Primarily the executive is responsible for collecting and disbursing the funds. Under the parliamentary set-up the legislature exercises control over the financial activities of the executive i.e. Government. Following the British pattern the State legislatures in India can sanction the amounts only when the executive places a demand for the same. The vastness of the financial field and the technical aspects involved in it demand an independent expert organ for the scrutiny of the State's financial administration. The office of the Comptroller and Auditor General fulfils the required conditions of protecting the interests of the people and preventing the authorities from misusing and misappropriating the public funds. The function of controlling the financial activities are further ensured by constituting two powerful Committees namely (a) the Public Accounts Committee and (b) the Estimates Committee.

In Great Britain the creation of these two committees was the product of a conflict between the King and the House of Commons. It is an established fact that the Legislature cannot conduct a close examination of all the issues relating to the financial activities of the government. Once
large amounts are sanctioned by it, the legislature hardly gets a chance to examine the actual use of money. All the members of the House cannot sit together and discuss the financial matters in greater detail. The Public Accounts Committee and the Estimates Committee provide a solution to this problem. These are the two vital tools with which the disbursal of public money is kept under the control of the legislature.

The Legislative Assembly and the Legislative Council are represented on the Public Accounts Committee by fifteen and four members respectively. The scrutiny by the Public Accounts Committee is confined to the amounts expended during the last year, while the Estimates Committee deals with the current expenditure. Such division of work facilitates the functioning of both the Committees. Previously the Finance Minister had a privilege to preside over the Public Accounts Committee, but after applying a close thought to the problem and after examining the past experience it was concluded that a private member should be in charge, in order to avoid certain difficulties. The Finance Minister besides being the head of one department was the Chairman of the Committee. This peculiar situation impaired the impartial attitude of the committee. The party discipline does not prevail here and the discussions are held without party bias. The secretary of each department is examined and interrogated by the Committee.
is elicited and the Secretary either submits an explanation or expresses his inability to ensure particular improvements in the matter concerned.

Public Accounts Committee in Maharashtra

The Committee noticed on several occasions that the officers called for enquiry were not prepared and displayed apathetic indifference towards the investigation. This attitude could easily defeat the objective of the establishment of the Committee. Many examples substantiate this undesirable reality. Regarding the work of the Vigilance Section in disposing of the cases it was noticed that government officers appeared before the Committee unprepared.

The officers failed to set a good example by not refraining from doing unnecessary things. They projected undue arguments and supplied uninvited opinions. One officer in the Department of Industry was interrogated by the Committee regarding the purchase of iron kenies at reasonable rates. The concerned officer rejected the question and tried to justify himself. The Committee could not prevent the officers from arguing even though the investigation reached the final stage. Such instances recurred and the Committee had to recommend to the Departments to advise the officers to refrain from such misdoings.

It was noticed that the Departments deviated from the earlier replies and information. The reiteration of
this drawback by the Public Accounts Committee brings out the fact that the Departments did not respond, notwithstanding Public Accounts Committee’s frequent warnings. It was most astonishing that the Departments showed lack of procedural knowledge. The Public Works Department was accused of incurring rush expenditures and therefore it was advised to avoid such type of expenditures. It was a surprising matter that the Supervisory Committee was not in the know of the procedure of the Public Works Department.

The pension cases were delayed and inconvenience was caused to the pensioners. The pension cases were not handled properly. Though in 1958 more cases were dealt with than those in 1957, the situation was not satisfactory. The Committee insisted on avoiding delay in disposing of the pension cases. The Committee said that delay in deciding pension cases was most undesirable as it entailed considerable hardships on pensioners, who by and large had no other source of livelihood.

The Committee had not spared a chance to point out the serious lapses of presenting incomplete schemes. The Committee’s recommendation to avoid such lapses seemed to be very ineffective because the same faulty practice was regularly adhered to. This peculiar extravagance made the government run into huge losses. Many examples were cited regarding carelessness. It meant that the Public Accounts Committee had no effective control over the utilization of the finance of the State government.
The Committee was not convinced by the replies given by the Department regarding the purchase of 10,000 tonnes of Jowar from the ex-Madhya Bharat State. The Committee remarked that the function of the Committee was to point out the anomalies and government had to take the action.  

The remark was an evidence of frustration which developed on the part of the Public Accounts Committee. Such type of ceaseless complaints, all the time, showed the disregard the disrespect for the sincere recommendations of the Public Accounts Committee.

The Departments failed to get alerted in this regard and misappropriations and/or frauds occurred as a consequence. Some important documents were lost in the Cattle Breeding Centre of Igatpuri. The Committee suspected misappropriation in this regard. The Agricultural Department could not handle this case properly. Several cases of misappropriation were detected in connection with the land revenue and taccoavi. The Public Accounts Committee made a serious charge against the Departments that the Accounts keeping of the Departments was miserably poor.

Some financial miracles also happened. Under one scheme of financing the co-operative societies loans were to be sanctioned. It was observed that government sanctioned loans to such co-operative societies which were not constituted. Secondly, the Local Self Department bestowed favour upon some bodies even though the procedure was unauthorized.
These instances might show the surprising extent of the carelessness of the government department, though it might be due to the influence of the political elements. The influx of the numerous examples of the large savings showed inefficiency in the government departments. From 1953-54 savings showed increasing tendency and made the Committee consider seriously the matter of the revision of the limit of the savings. Previously three per cent savings were permitted, then the Committee suggested to the government to raise it on a temporary basis to ten per cent.

The dismal position regarding the savings did not vanish during 1962-63 and indicated a rising tendency in 1963-64, also. Some departments displayed large savings as in the previous years. The reasons for savings as given by the departments were convincing. The Committee suggested to the government to follow budgetary procedure strictly and to keep the savings at the minimum possible level.11

There were huge excesses also. In 1960-61, twenty-six excesses occurred while the number of such cases in previous years was eighteen only. Many other cases, especially in the Departments of Agriculture and Forest, Home, Co-operation and Rural Development, and Irrigation occurred. Therefore, the Committee made a good suggestion of appointing a co-ordinating officer who would be held responsible in cases of such kind.12

The Committee found out enormous arrears. The Committee
pointed out a serious instance regarding the recovery of credit sales of manure mixtures, groundnuts etc. in the Department of Agriculture. The government spent Rs.20,000 on the administrative staff for collecting arrears of Rs.12,000 only.

The problem of unrecovered arrears was raised frequently. According to the Public Accounts Committee it was due to the carelessness on the part of the officers. In this behalf the Committee opined that in its view the unsatisfactory position in respect of arrears was directly attributable to the failure on the part of the Controlling Officers to strictly observe the rules prescribed in this behalf.

The Public Accounts Committee clearly viewed that the financial soundness depends upon the proximity between the revenue side and expenditure side. But the unbridgeable gaps nullified the principal objective of the formation of the Committee itself. Some instances showed that the amount demanded by some agencies exceeded the amount actually required.

The Committee was frequently annoyed by receiving incomplete details. The government departments showed laxity in furnishing necessary details. The Committee therefore recommended that government should give special attention to this problem and issue necessary instructions to the heads of the departments emphasizing the importance of
completing the reconciliation work and furnishing the requisite information in time and giving their personal attention to that matter. 16

The above mentioned drawbacks in the departments are repeated in several Committee reports. It means that the Committee could not remove the drawbacks. The Public Accounts Committee once went to such an extent that it recommended to the government to abolish the department of Civil Aviation.

Estimates Committee in Maharashtra

The Estimates Committee deals with the current expenditure of the government. Instead of examining the whole budget the subjectwise scrutiny is made by this Committee. This Committee collects the data concerning the amount sanctioned, the purpose for which the sanctioning is made and whether there is proper utilization of the funds or not. The Estimates Committee for its convenience might appoint some small study groups. It calls upon the heads of the departments with their administrative assistants. It puts certain questions to them. The answers might be satisfactory or unsatisfactory. In case the replies were unsatisfactory the Committee might report to the House its reaction in the form of recommendation. However the Committee is not empowered to interfere in the policy matters.

The functions of this Committee can be given in brief as follows.
(i) It suggests improvement in the departmental matters.

(ii) It suggests administrative reforms which are in the conformity with the general policy of the government.

(iii) It examines whether money is properly laid out within the limits of the policy implied in the estimates.

The Estimates Committee in Maharashtra contributed several good suggestions. Sometimes it endorsed the previous demands of the members of legislature. As far as its recommendations on industrial decentralization were concerned government tried to execute them over a prolonged period. The recommendations about the irrigation facilities were implemented wholly by the government. Regarding the execution of recommendations concerning agriculture the progress was fair. However the execution of other recommendations was not satisfactory. The Estimates Committee advised the government to take an industrial survey.

Survey of Industrial Development

But the Committee was surprised to see that the Department of Industry did nothing about the important suggestion of conducting a survey of the industrial development in the State. Similarly the Committee expressed regrets that the Department did not make a mention relating to the provision of residential, medical and educational facilities to the workers on the new sites of industries.
Encroachment of Large Scale Industries on Small Scale Industries

The Committee suggested that the deserving industrial units should be assisted financially. But government could not check the tendency of releasing more funds for the well-established concerns. The Estimates Committee expressed its awareness regarding the considerable encroachment on the small scale industries by the large scale industries.

The financial assistance was drained towards the big industrialists, defeating the very purpose for which the scheme was started. The Committee considered that grant of loans to big industrial magnates in this manner constituted diversion of funds to the unauthorised purposes. The Committee took a serious view of the matter and recommended to the government to see strictly that the funds should be released to deserving units.

Non-Utilization of Water Potential

The Committee insisted on encouraging the farmers to use water potential. But government could not succeed in carrying out this task. The non-utilization of the water potential engaged the attention of the Committee. At the end of June 1963, in Maharashtra irrigation potential of 3,01,000 acres was created and only 1,37,137 acres were under actual irrigation upto the year 1963-64. It meant that the usage of such water potential was miserably poor. It was the fact that the farmers were not keen to utilize
the irrigation facilities. Apart from this the farmers could not afford to incur the initial expenditure required for levelling of lands etc. The financial position did not allow them to invest money on primary arrangements.

Agricultural Demonstrations

For boosting-up the agricultural production, the farmers should learn to adopt new methods of cultivation. Hence the Estimates Committee advised the Department of Agriculture to take immediate steps in opening more and more Agricultural Demonstration Centres to educate the cultivators in matters like adopting proper cropping pattern, economical use of water and to make them aware of danger of overfeeding the lands. The Committee stated that while popularising the methods of the usage of irrigation facilities the government should grant loans liberally for different types of agricultural operations. The Committee proposed that the Department on its own initiative should construct the feeding channels.

Spreading of Irrigation Facilities

The government was not influenced by the constant demands of this Committee regarding giving impetus to the irrigation facilities. For increasing the agricultural production the spreading of irrigation facilities was of prime importance. It was very essential to speed up the functioning of the various schemes. But the Committee was distressed to note that the speed of a work in this field
was slow. The Committee was disappointed to see that as many as 44 schemes were spilled over from the First Five Year Plan to the Third Five Year Plan. The position, when viewed in the context of paucity of foodgrains and national emergency, appeared more precarious. The Committee noted one glaring example of inordinate delay at Jalgaon. One tank was scheduled to complete in 1957 but upto 1965-66 it was in progress.19

The Committee was compelled to say that the whole approach to the question of minor irrigation needed an immediate and complete reorientation and adoption of measure on a war-footing to accelerate the progress on this front.20

Though the minor schemes were small they could have changed the dismal picture of agriculture in the state. Any slackening of efforts in the development of minor irrigation was bound to have a disastrous effect on the entire Grow More Food Campaign. Therefore it was quite necessary that the department should ensure proper implementation of the minor irrigation schemes which were under the control of the Zilla Parishads.

Water Supply Schemes in Villages

The Estimates Committee did not put aside the important question of the water supply schemes in villages. The Committee made few recommendations in this respect but Government was unable to implement them. The Committee thought over the problem of the village water supply. The Committee seemed hopeful.
Suggestions regarding Public Health

The Estimates Committee considered the important problem of public health. Though government did not respond to the Committee in the short run, in the long run, the government employed some measures to ensure good public health. The Estimates Committee made a reference to the paucity of the medical graduates.22

The Estimates Committee suggested that residential accommodation should be provided to the medical graduates. The Committee at the same time made an appropriate suggestion of evaluating the performance of the Primary Health Centres.

Certain Grievances of the Committee Itself

As the Public Accounts Committee was handicapped by inadequate information this Committee also had to suffer from the lack of complete information.

It was noticed that on several occasions the estimates of the schemes submitted by the departments were incomplete and defective. To avoid recurrence of such incidents the Committee remarked, "adequate care should be taken to obtain necessary full data before plans and estimates are finalised in respect of any project".23 During 1959-60 the Committee complained of not being kept informed properly. This complaint was relating to all government departments. The Estimates Committee grudged that as it was handicapped by the lack of information in many respects, it expected the
Public Works Department to make further efforts and supply full information in future.

Miscellaneous Suggestions

The Estimates Committee recommended several valuable suggestions. Some of them related to following: (i) Avoidance of temporary projects undertaken in scarcity programme, (ii) Suggestions regarding Co-operation in Agricultural and Industrial fields, (iii) Suggestions regarding improving standard of enquiries, (iv) Suggestions to eradicate corruption, (v) Nationalization of transport in Vidarbha and Marathwada.

(i) Avoidance of Temporary Projects Undertaken in Scarcity Programme

The Estimates Committee made valuable recommendations regarding the famine works. It was observed that works undertaken during the famines proved futile. The explanation given by the government in this regard was convincing. The Estimates Committee found out that no permanent project was undertaken in the scarcity works.

(ii) Suggestions regarding Co-operation in Agricultural and Industrial Fields

The principle of co-operation was introduced in the agricultural and industrial fields. The programme was to be reoriented. In order to implement these schemes special staff was to be recruited. The Committee suggested that a separate cadre of officials in sufficient number should be
created specifically for development work, instead of deputing men from various other departments, as was then the practice. Since the co-operation movement meant for the people, the Committee suggested that there should be maximum participation of people in this movement.

(iii) Suggestions regarding Improving Standard of Enquiries

The Estimates Committee was surprised to observe failure of many cases which were lodged by the government. The Committee suspected that there were many drawbacks in the enquiries conducted by the government. The Committee recommended to the government to probe into the matter and find out the causes of acquittals on such large scale. The Committee suspected that the method of enquiry might have been defective.

(iv) Suggestions to Eradicate Corruption

The Committee complied with the view of the people and their representatives that corruption in all administrative departments was rampant. The Committee said that it shared the general feeling of the public in this respect that corruption was still rampant in various departments of the government and much remained to be achieved in that field still.

The Estimates Committee opined that the Anti-Corruption Department should be an independent Department. The Anti-Corruption Department had a close relationship with the
Police Department. The Estimates Committee stated that the Committee thought it necessary in the interest of efficient and effective working of this section to make it an independent unit outside the Police Department. This demand was made by the Opposition members many times.

(v) Nationalization of Transport in Vidarbha and Marathwada

In the Maharashtra Legislature voice would be frequently raised about the mismanagement in transportation. The Estimates Committee recommended the nationalization of the road transport in Vidarbha and Marathwada. This demand was voiced by the members of the legislature. Government took a long period to solve this problem.

Conclusion

The recurrence of mistakes on the part of all departments in Maharashtra State indicated the ineffectiveness of the Public Accounts Committee. The Public Accounts Committee could not succeed in removing even major drawbacks. The range of the activities of the Public Accounts Committee is too wide for it to cope up with them. To make the Public Accounts Committee more effective, the principle of division of work has to be followed. Instead of having the Committee handling the matters of all the departments one Sub-Committee for each department should be formed, so that all sided consideration could be given to each of them by the Committee.
To avoid expenditure, under one Sub-Committee two related Departments should be placed. Such Sub-Committees would be able to carry out detailed intensive investigations into the financial administration of the government. A part of the increased expenditure on account of the growth in the Committee's work could be recovered through a charge on the defaulting officials.

The constitution of the Public Accounts Committee needs to be changed drastically. Presently it remains an advisory body. It makes recommendations but it is up to the government to accept and execute them. The Public Accounts Committee appears very feeble and ineffective when the Departments reply that the recommendations of the Public Accounts Committee are not feasible. The government should accept all the recommendations and execute them promptly. As to the complaints against the individual officers more attention needs to be given and more deterrent methods have to be adopted without delay.

According to the government, though it appeared that many drawbacks were pointed out by the Committee, as compared to the big size of the various departments they were small in number and did not cause a grave concern for the government. However, the government was also liberal enough to accept several points of criticism levelled against it. The Public Works Department may be referred to as an example. The Department was growing tremendously and the government
accepted that it could not find staff to attend to the huge work with the same meticulous care as it would have liked to.

The Committee succeeded in pursuing the Department of Agriculture to minimize its drawbacks. The Committee was severe on the running of the Mechanical Section of the Department of Agriculture and the Department promised to show improvement.

It could persuade the government to take disciplinary actions against several officials. Shri P. D. Jain, an officer in the Public Works Department, was dismissed on account of his failure to maintain the muster. The government, as a result of the Committee's emphasis on eradicating corruption, took several disciplinary actions against the government officers. One officer was dismissed as he was accused of corrupt conduct in dealing with a contractor. The reports of the Public Accounts Committee exposed many irregularities prevailing in almost all departments. The remarks of the Committee in this respect could not bear productive results because the government replied that since the departments were expanding some irregularities were bound to exist.

Another target for criticism was the delays, particularly in the pension cases. The criticism made by the Committee persuaded the government to minimize delays.

Few recommendations of this Committee could achieve
the expected change in the behaviour of the officials. On behalf of the Public Works Department, after receiving the recommendations of the Committee, the Chief Engineer of the Koyne Project agreed to maintain the material at site accounts.

On some occasions when the Committee pointed out the mistakes of some officers, the government tried to defend them. In the Department of Irrigation and Power one engineer was accused of breach of law, however the Department called it a bonafide error of judgement.

The government as a result of the discussion on the reports of the Estimates Committee kept the legislators informed of the government's financial provisions for removing water scarcity conditions in some areas of the State. The government honoured several recommendations of the Estimates Committee. It agreed to consider the recommendation of the Estimates Committee that uniformity of rules should be followed when the government granted financial assistance to the private institutions.

The government, after noting criticism against the Department of Police that the corruption prevailed in the department, announced that the corruption cases be intimated either to the minister concerned or to the Anti-Corruption Department.

The recommendations of the Estimates Committee and the pressure of demand on the Local Self Department bore
fruits and the village water supply schemes were gathering speed. The Estimates Committee also expressed its satisfaction over this progress. It said that it had noticed the fact that the problem of village water supply had engaged the attention of the government.

The recommendations of the Estimates Committee about making medical service more attractive in rural areas received prompt attention and the government executed the recommendations. However the government pointed out certain factors which impeded the mentioned government programme.

The Estimates Committee made few suggestions in regard to the government policies. In fact the suggestions did not change the original policies but only meant their execution with more speed. The Estimates Committee recommended to the government that a Study Group be appointed which should be in charge of making an inquiry to find out the extent of backwardness among the various regions of the State.

The government repudiated several recommendations of the Estimates Committee. The Committee suspected that there might be some political motivation behind the increased number of chapter cases in the State. But the government replied that the suspicion was not justifiable. The government disagreed with the Committee when the Committee criticised the Department of Public Works for the lapse of huge amounts and sacrificing other deserving schemes. The government further argued that incomplete information by the Department of
Public Works was not furnished.

Thus, the Estimates Committee's recommendations proved to be valuable for the government for increasing the efficiency of the government departments. The government had to accept some recommendations. Some recommendations of this Committee, for one reason or the other, failed to secure government's approval. The Committee's recommendations which aimed to effect a revision in the government policies were also practicable.

The Estimates Committee recommended to the government revision of policies in certain matters. The Committee considered the procedure of providing grants to charitable hospitals and dispensaries run by private bodies. The Committee suggested that the government should revise its policy in this respect and make grants not necessarily on the basis of deficit but on the basis of a certain percentage of approved expenditure of all such private and charitable institutions.
REFERENCES

2. Ibid., p. 4.
4. Ibid., item 9, p. 8.

The delay in the pension cases was continued. It got expression in the Committee's further report. The Committee stated that it regretted to note that despite several measures pension cases still continued to be delayed and very badly delayed in some cases, for periods running into several years. The Committee viewed that position with grave concern. It was clear that the various measures taken and instructions issued had no desired effect (Public Accounts Committee Report January 1963, pp. 7 and 8).

9. Regarding the Agricultural Department the Committee stated that the godown capacity was not exploited properly. The suspense amount regarding the scheme of distribution of fertilizers was not cleared and the accounts keeping was very poor.
10. The Public Accounts Committee disclosed serious carelessness on the part of the government. Certain shortages were found out concerning the cement supplies to the Koyana Project (Sr. No. 129 of Appendix January 1966 Sittings, p. 13). The Committee noted that the shortages due to carelessness had been observed since 1957-58 and continued upto 1967-68.
11. In connection with the savings in 1963-64 the Committee said that the importance of effective control over expenditure, the object of which was to secure as close an approximation as possible between the actual
expenditure and the final figures of the sanctioned grants or appropriations, had been repeatedly emphasized by the Committee. Despite that the Committee regretted to observe that the budgetary performance of the Departments during the year 1963–64 did not show any noticeable improvement (January 1966 Sittings).

12. (1) Excess of Rs. 22 lakhs under Grant No. 4 Forest.
   (ii) Excess of Rs. 11,65,289 under Group head H-2 Schemes in the Second Five Year Plan below Grant No. 21 Agriculture.

   The arrears in the bunding programme registered upward tendency, retarding the financial position of the government. The Committee was anxious to analyse the reasons and therefore made an appeal to the Government to find out the reasons.

   In 1959 the Public Accounts Committee brought to the notice of the government that huge excesses were detected. According to Public Accounts Committee such negligence on the part of the government was regrettable. The Public Accounts Committee in third report of 1967–68 therefore expected that the Departments should not spare efforts in effecting the necessary recoveries wherever possible.

15. In regard to Statutory Corporations, the Committee found out that the demands made by them always surpassed the actual requirements. The Committee said that the Bombay Housing Board, the Bombay State Warehousing Corporation, the Bombay State Financial Corporation had shown a tendency to demand money much more than their normal requirements (Public Accounts Committee Report January 1963 Sittings, p. 1).

16. It was postulated that the officers should appear before the Committee with the full necessary information in time but on many occasions the officers disappointed
the Committee. The Committee said that it was dis-
appointed because one of the Senior Secretaries who
appeared before the Committee referred rather in a
light-hearted manner to the outstanding government
dues amounting in the aggregate, to quite a large sum
(Public Accounts Committee June 1963 Sittings, p.8).

20. Ibid., p. 5.

21. It said, "The Committee noticed that the question of
Village Water Supply has been engaging the attention
of Government for sometime. There are certain schemes
undertaken by government towards this end. The
Committee suggests in this connection that a fresh
survey may be made of the drinking water resources of
the State and a comprehensive programme chalked out on
that basis so that the objective having at least one
well in each village is fulfilled at an early date"

22. The Committee said, "The Committee considers that in
view of the importance of public health and service
to ensure good health for the citizens adequate provi-
sion should be made in this behalf so as to readily
attract medical graduates to this service" (Estimates


24. The Committee in this regard commented, "It was stated
that during scarcity the government were forced to take
up works on urgency basis to provide immediate relief
to the people affected, without a thorough scrutiny of
their technical merit. The Committee was dismayed to
find that many such works were washed away by rains or
otherwise rendered infructuous. The Committee regrets
very much that construction work should thus be allowed
to go waste and considers that it is nothing but the
result of haphazard planning and lack of imagination".