committee reprimands the Revenue Department in not taking any disciplinary action against erring officials. It remarks that a chain of mistakes of the similar nature is repeated persistently. It recommends the Revenue Department to take departmental action against the officers responsible for the short levy of building tax. It also directs the Revenue Department to take necessary steps to avoid such mistakes in future.

Action Taken

2.26) As recommended by the Public Accounts Committee, stringent action has been taken by the Land Revenue Commissioner to take departmental disciplinary action against the officials responsible for the short levy of building tax. Copies of the Show Cause Notice and memo of charges issued to such officers are also enclosed. Possible measures are also taken to avoid such mistakes in future.

Recommendation

(Sl. No. 8, Para No. 20)

2.27) The Committee recommends the Revenue Department to settle the issue of the correctness of the assessment made on the building tax due to misclassification of Chelannur Grama Panchayat as an ordinary Panchayat and urges the Revenue Department to ascertain whether Chelannur Grama Panchayat is a special grade Panchayat or not and also to re-check the assessment made in this regard.

Action Taken

2.28) Panchayats were not graded after the enforcement of Panchayat Raj Act in 1994. Before the enforcement of Panchayat Raj Act, Chelannur Panchayat was a first grade Grama Panchayat which was below the rank of Special Grade Panchayat. Being an ordinary Grama Panchayat, the Building Tax levied on 118 Buildings in Chelannur Village is absolutely in right manner and hence there is no discrepancy occurred in the reassessment of such buildings.

Thiruvananthapuram
26th June, 2024

SUNNY JOSEPH,
Chairperson,
Committee on Public Accounts.

APPENDIX**SUMMARY OF MAIN CONCLUSION/RECOMMENDATION**

Sl. No.	Para No.	Department Concerned	Conclusion/Recommendation
1	1.3	Industries	As it is informed that the two proposals submitted to the Government for improving the functioning of Mining & Geology department were rejected, the Committee directs that the rejected proposals should be restructured with modified guidelines and the same should be submitted to the Committee at the earliest.

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