

Minutes of the Second meeting of the 5th Assam State Finance Commission held on 30th July, 2013 at 11.00 am in the Conference Hall of Finance Department.

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List of members present annexed at Annexure- I.

Chairman welcomed the members and briefly outlined the progress made since the last meeting and the important issues which have emerged during this period which are briefly mentioned below-

Progress-

- 1) Sent out questionnaire to all PRIs/ULBs.
- 2) Written to all MLAs for their suggestions.
- 3) Had meetings with heads of all concerned Ministries.
Action points intimated to all.
- 4) Had detailed discussions with 16 CEOs of Zilla Parishads. Salient points for action that relate to SFC and 14th F.C. highlighted and sent to departments.
- 5) Organized workshop on development and use of software that will help in submission of the questionnaire.
- 6) Prepared a tentative approach paper which has been circulated.
- 7) Requested for Status Report from Panchayat, Finance and UDD.
- 8) Requested Autonomous districts to submit their suggestions.
- 9) Forthcoming discussions – with ULBs/Economists- being planned.
- 10) Rough picture of collection and benefit given Sixth Schedule area has been worked out.

Some of the issues that emerged –

- i) Panchayats, particularly at GS level is very weak both in planning and in organization. There is acute shortage of staff.
- ii) No transfer of fund and functionaries has taken place though exhaustive activity mapping was done.
- iii) The planning process seems to be lopsided and not in tune with the spirit behind the Constitutional amendment for district planning. There seems to be distribution, but not pre-planning or planning from below.
- iv) They lack infrastructure like buildings.
- v) Assets created and present position of such assets is not properly maintained PRIs seem weak in methodology.
- vi) Zilla Parishads feel that as per present system of devolution and distribution there is no scope for taking up umbrella schemes and money is spent on Micro projects. Income generating schemes do not seem to be priority.
- vii) Monitoring and evaluation mechanism is inadequate and continuous system needs to be evolved.
- viii) Use of computers seems to be ineffective due to poor internet coverage and lack of electricity.

Prof. Barman, Member mentioned a number of issues which needs attention of the Commission. In brief, he referred to- i) Need for focus on inclusive growth, ii) Importance of capacity building and Human Resource Development, iii) Need for taking care of sectors like health and education, iv) Mechanism for monitoring and evaluation and for encouraging good governance, v) Very crucial importance of taking a close look at the State Finances, vi) Examination of the finances of the PRIs/ULBs and identifying the resource gaps and also the outstanding debts of such bodies, vii) Necessity of the looking at the tax potential and opportunities for new revenue earning measures like fisheries, forest etc., viii) The need for stimulating activities in the PRIs/ULBs through the mechanism of devolution of fund by SFC for achieving the objectives of inclusive growth.

Taking part in the discussions Shri P K Borthakur, Member Secretary, 5th ASFC & Commissioner & Secretary, Finance Department, Shri K C Samria, Commissioner & Secretary, Urban Development Department and Shri S Thakuria, Secretary, Panchayat & Rural Development Department accepted that the gaps in organization was the crucial bottleneck. The organization structures for most of the ULBs and PRIs do not have continuity.

The Chairman suggested that as a first step it was essential to get the Status Reports of the concerned Departments, so that the issues could be gone into at length. The departments concerned assured to submit the Reports soon. It was decided that the next meeting will discuss the financial position of the State, and the Status Reports so that the objectives before the SFC could be clearly spelt out.

Sd/-
(M P Bezbaruah)
Chairman,
Fifth Assam State Finance Commission

Memo No. FEA (SFC) 203/2013/27-A

Dated Dispur the August 2, 2013

Copy to:

1. The P.S. to the Chairman of 5th ASFC for kind information of the Chairman.
2. The Additional Chief Secretary, Government of Assam, Finance Department.
3. The Principal Secretary, Government of Assam, Panchayat & Rural Development Department and Member of the 5th ASFC.
4. The Principal Secretary, Government of Assam, Guwahati Development Department and Member of the 5th ASFC.
5. The Commissioner & Secretary, Government of Assam, Urban Development Department and Member of 5th ASFC.
6. Prof. Kandarpa Kr Barman, Member of the 5th ASFC and Professor of Department of Economics, Gauhati University, Guwahati- 781014.
7. The Commissioner & Secretary (P.K. Borthakur), Government of Assam, Finance Department and Member-Secretary of 5th ASFC.
8. The Secretary to the Government of Assam, U.D. Department.
9. The Commissioner, Panchayat & Rural Development Department, Panjabari, Guwahati-37.
10. The Commissioner, Gauhati Municipal Corporation, Panbazar, Guwahati-1.

11. The Director of Municipal Administration, Ganapati Bhawan, Rukminigaon, Guwahati-06.
12. The Consultant (S.K. Dutta), SFC Cell, Finance (Economic Affairs) Department.
13. The Consultant (B.N. Das), SFC Cell, Finance (Economic Affairs) Department.

By order etc.,

J. Choudhury 2/8/13

(J. Choudhury)

Director,

Finance (Economic Affairs) Department

Annexure- I

List of Members and Officers present in the 2nd Meeting of 5th Assam State Finance Commission held on 30 July, 2013 at 11 A.M.

Sl No Name & Designation

- 1 Shri Kandarpa Kr Barman, Member, 5th ASFC
- 2 Shri P.K. Borthakur, Commissioner & Secretary, Finance Department and Member-Secretary to 5th ASFC
- 3 Shri K.C. Samria, Commissioner & Secretary, UDD
- 4 Shri Simanta Thakuria, Secretary P&RD Department
- 5 Dr. J.N. Das, Secretary, UDD
- 6 Shri A Haque, Director, Municipal Administration
- 7 Shri R. Baruah, Joint Commissioner, GMC
- 8 Shri D. Barman, Under Secretary, GDD
- 9 Shri S.K. Dutta, Consultant, 5th ASFC
- 10 Shri B.N. Das, Consultant, 5th ASFC