

HIGHER AND STATE AUDIT & ACCOUNTS SERVICES ASSOCIATION

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Suggestions before the Expert Committee on Administrative Reforms

In the course of a comprehensive study of the terms of reference of the Expert Committee on Administrative Reforms set up by the Government of West Bengal under Notification No. 4-PAR (AR) / 1P-1/2006 dated 3rd January 2007, we crave leave to present before the Committee our modest suggestions covering certain aspects of an expected improved Government administrative system for ensuring better services to the citizens and speedier implementation of different developmental schemes.

Prelude: In the year 1971 [vide Notification No. 935-F dated 27-03-1971] the Government of West Bengal in the Department of Finance created a specialized Service for financial management of the State, namely, West Bengal Audit & Accounts Service for recruitment of officers having specialized knowledge in the area of finance, accounts and audit. It is a Group-A Constituted State Service under the administrative control of Finance Department, Government of West Bengal. However, the most unique and important feature of this Service is that a person shall have to be at least a Graduate in Commerce or a qualified Chartered or Cost Accountant, i.e., only persons having profound knowledge in Commerce, Accounts and Finance are eligible to join this Service. Our members, at the initial stage of their career, generally discharge the drawing & disbursement function, internal audit function of the State and uniformly man all the treasuries of the State in the capacity of Treasury Officer / Addl. Treasury Officer. At the latter stage they hold very senior positions in the financial administration like Principal Accounts Officer, Director / Additional Director / Joint Director / Joint Commissioner / Deputy Commissioner, General Manager / Financial Advisor / Controller of Finance / Financial Adviser & Chief Accounts Officer, Comptroller of Finance/ Finance Officer in various Departments, Directorates, Corporations, Undertakings, Autonomous bodies, Hospitals, Local Self Governments and Universities in the State of West Bengal. Thus our members, with their Commerce, Accounts and Finance background, while possessing specialized knowledge in the Accrual System of Accounting also have long experience and first hand knowledge about the government accounting system---a nice blending and perhaps the most sought after qualification for carrying out the job of transition from the present system of accounting on cash basis to the accrual accounting system. The present Cadre strength of the West Bengal Audit & Accounts Service is above 1000.

The need for separate specialized services in the administration was felt after the Independence; the need was more keenly felt with the adoption of the concept of Welfare State and planned economic development. While the service in the field of General Administration came into existence during the British Rule, the other services like Audit & Accounts Service were constituted after Independence. The concept of running administration by a single civil service

was gradually replaced by a combination of services in response to the changing needs of the society.

With the passage of time, the State Government has tried to create a number of posts in different departments for managing the activities relating to its Finance, Accounts, Internal Audit, Management of Treasuries etc. In some sectors, it has been able to address to some extent the shortcomings on these activities but even then on different sectors it could not achieve the desired result. We have mentioned herein below some such vital areas where expertise of these service officers could be utilized very effectively for improving quality of delivery of services through better governance.

1. Proposal for creation of a post of F.A. to D.M. for better financial management in the Districts [Para 2 of the Terms of Reference]

With the advent of Planned Economic Development in post-Independence India colonial traits in administration began to show signs of decay. Centralised administration, typically characteristic of the post-colonial era, gradually and steadily came to be replaced by separate specialised services at all levels of administration. This was more keenly felt with the adoption of the concept of welfare state.

The result was evident as the Government in the course of all-round development of the country indulged in creating separate Constituted State Cadre Services in the branches of Finance, Labour, Cooperation, Food & Supplies, Employment, etc. from time to time. A direct fall-out of the same process, the West Bengal Audit & Accounts Service [WBA&AS] was constituted as a State Service in the early seventies. The aim of designing this specialised service, having domain knowledge in Finance, Accounts and Audit, was to streamline the financial management of the State Government at different spheres.

With time the Government, in almost all the Departments including the Treasuries, inducted the Officers of this Service for better and specialised financial upkeep.

We are all aware that the District Administration too, now days, has to remain involved in various financial activities with huge volume of fund available from M P LAD, PMGSY, BEUP, and other developmental schemes, different Registered Societies like Leprosy Society, Aids Control Society, Sarva Shiksha Avijan, Sishu Shiksha Mission etc. under decentralised plans directly at the district level. Apart from these, a lot of other funds like Election, Disaster Management etc. are received at the district level. These funds have to be efficiently looked after by the District Magistrate without any technical assistance from any financial expert and it is hardly possible amidst his busy schedule to look after the detail financial modalities for proper utilisation of fund as well as maintenance of their proper accounts. Apart from this a very common feature is a huge lots of Audit paragraphs remaining unsettled for ages in absence of proper review and implementing of corrective measures on various observations of the Accountant General upon the multifarious activities of the district. Settlement of these paragraphs requires thorough and specialised knowledge in financial and accounting rules and continuous persuasion.

We feel that all these financial management activities call for efficient assistance from a financial expert under the direct control of the District Magistrate. We strongly sense that only the senior officers from WBA&AS [in the scale of Rs.12000-18000] can render such services efficiently so that the management of these financial activities can be performed by the District Magistrate in a proper and appropriate manner within his busy work schedule. The post may be given a nomenclature like Financial Adviser to D.M. in the rank of Additional District Collector for proper discharge of his duties.

The Higher and State Audit & Accounts Services Association strongly believes that this would obviously help the District Administration in monitoring the proper utilisation of fund, maximise the State Revenues, minimise the wasteful expenditure, proper financial planning of the District, maintenance of proper accounts, timely review and action taken against Audit observations, submission of proper 'Utilisation Certificates' of Development Fund to the funding authorities, namely, GOI, DFID, World Bank, etc. and thereby expediting the execution of time bound projects – an essential parameter to evaluate the effectiveness of a revamped State Administration.

2. Financial Management in the State Government [Para 4(iii) of the Terms of Reference]

The economic reform process initiated in the different States of India has posed fresh challenges of governance. In the light of the changing domestic and global situation, the role of the States in the coming decade has to be clearly defined. The assumption that market is the answer to all our challenges is a dangerous and irrational one. The State needs to focus on the irreducible role of government that is required to fulfill human potential and promote rapid economic growth. Abdication of the State or its inefficiency in these critical sectors will spell disaster to our future.

The non-negotiable role of the State in the broad area needs to be clearly recognized and reemphasized. The broad area is infrastructure and sustainable natural resource development. While the economic aspects of these are well-recognized, the governance challenges are not always adequately addressed. Urban management involves much more than resource allocation for infrastructure and poses formidable challenges of governance. We need to create innovative modes of governance in dealing with many such growing challenges.

Social security is a relatively new and growing area of state activity to which the administrative system must respond with alacrity, sensitivity and efficacy. The recent enactment of the employment guarantee law, the efforts in the pipeline to provide a measure of social security to the unorganized sector workers, and many healthcare risk-pooling mechanisms contemplated require effective delivery system, which can address the special challenges posed in this emerging sector of state activity.

All these and other governance and administrative challenges have to be addressed in the context of serious resource constraints. We need to raise resources, reduce unproductive subsidies, and get better outcomes for every rupee utilized. Past experience shows that revenue cannot be increased by enhancing tax rates in a centralized administration. The administration must become far more accountable and effective in delivering results with the same

expenditure. In order to accomplish these goals, there should be conscious efforts to establish the links between the citizen's vote and public good, and taxes and services, and fuse authority with accountability at every level. Therefore, effective empowerment of local governments and stakeholders, and reform to ensure effective and sufficient delegation with accountability at every level to deliver should be the cornerstone of governance reform. **The Fiscal Responsibility and Budget Maintenance [FRBM] Act** enacted in 2001 is a useful tool for control fiscal deficit of the State, as acknowledged by the Second Administrative Commission in its approach paper. The Government of India and many other States have already implemented the FRBM Act. Our State may consider implementing the Act in near future for better financial management.

Budget Allotment System

Budget is a quantitative statement of income and expenditure for a specific period in future. Budget estimates the probable income and expenditure to achieve the definite goal of the Organization in the coming financial year.

Under Article 202(1) of the Constitution of India, the responsibility for the preparation of the annual statement of the estimated receipts and expenditure of the State and its presentation to the Legislature lies with the Finance Department.

Normally budgeted fund is released by the Finance (Budget) Department in three parts to the Administrative Departments, the first on 1st April [25%], the second on 1st July [50%] and the balance [25%] on 1st January of each Financial Year.

Administrative Departments in turn allot the fund to the Directorates as per budget provision indicating therein the Demand Number, Department Code, Detailed classification of the head of account up to the detailed & sub-detailed head for proper booking and classification of the expenditure.

Present Position: In actual practice the Finance Department has to allow passing of the Bills of various items without allotment of fund from the first day of the financial year to the last day of the financial year. The treasuries have to pass the bills of all most all the DDOs with huge negative balances. This is not a sound system of financial management of the State. The CAG has criticized the system in their audit observation. Naturally budget provisions are being exceeded in many cases. In most of the other States, no bill is passed by the Treasury without allotment of Fund except during the first two or three months, i.e., only during the period preceding the passing of the Budget by the Legislative Assembly. This system should be followed in our State too for proper Budgetary Control. For this purpose it is required to prepare the Budget based on the actual requirement of the Department. The Department should know the actual expenditure of the current year and the estimate for the next year. But as of now the Departments have no mechanism and expertise to ascertain the current year's expenditure and to assess future requirement.

Following suggestions are placed before the Committee for their consideration:

Action to be taken by the Finance Budget Department under the computerized environment: The Finance (Budget) Department has to change the present procedure of heads of Accounts allocation. Though Budget Branch has introduced the concept of 'One Department-One Demand', but they have not followed the same principle for the P.W. Department. Moreover, there is a huge number of heads of accounts in the Budget Publications where the Major heads, Sub-Major heads, Minor heads and Scheme heads are the same and identical with different scheme descriptions. Even there are 24 such heads of accounts where the Major heads, Sub-Major heads, Minor heads, Scheme heads, Plan Status and Department Code are the same and identical with different Scheme Description. Such concept is not acceptable under computerized environment. The Finance (Budget) Department should adopt steps to maintain uniqueness in the heads of accounts up to detailed head and allot the same scheme-code for the same Scheme/Project under different Departments as suggested by the 'Working Group of Treasuries' constituted by the GOI & RBI and also recommended by the 12th Finance Commission.

All the Directorates may allot funds to the Drawing & Disbursing Officers [DDOs] directly [where there is no Directorate, the Department can allot the fund to the DDOs directly] through Computer software package 'Fund Flow' and sent the Allotment Orders under unique allotment reference numbers to the DDOs directly through leased line or web-based technology. The copies may also be sent to the linked treasuries. The Department /Directorate shall send those Allotment Orders to Directorate of Treasuries & Accounts, West Bengal [DTA] through mail or through electronic mode. The DTA, after validating the data, can send it to respective treasury database directly.

Recently the Government of West Bengal has decentralized the procedure for according approval to plan projects / schemes at the Departmental level. The Finance Department vide Memorandum No.1880-F dated 08-03-2007 constituted a 'Departmental Approval Committee' [DAC] for each Department. The Special Secretary or the Joint Secretary, as the case may be, of the Finance Department, being a member of the DAC, is to perform the function of Financial Adviser (F.A.) of the Administrative Department. The F.A. shall play a key role in the committee and in his absence no meeting of the DAC shall be held.

In most of the other States and also in the Central Government the posts of F.A. are being manned by the respective Finance & Accounts Service Officers being financial experts by profession. But, unfortunately, in our State the financial experts, i.e., the officers of West Bengal Audit & Accounts Service are overlooked while appointing Financial Advisers. Their expertise and specialized knowledge are not being utilized by the Government for proper financial evaluation of the project/scheme. It is, therefore, suggested that the Committee may consider recommending the Government to appoint the officers West Bengal Audit & Accounts Service as Financial Advisers in each Department for proper financial evaluation of the project/scheme in the best interest of the public.

Accounting System: At present no accounting system is maintained by the State Government. The Accountant General maintains the accounts of the State Government. The 'Working Group on Treasuries', constituted by the Government of India and RBI, in its report recommended that the State Government should compile the whole of the State Government Accounts at its own level.

Recommendations of the 12th Finance Commission: Incidentally, the 12th Finance Commission for the first time recommended certain accounting procedures for the Central Government as well as the State Governments. While recommending the accounting procedure to be followed by the Central and State Governments, the 12th Finance Commission observed that the present cash based system of accounting does not provide a comprehensive picture of the financial activities of the Government. It lacks in pointing out the required financial information on accrued asset and outstanding liabilities held by the Government at a particular point of time. It does not provide information on the services rendered by the Government Department on various counts. It does not depict the commitments made by the Government regarding repayment of loans and advances in future years. This system of accounting also provides room for fiscal opportunism. In order to overcome these shortcomings, the commission recommended switching over from existing cash basis of accounting to the accrual basis of accounting both at the level of Union Government and at the level of State Governments.

Government Accounting Standard Advisory Board: Government Accounting Standard Advisory Board (GASAB) has been set up under the initiative of the Comptroller and Auditor General of India to formulate the Indian Government Accounting Standard with a view to improve governmental accounting and financial reporting which will enhance the quality of decision making and public accountability. The Comptroller and Auditor General of India has prescribed the 'Roadmap for Transition to Accrual Basis of Accounting in Government'.

Changes on this account in Local Bodies: Urban Local Bodies (ULBs) in our state are in a process of switch over from the present system of cash basis to accrual basis of accounts either at the instance of foreign donors or on their own initiative. Most of these changes are effected under the leadership of our service members posted in those organizations (e.g. KUSP for 40 ULBs in KMD area, KMC etc.). These changes have been recognized to be pioneer in the area.

Need of the hour: Switching over from cash based accounting system to accrual based accounting system is of great importance at this stage as the need for this has become a global phenomenon. Adopting the accrual basis of accounting provides transparency as well as scope of better information for planning and management.

This will ensure:

1. to have an idea of proper asset base;
2. better fund management of government;
3. present a complete picture of debt and liabilities.

As we see, the different international funding agencies like DFID, World Bank, EEC, ADB etc. are continuously insisting upon the Government for maintenance

of accrual basis of accounting. The Government of West Bengal should be prepared to keep pace with the development on this account.

Change Management: As the conversion is a huge exercise as can be gathered from experiences of different countries who have implemented these changes we should be prepared to face the challenges through following:

1. Existing personnel should be trained in a continual and systematic manner not in the headquarters only but also in different unit offices too. Prior training will help to adopt the changes quickly and properly.
2. Many departments are using different software on different platform. An agency may be identified to collect and collate all these and we should be ready with almost similar platform so that uniform packages can be run through departments. This will help to formulate relatively less complex program and give ease in operation.
3. Employees of the State Government should be ready and competent to take over from different consultants engaged for the implementation of the changes. Consultants are costly propositions and many consultants tend to continue their engagements for their business interest. Moreover, if employees are not competent enough to lead the consultants, effective result will not come.

Pre-requisites: In fact, change over from the existing system to the proposed accrual system involves multifarious steps along with different follow up actions. Adequate infrastructure and database should be built up prior to implementation of accrual accounting which will be tool for switching over to the Accrual-based Accounting..

Initialization should be done through following: -

- Formation of separate Budget & Accounting wing headed by the Financial Adviser-cum- Joint Secretary under each Administrative Department is of prime important. The post of Financial Adviser [F.A.] should be manned by an Officer of the West Bengal Audit & Accounts Service, having expertise and specialised in finance and accounts administration.
- The F.A. of the department will function as the Chief Accounting Officer and will remain responsible for all accounting works within the sphere of his departmental budget.
- Each Department should, in the first phase, prepare Department-wise 'Cash-based Accounts' and maintain separate registers for (i) Assets, (ii) Loans & Advances (iii) Outstanding Liabilities on account of interest and others, (iv) Accrued Income, (v) Work-in-progress, (vi) Liabilities for Retirement Benefits, etc.
- Finance Department will centrally collect the information at fixed intervals from the respective Administrative Departments, reconcile with the expenditure booked by the treasuries and will centrally co-ordinate the matter.

Conclusion: As such, it is our strong suggestion that the Government of West Bengal should immediately move for initiation of the process of departmental accounting system for ultimate switching over to the accrual based system of accounting to avail of the overall benefit for the State. It is high time that the State Government converts this initial advantage into real one. Our Association will extend all supportive hands to the Government for this purpose. It is suggested and expected that the Committee should recommend accordingly.

3. Proposal for restructuring of the management of treasuries for better governance [Para 4(i)&(ii) of the Terms of Reference]

The present status of Treasuries at West Bengal: At present there are 85 Treasuries in West Bengal. Out of 85 Treasuries 81 Treasuries have been computerized and the remaining 4 treasuries will be computerized very soon. There is at least one Treasury in each District Headquarter and also in each Sub-Division in West Bengal. There are two Treasuries in most of the District Headquarters and in some big Sub-Divisions for speedy disposal of Government transactions. All the Treasuries are separate units and acting as independent Treasuries. There is no Sub-Treasury in West Bengal. There is no cash Treasury in West Bengal either. All the Treasuries are Bank-linked Treasuries. The system of payment through Cheque has been introduced in all the Treasuries and all the Government transaction are made through Bank.

At present treasuries in the State of West Bengal are under the administrative control of the District Collector although the treasuries are primarily run by one Treasury Officer and two Additional Treasury officers appointed by the Finance Department. Claims of the different Drawing Officers under the payment control of a particular treasury are processed and passed by the treasury and daily accounts are compiled and maintained by the treasury. The monthly accounts are, thereafter, prepared for onward transmission to the AGWB within 5th of the following month for compilation of State Accounts.

Future Plan: The Finance Department, Government of West Bengal has been pursuing the idea of formulating a Mission Mode Project (MMP) for introduction of e-Governance in Treasuries, as a part of the National e-Governance Plan (NeGP). The purpose of implementing an effective treasury system is to offer several benefits like better financial management, fiscal discipline, monitoring of ways and means position of government, efficient budget management, personnel management, better trend analysis etc for overall prosperity of the State Government. For the first time, there is a large-scale initiative from national level to implement 'e governance' in Treasuries. The total activities require interaction with the Accountant General, West Bengal, Reserve Bank of India, other Nationalized Banks, different departments of State Government, changes of different rules, acts, accounting procedures. Accordingly, it is urgently required to upgrade the present administration of the treasuries for the optimum utilization of the benefits under the changed environment. It requires some 'Business Process Reengineering' (BPR) of the existing system.

One of the critical factors leading to a high positive impact that an e-Government project like 'e Treasury' MMP can create, is the extent and rigor of the reforms undertaken in the processes that underlay the functioning of the

treasury system and all the concerned organizations. The treasuries in developed countries are playing very different roles (from the Indian ones) and are contributing in overall development and progress of the nation. The code prevalent in Treasuries dates back to the Government of India Act 1935 (with little amendments). Therefore, treasury administration require tremendous reforms as far as rules, procedures, formats and reports are concerned. Mere injection of technology into the existing processes would not yield the desired result as most of the treasuries are already computerized as far as their immediate requirements are concerned. Such a computerization would amount to translation, rather than transformation. It may not also result in enhanced value to the customers or end-users. At the same time, attempting large-scale process reforms in a sensitive sector like Treasuries would be fraught with a certain amount of risk. The balance lies in focusing on certain core processes for reform, such that tackling a few such core processes would produce the largest desired impact. It is necessary to undertake a fairly elaborate exercise at the conceptual stage, to create a list of all the processes in treasuries, prioritize them in terms of a Feasibility-Criticality matrix and arrive at a list of core processes that are candidates for reform.

In 'e Treasury' MMP reforms would be envisaged in the simplification, uniformity and reduction in the number of various formats, reports and elimination of presentation of paper-bills, introduction of e-bills etc. Apart from this, reduction in number of Drawing and Disbursing Officers, heads of account, levels of hierarchy etc would also be desirable. For its actual realization, re-engineering would be required in various Codes, Acts, Manuals like Treasury code, Financial code, Account code, Book of Financial Powers, Fundamental rules, Pension rules, Pay Fixation rules, Stamp rules, GPF rules/DPF rules etc.

Short-term goals:

- Fully Computerization of all the 85 treasuries,
- Transfer of data to and from Banks through electronic media,
- Steady Connectivity between Directorate of Treasuries & Accounts, West Bengal [DTA] and all the treasuries through 'WBSWAN' BSNL-leased lines,
- Transfer of treasury-data of all the treasuries at DTA and compilation of the State Financial Accounts at DTA and interface with the Budget Allotment data.

Long-term goals:

- Central Server System,
- e-Billing and e-Payment at treasuries including payment through ECS,
- e-Receipt through Bank,
- Transmission of Treasury Accounts to Accountant General through electronic media,
- Different types of Treasury Forms, Bill Forms, Pension Forms in web,
- DDO-wise Bill Processing & payment information in web,
- Different types of MIS Reports regarding Expenditure and Income[Department-wise/ Head of Account-wise] in web,

- Status of Pension Bills and other information regarding Pensioners in web,
- Stock position of Stamps & Stamp-Papers in web,
- Preparation of full State Government Accounts including PWD, Forest, Other Departmental Accounts and accounts adjustments by Accountant General, West Bengal [AGWB] as suggested in the Report of the 'Working Group' of the Reserve Bank of India.

In the State Government Financial Management, Treasuries are being used as a powerful tool to control and assess the actual financial position of the state to locate and analyze the extent and cause of deviation of the actual receipts and expenditure of the State from the budgeted estimate. A correct measure of such variation will help the Government to take appropriate corrective steps in time in order to bridge the gap between the budgeted and the actual figures. Thus, the full-fledged up gradation of the treasury operation has been the prime objective of the Government in the recent past. With the passage of time, the Government intends to computerize the treasury accounts all over the State for facilitating online data transmission to the Directorate of Treasuries & Accounts (DTA) and the Finance (Budget) Department in order to keep a watch on the day to day financial transaction of the State so that it will not have to depend entirely on the accounts prepared by Accountant General, West Bengal (AGWB). 'Working Group on Treasuries', constituted by the GOI & RBI recommended for up gradation of the Treasury administration to achieve those objectives.

But to achieve the abovementioned goal the Government has to resort to re-structuring the treasury administration. Under the present environment, it is difficult to achieve any positive result.

Pre-requisites: In the words of modern management, the authorities and responsibilities go together, responsibility without authority is meaningless. But the Treasury Officers are working with full responsibilities and without any authority. They are responsible for passing of irregular bills, delay in passing the bills, delay in payment of pension, delay in submission of accounts etc. but they have no authority on the treasury staff and treasury fund. As the Attendance Register of the staff, in most of the cases, is not maintained by them they do not even know whether the Bill Receiving Clerk or the Cheque Writer is present on a particular day or not. They are not provided with any fund meant for treasury nor is any such fund under their control for meeting the treasury's day-to-day expenditure. They have to work under the tremendous pressure from powerful DDOs for passing their bills without any checking and without raising any objection and they have also to confront court cases on pension matters for which they are not at all responsible. Under the present environment the Treasury Officers are not being able to discharge their duties properly, without fear and favour. Financial discipline is also being violated almost every day.

The present system of treasury administration is causing considerable hindrance in using the computerization of treasury management package for achieving the goals for which it was intended. Such instances are detailed below for reference:

1. Treasury work, at present, has become very complex and technical with the introduction of computerization of treasury management

package. As such treasury staff should be both conversant with the treasury rules and regulations and at the same time be able to handle computers comfortably. The staff of the entire collectorate including the treasury are under the control of the District Collector and it is a routine and regular matter that the staff experienced in treasury accounts and computer are withdrawn and replaced by those who are neither conversant with treasury work nor are computer literate. Frequent breakdown of the computer system is the result of having such untrained employees on rolls. While the existing personnel with appropriate background and aptitude require to be identified on priority basis for human resource development under the e-Governance project for the betterment of deliverable services, frequent withdrawal of large number of staff, conversant with treasury work and computer, will retard the desired result of the project.

2. Since Treasury Officers are not declared as the Head of Office as required in rule 5 (16A) of the W.B.S.R Part-I, often it becomes difficult for them to exercise control over their staff, which is essential for smooth treasury management and ensuring timely submission of accounts.
3. In order to manage a computerized treasury smoothly, it is necessary that there should always be ample computer stationery, spare parts for the machine for undertaking minor repairs and similar items ready at hand. Since no fund is placed at the disposal of the Treasury Officer, often there is shortage of supply of some items as there is invariably a time lag between requisition and procurement, which defeats the very purpose of the computerization of the treasury management for ensuring timely submission of monthly accounts to Accountant General, West Bengal.

In the above backdrop, we suggest that some changes in the present treasury management system are urgently required in the interest of good governance as well as for the smooth functioning of the treasuries. Considering the ground reality, we are submitting the following proposal for your kind perusal and consideration:

- The District Collector will continue to be responsible for general administration of the treasury and should allow the Treasury Officer to discharge his daily functions without fear and favour.
- The Treasury Officer should be declared as the Head of office as required in rule 5 (16A) of the W.B.S.R Part-I, on the same lines with the DPRDO and the Superintendent of Excise, enabling the Treasury Officer to exercise control over his staff, which is essential for smooth treasury management and ensuring timely submission of accounts.
- A separate pool for treasury staff of the District as a whole may be maintained at the District Collectorate. Whenever a question of transfer/ withdrawal of treasury staff arises, the Treasury Officer should be consulted before such withdrawal /transfer. The treasury staff should move from one treasury to another treasury within the district ensuring better utilisation of the human resources at treasuries. This has become all the more necessary consequent upon the introduction of computerization of management of treasury package. In the case in which

it has become absolutely necessary to transfer staff from other wing of the collectorate to the treasury and vice versa, not more than 10% of existing staff should be transferred within a year.

- Director of Treasuries and Accounts, West Bengal should function as the controlling officer of the treasuries as far as treasury's system management is concerned in order to maintain rationality and uniformity.

For the Treasuries at the sub-division level, the Treasury Officer should also function as the Head of Office of the treasury at the sub-division level and should be able to exercise power in the capacity of controlling officer of the treasury staff under the general control of the District Collector of respective district.

Incidentally, it may be mentioned that the Governments of Orissa, Maharashtra, Gujrat, Tamilnadu, U.P., Andhra Pradesh, Karnataka have already operationalised this system. A copy of the Notification of the Government of Orissa is enclosed for reference.

4. Cadre Management [Para 7 & 8 of the Terms of Reference]:

Posting of the Officers of West Bengal Audit & Accounts Service in the State Secretariat: Our Association has long been persuading for the posting of the officers of our Service in the State Secretariat for good governance.

To have a clear picture of the issue we should go into the background of creation of different state services. With the increasing mass awareness, democratic aspiration of the people, the necessity of development of specialization, expertise and professionalism in specific areas of public service was at the root of creation of most of the State Services. There are certain areas in the administration where the principle of inter-changeability of service among the officers militates against the principle of specialization, development of expertise and professionalism. To strike a balance among the needs of the emerging situations the administration had to opt for proper blend of general service and specialized service.

In the word of the 'Administrative Reforms Committee', all these state services taken together are the 'Mainstay of the administration. All the constituted State Services interact with the people in their respective spheres and fields of activity. Needless to mention here that no Government policy can be meaningfully formulated without the active role of these Specialised State Services. So it requires a harmony among the officers of all Constituted State Services.

In this context we reproduce the relevant portion of the recommendation of the First Pay Committee, Govt. of West Bengal (Page 34):

"Posts of Assistant Secretary and Deputy Secretary in certain secretariat Departments may also be thrown open to members of the appropriate regularly constituted state services. A member of West Bengal Labour Service may make a better Deputy Secretary of Labour Department and a Commercial Tax Officer that of the Finance (Taxation) Department, than a member of the West Bengal

Civil Service or Indian Administrative Service having no background of technicalities involved.”

Central Secretariat: The Government of India has declared the similar types of specialised Services [including Indian Audit & Accounts Service] as ‘Central Civil Services, Group-A’ [List enclosed at Annexure-H] in terms of ‘The Central Civil Services (Classification, Control and Appeal) Rules 1965’.

It is requested that the Committee may consider recommending the State Government to declare our Service as “Group-A- State Civil Services” in the same line as has been done by the Government of India.

It will be evident from the Table below that officers of Central Civil Services, Group ‘A’ other than ‘All India Services’ hold a considerable number of posts of Deputy Secretary and above in the Central Secretariat.

[Table as on March 1, 1995 taken from the Report of the Fifth Central Pay Commission, Volume-I, para 45.10, Page 469-470]

Level of Post	All India Services			Gr. ‘A’ Central Services			Central Secretariat Service		
	1972	1984	1995	1972	1984	1995	1972	1984	1995
Secretary	30	36	71	15	25	21	0	0	0
Additional Secretary	20	27	72	11	38	12	1	1	0
Joint Secretary	86	135	285	60	50	44	23	17	14
Director	81	106	180	39	88	110	88	38	49
Deputy Secretary	108	74	143	96	71	121	96	172	144
Total	325	378	751	221	272	308	208	228	207

The list containing the names of the officers of the Indian Audit & Accounts Service posted in the Central Secretariat is enclosed at Annexure ‘X’ as evidence in support of our claim.

Other States: In other States of India like Uttar Pradesh, Rajasthan, Madhya Pradesh, Gujarat, Orissa, Mizoram etc. the Officers of the respective State Finance & Accounts Services hold a considerable number of posts of Deputy Secretary / Joint Secretary in their respective State secretariats. Relevant documents in respect of Governments of Uttar Pradesh, Rajasthan and Orissa are enclosed at Annexure ‘Y’ as evidences in support of our claim.

Under the circumstances it is requested that Committee would examine the matter with right perspective and to consider recommending of the ‘proportionate representation of the Officers of our Service in the State Secretariat’ and posting of the officers of our

Service in the State Secretariat in the posts of Deputy Secretary and above in the interest of good governance.

Placement of the Officers of the West Bengal Audit & Accounts Service in the higher responsible posts, the job descriptions of which demand so

: It had been observed that while preparing the Cadre Schedule of the WBCS (Exe) a number of basic and promotional posts of our Service have been included in that Schedule. These are frustrating the development of expertise of the Service, which have domain knowledge in that area and thus shrink the opportunities of promotion/appointment of the members of our service to those posts thereby creating imbalance in the administration and resentments among our members. Moreover, there is severe stagnation in respect of opportunity in posting to higher responsible posts for the Officers of our Service.

The West Bengal Audit & Accounts Service Officers, having specialized knowledge in the areas of activities, should be appointed to the following posts:

- Director of Treasuries & Accounts, West Bengal,
- Director of Pension Provident Fund & G. I., West Bengal,
- Director of Accounts (Education) under the School Education Department,
- Director of Co-operative Audit in the Co-operation Department.
- Pay & Accounts Officer, Kolkata Pay & Accounts Office-I,
- Additional Pay & Accounts Officers of Kolkata Pay & Accounts Offices,
- Treasury Officer, Kolkata Collectorate Treasury.

In many other States of India, like Uttar Pradesh, Rajasthan, Madhya Pradesh, Gujarat, Orissa, Mizoram, such type of posts are manned by the Officers of the respective State Finance & Accounts Services and not by the State Civil / Administration Services. For ready reference we are enclosing the Gradation Lists of Finance & Accounts Services of Uttar Pradesh & Sikkim. It would be evident from the said lists that all such posts of that State are being manned by the Officers of the respective State Finance & Accounts Services.

In view of the above, it is requested that the Commission should examine the matter in the proper perspective and recommend for placement of the officers of West Bengal Audit & Accounts Service in the abovementioned posts.

Promotional Opportunities: Opportunity for promotion is an important in motivation of the officials. It is a recognition and reward for performance. There is severe stagnation in respect of promotional avenue to the officers of our Service. In this connection it may kindly be mentioned here that there are only two scale benefits available to the officers belonging to the State Services - one on completion of 8 years satisfactory service and another one on completion of 16 years satisfactory service during entire period of service under the modified 'Time-bound Career Advancement Scheme' (CAS). Practically, there is no further scope of promotion for the remaining 16 / 17 years of service period for our Service Officers. It means that an officer of State Service having an average length of 32 / 33 years service is to serve the Government without any further scope of promotional benefits for the remaining 16 / 17 years' service period.

The existing disparities in the matter of promotion prospects among the State Services have caused serious discontent among the officers. There should be at least three time-bound scale benefits available to the officers belonging to the State Services.

The status of different Constituted State Services as stood to day is depicted below for your kind perusal. Our Service is worst-affected among all the Services. The nature and scale of disparity and discrimination made to our Service would be visible from the table.

Sl. No.	Name of the Services	Cadre Strength	Total No. of Posts available in the Scale No. 19 & 21 as on 1 st October 2004.			
			Scale No.19	%	Scale No.21	%
1.	W.B. Civil Service (Exe) **	1767	137	7.75	13	0.74
2.	W.B. Com. Tax Service	1105	36	3.26	2	0.18
3.	W.B. Agril. I. Tax Service	56	3	5.36	0	0
4.	W.B. Co-Operative Service	197	6	3.05	0	0
5.	W.B. Labour Service	149	4	2.68	0	0
6.	W.B. Employment Service	244	5	2.05	0	0
7.	W.B. Excise Service	250	6	2.40	0	0
8.	W.B. Food & Supplies Service	280	5	1.79	0	0
9.	W.B. Audit &Accounts Service	959	13	1.36	0	0
10.	W.B. Secretariat Service	374	12	3.21	0	0
Total of Other Constituted Services		3614	90	2.49	2	0.05

[** In addition to above the WBCS (Exe) officers have 63 promotional posts in the IAS Cadre.]

Having regard to all aspects of the problems, we request the Committee to recommend the Government to adopt a transparent and uniform promotion policy for all the constituted State Services including WBCS (Exe) to maintain inter-service harmony and balance for good governance.

Deputation Posts in the Govt. Undertakings and Autonomous Bodies: Appointments to the posts of Managing Directors / General Managers in various Public Undertakings, Autonomous Bodies and Statutory Corporations / Companies should be made as per rules and regulations of those Public Undertakings, Autonomous Bodies and Statutory Corporations / Companies and not from any particular Service. These posts should also be thrown open for the Officers of our Service.

Maintenance of inter-service seniority criterion among the Officers of Constituted State Services while posted in the same Office: It has been

observed with grave concern that very often the Officers of WBCS (Exe) of relatively junior in service seniority are placed to supervise the work [as immediate Controlling Officer] of the Officers belonging to our Service who are relatively senior in service. It is an accepted policy that all the constituted State Services including WBCS (Exe) are equal in the eye of the Government as acknowledged by the Hon'ble Chief Minister in several occasions. Naturally, placement of a relatively junior officer of WBCS (Exe) as an immediate supervising authority of a senior officer of other comparable Cadre has a demoralizing effect on the senior officer. It is not only a humiliation but also willful derogation of the rank and status of the senior officer of other State Service. The service rendered by such demoralized officer can never be up to full satisfaction of the administration and hence not sound for good governance.

It is expected that the Committee would consider recommending abolition of such uneven practice and request the Government to maintain inter-service seniority criterion among the Officers of all comparable State Services so that the senior officers of the State Services should not have to work under comparably junior WBCS (Exe) Officer in the Districts or in any other Offices under the same chain of command.

Outsourcing: It has also been observed in the recent past that due to various compulsions and obligations the Government is providing appointment on contract basis to persons / firms for undertaking various government functions, which could otherwise be performed by our Service officers. As the persons / firm employed on contract are not accustomed with the functioning of the Government, i.e., rules and procedures mainly financial rules, accounting procedure, it is difficult for them to perform the job properly. No fruitful result can be achieved by them in the long run. It may endanger the Government Secrecy Act, security and safety measures. As the person appointed on contract basis, is not considered as Government employee, so Government cannot enforce accountability and responsibility upon him. Moreover, he is not covered under the W.B. Services (Classification, Control and Appeal) Rules. It is not a healthy sign for good governance. We strongly opposes such irregular practice and request the Committee to recommend the Government not to appoint persons/firms on contract basis, in any regular post in the State Government Departments and Directorates in the interest of better public service.

Training: In the globalization era, the whole world is changing rapidly. To cope with these changes, the Government had to change their rules, procedures and technologies for the development of the society. Moreover, now a day, Government Officers have to interact with the officials at the National and International levels and also with Private Sector Enterprises. Government Organizations are now competing with the Private Sector Enterprises, running Joint Venture under PPP [Public-Private Partnership] Model. So under the changed environment, the Government Officers have to update themselves with the latest rules, procedures and technologies. Proper training is essential for the up gradation of the skills of the Cadre Officers so that they can meet the challenges of the day under the modern management system. Recently, activities of the various Departments are coming under the purview of the National e-Governance Plan [NeGP] and the Officers of the Departments have to work under Computerized environment. Naturally, training in Computer including knowledge in web-based technology is a must.

The Officers, who are being newly appointed in the Service through direct recruit examinations, are required thorough training to have detailed knowledge about the rules and procedures of the Government Departments and Administration.

It is, therefore, suggested that there should be adequate facility for proper training for the Officers of our Service at regular interval in the interest of good governance. Uniform pattern of Training Modules, based on the needs of each of the Service, should be developed by the Government for the Officers of the West Bengal Audit & Accounts Service at the Administrative Training Institute, Salt Lake.

At present, the facility for proper training is not available to our officers. Most of such facilities are available to only one or two services. For proper functioning of our Service Officers, it is required that there should be:-

- uniform standard of induction training facility for the fresher,
- uniform standard of in-Service training facility,
- adequate and uniform scope of training at National Training Institutes,
- adequate and uniform scope of foreign training.

We expect that our suggestions / opinions laid out in the preceding paragraphs would be judiciously examined and favourably recommend by the 'Expert Committee on Administrative Reforms' at the appropriate levels of the State Government.

(Sushil Kr. Kundu)
General Secretary