

**“THE ASSAM FINANCIAL INSPECTION OF  
DEPARTMENTAL SANCTIONS AND  
IMPLEMENTATION OF SCHEME  
RULES, 1982”.**

**ORDERS BY THE GOVERNOR OF ASSAM  
FINANCE ESTT. (B) DEPARTMENT**

## **NOTIFICATION**

**Dated Dispur, the 5th August 1983.**

**No.FEB.91/79. –**

In exercise of the powers conferred by Clause (3) of Article 166 of the Constitution of India, read with rule 38 of the Rules of Business of the Government of Assam, 1968, the Governor of Assam is pleased to make the following rules for ensuring financial discipline in the various Departments as well as for regulating the functions of the Director of Financial Inspections under the Finance Department of the Government of Assam, Namely :-

**1. Short title and commencement –**

- (1) These Rules may be called **“The Assam Financial Inspection of Departmental sanctions and Implementation of Schemes Rules, 1982”**.
- (2) These rules shall come into force with immediate effect.

## 2. **Definitions.** –

In these rules unless there is anything repugnant in the subject or context.

- (a) **“Administrative Department”** means the Administrative Departments of the Government of Assam as notification from time to time.
- (b) **“Director”** means the Director of Financial Inspections, Assam and shall include Additional Director, Joint Director or Deputy Director of Financial Inspection appointed by the Government from time to time.
- (c) **“Government”** means the State Government of Assam.
- (d) **“Finance Department”** means Finance Department of the Government of Assam.
- (e) **“Financial Adviser”** means and includes Financial Advisers appointed under rule 6(2) of the Assam Finance Service Rules, 1963.
- (f) **“Governor”** means the Governor of Assam.

- (g) **“Head of the Department”** means an authority designated as such in the Subsidiary Rules framed under the Fundamental Rules.
- (h) **“Secretary Finance”** means Secretary to the Government of Assam Finance Department.
- (i) **“Financial Commissioner”** means Commissioner to the Government of Assam, Finance Department who is superior to Secretary Finance.
- (j) **“Subordinate Authorities”** means officers subordinate to Heads of Departments.
- (k) **“Zonal/Circle Officer”** means the Zonal and Circle Officers under the Heads of Departments and incharge of Zones or areas falling under more than one District officer, *e.g.* Superintending Engineer in the case off P.W.D., Conservator in case of Forest, Joint Directors in case of Health, Agricultures, Veterinary, Education etc.
- (l) **“Executive Agency”** means the Contractor of the person/persons entrusted with execution of the work.
- (m) **“Executive Authority”** means the officer entrusted with the function of allotting and completing the work or schemes.

- (n) **“Disbursing Authority”** means the officer who is authorized to disburse money to the Executives Agency of the works of schemes.
- (o) **“Sanction”** means sanction made by a competent authority within the meaning of the Delegation of Financial Power Rules, 1960 and includes sanction with respect to staff, schemes or any other matter that involves expenditure from the Consolidated Fund of the State.

### **3. Control over Director –**

- (a) The Director shall work under the administrative control and supervision of the Secretary, Finance. The Secretary, Finance shall issue such administrative directions to the Director and also to the Administrative Departments concerning the function and working of the Director relating to the works of the Administrative Department concerned as may be found necessary and appropriate and such directions shall be deemed to have been issued under the authority of these rules.
- (b) The decision of the Secretary, Finance shall be final and binding on any question arising out of the interpretation of these rules.

**4. Duties and functions of the Director :-**

- (a) The Director shall have power to conduct test checks of at least 10 percent of the financial sanctions issued by the Administrative Department and of execution of schemes by the Heads of Department/Subordinate Authorities involving expenditures from the Consolidated Fund of the State and such checks by the Director of Financial Inspections shall not be open to any question by any of the said authorities. In order to make the test check more convenient and effective, the test check should be confined only to major schemes taken up by the department where there is more scope for financial irregularities and in consideration thereof the test check may be limited to schemes costing Rupees 10 (ten) lacs and above.

Provided that nothing in this Rule shall prevent the Director from selecting at his discretion any particular case of sanction or scheme for full check of checks to such an extent as may be decided by him having regard to the merit of each case, if in the interest of financial discipline, economy and efficiency such scrutiny in this opinion is warranted, and on a requisition to this effect being made on any authority under the Government, it shall be binding on that Authority to ensure sufficient compliance therewith.

- (b) For the purpose of the test check/checks/inspection of financial sanction mentioned in sub-rule (a), the concerned Administrative Departments/Heads of Departments/Subordinate Authorities shall render all possible assistance and shall make available all relevant files, records and books to the Director as and when so required by him.
- (c) The Administrative Departments shall also supply the Directory with lists of approved schemes/proposals on demand for the purposes of test check/checks mentioned in sub-rule (a).
- (d) The Financial Adviser or any other official dealing with the financial matters shall render all assistance to the Director whenever necessary at the time of conducting test checks and inspections.
- (e) The Director shall conduct test checks between 10% to 15% of the scheme implemented by the Heads of Department and officers under their control in the field. In respect of the works of the P.W.D. (R&B), Irrigation and Flood Control Department the percentage of works to be checked in the field may be between 5% to 10% of each Division, but if it is so necessary on grounds of financial propriety and proper execution of the scheme, the Director shall select such percentage of work for inspection/check as may be

deemed necessary after furnishing appropriate reasons for the same and with the approval of Finance Department.

- (f) In carrying out the test check/checks mentioned at sub-rule (e) in the field, the Director shall be assisted by the Zonal/Circle Officer of the Administrative Departments *e.g.* Superintending Engineer in the case of P.W.D., Flood Control and Irrigation Department Joint/Deputy Director of Agriculture, Joint/Deputy Director of Veterinary in the case off Veterinary Department etc. The Zonal/Circle Officer of thee Department or Officers under his control shall make available files and records relating to the execution of the schemes to the Director as and when required.
- (g) When no Zonal/Circle Officer is available the concerned Head of Department shall depute an officer of the corresponding status on demand being made by the Director to assist him in the field check and in all matters relating to the availability of the records.
- (h) In order to select the scheme for the field checks the Director may require lists of schemes implemented or under implementation from the Administrative Department. For this purpose, the Head of the Department the Zonal/Circle Officer and the District Officer of the Department as the case may be, shall



furnish lists of such schemes to the Director quarterly and also on demand in special classes.

- (i) After perusal of the lists and such other relevant documents as may be necessary, the Director shall select at his discretion the schemes to be inspected by him and shall intimate his decision in this regard to the Zonal/Circle Officer and District Officer of the Department

**5. Object of Inspections. -**

- (a) The purpose of the inspections by the Director shall be to check :-
  - (i) Whether the scheme was fully planned out before asking for financial sanction;
  - (ii) Whether the schemes were planned and estimates made after proper survey and study so as to ensure that the Financial estimates have been made with utmost care and with an eye to see that no further economy was possible;
  - (iii) Whether specification of the work done and the quantities of work done conform to those in the estimates and in the sanctions;

- (iv) Whether economy at the stage of execution was possible;
- (v) Whether the workload of an establishment justifies the existing staff at various levels as may be decided by the Government from time to time including casual employees engaged at the expense of the State Exchequer and whether there is any justification for a new proposal to entertain such staff on the basis of the norms laid down by the A.R Department from time to time.
- (vi) Whether infructuous and avoidable expenditure has been incurred.

**6. Procedure for submission of Report. –**

- (a) The Director after having completed check and inspection referred to in Rule 4(a) above shall submit a report to the Secretary, Finance Department clearly bringing out all cases and nature of financial irregularities detected by him in the course of the scrutiny of relevant papers documents etc. produced during check/inspections and the Secretary, Finance Department shall thereupon proceed with the report in such a manner as may be deemed necessary in the interest of financial discipline and economy.

Provided that the Director, before submitting his report to the Secretary, Finance communicating any lapse or irregularity found at the stage of inspection, shall formally communicate to the Executing Agencies his mindings so as to give them an opportunity to explain such lapse or irregularity.

- (a) No payment exceeding 50% of the running or final bill, as the case may be, shall be made by any disbursing authority in respect of a scheme where the Director has noticed and brought to the notice of the executing authority or the Head of the Department any deviation in the specification and the quantity of work done till the matter has been decided in the matter as provided in rule 7.

**7. Arbitration. –**

On receipt of report from the Director about any irregularity or impropriety of sanction or the defect at the stage of execution of scheme, the Secretary, Finance shall take up the matter with the Secretary of the Administrative Department concerned for such action as may be agreed upon between the two Secretaries. In case of difference of opinion between the two Secretaries, the matter shall be referred to the Financial Commissioner whose decision shall be final.

**8. Review of the action taken on report. –**

There shall be a quarterly review of the progress made on action taken by the Administrative Department in the light of the arbitration referred to in Rule 7 above. In any case where the Finance Department decides that the action taken on the report of the Director is not satisfactory, it shall require, the Administrative Department concerned to settle all objections within a further period of three months and the Administrative Department concerned shall thereupon take all necessary steps and shall ensure due compliance therewith.

D.K. GONGOPADHYA,  
Financial Commissioner & Secy.  
to the Govt. of Assam,  
Finance Department.