LOCAL FUND AUDIT, CUTTACK, ODISHA

CATEGORY : Panchayat Samiti,General

Audit Report No : 171121/AR/2015-2016-CUTTACK

PARA: 1 **TITLE SHEET**

1	Name of the Institution :	**Tigiria P.S.**
2	Year of Accounts under Audit :	**2014-2015**
3	Name of the Local Authority during the year of A/Cs :	Smt. Anamika Adhikari,OAS-IJB BDO 01-04-14 to 12-10-14 Sri Binod Kumar Jena,OAS-I JB BDO 13.10.14 to till date
	Name of the Local Authority at the time of Audit :	Sri Binod Kumar Jena OAS-I JB,BDO
4	Duration of Audit :	22-02-2016 To 28-03-2016 (Mandays Consumed :- 22)
5	Name of the Auditors :	BHRAMARABAR HOTA - Lead Auditor(22-02-2016 to 28-03-2016) DILLIP KUMAR ROUT - Auditor(22-02-2016 to 28-03-2016)
6	Name of the Reviewing Officer :	ASHOK KUMAR BEHERA(District Audit Officer)
7	Date of submission of report by Reviewing officer :	28-04-2016
8	Entry Conference Date :	
9	Exit Conference Date :	29-04-2016
10	Name of the District Audit Officer :	ASHOK KUMAR BEHERA
11	Date of approval of report by District Audit Officer :	22-05-2016

PARA: 2 **PHYSICAL VERIFICATION**

Slno	Name	Value	Remarks
1	Others		
2	ServicePostage Stamps	137	
3	Miscellaneous Receipt Books	8	
4	Measurement Books	1	
5	Cash in hand	22-02-2016	
6			

Comments

Comments :- During physical verifications on 22.02.16 (before transaction of the day), all the records and registers are made available up-to-date except Cash Book. The Cash Book has not been maintained up to date as per the provision of P.S.A.P., Rules-2002. As such non maintenance of up to date Cash Books gives scope for misutilization of fund. So maintenance of up to date Cash Book needs to be ensured hence forth.

Verification of cash balance periodically:- As per Rule 36(e) of Orissa Panchayat Samiti Accounting Procedure Rules, 2002(herein after mentioned as PSAP Rules, 2002), at the end of each month the Block Development Officer shall verify cash balance in the chest with the balance in the cash book and record signed and dated certificate to that effect. But, audit revealed that verification of cash balance in the chest with the balance in the cash book was not recorded in the Cash Book. Such lapses may lead to misappropriation of cash, embezzlement of cash etc. So, the Block Development Officer is suggested to conduct verification of cash balance in the chest with the balance in the cash book and record signed and dated certificate to that effect.

PARA: 3 **LIST OF VERIFIED RECORDS**

A : List Of Verified Records/Register	
Slno	**List Records/Register**
1	P.L. Account
2	Misc. Receipts
3	Pass Books
4	Bill Register
5	Guard file for paid vouchers
6	Cheque Books
7	Cash Book
8	Register of Advances
9	Stamp Account
10	Stationery Account
11	Log Book
12	Register of Cheques and Drafts received
13	Stock Book
14	Measurement Books
15	Completion Certificate
16	Stock Register of MBs
17	Muster Roll
18	T.A. Bill for members of the Samiti
B : List of Records/Registers not Produced to Audit	
Slno	**List Records/Register**
1	Grant-in-Aid Register
2	Allotment Register
3	Order Book
4	Permanent Advance Cash Book
5	Register of Outstanding Advances
6	Deposit Ledger
7	Register of Immovable Properties
8	Revenue Register
9	Register of lapsed Deposits
10	Register of Estimates
11	Register of Administrative Approval
C : List of Records/Registers not Maintained	
Slno	**List Records/Register**

Comments

The local authority has not maintained the aforesaid record and register prescribed by PSAP Rules, 2002. Due to non-maintenance of the prescribed records and registers, the financial position, progress, achievement, financial management, financial control etc. cannot be watched out properly. So, the local authority is suggested to maintain all records and registers prescribed by the PSAP Rules, 2002. page 3 / 62 AUDIT REPORT 22-04-2016

1. Budget of the samiti :(Sec-24(1),(2)of PS act,1959) Non preparation of annual budget reduced accountability and smooth financial control at the level of the Panchayat Samiti. Budget is the statutory requirement and without the same the expenditure control mechanism will be failed.

2. Property registers :(Rule 49, Form XVIII of PSAP rule) Non-maintenance of property register the exact position of the property of PS such as land, ponds, and market complexes could not be ascertained. In due course the revenue generated from such properties will be nullified.

3. Security deposit ledger :(Rule 44, Form XIII of PSAP rule) Non-preparation of SD ledger results failure in monitoring of SD refund and double payment to executants.

4. Asset register: (Govt instructions as per scheme guidelines) as per instructions of Govt the asset created out of utilisation of a particular scheme fund should be maintained distinctively. Without maintenance of the same the asset so generated could not be ascertained.

5.Bank Reconciliation statement : (G.O.No.5302/PR,23.04.99,690/F dt.21.01.2009,13000/PR dt .25.07.14,14261/PR,20.5.13 Rule33 of PSAP rules) Due to non reconciliation of the difference between closing balance of all passbooks and also cashbooks the possibility of financial fraud could not be avoided. Further the closing balance of the cash books will be understated or overstated resulting incorrect picture of cash management

6. Audit Compliance Register:-Audit compliance Register is not maintained by the Panchayat Samiti though it is an important register to regulate audit compliance preocedure.

7.Advance Ledger:-Advance Ledger as prescribed under Rule 42(1) of PSAP Rule 2002 was not maintained in Form No.XI. It is not being maintained since introduction of computerized Cash Book though a parallel maintenance of the same is recommended to counter the shortcomings of Computerized Cash Book in case of wrong inputs

PARA: 4 **FINANCIAL POSITION**

Tigiria P.S. - 2014-2015

Slno	Name of the Cash Book	OB as on Date	Opening Balance(In Rs:)	Receipt during the Year under Audit(In Rs:)	Total(In Rs:)	Expenditure during the Year under Audit(In Rs:)	Closing Balance as per Audit (DD MM YYYY)	Closing Balance(In Rs:) (AUDIT)	Closing Balance as per (DD MM YYYY) Cash Book	Closing Balance(In Rs:)(CASH BOOK)	Difference (In Rs:)	Remarks
1	GOVT CASH BOOK	01-04-2014	12532533.34	53327911.00	65860444.34	45564519.00	31-03-2015	20295925.34	31-03-2015	10806830.00	9489095.34	DETAILS OF THE DIFFERENCE ARE ANALYSED IN THE COMMETS TABLE
2	PS Account	01-04-2014	71410792.69	91518437.00	162929229.69	75857144.00	31-03-2015	87072085.69	31-03-2015	105491511.88	-18419426.19	
	GRAND TOTAL		**83943326.03**	**144846348.00**	**228789674.03**	**121421663.00**		**107368011.03**		**116298341.88**	**-8930330.85**	

Comments

Comments— A- GOVT. ACCOUNT

DETAILS IN THE DIFFERENTIALAMOUNT OF 94,89,095/- IN THE CLOSING BALANCE OF FINANCIAL STATEMENT OF

GOVT ACCOUNT(TIGIRIA P.S) ARE GIVEN BELOW---

Slno	Particulars	Action	Amount
	Closing balance as per cash book	--	10806830
1	Omitted amount of 336239/-as opening balance in TEACHER SALARY CASH BOOK as on 1.04.2014 i , as the said cash book is not functional in the year 2014-15	Add	336239
2	Omitted amount of 8096386/-as opening balance in M.D.M cash book as on 1.04.2014 , as the said cash book is not functional in the year 2014-15	Add	8096386
3	Omitted amount of 105647/-as opening balance in S.S.A cash book as on 1.04.2014 , as the said cash book is not functional in the year 2014-15	Add	105647
	Closing balance as per audit		2,02,95,925.34

The Cash Book-wise details of closing balance of Govt. Account Cash Book as on 31-03-2015 is furnished below.

(The details of closing balance of Government Account Cash Book as on 31-03-2015)

slno	Name of the Cash Book	CASH	Bank	Treasury	Total	Remarks
1	Staff salary Cash Book	0.0	154478.0	0.0	154478.0	-
2	P M S Cash Book	0.0	-2551337.0	0.0	-2551337.0	-
3	OAP cash Book	0.0	13203689.0	0.0	13203689.0	-
	Total	0.0	10806830.0	0.0	10806830.0	-

The details of head-wise receipts and expenditure for the year 2014-15 have been furnished in Financial Statement folder enclosed to the report separately------

The total Bank balance in Govt A/c Cash Book as on 31-03-2015 is as follows.

Slno	Name of the cash book	amount
1	Govt A/c cash Book	10806830

B. PS ACCOUNT

It would be seen from the above table that there is a difference of Rs. 18419426.19 in between Cash book closing balance and audit closing balance in respect of PS account as on 31.03.15. This was due to wrong opening balance were taken in some cash book under PS Account on 01.04.14 in respect to the closing balance as on 31.03.2014. The details are given below.

Sl No	Name of Cashbook	OB AS ON 01.04.14	CB AS ON 31.03.14	DIFFERENCE
	PL ACCOUNT	1026850.88	1026850.88	0
1	CC ROAD	3779131	101863	3677268
2	GGY	5595492	5595492	0
3	BKSS	138087	128000	10087
4	SFC	0		0
5	FDR	4443635	4443635	0
6	AWC	2658469		2658469
7	MLA LAD	3259510	3259510	0
8	TSC	650505	7580814	-6930309
9	RPGSA	300000		300000
10	SGSY	33437		33437
11	HONOURARIUM	22114	22114	0
12	MO KUDIA	1462428	1462428	0
13	CDR	805492	805492	0
14	IAY ADMIN	20040		20040
15	IAY SPL	35000	279312	-244312
16	IAY	36875836	36875836	0
17	IAY FRA	35000		35000
18	TFC	11923319		11923319
19	MP LAD	5585198	5585198	0
20	MGNREGS	0	0	0
21	OLM	772866	772866	0
22	MISC	10407809	10407808.81	0.19
23	OBB	0	57307	-57307
24	RWSS	0	-7187631	7187631
25	ELECTION	0	43441	-43441
26	CRF	0	150456	-150456
		89830218.88	71410792.69	18419426.19

In response to the audit objection statement the Local authority failed to produce compliance till end of the audit.. Till appropriate compliance a sum of Rs 18419426.19 is held under objection.

The cash book wise receipt expenditure and balance is furnished below.

Sl No	Name of the Cash book	OB	RECEIPT	TOTAL	EXP	CB
	PL ACCOUNT	1026850.88	208200	1235050.88	0	1235050.88
1	CC ROAD	3779131	10365072	14144203	3839189	10305014

2	GGY	5595492	7200843	12796335	3294151	9502184
3	BKSS	138087	63778	201865	6000	195865
4	SFC	0	13572570	13572570	3577259	9995311
5	FDR	4443635	3131899	7575534	305726	7269808
6	AWC	2658469	6374393	9032862	4495062	4537800
7	MLA LAD	3259510	185736	3445246	1425537	2019709
8	TSC	650505	24501	675006	155733	519273
9	RPGSA	300000	962571	1262571	53400	1209171
10	SGSY	33437	0	33437	33437	0
11	HONOURARIUM	22114	0	22114	71150	-49036
12	MO KUDIA	1462428	10607216	12069644	4913000	7156644
13	CDR	805492	66345	871837	496667	375170
14	IAY ADMIN	20040	128185	148225	55106	93119
15	IAY SPL	35000	4375000	4410000	735000	3675000
16	IAY	36875836	7046690	43922526	16680240	27242286
17	IAY FRA	35000	118887	153887	20000	133887
18	TFC	11923319	21575044	33498363	24816106	8682257
19	MP LAD	5585198	269193	5854391	1977958	3876433
20	MGNREGS		572313	572313	569471	2842
21	OLM	772866	408599	1181465	452657	728808
22	MISC	10407809	4261402	14669211	7884295	6784916
23				0		0
24				0		0
25				0		0
26				0		0
27				0		0
28				0		0
29				0		0
		89830218.88	91518437	181348655.9	75857144	105491511.88

Out of the closing balance amount Rs.105491511.88, a sum of Rs.1235050.88 is kept at treasury and the balance Rs.104256461.00 is the balance at banks only.

The details of the closing balance as on 31.03.2015 in respect of consolidated cash book of Tigiria PS is furnished below.

Head of Account	Cash	Bank	Treasury	Total
PS Account		104256461		104256461
PL Account	0	0	1235050.88	1235050.88
Govt Account	0	10806830	0	10806830
TOTAL	**0**	**115063291**	**1235050.88**	**116298341.88**

PARA: 5 **DETAILS OF CLOSING BALANCE AS PER BANK PASS BOOKS & CASH BOOK BANK BALANCE FIGURE**

Tigiria P.S. - 2014-2015

Slno	Name of the Bank	A/C No.	Closing Balance Date As on (dd/mm/yyyy)	Closing Balance in Pass Book(In Rs:) (A)	Closing Balance in Bank Date Cash Book (dd/mm/yyyy)	Closing Balance in Bank as mentioned in Cash Book(In Rs:) (B)	Difference(In Rs:)(A-B)	Remarks
1	ALL Bank		31-03-2015	119346960.37	31-03-2015	115063291.00	4283669.37	
	GRAND TOTAL			**119346960.37**		**115063291.00**	**4283669.37**	

Reconciliation

SL NO	NAME OF THE BANK	ACCOUNT NO	BALANCE AS ON 31.03.15	NAME OF THE CASH BOOK INVOLVED	INTEREST	DATE	INTEREST	DATE	Remarks
1	OGB	40430100001749	2088921	MLA LAD	24168	4.8.14	54645	4.2.15	
2	SBI	32501303894	2358288	TRANSIT	89273	30.6.14	98734	25.12.14	OUTSIDE OF THE CASHBOOK
3	SBI	31003188115	16744045	TFC	228203	30.6.14	175785	25.12.14	
4	SBI	32720911632	194243	OLM	6374	30.6.14	5937	25.12.14	
5	SBI	33619043143	99669	IAY ADM	319	30.6.14	1866	25.12.14	
6	SBI	34771977859	4374760	IAY SPL					OPENED ON 19.3.15
7	SBI	11457224736	147991.17	DRM	2823	30.6.14	2832	25.12.14	AS ON 25.12.14
8	SBI	33928674905	17697420	IAY			485443	25.12.14	OPENED ON 9.7.14
9	SBI	30901322455	2443	NREGS	2293	30.6.14	149	25.12.14	
10	SBI	30909253301	0	SFC					CLOSED ON 30.4.14 WITH Rs.391189 AND MERGED WITH SBI-88115 ON 30.4.14
11	UCO	4380100005701	8493365	MISC	204543	7.7.14	162763	12.1.15	
12	UCO	4380100009443	519183	RWSS	12854	7.7.14	11647	12.1.15	
13	UCO	4380100008507	9429123	GGY	107312	7.7.14	84008	12.1.15	
14	UCO	4380110126547	4537587	AWC	14224	7.7.14	117119	12.1.15	OPENED ON 13.5.14
15	UCO	4380110015599	10152740	CC ROAD	78284	7.7.14	69084	12.1.15	
16	UCO	4380100009521	3766438	FDR	33169	7.7.14	80007	12.1.15	
17	UCO	4380110037393	195865	BKSS	2239	7.7.14	2739	12.1.15	
18	UCO	4380110122358	64233	LEGAL AID CELL	480	7.7.14	855	12.1.15	OUTSIDE OF THE CASH BOOK
19	UCO	6505							CLOSED ON 29.4.14 AND MERGED WITH

									UCO-5701 (Rs.33437)
20	UNTIED BANK OF INDIA	936010103724	0	IAY					AS ON 01.7.14 MERGED WITH SBI-905 WITH AN AMOUNT 25154477 ON 9.7.14
21	UNTIED BANK OF INDIA,Nuapatana	936010541435	133887	IAY FRA	123	5.6.14	1764	5.12.14	OPENED ON 30.4.14 BY TRANSFERRED FROM UBI 3724 ON 30.4.14
22	UNTIED BANK OF INDIA	936010536332	375164	PHILINE	38823	5.6.14	10837	5.12.14	
23	UNTIED BANK OF INDIA	936010541428	1237071	RGPSA	3156	5.6.14	6015	5.12.14	
24	UNTIED BANK OF INDIA	936010418997	7617997	MO KUDIA	40380	5.6.14	66736	5.12.14	
25	UNTIED BANK OF INDIA	936010570190	6827419	SFC			171493	5.12.14	OPENED ON 30.5.14
26	UNTIED BANK OF INDIA	936010002840	0	TFC	175869	28.5.14			CLOSED ON 28.5.14 AND MERGED Rs.6191616 WITH SBI-88115
	Untied bank of India,Nuapatana	93600103566	113966						Outside of the passbook
27	OGB	404334003000005	5361819	Constn of Handloom Cluster	72706	4.8.14			AS ON 4.8.14 OUT SIDE THE CASHBOOK
28	KGB	40430100000249	4120148	MP LAD	41490	4.8.14	91946	4.2.15	
1	UCO	4380100006378	32252	PMS	208	7.7.14	19552	12.1.15	
2	UCO	4380100005697	0	OAP	248706	7.7.14	66954	12.1.15	
							3970	11.2.15	CLOSED ON 11.2.15,Rs.914564 CREDITED TO AXIS-3447
3	AXIS	914010029263447	12576579.20	OAP	83156	30.9.14	101329	31.12.14	OPENED ON 26.7.14
							136333	31.3.15	OPENED ON 2.8.14
4	UNTIED BANK OF INDIA	936010419536	0	MDM	1312	5.5.14			CLOSED ON 15.5.14
5	SBI	30516561333	0	GS	22425	13.5.14			CLOSED ON 13.5.14
6	SBI	11457224725	0	TEACHER SALARY	5408	13.5.14			CLOSED ON 13.5.14
7	SBI	30505918661		TEACHER SALARY					ENTRY UP TO 31.12.13
8	UCO CURRENT A/C	4380200002185	84344	STAFF SALARY					
			119346960.37		1540320.00		2030542.00		

THE DETAILS OF BANK BALANCE IN RESPECT OF CASH BOOK ON ACCOUNT OF TIGIRIA P. S. FOR THE FINANCIAL YEAR 14-15 IS FURNISHED BELOW:

SL NO	NAME OF THE BANK	ACCOUNT NO	BALANCE AS ON 31.03.15 as per pass Book.	NAME OF THE CASH BOOK INVOLVED	Balance as per cash book as on 31-3-15.	Difference
1	UCO	4380110126547	4537587	AWC	4537800	-213
2	UCO	4380110037393	195865	BKSS	195865	0
3	UCO	4380110015599	10152740	CC ROAD	10305014	-152274
4	SBI	11457224736	147991.17	FDR	0	147991.17
5	UCO	4380100009521	3766438		7269808	-3503370
6	UCO	4380100008507	9429123	GGY	9502184	-73061
7	SBI	33928674905	17697420.00	IAY	27242286	-9544866
8	SBI	33619043143	99669	IAY ADM	93119	6550
9	UNTIED BANK OF INDIA	936010541435	133887	IAY FRA	133887	0
10	SBI	34771977859	4374760	IAY SPL	3675000	699760
11	UCO	4380100005701	8493365	MISC	6784916	1757485
12				Honorarium	-49036	
13	KGB	40430100001749	2088921	MLA LAD	2019709	69212
14	UNTIED BANK OF INDIA	936010418997	7617997	MO KUDIA	7156644	461353
15	KGB	40430100000249	4120148	MP LAD	3876433	243715
16	SBI	30901322455	2443	NREGS	2842	-399
17	AXIS	914010029263447	12576579.2	OAP	13203689	-627109.8
18	SBI	32720911632	194243	OLM	728808	-534565
19	UNTIED BANK OF INDIA	936010536332	375164	PHILINE	375170	-6
20	UCO	4380100006378	32252	PMS	-2551337	2583589
21	UNTIED BANK OF INDIA	936010541428	1237071	RGPSA	1209171	27900
22	UCO	4380100009443	519183	TSC	519273	-90
23	UNTIED BANK OF INDIA	936010570190	6827419	SFC	9995311	-3167892
24	UCO	4380200002185	84344	STAFF SALARY	154478	-70134
25	SBI	31003188115	16744045	TFC	8682257	8061788
			111448654.37		115063291	-3614636.63
1	OGB	401334003000005	5361819	CONST. OF HANDLOOM	**Out side of domain of cash book**	5361819
2	SBI	32501303894	2358288	TRANSIT		2358288
3	UCO	4380110122358	64233	LEGAL AID CELL		64233
4	UBI	936010103566	113966			113966
			119346960.37		115063291	4283669.37

From the above the all banks passbook balance is in excess of Rs. 4283669.37 than the bank balance reflected in consolidated cash book (both PS and Govt.Account) as on 31.03.2015. Out of differential amount Rs.4283669.37, a sum of Rs. 863415.00 is reconciled as per following and balance Rs.3420254.37 is to be reconciled.

The interest accrued at bank during the financial year 2014-15 is Rs.3570862.00 (1540320+2030542) as details provided in the above table. But a sum of Rs.2687687.00 was credited in the PS Account cash book which was reflected in Statement- B and a sum of Rs. 19760.00 credited in Govt. Account cash book towards interest accrued at bank. Balance Rs. 863415.00 [(3570862-(2687687+19760)] should be credited in cash book and compliance to audit.

A	**The bank balance in respect of PS Account cash books as on 31.03.2015 as per cash book**	**Rs. 104256461.00**
B	**The Bank balance in respect of Govt. Account as per cash book as on 31.03.2015**	**Rs. 10806830.00**

C	Interest accrued at bank to be credited in cash book	Rs.863415.00
D	Total bank balance as per cash book as on 31.03.15 (A+B+C)	Rs.115926706.00
E	Total bank balance as per bank passbook as on 31.3.15	Rs.119346960.37
F	Difference (E-F) to be reconciled	Rs.3420254.37

Unaccounted fund outside the domain of the cash book:-

From the above it is revealed that a sum of Rs.7792325.00 is kept outside of domain of the PRIAsoft cash book.The details are given below.

Sl No	Name of the bank	Account No	Amount	
1	SBI	32501303894	2358288	TRANSIT
2	UCO	4380110122358	64233	LEGAL AID CELL
3	OGB	404334003000005	5255838	Constn of Handloom Cluster
4	UBI	936010103566	113966	
			7792325	

Reconciliation

Criteria:

1.G.O.no-5203/PR dt.23.04.99-The bank reconciliation should be made on monthly basis.

2. G.O.no.690/F dt.21.01.2009–It is the statutory responsibility of the institutions to analyze the closing balance & prepare the detail reconciliation statement of the difference between closing balance of cash book & pass book.

3.G.O.no.13000/PR dt.25.07.2014 &G.O.no.14261/PR dt.20.05.2013-states that a certificate regarding reconciliation of the difference between cash book & pass book figure should be done by the local authority /Accounts officer/Head clerk cum Accountant.

4.OPSAP (2002) rule 33 -states that the passbook /ac accounts statement should be compared by the PS official with the entries of the cash book in order to ensure all remittances/transactions date wise. Despite executive instructions indicated above, the authorities of Tigiria PS failed to produce Bank Reconciliation Statement as on 31.03.15, Owing to non preparation of such statement revenues and accruals may remain unrecognized. Hence, the Local Authority is advised to reconcile the differences regularly and produced to the next audit. Till credit of the interest amount and reconciliation unreconciled amount Rs.3420254.37 , a sum of Rs 4283669.37 is held under objection.

5.Bank Account kept outside the domain of the PRIAsoft Cash Book Consequent upon shift of accounting system (from PAMIS to PRIA soft) multiple bank accounts have been closed and ' One Scheme - One Account' formula adopted. But on scrutiny it came to notice that following one bank account has not been included in PRIA soft Cash Book system. In this way a sum of Rs.7792325 remained outside the domain of Cash Book. However the BDO agreed to regularise the system by inclusion of the same during 2015-16. Till inclusion, the total discrepancy amount of Rs.12075994.37 (7792325+4283669.37) is held under objection.

MAINTENANCE OF FLEXI ACCOUNT-

The Block authority has been advised to convert the savings accounts in which the unspent grant amount has been parked to Flexi Account as per Letter

No.35425/F., Dtd. 12-10-12 of the Principal Secretary, Govt. of Odisha, Finance Department to earn more interest which can be utilised for more coverage of the scheme, for which they have been sanctioned.

PREPARATION OF ANNUAL BUDGET

As per Section-24 of the Odisha Panchayat Samiti Act, 1959 the executive authority of the Samiti shall in each year prepare and place before the Samiti a budget for the following year containing such particulars as may be prescribed and the Samiti shall sanction the budget with such modifications, if any, as it thinks fit. Objection memo was issued to the local authority to produce the annual budget for the year 2014-15. The local authority failed to produce the annual budget for verification. So, it is apprehended that annual budget was not prepared by the Samiti. Due to non-preparation of annual budget, the budgetary receipt and expenditure of the Samiti cannot be included in the state budget which will result in unrealistic budget of the state. Hence , the local authority is suggested to prepare annual budget/revised budget/supplementary budget as per the provisions contained in the Section-24 of the Odisha Panchayat Samiti Act, 1959.

Non-issue of Miscellaneous Receipts against Cheques/BDs received from different funding agencies:-

As per Rule 6(2) of PSAP Rules, 2002 , for all moneys received by the Samiti other than taxes, receipts shall be given in Form No.II. During the course of audit it was noticed that some Bank Drafts/Cheques received are recorded in the BD register, but no receipts are issued against them. It may lead to misappropriation, embezzlement and mis-utilization of funds etc. causing loss to the Samiti. Audit of receipt reveals that every bank drafts/cheques received as recorded in the Bank Draft Register, but some of them were not accounted for in the Cash Book though counted for in the Pass Books which has been dealt separately in para No: 5. However the local authority is suggested to issue miscellaneous receipts against cheques/bank draft received as per the above rule in each and every occurance.

Retaintion of heavy cash balance in hand than prescribed.

Instruction issued by the Government of Odisha (2004) required that cash in hand with B.D.O should not exceed RS.10000 where there was treasury or subtreasury and RS.20000 where there was no treasury/sub-treasury . But in the instant case there was no cash balance in hand in the P. S during 14-15.

PARA: 6 **STOCK POSITION**

Tigiria P.S. - 2014-2015

Slno	Material/ Item	Opening Balance	Receipt	Issued	Closing Balance As per Audit	As per stock register	Remarks
1	cement	169	0	0	169.00	0	
2	MS door	16	0	0	16.00	12	
3	MS window	9	0	0	9.00	9	
4	AC sheet 3M long	20	0	0	20.00	0	
5	AC sheet 2.5M long	24	0	0	24.00	24	
6	AC sheet 2M Long	4	0	0	4.00	4	
7	AC sheet 7.5M LONG	1	0	0	1.00	1	
8	Ridges	197	0	0	197.00	197	
9	Plain sheet	136	0	0	136.00	0	
10	MS rod in qntl	31.7	0	0	31.70	31.7	

Comments

The difference in the stock position has been narrated in the last audit report(for the year 2012-13). No stock register other than the cement stock has been produced before audit to ascertain the detailed figure.

Stock position of SGRY rice

The stock position of the SGRY rice has been furnished below which is derived from the last audit report. There is no transaction of rice during 2014-15, the year under audit.

Name of the G.P Godown	Qty., of Rice in Stock(QTI)
Panchagaon	55.085
Nizigarh	100.71
Puruna Tigiria	13.24
Viruda	2.14
Badanauput	29.305
Bindhanima	3.55
Gadadharpur	7.845
Nuapatna	19.12
Total	230.995

Since the SGRY rice has been abolished and replaced by MGNREGS there is no prospect of utilization of the rice. More ever the stock is more than 8years old and must not be in useable condition. So the matter should be brought to the notice of the higher authority either written off the stock and responsible may fixed upon the official under whose negligence the stock could not be utilized.

Following irregularities are noticed in maintenance of Stock Register-

-Item-wise stock entry has not been made.

-All purchases have not been taken into Stock account immediately after purchase.

-The date to date balance position has not been worked out.

-Half yearly physical verification of Stock has not been conducted by the head of the office and also no certificate is recorded regarding excess, shortage, unusual depreciation of stores as required under rule 69 of PSAP Rules-2002.

Further, annual verification of stock is to be conducted as per rule 111 of OGFR, VOL-I. But no such activity has been performed in this P.S. The local authority is required to conduct physical verification of the Stock and rectify the above omission in the Stock Register and compliance reported to audit.

PARA: 7 **INVESTMENT**

Tigiria P.S. - 2014-2015

Slno	Opening Balance of Investment as on (DD MM YYYY)	Opening Balance(In Rs:)	Amount Encashed during the Year under Audit(In Rs:)	Total(In Rs:)	Amount Invested during the Year under Audit(In Rs:)	Closing Balance as per (DD MM YYYY) Audit	Closing Balance Audit(In Rs:)	Closing Balance as per (DD MM YYYY) Investment Ledger	Closing Balance Investment Ledger(In Rs:)	Difference(In Rs:)	Remarks
1	01-04-2014	0.00	0.00	0.00	0.00	31-03-2015	0.00	31-03-2015	0.00	0.00	
	GRAND TOTAL	**0.00**	**0.00**	**0.00**	**0.00**		**0.00**		**0.00**	**0.00**	

DETAILS OF CB ON INVESTMENT & Comments :

No such investment has been made in this Panchayat Samiti during the year under audit. Hence no comments upon this.

PARA: 8 **ADVANCE**

Tigiria P.S. - 2014-2015

Slno	Advance Outstanding as on (DD MM YYYY)	Cashbook Name	Advance Outstanding (In Rs:)	Advance Paid during the Year under Audit(In Rs:)	Total(In Rs:)	Advance adjusted during the Year under Audit(In Rs:)	Advance Outstanding as per (DD MM YYYY) Audit	Advance Outstanding Audit (In Rs:)	Advance Outstanding as per (DD MM YYYY) Cash Book	Advance Outstanding Cash Book(In Rs:)	Difference (In Rs:)	Remarks
1	01-04-2014	GOVT ACCOUNT	16756962.00	11442400.00	28199362.00	21819700.00	31-03-2015	6379662.00	31-03-2015	5846000.00	533662.00	DETAILS OF DIFFRENCE INOUTSTANDING ARE GIVEN IN THE COMMET TABLE SEC-A2
2	01-04-2014	PS ACCOUNT	5081819.02	839697.00	5921516.02	1031997.00	31-03-2015	4889519.02	31-03-2015	2310745.00	2578774.02	THE DETAILS OF DIFFERENCE IS DELT IN SEC B2
	GRAND TOTAL		**21838781.02**	**12282097.00**	**34120878.02**	**22851697.00**		**11269181.02**		**8156745.00**	**3112436.02**	

Comments :

Comments—

A. Govt Account

1 DETAILS OF THE DIFFERENTIAL AMOUNT OF 533662/- IN OUTSTANDING ADVANCE AS ON 31.03.2015 IN RESPECT OF GOVT. ACCOUNT (TIGIRIA P.S)

Slno	Particulars	Action	Amount
	Advance outstanding as on 31.03.2015 (as per cash book)	--	**5846000**
1	**The calculation error was noticed in the previous AR No-77158/14-15 by omitting an amount of 240000/- as outstanding advance while summing the total outstanding advance relating to the financial year 2013-14**	**Add**	**240000**
2	**In the previous A.R NO-77158/2014-15, the total outstanding advance in respect of OAP cash book was shown as Rs.16473300 against Rs.16463300.00, the actual outstanding advance as on 31.03.2014 in OAP cash book.**	**Add**	**10000**
3	**Difference as per the previous A.R NO-1/11-12**	**Add**	**283662**
	Advance outstanding as on 31.03.2015 as per audit		**6379662**

A.2 THE DETAILS OF ADVANCE PAID AND ADJUSTED (Cash book wise) IN RESPECT OF GOVT ACCOUNT DURING 2014-15

Slno	Name of the cash book	Advance outstanding As on 1.04.14	Advance paid	Total	Advance adjusted	Advance outstanding as per cash book
1	Staff salary CASH	0	0	0	0	0

	BOOK					
2	OAP CASH BOOK	16463300	11442400	27905700	22059700	5846000
3	PMS CASH BOOK	0	0	0	0	0
	TOTAL	16463300	11442400	27905700	22059700	5846000

A -3. The details Year wise break-up of advance adjustment in respect of Govt a/c cash Book during 2014-15 is furnished below-

Slno	Year of Advance paid	Amount
1	Upto 2011-12	788000
2	2012-13	225000
3	2013-14	11157300
4	2014-15	9889400
	Total	22059700

All the above adjustment were only in OAP cash book.

A-4: The details of break up of outstanding of advances relating to Govt a/c cash book as on 31.03.2015 is furnished below-

Slno	Year of advance paid	amount
1	Upto2011-12	429062
2	2012-13	1716000
3	2013-14	2681600
4	2014-15	1553000
	Total	6379662

A-5: The details of outstanding advance as on 31.03.2015 out of the the advance paid during 2014-15 in respect of Govt. Account

Voucher no and date	Person responsible	Amount in (Rs)	Purpose	Nameof the G.P and period	remarks
16/30.06.2014	Ramesh Chandra sahoo,vlw	220000	OAP distribution	Viruda G.P for 6/2014	Suggestion for early adjustment
58/30.06.2014	Tejamani bhoi,JE RWSS	330000	OAP distribution	Gadharapr for 5/2014	Suggestion for early adjustment
64/30.06.2014	Ramesh Chandra sahoo,vlw	220000	OAP distribution	Viruda G.P for 5/2014	Suggestion for early adjustment
80/30.06.2014	Gadadhara Guru,vlw	330000	OAP distribution	Gadharapur, for 4/14	Suggestion for early adjustment
85/30.06.2014	Ramesh Chandra sahoo,vlw	220000	OAP distribution	Viruda G.P for 4/2014	Suggestion for early adjustment
114/31.07.201	Ramesh Chandra sahoo,vlw	220000	OAP distribution	Viruda G.P for 7/2014	Suggestion for early adjustment
164/30.09.2014	Gadadhara Guru,vlw	3400	OAP distribution	Gadharapur	Suggestion for early adjustment
165/30.09.20914	Shankara sethy,vlw	5800	OAP distribution	Badanauput	Suggestion for early adjustment
166/30.09.20914	Shankara sethy,vlw	3800	OAP distribution	Viruda	Suggestion for early adjustment
		1553000			

A-6: The details of advances outstanding as on 31-03-15 out of the advance paid during 2013-14 in respect of Govt. Account (Surchargable)

(Details of outstanding advance more than one year i.e. Paid during 2013-14 but not adjusted till 31.03.2015 in respect of Govt. Account)-

Sl n0	Name of theperson	Paid vr no and date	Amount taken	purpose of advance	Name of the G.P and period	sanctioning authority	Remarks

1	Gadadhara guru,VLW	12/15.04.13	41900	OAP distribution	April,May-13	Ravindranath Das,EX-BDO	suggestion for early adjustment
2	DO	177/17.08.2013	270000	OAP distribution	Aug-13	Ravindranath Das,EX-BDO	suggestion for early adjustment
3	DO	198/3.09.2013	270000	OAP distribution	Sep-13	AJAYA PANDA,EX-BDO I/C	suggestion for early adjustment
4	DO	231/19.10.2013	185000	OAP distribution	Oct-13	Anamika Adhikari,EX-BDO	suggestion for early adjustment
5	DO	249/12.11.2013	700000	OAP distribution	Nov-13	Anamika Adhikari,EX-BDO	suggestion for early adjustment
6	DO	273/31.01.2014	270000	OAP distribution	Dec-13	Anamika Adhikari,EX-BDO	suggestion for early adjustment
7	DO	278/31.01.2014	270000	OAP distribution	Jan-14	Anamika Adhikari,EX-BDO	suggestion for early adjustment
8	DO	341/18.02.2014	90900	OAP distribution	New sanctioned	Anamika Adhikari,EX-BDO	suggestion for early adjustment
9	DO	357/18.02.2013	270000	OAP distribution	Feb-14	Anamika Adhikari, EX-BDO	suggestion for early adjustment
10	DO	368/28.02.2014	13800	OAP distribution	First payment	Anamika Adhikari, EX-BDO	suggestion for early adjustment

11	DO	379/03.03.2014	300000	OAP distribution	Mar-14	Anamika Adhikari ,EX-BDO	suggestion for early adjustment
		Total	2681600				

A-7: The details of advances outstanding as on 31-03-15 out of the advance paid during FY 2012-13 in respect of Govt. Account

Name of the person	Sl n0	Paid vr no and date	Amount taken	purpose of advance	Name of the G.P and period	sanctioning authority	Remarks
M.Ksethy,GPTA	1	47/13.07.12	102600	OAP distribution	Viruda -80 yrs	Maître bhatacharya,EX-BDO	suggestion for early adjustment
Gadadhar Guru,vlw	1	48/13.07.12	66600	OAP distribution	TIGIRIA-80YRS	Maître bhatacharya,EX-BDO	suggestion for early adjustment
	2	188/21.11.12	261000	OAP distribution	GADADHARAPUR-11/12	RAVINDRANATH DASH EX- BDO	suggestion for early adjustment
	3	208/26.12.12	460000	OAP distribution	GADADHARAPUR-12/12	RAVINDRANATHA DA SH,EX-BDO	suggestion for early adjustment
	4	236/28.02.13	285000	OAP distribution	GADADHARAPUR-1/13	RAVINDRANATHA DA SH,EX-BDO	suggestion for early adjustment
	5	256/28.02.13	285000	OAP distributin	GADADHARAPUR-2/13	RAVINDRANATHA DA SH,EX-BDO	suggestion for early adjustment
	6	279/28.02.13	255800	OAP distribution	GADADHARAPUR-3/13	RAVINDRANATHA DA SH,EX-BDO	suggestion for early adjustment

		TOTAL	**1716000**				

B. PS Account

The outstanding advance as on 31.3.15 as per audit is Rs.4889519.02

The outstanding advance as on 31.03.15 as per cash book is Rs.2310745.00

Difference Rs.2578774.02

The above difference is narrated in AR No 1/11-12. The difference has not yet been reconciled though instruction s were issued repeatedly in previous audit reports. Once again the Local authority is requested to make necessary rectification to this effect and compliance to audit.

B -1. The year wise break up of outstanding advance in respect of PS account as on 31.03.2015

Yearwise break up of outstanding advance	
Up to 2011-12	4525049.02
2012-13	4000
2013-14	88570
2014-15	271900
Total	4889519.02

B-2: The cash book wise advance paid and adjusted during FY 2014-15 is furnished below.

Name of the Cash book	Outstanding advance as on 01.04.2014	Advance paid during 2014-15	Total Advance	Advance adjusted during 2014-15	Outstanding advance as on 31.03.2015 as per cash book
IAY admin	0	16000	16000	0	16000
SFC	0	180000	180000	180000	0
TFC	12000	0	12000	10000	2000
AWC	0	150000	150000	150000	0
TSC	1871575	100000	1971575	0	1971575
OLM	0	40824	40824	40824	0
MISC	619470	352873	972343	651173	321170
	2503045	839697	3342742	1031997	2310745

B-3: The details of advance adjusted during 2014-15 is furnished below (year wise and cash book wise)

Advance paid during the year	Name of the Cash book	Amount of advance adjusted
2014-15	SFC	180000

2014-15	AWC	150000
2014-15	OLM	40824
2014-15	MISC	196973
2013-14	MISC	454200
2011-12	TFC	10000
	TOTAL	**1031997**

B-4:The details of outstanding advance paid during 2014-15 but not adjusted during 2014-15 are furnished below.

Voucher no/Date	Amount	Name of the person	Purpose	Name of the cash book
2/31.5.14	2000	D R Nayak	Social Audit	IAY admin
3/31.5.14	2000	Mayadhara Mishra	Social Audit	
4/31.5.14	2000	Gadadhara Guru	Social Audit	
5/31.5.14	2000	Sankarsan Sethy	Social Audit	
6/31.5.14	2000	Nalini Behera	Social Audit	
7/31.5.14	2000	Sharmila Mohanty	Social Audit	
8/31.5.14	2000	Sarata Kumar Panda	Social Audit	
9/31.5.14	2000	Khirabdhi Pradhan	Social Audit	
8/30.9.14	100000	Sarpanch,Nuapatana	IHHL	TSC
57/30.8.14	30000	Sarat Behera,WEO	Flood	MISC
61/30.8.14	5000	Gadadhara Guru,vlw	Flood	
63/30.8.14	15000	Sankarsan sethy,VLW	Flood	
64/30.8.14	3000	Khirabdi Pradhan	Flood	
65/30.8.14	5000	Gadadhara Guru,vlw	Flood	
66/30.8.14	2000	Khirabdi Pradhan	Flood	
67/30.8.14	40000	Sarat Behera,WEO	Flood	
117/10.12.14	30000	Sarat Behera,WEO	Flood	
123/12.12.14	8900	MR pattnaik,CP	Comp. cont	
135/12.2.15	12000	HEMANTA SWAIN,DRIVER	VEHICLE REPAIR	
140/23.2.15	5000	DURGA PRASAD PATTNAIK,MI	NFSA	
	271900			

B-5: The details of advance paid during 2013-14 but not adjusted till 31.03.2015(More than one year)

Cash Book	Vr.No/date	Name of the Advance holder	Amount	Purpose	Name of the authority who sanctioned the advance
Misc.Cash Book	0117/19.10.13	S.K.Jena,CEO	5000	Free Kitchen Cyclone-13	Smt. Anamika Adhikari,Ex-BDO
-do-	0113/19.10.13	Mayadhar Mishra,VLW	4000	-DO-	Smt. Anamika Adhikari,Ex-BDO
-do-	0121/19.10.13	Mayadhar Mishra, VLW	4000	-do-	Smt. Anamika Adhikari,Ex-BDO
-do-	0114/19.10.13	Dipti Ranjan Nayak, VLW	2000	-do-	Smt. Anamika Adhikari,Ex-BDO
-do-	0116/19.10.13	KarnaArjuna Nayak, Z.P.Teacher	5000	-do-	Smt. Anamika Adhikari,Ex-BDO
-do	0112/19.10.13	Gadadhar Guru, VLW	7000	-do-	Smt. Anamika Adhikari,Ex-BDO
-do-	0120/19.10.13	Gadadhar Guru, VLW	3000	-do-	Smt. Anamika Adhikari,Ex-BDO

-do-	0111/19.10.13	U.N.Nayak,GPTA	15000	Free Kitchene	Smt. Anamika Adhikari,Ex-BDO
-Do-	0530/6.12.13	S.C.Behera, WEO	24000	Skill Development Traning	Smt. Anamika Adhikari,Ex-BDO
-do	0110/19.10.13	Ramesh Chandra Sahoo,VLW	10000	Const. of Free Kitchene	Smt. Anamika Adhikari,Ex-BDO
-do-	0118/9.10.13	Sri Gangadhar Behera,SEO	3000	Free Kithcene, Cyclone-13	Smt. Anamika Adhikari,Ex-BDO
-do-	0017/15.5.13	M.R.Pattnaik, C.P	6570	Mo dakshyata	Sri Rabindranath Dash,Ex-BDO
		Total	88570		

As per instruction contained in Letter No.2221/F., dtd. 08-03-2002 of the Principal Secretary to Government in Finance Department, Odisha,Bhubaneswar, advance remain unadjusted for more than one year without any valid reason is treated as unsecured advance and loss to the auditee organization and may be surchargeable from the persons(s) responsible. Further, as per Circular No.15179/DLFA, dtd. 28-09-2013 of the Director Local Fund Audit, Odisha, Bhubaneswar, the advance sanctioning authority and the advance holders are equally responsible for outstanding advances for more than one year(surchargeable). In response to audit objection statement the local authority has stated steps will be taken for adjustment soon. Further, the Festival advance through recovered from their salary the adjustment will be done in the Cash Book and will be shown to audit. However till close of audit the adjustment of the festival advances during 15-16 in the Cash Book could not be shown to audit. In response to para-wise comments of DAR the local authority stated steps are being taken for recovery of outstanding advance as per the audit observations.

Hence in total a sum of Rs (2681600+88570) 2770170.00 of outstanding advances relating to the year 2013-14 is suggested for recovery from the advance holders and advance sanctioning authority in equal share.

As per PR Department Circular No.14261, dtd. 20-05-2013(Paragraph 9), advances granted to Government servants should be analyzed by the DDO concerned and prompt steps should be taken to adjust the outstanding advance with supporting vouchers. The government servant with unadjusted advances should be served with notice by the DDO for refund of unspent fund. The DDO shall maintain the advance register to work out the amount of advances granted and unadjusted outstanding advance against govt. servants before close of the financial year and take effective steps for adjustment of the same. But, it appeared from records that the above instruction was not followed more than breach of observance as a result of which huge outstanding advance is lying without adjustment. Hence, the local authority is suggested to follow the instructions scrupulously and report compliance.

Responsible Person for this paragraph

Slno	Name	Designation	Adress	Amount(In Rs:)
1	Smt. Anamika Adhikari,OAS	Ex-BDO	TIGIRIA PS Cuttack	1090850.00
2	Rabindranath Dash,OAS	Ex-BDO	TIGIRIA PS,Cuttack	159235.00
3	Ajaya Kumara Parida	Ex-ABDO	TIGIRIA PS,Cuttack	135000.00
4	Gadadhara Guru	VLW	TIGIRIA PS,Cuttack	1345800.00
5	S.K JENA	CEO	TIGIRIA PS,Cuttack	2500.00
6	Mayadhara Mishra	VLW	TIGIRIA PS,Cuttack	4000.00
7	Dipti Ranjan Nayak	VLW	TIGIRIA PS,Cuttack	1000.00
8	M R PATTNAIK	CP	TIGIRIA PS,Cuttack	3285.00
9	Karna Arjun Nayak	VLW	Tigiria PS,Cuttack	2500.00
10	Udayanath Nayak	GPTA	Tigiria PS,Cuttack	7500.00
11	S C Behera	WEO	Tigiria PS,Cuttack	12000.00
12	Gangadhara Behera	SEO	Tigiria PS,Cuttack	1500.00
13	Ramesh Sahu	VLW	Tigiria PS,Cuttack	5000.00

PARA: 9 **GRANTS**

Tigiria P.S. - 2014-2015

Slno	Grants Outstanding as on (DD MM YYYY)	Grants Outstanding (In Rs:)	Grants Received during the Year under Audit(In Rs:)	Total(In Rs:)	Grants Spent during the Year under Audit(In Rs:)	Grants unspent as on (DD MM YYYY)	Grants unspent (In Rs:)	Remarks
1	01-04-2014	47025532.54	70170694.00	117196226.54	55833387.00	31-03-2015	61362839.54	
	GRAND TOTAL	**47025532.54**	**70170694.00**	**117196226.54**	**55833387.00**		**61362839.54**	

Comments :

As per Rule 171 of the Odisha General Financial Rules (OGFR) (Volume I) and instructions contained in the sanction order, scheme funds were to be utilized in the year of receipt. Un-utilized fund, if any may either be refunded to the Government or utilized in subsequent year with prior approval of the ‘Government.

Unless it is otherwise ordered by Government, the grant shall be spent upon the object within a reasonable time, if, no time-limit has been fixed by the sanctioning authority (Rule 171(2) of OGFR). The expression “reasonable time” should ordinarily be interpreted to mean one year from the date of issue of the letter sanctioning the grant even though the period extends beyond the financial year. Immediately on the expiry of the period of one year from the date of sanction, any unspent balance out of the grant should be duly surrendered to Government.(Rule 171(3) of OGFR).

It would be seen from the financial statement that the Grants related to the year 2013-14 in respect of many schemes almost utilized to its’optimum level. However old grants are still there in the Samiti pool for utilization. Timely expenditure of grants is one of the vital factors in achieving better progress in implementation of the schemes, though the utilization of grant for the year 2014-15 is 47.64%, utilization figures of grants in respect of schemes like RGPSA, SFC, IAY(Fra), SPF, GGY, NREGA and TSC are discouraging. Further , interest money of the concerned schemes are part of grant, either it should be returned to the Funding Agency or utilized as Grant as prescribed in the concerned sheme guideline. Interest of Centre sponsored scheme such as IAY are to be returned to the PD, DRDA with immediate effect.

Delay in receipt of grants, lack of supervision by the Block Development Officer and higher administrative authorities, lack of monitoring by the officials attribute to the poor utilization and low spending of grants.

Year-wise break up of unspent grant could be available to audit for verification. Due to non maintenance of Grant in Aid Register the also the year –wise break up of unspent ground could not be worked out by audit.However the local authority is suggested to maintain the Grant in Aid register and produce the break up of unutilized grants at the end of the financial year to audit for verification

PARA: 10 **UTILISATION CERTIFICATE**

Tigiria P.S. - 2014-2015

Slno	U.C Outstanding as on (DD MM YYYY)	U.C Outstanding(In Rs:)	U.C due for submission during the period under Audit(In Rs:)	Total(In Rs:)	U.C Submitted during the period under Audit(In Rs:)	U.C needs to be submitted as on outstanding as on (DD MM YYYY)	U.C needs to be submitted as on outstanding (In Rs:)	Remarks
1	01-04-2014	246886344.52	55833387.00	302719731.52	0.00	31-03-2015	302719731.52	
	GRAND TOTAL	**246886344.52**	**55833387.00**	**302719731.52**	**0.00**		**302719731.52**	

Comments :

As per Rule 173 of OGFR, Volume-I, Utilization Certificate (UC) is to be submitted to the proper quarter by 30th June of the succeeding year of expenditure. Further, as per para 5(1) of the O.M. No.21241/F, dtd. 17-07-2014 of Finance Department (deemed to be a part of OGFR),submission of U.C. to the sanctioning authority is required in respect of those grant-in-aid or grant sanctioned for specific purpose wherein the sanction order specially stipulates submission of such utilization certificates. Since grants on different development schemes like MGNREGS, IAY, GGY etc. are received by the Panchayat Samiti, the Samiti is required to submit U.C. against these grants received. The position of pending utilization position of Tigiria Panchayat Samiti is alarming and needs early settlements.

U.C.s in respect of major state and centre sponsored flagship schemes have not been submitted to the proper quarters. As a result of such lapses, U.C.s to the tune of Rs 302719731.52 are pending for submission at the end of the year, which should be submitted early. Delay in submission of U.C. is the indication of slow down of progress of scheme expenditure and is one of the main reasons of reduction of future grant. However, the Authority is once again suggested to clear up the pending position on a task basis.

No UC was submitted by the Local Authority during the FY 2014-15

Year wise break up of pending UCs

Sl. No	Year	Amount of pending UC
1	2008-09	125437443.52
2	2009-10	53565701
3	2010-11	9551306
4	2011-12	221181
5	2012-13	9161932
6	2013-14	48948781
7	2014-15	55833387
TOTAL		302719731.52

PARA: 11 **MISAPPROPRIATION & DEFALCATION**

11.1 - Irregularites in OAP disbursement- AOSP-39 to 41

On verification of the OAP Cash Book with the disbursement register Tigiria PS for the year 2014-15 , It was noticed that an amount of 9889400/- was disbursed as old age pension and disability pension in Panchayat Samiti level since April,2014 to July 2014.During scrutiny, the following irregularities were noticed in maintenance of disbursement of OAP registers ,**such as totaling mistake in arrear payment, number of beneficiaries paid were more than the actual beneficiaries, less no of absentee were shown than the actual absentee, and excess payment exhibit in arrear payment**. The details of the above said facts are given below in tabular forms---

A.) NO OF PAID BENEFICIARY MORE THAN THE ACTUAL----

SL NO	NAME OF THE G.P	NAME OF THE SCHEME	DATE OF DISBURSEMENT	NO OF PAID BENEFICIARY AS PER REGISTER	AMOUNT	ACTUAL NO OF BENEFICIARY TO BEPAID AS PER AUDIT	EXCESS PAYMENT	PERSON RESPONSIBLE
1	P.TIGIRIA	OAP	15.05.14	23	300	22	300	KHIRABDHI PRADHAN,VLW
2	BADANAUPUT	OAP	14.05.2014	535	300	534	300	SHANKRA SETHY,VLW
							600	

B) **DOUBLE AND EXCESS PAYMENT AS ARREAR PAYMENT -**

SL NO	NAME OF THE G.P	NAME OF THE SCHEME	SL NO. OF THE BENEFICIARY	DATE AND MONTH OF DISBURSEMENT	FIRST MONTH OF PAYMENT	AMOUNT PAID	CONSECUTIVE MONTH OF PAYMENT	EXCESS PAYMENT	PERSON RESPONSIBLE
1	P.TIGIRIA	OAP	345	15.05.14	APRIL,2014	300	MAY 2014	300	KHIRABDHI PRADHAN,VLW
2	P.TIGIRIA	NOAP	164	15.05.2014	APRIL,2014	300	MAY2014	300	DO
3	NIZIGAD	OAP	35	14.05.2014	APRIL,2014	300	MAY 2014	300	DO
4	ACHALAKOTA	OAP	415,78	14.05.2014	APRIL,2014	600	MAY,2014	600	DO
5	DO	OAP	191	14.05.2014	APRIL,2014	600	MAY2014	600	DO
6	DO	OAP	91	14.06.2014	MAY 2014	300	JUNE 2014	300	DO
7	DO	OAP	146	14.06.2014	MAY 2014	600	JUNE 2014	600	DO
8	DO	OAP	180	15.07.2014	JUNE 2014	600	JULY 20-14	600	DO
9	BINDHANIMA	NOAP(80)	22	15.07.2014	JUNE 2014	500	JULY,2014	500	DO
10								4100	

C)LESS NUMBER OF ABSENTEE SHOWN THAN THE ACTUAL ABSENTEE –

SL NO	NAME OF THE G.P	NAME OF THE SCHEME	DATE AND MONTH OF DISBURSEMENT	TOTAL NO OF BENEFICIARY AND CURRENT PAID AMOUNT	NO OF ABSENTEE SHOWS IN THE PENSION REGISTER	ACTUAL NO OF ABSENTEE AS PER AUDIT	AS PER AUDIT THE CURRENT AMOUNT TO BE PAID	EXCESS PAYMENT	PERSON RESPONSIBLE
1	**NIZIGADA**	**OAP(80**	**JUNE 2014**	**18@500=9000**	**0**	**2**	**16@500=8000**	**1000**	**SHARMILA MOHANTY,VLW**
2	**BADANAUPUT**	**OAP**	**JULY,2014**	**-**	**18**	**19**	**1@300**	**300**	**SHANKARA SETHY,VLW**
3	**ACHALAKOTA**	**OAP**	**APRIL,2014**	**404@300=121200**	**37**	**41**	**4@300**	**1200**	**NALINI BEHERA,VLW**
4	**DO**	**OAP**	**MAY,2014**	**399@300=119700**	**41**	**42**	**1@300**	**300**	**DO**
5	**DO**	**NOAP**	**MAY 2014**	**159@300=47700**	**3**	**4**	**1@300**	**300**	**DO**
								3100	

D) **TOTALING MISTAKE IN CALCULATING OAP ARREARS:-**

SLNO	DATE OF PAYMENT	NAME OF THE G.P	NAME OF THE SCHEME	MONTH OF CLAIM	ARREAR PAYMENT AS PER ACQUITTANCE REGISTER	ARREAR PAYMENT AS PER AUDIT	DIFFERENCE	EXCESS AMOUNT	PERSON RESPONSIBLE
1	15.05.2014	BINDHANIMA	ODP	MAY,2014	6@300=1800	5@300=1500	300	300	MAYADHARA MISHRA,VLW
2							Total	300	

Hence, why this amount of 8100/- will not be recovered from the above said officials may analyzed before audit with valid compliance.

The Local authority did not make any compliance to this effect till close of the audit.

On the day of Exit conference, the Local authority agreed to the objection raised by audit and steps will be taken to make recovery to this aspect.

In view of the above circumstances audit concludes that a sum of Rs.8100.00 was misappropriated by way of calculation error and wrong exhibition of no of beneficiaries as disbursed. Hence the same is suggested for recovery from the following personnel.

1.Mayadhara Mishra,VLW Rs. 300.00

Sharmila Mohanty,vlw Rs.1000.00

Shankara Sethy,VLW Rs.600.00

Nalini Behera,VLW Rs.1800.00

Khirabdhi Pradhan,VLW Rs.4400.00

Total Rs.8100.00

Responsible Person for this paragraph

Slno	Name	Designation	Adress	Amount(In Rs:)
1	Mayadhara Mishra	VLW	TIGIRIA PS,Cuttack	300.00
2	Sharmila Mohanty	VLW	Tigiria PS Cuttack	1000.00
3	Shankar Sethy	VLW	Tigiria GP Cuttack	600.00
4	Nalini Behera	VLW	Tigiria PS Cuttack	1800.00
5	Khirabddi Pradhan	VLW	Tigiria PS Cuttack	4400.00

11.2 -

Irregularites in OAP Register-

On verification of the OAP Cash Book with the disbursing register of Tigiria PS for the year 2014-15 ,It is noticed that an amount of 1,09,17,300/-(which was given as advance in the year 2013-14 for OAP disbursement) is being adjusted on 1.04.2014 in the financial year 2014-15. During scrutiny it is revealed that some irregularities and excess payment were involved due to wrong maintenance of OAP registers ,such as totaling mistake and excess payment in arrear in different G.Ps which is given below in details---

A) **DOUBLE AND EXCESS PAYMENT IN ARREAR ---**

SL NO	NAME OF	NAME	PAID	SL NO. OF	DATE AND	FIRST	AMOUNT	CONSECUTIV	EXCESS	PERSON

	THE G.P	OF THE SCHEME	VOUCHER NO AND DATE	THE BENEFICIARY	MONTH OF DISBURSEMENT	MONTH OF PAYMENT	PAID	E MONTH OF PAYMENT	PAYMENT	RESPONSIBLE
1	JEMADEIPUR	SOAP	140/15.07.2013	353,390	15.07.2013	6/13	600	JULY,2013	600	Sarat kumar jena,ex-c.e.o
2	Do	Soap	225/19.10.2013	357	15.09.2013	8/13	300	Sept,2013	300	DO
3	NIZIGAD	SOAP	147/17.08.2013	325,33	14.08.2013	7/13	600	AUG,2013	600	DP BEURIK,DEVLP.CLERK
4	DO	SOAP	DO	262	14.08.2013	7/13	300	6/13	300	DO
5	DO	SOAP	134/15.07.2013	333	14.07.2013	6/2013	300	7/13	300	DO
6	DO	SOAP	105/25.06.2013	27	14.06.2013	5/2013	300	6/13	300	DO
7	NUAPATANA	OAP	359/18.02.2014	329	14.02.2014	1/14	300	2/14	300	DIPTI RANJAN NAYAK,VLW
8	DO	OAP	384/30.03.14	328	15.03.2014	2/14	300	3/14	300	DO
9	NIZIGADA	OAP	382/30.03.2014	274	15.03.2014	2/14	300	2/14	300	SHARMILA MOHANTY
								TOTAL	3300	

B)<u>LESS NO ABSENTEE SHOWS THAN THE ACTUAL ABSENTEE –</u>

SL NO	NAME OF THE G.P	NAME OF THE SCHEME	DATE AND MONTH OF DISBURSEMENT AND PAID VR NO	TOTAL NO OF BENEFICIARY AND CURRENT PAID AMOUNT	NO OF ABSENTEE SHOWS IN THE PENSION REGISTER	ACTUAL NO OF ABSENTEE AS PER AUDIT	CURRENT AMOUNT PAID AS PER REJISTER	AS PER AUDIT THE CURRENT AMOUNT TO BE PAID	EXCESS PAYMENT	PERSON RESPONSIBLE
1	ACHALAKOTA	ODP	71/17.08.2013 for 8/13	33	5	6	28@300=8400	27@300=8100	300	C.ASIT PRADHAN.NREGS ASST
2	DO	ODP(80)	DO	-	45	46	1@500	-	500	DO
3	DO	OAP	MAY,2014	399@300=119700	41	42	-	1@300	300	DO
4	DO	NOAP	MAY 2014	159@300=47700	3	4	-	1@300	300	DO
5	BADANAUPUT	OAP	227/19.10.13 FOR 10/13	-	4	6	-	2@300	600	DILLIP ROUT,GRS
								TOTAL	2000	

Hence the above said amount of Rs. 5300/- is not admitted in audit and why this excess paid amount will not be suggested for recovery from the above officials may be complied to audit.

The Local authority did not make any compliance to this effect till close of the audit.

On the day of Exit conference, the Local authority agreed to the objection raised by audit and steps will be taken to make recovery to this aspect.

In view of the above circumstances audit concludes that a sum of Rs.5300.00 was misappropriated by way of calculation error and wrong exhibition of no of beneficiaries as disbursed. Hence the same is suggested for recovery from the following personnel.

Asit Pradhan.NREGS Asst. Rs1400.00

Sarat kumar jena,ex-c.e.o Rs.900.00

Dillip Rout,GRS Rs.600.00

D.P Beurik,DEVLP.clerk Rs.1500.00

Dipti ranjan Nayak,VLW Rs.600.00

Sharmila Mohanty,vlw Rs.300.00

Total Rs.5300.00

Responsible Person for this paragraph

Slno	Name	Designation	Adress	Amount(In Rs:)
1	Asit Pradhan	NREGS Asst.	Tigiria PS Cuttack	1400.00
2	S.K JENA	CEO	TIGIRIA PS,Cuttack	900.00
3	Dillip Rout	GRS	Tigiria PS Cuttack	600.00
4	D.P.Beurik	Sr. Clerk	Tigiria PS Cuttack	1500.00
5	Dipti Ranjan Nayak	VLW	TIGIRIA PS,Cuttack	600.00
6	Sharmila Mohanty	VLW	Tigiria PS Cuttack	300.00

11.3 - Irregularites in OAP disbursement- AOSP-37 & 38

1. Irregularites in OAP disbursement-

On verification of the OAP Cash Book with the disbursement register Tigiria PS for the year 2014-15 , It is noticed that an amount of 9889400/- was disbursed as old age pension and disability pension in Panchayat Samiti level since April,2014 to July 2014.During scrutiny, the following irregularities were noticed in maintenance of disbursement of OAP registers ,**such as totaling mistake in arrear payment, number of beneficiaries paid were more than the actual beneficiaries, less no of absentee were shown than the actual absentee, and excess payment exhibit in arrear payment**. The details of the above said facts are given below in tabular forms---

1) **DOUBLE AND EXCESS PAYMENT IN ARREAR---**

SL NO	NAME OF THE G.P	NAME OF THE SCHEME	SL NO. OF THE BENEFICIARY	DATE AND MONTH OF DISBURSEMENT	FIRST MONTH OF PAYMENT	AMOUNT PAID	CONSECUTIVE MONTH OF PAYMENT	EXCESS PAYMENT	PERSON RESPONSIBLE
1	PANCAGAON	SOAP	276,288	15.06.14	MAY 2014	600	JUNE 2014	600	Sarat kumar Panda
2	Nuapatana	OAP	180	5/14	APRIL,2014	300	MAY2014	300	DIPTI NAYAK,VLW
3	DO	ODP	126	5/14	4/14	300	MAY 2014	300	DO
4	DO	OAP	579,561,470,240,242, 231	6/14	5/14	1800	6/14	1800	DO
5	DO	NOAP	19	6/14	5/14	300	6/14	300	DO
6	DO	OAP	31	7/14	6/14	300	7/14	300	DO
							TOTAL	3600	

2) TOTALLING MISTAKE IN OAP ARREAR-

SL	DATE OF	NAME OF THE	MONTH	RECEIPT	DISBURSEMENT	REFUND AS	REFUND	DIFFRENCE	PERSON

NO	PAYMENT	G.P	OF CLAIM	AS PER REJISTER	AS PER REJISTER	PER REJISTEER	AS PER AUDIT		RESPONSIBLE
1	15.06.2014	NUAPATANA	6/14	330000	289100	40100	40900	800	Dipti nayak,vlw
							Total	800	

Hence an amount of 4400/- is not admitted to audit and why this amount of Rs.4400/- will not be recovered from the above official may be complinced,

The Local authority did not compliance till close of the audit.

On the day of Exit conference, the Local authority agreed to the objection raised by audit and steps will be taken to make recovery to this aspect.

In view of the above circumstances audit concludes that a sum of Rs.4400.00 was misappropriated by way of calculation error and wrong exhibition of no of beneficiaries as disbursed. Hence the same is suggested for recovery from the following personnel.

Dipti nayak,vlw Rs.3800.00

Sarat kumar Panda,VLW Rs.600.00

TOTAL Rs.4400.00

Responsible Person for this paragraph

Slno	Name	Designation	Adress	Amount(In Rs:)
1	Dipti Ranjan Nayak	VLW	TIGIRIA PS,Cuttack	3800.00
2	Sarat Panda	VLW	Tigiria PS Cuttack	600.00

11.4 -

NO OF BENEFICIARY PAID MORE THAN THE ACTUAL-

On verification of the Badanauput G.P acquittance with the OAP cash book , it is noticed that on march 2013 an amount of Rs 360000 has been received from TIGIRIA P.S Vide vr no-377/30.03.14 for disbursement of old age pensions ,after scrutiny of the acquittance, it is found that upto Feb,2013 the no of OAP beneficiary is 490 where as it is increased to 549 in the month of March 2013, for the sustainability of this 59 no of increased OAP beneficiary there must be LTI or signature in the acquittance but in support of these payment neither any signature or thumb impression were taken by the disbursement authority for the month of march 2013 of Badanauput G.P.

Hence on the part of audit an important question raised that on which basis without taking of any identification symbol, the disburser Sri Dillip kumar Rout GRS shown as disbursed may be compliance. Again why this amount Rs. 17700/-(59300) will not be treated as misappropriated by way of false exhibition of disbursement may be complianced.

The Local authority did not make any compliance to this effect till close of the audit.

On the day of Exit conference, the Local authority agreed to the objection raised by audit and steps will be taken to make recovery to this aspect.

In view of the above circumstances audit concludes that a sum of Rs.5300.00 was misappropriated by way of calculation error and wrong exhibition of no of beneficiaries as disbursed. Hence the same is suggested for recovery from Sri Dillip kumar Rout GRS.

Responsible Person for this paragraph

Slno	Name	Designation	Adress	Amount(In Rs:)
1	Dillip Rout	GRS	Tigiria PS Cuttack	5300.00

PARA: 12 **LOSS OF STOCK & STORE**

PARA: 13 **AUDIT OF RECEIPTS**

PARA: 14 **AUDIT OF EXPENDITURE**

14.1 - Irregular payment of Audit fee to CA Farms

1. Voucher no 42 Dated 30.9.2014

That a sum of Rs 180000 was paid to the JBMT & Associates, Charted Accountant towards professional fee for maintenance of Accounts for the F Y 2013-14. The details of such payment may be furnished to audit.

In support of the said payment the C.A.firm shall have to submit the following criteria as laid down in P.R.Department Letter No.11309/PR.dt.11.2.2013.

1.The C.A. firm/members of the firm shall visit the G.P. at least once in a month.

2.They will make 100% verification of entries of all vouchers including head of accounts and public distribution system accounts.

3.They will verify all carry forward balance including cash books for all money parked in different Bank/Post Offices/Financial Institution

4.They will analyse unadjusted advance accounts,cash payment accounts,list of work executed ,list of assets created,incomplete works account,Investement of surplus funds account and list of muster rolls issued.

5.They will conduct all Bank Reconciliation along with completion of Bank Ledger,cheque issue and receipt register and its certification.

6.They will prepare the report on monthly basic along with web hoisting in P.D..F. format. i.e. data base format and model accounting format-8,National PanchayatPortal by 10 th of each month.

7.The C.A. firm should give their views and suggestions on correctness of maintenance of cash book and financial documents.

Besides that the service tax registration of the C.A. firm as it comes under service tax Rules 2012 has not been reflected on the body of the C.A.firm paid voucher. In view of the above allotted work if any completed by the C.A.Firms through objection statement. In response to audit objection statement the local authority stated on verification of G.P. Annual Account Books the payment has been made. But no such GP Annual Account was produced to audit for verification. Again the allotted works as prescribed are not completed by the CA firm.

This block is consisting of 10 GPs .Therefore if the payment relates to the maintenance of accounts only then it will Rs.18000/- per GP for a year of account. If the payment was related to the aforesaid reason then the date on (GP wise)which compilation of account was prepared by the CA farm may be intimated to audit. The details report furnished by the CA may be produced. Whether the web hoisting of such was made or not may be complianced. In absence of the above compliance the appropriation of such expenditure cannot be ascertained by this audit.

In response to the audit objection statement, the local authority was not complianced anything even on the date of Exit conference.

In view of the above audit concludes that the Local authority has no comment upon this objection. Hence the objection is sustained in its own merit.

14.2 - Irregular payment on energy charges & payment to SEM

1. Payment of energy charges under RWSS

It is found that in following four vouchers the energy charges related to PWS points are being paid.

For the month	Voucher No / Date	No of PWS point	current	Arrear	Total
May-2014	19/30.6.14	12	102278	285441	387719
August-2014	46/30.9.14	12	108928	220248	329176
November-2014	69/9.12.14	14	117720	327336	445056

January-2015	92/30.3.15	13	748142	644147	748142

In checking of the voucher no 19 and 46 it is found that some bills are unattained for payment. The details are given below.

Sl No	Name of PWS point	Bill for the month	Amount	Remarks
1	Kalibiri	May 2014	115101	In Voucher no 19 dated 30.6.14
1	Sananauput	August-2014	22321	In Voucher no 46 dated 30.9.14
2	Kilibiri	August-2014	131520	
3	Khandahata	August-2014	11689	

Under which circumstances these bills were not considered for payment may be complinced.

The energy charge bill generates in each month. Payments are settled monthly to avail rebate. From the above practice it is found that bills are not settled monthly and this cause of debarred to avail rebate. The month wise and PWS wise energy bills are required to produced before audit. From the above it cannot be ascertained for which month the bills are being paid. Again as per information given by the JE, RWSS there are 20 PWS points under this block and are in operating stage. The information which was received by audit is furnished below for confirmation.

Stock position of Pumps in Stock register page 1 to 3

Sl No	Name of PWS	No of pumps in hp						No of pumps operating in hp					
		I	II	III	IV	V	Total	I	II	III	IV	V	Total
1	Nizigarh	7.5	3	3	5		18.5	7.5	3	3	5		18.5
2	Panchagaon	7.5	3	2	2.5		15	7.5	3	2	2.5		15
3	Paikanara	1.5	1.5				3	1.5	1.5				3
4	Gadadharapur	3	1.5				4.5	3	1.5				4.5
5	Sananauput	2					2	2					2
6	Kilibiri-I	1.5					1.5	1.5					1.5
7	Kilibiri-II	3	3				6	3	3				6
8	Manapur	1.5					1.5	1.5					1.5
9	Jemadeipur	1.5	3	1.5	7.5		13.5	1.5	3	1.5	7.5		13.5
10	Kankal	5	3				8	5	3				8
11	Nuapatana	3	1.5	2	10	7.5	24	3	1.5	2	10	7.5	24
12	Bindhanima	15	3	1.5	3		22.5	15	3	1.5	3		22.5
13	Viruda	1.5	3				4.5	1.5	3				4.5
14	Godijharia	4	3				7	4	3				7
15	Anchalkote	3	4	2			9	3	4	2			9
16	Haridapasi	1.5	1.5	3			6	1.5	1.5	3			6
17	Badanauput	6	5				11	6	5				11
18	Sunthipala	4	5				9	4	5				9
19	Khandahata	5	3				8	5	3				8
20	Bishnupur	1.5	1.5	3			6	1.5	1.5	3			6

Though 20 points are in operating stage the reason for payment of energy charges against 12 to 14 may be complianced.

3. The following information as stated by the JE,Rwss are furnished herewith for confirmation.

Sl.No	Name of GP	No of tube well	SEM	SEM-driver	Driver

1	nuapatana	112	1	1	
2	jemadeipur	59	2		2
3	bindhanima	72	1	2	
4	gadadharapur	61	1	1	3
5	viruda	47		2	
6	panchagaan	97	2	1	
7	anchalakot	52	1		3
8	Puruna tigiria	55	1	1	
9	badanauput	68	2		7
10	Nizigarh	68	1		2
		691	12	8	17

From the above table it is found that total 37 no of SEM/SEM-Driver and Driver were engaged by GP for maintenance of 691 numbers of tube wells in 20 PWS.

In Letter No 11017/12.4.13 & 17172/20.10.1 issued jointly by the PR and RD department – it is clearly mentioned that

· One SEM should be entrusted to take care of 30-35 tube well in a GP or 2-3 adjacent GP.

· The SEM engaged in GP for maintenance of tube well may also be given additional charge for operating PWS system.

· Except the person deployed by RD department Grama panchayat in no case can appoint pump driver in PWS system. Only SEM /ASEM can only do the job in PWS system.

· Gram Panchayat in longer can engage new SEM/ASEM henceforth.

· If BDO comes across any such case where SEM & ASEM are engaged in violation of such stipulation contained in the aforesaid letter (one SEM/ASEM for 30-35 tube well), he should disengage them.

· It is instructed in Letter No 2705/PR Dated 11.2.15 that the BDO shall withdraw the excess man power from the single PWS system where additional manpower have engaged in RPDWS scheme for a single point in violation of guideline issued in contrary in the Letter No 11017/12.4.13.

In respect to the above guidelines why the excess payment was made by engaging more man power than the stipulation may be complianced.

2. Due to non production of records and connecting files and stock register a sum of Rs. 2228173.00 was held under objection by the previous audit which are narrated in para no 14.1 to 14.6 in AR 77158/AR/2014-15. The same may be produced to this audit failing which the objection will sustained with its own merit.

In response to audit objection statement the local authority complianced on the day of exit conference that it is inevitable the need of service of SEM is required at GP level to give minimum water service to the poorest of the poorer of a village. For the interest of the poorest of the poorer and to provide the basic need to the citizen, somewhere more staff were appointed. However based upon the PWS point there were no excess of SEM yet appointed.

The compliance does not holds good to the spirit of objection. Hence the objection stands in its own merit. The Local authority is advised to abide the norms formulated by the Government and appropriate action may be initiated to engage appropriate number of SEM cum pump driver as per guideline.

14.3 - Irregular OAP payment

DOUBTFUL PAYMENT MADE IN OAP-

1) On verification of the Viruda G.P acquittance roll with the OAP cash book ,It is noticed that an amount of Rs 2770000/- has been adjusted in the year 2014-15 which was advanced to Ramesh Chandra sahoo, ex-vlw,viruda G.P through different vouchers for disbursement of old age pension for the year 2013-14 . After scrutiny of the acquittance some irrelevant factors was noticed like in the whole year of 2013-14 , no beneficiary of old age pensions or any disability pension dies or absent or taking arrear ,so far as the OAP disbursement is concerned in every G.p there must be some absent and expired beneficiary listed in the acquittances,so how far it is relevant in the case of Viruda G.P that no such misshapen occurs.

Hence on the part of audit it is a big question that the detail scrutiny and field verification report may be produced before audit for confirming the above paid amount which was disbursed for old age Pensions failing which an amount of Rs.2770000/- will be kept under objection till the next audit .

14.4 - Irregular payment n OAP

PAYMENT MADE WITHOUT ABSTRACT

On verification of the Jemadeipur G.P acquittance roll with the OAP cash book ,It is noticed that an amount of Rs 240000/- has been paid to sarat kumar jena,ex-seo vide vr no-276/ 31.01.14 for oap disbursement for the month of 12/2013 payment has been made to all the beneficiary without any abstract .so it is difficult to assume the veracity of the disbursement without making the abstract.

Hence the details of the abstract may be produced before audit for calculation till then an amount of 240000/- will be kept under objection.

14.5 - Excess paid invoilating the norms

1) EXCESS PAYMENT IN VOUCHERS-

On verification of the Misc cash book with the connected vouchers ,It is noticed that an amount of Rs 14900/- has been paid as tent and vehicle hire charges for skill development programme Vide vr no-101/10.10.2014, after scrutiny of the vouchers some major lacunae has been noticed Such as the tent maker does not disclose the total area covered by the tent and tent charges for sqft, secondly the vehicle owner does not disclose what type of vehicle used for transporting the candidates from Panchagaon and Tigiria village and what is the total kilometer covered for this programme and subsequently charges Rs 2500/ out of total hire charges 7500/- here audit raises a question that how far it is relevant for giving Rs 2500/- as hire charges for such a minimal distance .

Hence it is not admitted in audit and why this amount of 2500/- will not be suggested for recovery from the above official may kindly produced before audit for verification.

In response to the audit objection statement, the local authority was complianced that the transportation cost is more increased due to increase in candidates.

The compliance is irrelevant and unreasonable. Hence the objection is sustained and a sum of Rs.2500.00 is suggested for recovery.

Responsible Person for this paragraph

Slno	Name	Designation	Adress	Amount(In Rs:)
1	S C Behera	WEO	Tigiria PS,Cuttack	2500.00

14.6 - Excess payment in vouchers

EXCESS PAYMENT IN VOUCHERS-

On verification of the IAY administration cash book with the relevant vouchers ,It is noticed that an amount of 9936/- and 10870/- has been paid as paper advertisement charges for IAY and MOKUDIA .after the detail scrutiny of the vouchers it is noticed that Rs 9936/- has been paid to THE DAILY DHARITRI for advertisement of IAY and MOKUDIA THROUGH VR no-11 dt 30.08.2014and on the same date through voucher no -12/30.08.2014 an amount of Rs 10870/- has been paid to THE DAILY SAMAJ for the same purpose. So here a question raised by audit if both the advertisement would have been publicised in the DHARITRI ,then an amount of Rs 934/-must be save by the P.S. such type of reckless activity for this type of irrelevant expenses is not admitted in audit .

Hence the purpose of advertisement through different news papers and why this excess payment of 934/- will not be Suggested for recovery may produce before audit for confirmation.

In response to the audit objection statement, the local authority was complianced that the rate of the advertisement published in local newspaper is based upon their circulation. The SAMAJ is largely circulated than the Dharitri and obviously the cost of advertisement is more. For wide circulation by choosing the Samaj should not be treated as excess expenditure incurred.This may be considered and the objection may be dropped.

The compliance is convincing and the objection is dropped.

14.7 - Non Deduction of Govt. dues

GOVT DUES NOT DEDUCTED PROPERLY-

On verification of the 13th finance cash book and IAY (admin) cash book it is noticed that in some places office stationary , pipe items and other materials have been purchased in P.S but the govt revenues are not being deducted properly in this transactions which are given below in details-----

Sl no	Date and no of vouchers	Name of the cash book	particulars	Purchase from	Amount of purchase	% of vat to be deduced	Deducted amount	Person responsible
1	13/14.07.2014	IAY(admin)	Office stationery	Sai om store.tigiria	13200	5%of13200=660	660	B.DO/HC
2	23/31.07.2014	13 TH FINANCE	Pipe materials	Nayak sanitary store ,pancagaon	4921	13.5%of 4921	664	Tejamani bhoi,je rwss-ii
3	5/31.05.2014	13th finance	Pipe materials	Nayak sanitary store,panchagaon	4060	13.5%4060=548	548	Do
4	88/30.09.2014	Misc cash book	Fly leaf	Sai om store.tigiria	7800	5%7800=390	390	B.D.O/HC
5						TOTAL	2262	

So far as the Govt purchased is concerned It is not advisable for maintaining transaction in any non registered shop which is absolutely Find in the above two shops .Hence the above amount of govt dues may be deducted and why this amount of 2262/- will not be recovered from the above official may kindly produce before audit .

In response to the audit objection statement, the local authority was not complianced anything even on the date of Exit conference.

In view of the above audit concludes that the Local authority has no comment upon this objection. Hence the objection is sustained in its own merit.

Responsible Person for this paragraph

Slno	Name	Designation	Adress	Amount(In Rs:)
1	Gokulananda Behera	Head Clerk	Tigiria PS Cuttack	1161.00
2	Smt. Anamika Adhikari,OAS	Ex-BDO	TIGIRIA PS Cuttack	1101.00

14.8 - Irregular payment towards Xerox charges.

EXCESS PAYMENT IN XEROX—

On verification of the Misc cash book with the connected vouchers ,It is noticed that an amount of Rs 54692/- has been paid as Xerox charges to Dharani communication for different purposes, The following irregularities noticed on the said expenditure.

1.The necessary order to this effect is not made available to audit.

2. The purpose and details of papers were copied was not available.

In absence of such a sum of Rs. 54692.00 paid towards XEROX charges is treated as irregular. Till compliance the same is held under objection.Here it is suggested that if the local authority could think for a alternative way, it may be more benefit for the Panchayat Samiti. And the unnecessary expenses might have been saved.

In response to the audit objection statement, the local authority was not complianced anything even on the date of Exit conference.

In view of the above audit concludes that the Local authority has no comment upon this objection. Hence the objection is sustained in its own merit.

PARA: 15 **AUDIT ON WORKS**

15.1 - Persistence irregularities in works account

GENERAL IRREGUALRITIES NOTICED IN WORKS ACCOUNTS:-

1) Lead Statement and Analysis of rates have not been attached with estimate of all the work case records.

2) Page number has not been given in the Work Case Record.

3) In certain cases deviation of work has been made without approval of any deviation statement/word done estimate.

4) No uniform rate has been followed while allowing payment towards cost of M.S. Rod, Grills, cost of MS Doors and Windows etc.

5) In most of the cases cuttings and overwriting in the M.B. have been made without being attested by the check measuring authority.

6) In almost all the case records the preliminary report of the J.E. is not attached.

7) Nearest quarry chart of different minor minerals has neither been obtained from the Tahasildar nor attached to the Case Records.

The reason of the above persistent nature of irregularities may please be complianced.

On issue of audit objection statement in this regard the Local authority replied to take appropriate action in this regard.

15.2 - Excess payment due to wrong measurement.

Construction of CC road from Garapada to RD road

Scheme: CC Road **Voucher No-21/27.3.15**

Estimated Cost: Rs 300,000/- **C.R. No**: 17/14-15

Name of the Executant: Debaraja Rout **Name of the J.E**: Krushna Chandra Rout

MB No: 395(161-171) **Name of the A.E**.*:* Banamali Mishra

On scrutiny of the aforesaid case record with respect to the MB concerned it was noticed that after leveling the road surface the excavation of cut off wall was made to a depth of 4” .

The sand filling was measured over road surface to a height of 4”. The CC (1:3:6) was measured to height of 4” and the CC (1:2:4) was measured to height of 3.5”. Taking into consideration of these measurements, the height of the road above of the ground level is 11.5” and the height of the centering shuttering of the outer part must not be less than 11.5” and inner side is 4”. But at page 168 of this MB 395, the height of the centering and shuttering was measured to a height of 7.5” which indicates that the outer part of the road is 7.5” heighten above the ground level.

When the road surface is leveled in hard soil as measured at page 161 & 162 of the aforesaid MB, there may not be any sand filling over the bed of the road which justifies the centering and shuttering height.

In the above circumstances the measurement taken towards sand filling on the base of the road is not admitted. Hence a sum of Rs.11060.00 is treated as excess payment as per the following calculation.

Sand filling on base of the road at page 164, (370.92+365.97+179.52+174.90=1091.31 or 30.88cum)

30.88cum @ Rs. 358.15comes Rs.11060.00

Therefore why this amount Rs. 11060.00 will not be recovered may be complianced.

On issue of audit objection statement in this regard the Local authority complianced on the date of Entry conference as follows

The actual centering shuttering was actually provided as follows :

Cut off = 2 x 2 x 300’ x 7(1/2)” = 750.00 Sqft.

2 x 300’ x 3(1/2)” = 174.99 Sqft.

924.99 Sqft.

Due to inadvertently the measurement was recorded vide MB No. 395 P-168 = 570 Sqft.

Actually the sand filling was made on the road surface & it consequent measured by the AE as his check measurement. Hence the compliance may be considered & the para may please be dropped.

The compliance is convincing and the para is dropped.

15.3 - Excess payment due to wrong measurement.

Construction of CC road of Godijharia ,Dugurimundia,Viruda

Scheme: GGY: 13-14 **Voucher No-24/27.09.14**

Estimated Cost: Rs 100,000/- **C.R. No**: 19/13-14

Name of the Executant: Departmentally **Name of the J.E**: Krushna Chandra Rout

MB No: 395(41-51) **Name of the A.E**.: Banamali Mishra

On scrutiny of the aforesaid case record with respect to the MB concerned it was noticed that

1. The road is leveled well before execution.

2.The cut off foundation was measured to a depth of 6” in hard soil.

3.Sand filling was measured to a height of 2” for cut off and 3.5” for base of the road.

4.The CC(1:3:6) was measured to height of 4” for cut off wall and 3.5” for both cut off and base of the road as the width of the road was taken inclusive cut off width.

5. The CC(1:2:4) was measured inclusive of cut off width with the width of the base of the road.

From the above the cut height below the road level is 3.5” before CC(1:2:4) and after CC(1:3:6) as calculated below.

Cut off level : Sand filling 2”+CC(1:3:6) 4”+ CC(1:3:6) 3.5”-excavation depth 6”=3.5”

Road Level : Sand filling 3.5”+CC(1:3:6) 3.5”=7”

In the above circumstances the measurement taken towards sand filling on the base of the road to height of 3.5”is not admitted. Hence a sum of Rs.3382.00 is treated as excess payment as per the following calculation.

MB 395at at pge 43; 422.357-43.65-4.365=37.434 = 10.59cum @ Rs. 319.35 comes to Rs 3382.00

Therefore why this amount Rs. 3382.00 will not be recovered may please be complianced.

In response to audit objection statement the local authority agreed to recover the suggested amount in his compliance on the date of exit conference.

However till recovery of the amount and its compliance to audit Rs.3382.00 is suggested for recovery.

Responsible Person for this paragraph

Slno	Name	Designation	Adress	Amount(In Rs:)
1	Krushna Chandra Rout	GPTA	Tigiria PS,Cuttack	1691.00
2	Banamali Mishra	AE	Tigiria PS Cuttack	1691.00

15.4 - Excess payment due to wrong measurement.

Construction of CC Road Godijharia Mahashyamala Nodal School

Scheme: GGY **Voucher No-34/27.3.15**

Estimated Cost: Rs 350,000/- **C.R. No**: 4/14-15

Name of the Executant: Hadibandhu Muduli **Name of the J.E**: Krushna Chandra Rout

MB No: 395(182-195) **Name of the A.E**.: Banamali Mishra

On scrutiny of the aforesaid case record with respect to the MB concerned it was noticed that

1. The road is leveled well before execution.

2.The cut off foundation was measured to a depth of 4” in hard soil.

3.Sand filling was measured to a height of 2” for cut off and 3.5” for base of the road.

4.The CC(1:3:6) was measured to height of 7.5” for cut off wall and 4” for base of the road

5. The CC(1:2:4) was measured inclusive of cut off width with the width of the base of the road.

From the above the cut height below the road level is 2.5” before CC(1:2:4) and after CC(1:3:6) as calculated below.

Cut off level: Sand filling 2”+CC(1:3:6) 7.5” - excavation depth 4”=5.5”

Road Level: Sand filling 3.5”+CC(1:3:6) 4”=7.5”

In the above circumstances the measurement taken towards sand filling on the base of the road to height of 2”(7.5”-5.5”)is not admitted. Hence a sum of Rs.3382.00 is treated as excess payment as per the following calculation.

MB 395 at page 186 & 187the sand filling quantity for base of the road was taken as 364.14+249.7+275.58+179.33+147.26+44.41-11.69-2.21-3.46-22.95= 1220.11cft against height of 3.5”

Then for 2” height it would be (1220.11/3.5) x2=697.21cft =19.73 cum @ Rs.358.15 comes to Rs.7066.00

Again at page 189 & 190 of the aforesaid MB due to calculation error in CC(1:3:6) a sum of Rs. 1833.00 was paid in excess. The detail calculation is given below.

1x38.25x12.415x0.33= 156.71 but recorded as 175.64

Excess 175.64-156.71=18.93cft=0.53cum @ Rs. 3459.08 comes to Rs.1833.00

Hence a total sum of Rs. 1833+7066=8899 was paid in excess and suggested for recovery.

In response to audit objection statement the local authority agreed to recover the suggested amount in his compliance on the date of exit conference.

However till recovery of the amount and its compliance to audit a sum of Rs.8899.00. is suggested for recovery.

Responsible Person for this paragraph

Slno	Name	Designation	Adress	Amount(In Rs:)
1	Banamali Mishra	AE	Tigiria PS Cuttack	4449.00
2	Krushna Chandra Rout	GPTA	Tigiria PS,Cuttack	4450.00

15.5 - Excess payment due to wrong measurement.

. Constn. Of Kata danda C.C.Road.

Scheme: SFC **Voucher No-12/10.10.14**

Estimated Cost: Rs 250,000/- **C.R. No**: 2/12-13

Name of the Executant: Nilamani Rout **Name of the J.E**: Upendranath Nayak

MB No: 388(33-47) **Name of the A.E**.: Banamali Mishra

On scrutiny of the aforesaid case record with respect to the MB concerned it was noticed that

1.Right side of the cut off wall is measured at page 34 as 71'x3.6'x2'=497cft & 64'x3.6'x2'=448cft.

2.Sand filling of the cut off wall is measured at page 35 as 71'x3.6'x6"=124.25cft & 64'x3.6'x6"=112cft

3.CC(1:3:6) is measured at page 38 as 71'x3.6'x6"=124.25cft & 64'x3.6'x6"=112cft

4.LS Masonry is measured at page 41 & 42 as 71'x1.8'x8"=77.78cft & 64'x1.8'x8"=70.11cft for first footing and 71'x1'x2.2'=153.36cft & 64'x1'x8"=42.24cft for second footing

From the above it is clear that that the base for the length of cut off 71' & 64' must not be more than 2' width instead of 3.6'

Therefore excess payment involved by allowing excess width in foundation which is irrelevant and un necessary.

1.In earth work for excavation as 71'x(3.6'-2')x2'=213cft & 64'x(3.6'-2')x2'=192cft.Total excess of (192+213)405cft or 11.46 cum @ Rs.78.95 comes to Rs.905.00 as excess paid.

2.In sand filling 71'x(3.6'-2')x6"=53.25cft & 64'x(3.6'-2')x6"=48cft.Total excess of (48+53.25)101.25cft or 2.87 cum @ Rs.319.35 comes to Rs.917.00 as excess paid.

3. In CC (1:3:6) 71'x(3.6'-2')x6"=53.25cft & 64'x(3.6'-2')x6"=48cft.Total excess of (48+53.25)101.25cft or 2.87 cum @ Rs.3343.35 comes to Rs.9595.00 as excess paid.

In total (9595+917+905) Rs.11417.00 is treated as excess payment and suggested for recovery and compliance be reported.

In response to audit objection statement the local authority complianced that the foundation width of the retaining wall has been provided 3'6" due to water logged area to strengthen the retaining wall & to ensure the durability of the structure. Hence the compliance may be considered & the para may please be dropped.

The compliance is irrelevant and unreasonable. Hence the objection is sustained and a sum of Rs. is suggested for recovery.

Responsible Person for this paragraph

Slno	Name	Designation	Adress	Amount(In Rs:)
1	Upendranath Nayak	GPTA	Tigirai PS Cuttack	5709.00
2	Banamali Mishra	AE	Tigiria PS Cuttack	5708.00

15.6 - Excess payment due to wrong measurement.

Const. of Sanapatana Raghunath sahi Jew CC at Anchalkote

Scheme: SDP 13-14 **Voucher No-64/30.08.14**

Estimated Cost: Rs 50,000/- **C.R. No**: 04/13-14

Name of the Executant: Baidhara Moharana **Name of the J.E**: Udayanath Nayak,GPTA

MB No: 416(168-171) **Name of the A.E**.: Banamali Mishra

On scrutiny of the aforesaid case record with respect to the MB concerned it was noticed the following irregularities.

1. Only LS stone masonry in foundation & plinth was measured without excavation of the foundation.

2. The project is not a complete one.

3. In first footing the height is measured as 8" where as in second footing the height is measured as 2.4' and 1.6' up to plinth level.

From the above it is revealed that the plinth of a community center is not at equal height at its plinth level which is not physically possible. Hence the measurement taken as 2x42'4"x11"x2'4"=180.49 is admitted as 2x42'4"x11"x1'6"=116.32 and 1x32'4"x11"x2'4"=68.92 is admitted as 2x32'4"x11"x1'6"=44.42.

By the above conclusion (180.49-116.32)+(68.92-44.42)=64.17+24.5=88.67cft=2.5cum @ Rs. 2570.49 comes to Rs.6426.00 was paid in excess. Therefore a sum of Rs.6426.00 is suggested for recovery and compliance be reported to audit.

In response to the audit objection statement, the local authority was complianced that the part of the foundation was constructed by the villagers of Achalakot out of their own source. The measurement of the work has been taken as per actual work done out of this grant leaving the earlier construction. Hence the para may please be dropped.

If the compliance is considered then the process of measurement is unlawful. The total measurement of the work so far executed against this project should be measured. The contribution of the villagers should be reflected with documentary evidence. These may be shown to next audit. Till to that the entire expenditure incurred i.e Rs. 50000.00 is held under objection.

15.7 - Excess payment due to wrong measurement.

Const of road from Gopi behera house to Budhia Jena House, Paikianara

Scheme: SFC **Voucher No-03/31.07.14**

Estimated Cost: Rs 220,000/- **C.R. No**: 14/13-14

Name of the Executant: Mina Behera **Name of the J.E**: Rabindranath Behera,JE

MB No: 391(49-59) **Name of the A.E**.: Banamali Mishra

On scrutiny of the aforesaid case record with respect to the MB concerned it was noticed the following irregularities.

1. One drain was shown as constructed to a length of 123' where one wall is of 1ft width and another wall is of 8" width.

2. Both the drain wall is erected to 2ft height and was shown as constructed with LS masonry. But the cement plaster over LS masonry was measured as 123ftx2'8'' and 123ft x 2ft which is doubtful.

3.The top of the drain wall is seemed to be erected up to ground level as revealed from the measurement.

4.One road is constructed adjacent to this drain of 221ft of length.

5. No cut off wall was constructed for this road. The sand filling was measured to height of 4.5" average on the road. The CC(1:3:6) wqas measured to a height of 4" and the top of the road CC(1:2:4) was measured to a height of 3.5" average. The centering and shuttering was measured to height of 8".

From the above measurement the sustainability of sand without any cut off is not seems possible and the height of centering and shuttering i.e 8" may be towards construction of CC(1:3:6) & CC(1:2:4). Hence the measurement for sand filling is not free from doubt and hence not admitted in audit.

At page 54 of this MB , a sum of Rs.6747.00 was billed towards filling of sand on the road surface which is not admitted and compliance may be submitted to this effect.

Till submission of satisfactory and reasonable compliance a sum of Rs. 6747.00 is suggested for recovery.

In response to the audit objection statement, the local authority was complianced that

The actual value of work done = Rs. 2,22,094.00

Amount paid as per allocation of funds is Rs. 2,20,000.00

Unpaid amount Rs. 2,094.00

The unpaid and unconsidered amount of Rs.2,094.00 may be adjusted against the amount of Rs. 6,747.00 and the balance amount of Rs.4,653.00 will be recovered out of SD amount.

Responsible Person for this paragraph

Slno	Name	Designation	Adress	Amount(In Rs:)
1	Rabindranath Behera	JE	Tigiria PS Cuttack	2327.00
2	Banamali Mishra	AE	Tigiria PS Cuttack	2326.00

15.8 - Excess payment due to wrong measurement.

Restoration of Rasabihari CC Jemadeipur.

Scheme: SDP **Voucher No-07/28.04.14**

Estimated Cost: Rs 250,000/- **C.R. No**: 01/13-14

Name of the Executant: Chintamani Patra **Name of the J.E**: Rabindranath Behera,JE

MB No: 391(60-70) **Name of the A.E**.: Banamali Mishra

On scrutiny of the aforesaid case record with respect to the MB concerned it was noticed the following irregularities.

1. It would be seen from the measurement that one varanda wall was measured up to plinth level (Which is 2.25ft heighten than the ground level) and this is measured as 1x26'x 1'x3=78cft(page 63) .but in super structure the beam is measured as 25'10" (page 66)and the wall is measured as 2x25'10''x1'x8'' (page 67)

2. In the above circumstances the measurement of one varanda wall was measured up to plinth level as 1x26'x 1'x3=78cft(page 63) should be 1x25'10''x 1'x3=77.49cft

3. When one wall was shown as constructed and one beam is constructed the measurement for varanda wall as 2x25'10''x1'x8''=38.74 (page 67) should be 1x25'10''x1'x8'=19.37cft. Hence excess measured quantity in LS masonry 38.74-19.37=19.37=.54cum . This involved an excess amount of Rs.2074.00(.54cum @ 3840)

4. On checking the pre measurement of MS rod at page 158& 159 of MB 376 it is found that the measurement for varanda coloumn was measured as 1x8x16'=128 rft. The coloumn should be designed with 4 main bar of 16mm . This measurement should be 1x4x16ft=64rft.

By this wrong measurement 64x.3048x1.578=.31qntl of MS Rod excess measured. This involved an excess amount of Rs. .31 @ 4991.10 comes to Rs.1547.00

From the above the audit revealed an excess payment of Rs. 1547+2074=3621.00 which needs recovery.

In response to the audit objection statement, the local authority was complianced that the photograph of the execution may please be verified in this regard. There are two walls of length 25'10" and the verandah which is measured as 26' length is as per the work executed. The MS Rod provided in the column is as per RCC design and requirement of structure. Hence the compliance may please be considered and the para may be dropped.

The compliance is convincing and hence the para is dropped.

15.9 - Excess payment due to wrong measurement.

. Construction of CC road from pana sahi Chhaka to Sahoo Ghara Chhaka

Scheme: TFC **Voucher No-07/11.07.14**

Estimated Cost: Rs 300,000/- **C.R. No**: 05/13-14

Name of the Executant: Dasarathi Pradhan **Name of the J.E**: Rabindranath Behera,JE

MB No: 391(94-102) **Name of the A.E**.: Banamali Mishra

On scrutiny of the aforesaid case record with respect to the MB concerned it was noticed the following irregularities.

1. One road is constructed to length of 375ft.

2.. No cut off wall was constructed for this road. This violates the CC road guidelines and durability is not free from doubt.

3.The fine dressing of earth work in hard soil was executed.

3. The sand filling was measured to height of 3.5” average on the road. The CC(1:3:6) was measured to a height of 3.66” and the top of the road CC(1:2:4) was measured to a height of 3.5” average. The centering and shuttering was measured to height of 7”.

From the above measurement the sustainability of sand without any cut off is not seems possible and the height of centering and shuttering i.e 7” may be towards construction of CC(1:3:6) & CC(1:2:4). Hence the measurement for sand filling is not free from doubt and hence not admitted in audit.

In view of the above the sand filling on the base of the road as measured at page 95 and 96 for 33.28cum amount to Rs. 10627.00 is treated as excess paid and necessary compliance may be made to this effect.

Till submission of satisfactory and reasonable compliance a sum of Rs. 10627.00 is suggested for recovery.

In response to the audit objection statement, the local authority was complianced that

The actual value of work done = Rs. 3,01,958.00

Amount paid as per allocation of funds = Rs. 3,00,000.00

The balance unpaid amount = Rs. 1,958.00

The unpaid and unconsidered amount of Rs.1,958.00 may be adjusted against the recovered amount of Rs.10,627.00 and the balance amount of Rs.8,669.00 will be recovered out of SD.

The compliance is convincing and Rs. 8669.00 is suggested for recovery .

Responsible Person for this paragraph

Slno	Name	Designation	Adress	Amount(In Rs:)
1	Rabindranath Behera	JE	Tigiria PS Cuttack	4335.00
2	Banamali Mishra	AE	Tigiria PS Cuttack	4334.00

15.10 - Excess payment due to wrong measurement.

Construction of Surendapatana village Ramacharitamanas prabachana mandap

Scheme: MLA LAD **Voucher No-07/11.07.14**

Estimated Cost: Rs 50,000/- **C.R. No**: 07/13-14

Name of the Executant: Dasarathi Pradhan **Name of the J.E**: Sabita Swain,GPTA

MB No: 394(80-84) **Name of the A.E**.: Banamali Mishra

On checking of the aforesaid case record in respect to MB it is revealed that sand filling was allowed against excavated earth for back filling leaving the excavated earth unused. This is not admitted to audit. Hence at page 80 of the MB sand filling as measured as one third of 500 cft i.e 166.67 cft or 4.72cum is treated as excess quantity. This involved an excess amount of Rs.1507.00 (4.72 cum @ Rs. 319.35) is suggested for recovery and necessary compliance may be made to this effect.

In response to audit objection statement the local authority agreed to recover the suggested amount in his compliance on the date of exit conference.

However till recovery of the amount and its compliance to audit a sum of Rs.1507.00 is suggested for recovery.

Responsible Person for this paragraph

Slno	Name	Designation	Adress	Amount(In Rs:)
1	Sabita Swain	GPTA	Tigiria PS Cuttack	754.00
2	Banamali Mishra	AE	Tigiria PS Cuttack	753.00

15.11 - Excess payment due to wrong measurement.

Construction of road from Nuapokhari to Dibakara Das house

Scheme: GGY **Voucher No-33/18.03.15**

Estimated Cost: Rs 100,000/- **C.R. No**: 28/13-14

Name of the Executant: Manoranjan Das **Name of the J.E**: Nityananda Mohapatra,JE

MB No: 402(16-20) **Name of the A.E**.: Banamali Mishra

On scrutiny of the aforesaid case record with respect to the MB concerned it was noticed the following irregularities.

1. One road is constructed to length of 137ft.

2. No cut off wall was constructed for this road. This violates the CC road guidelines and durability is not free from doubt.

3.The fine dressing of earth work in hard soil was executed.

3. The sand filling was measured to height of 3.5” average on the road. The CC(1:3:6) was measured to a height of 3.66” and the top of the road CC(1:2:4) was measured to a height of 3.5” average. The centering and shuttering was measured to height of 10”.

From the above measurement the sustainability of sand without any cut off is not seems possible. Without any protection wall the filled sands cannot be retained and the sole purpose of filling the sand will be unfruitful. Hence the measurement for sand filling is not free from doubt and hence not admitted in audit.

In view of the above the sand filling on the base of the road as measured at page 16 for 10.64cum amount to Rs. 3398.00 is treated as excess paid and necessary compliance may be made to this effect.

Till submission of satisfactory and reasonable compliance a sum of Rs. 3398.00 is suggested for recovery.

In response to the audit objection statement, the local authority complianced that the total bill amount against the project was billed Rs.1,01,111.00. But due to less allocation of fund, the amount was limited to Rs.1,00,000.00. This excess may be one of the causes as objected.

Therefore, the unpaid & unconsidered amount of Rs.1,111.00 may be adjusted against the amount of Rs.3,398.00. The balance Rs.2,287.00 will be adjusted out of the SD amount at the time of the SD release.

The compliance is convincing and Rs. 2287.00 is suggested for recovery.

Responsible Person for this paragraph

Slno	Name	Designation	Adress	Amount(In Rs:)
1	Nityananda Mohapatra	JE	Tigiria PS Cuttack	1144.00
2	Banamali Mishra	AE	Tigiria PS Cuttack	1143.00

15.12 - Excess payment due to wrong measurement.

12.Construction of CC Road from PWD Road to Pabitramhan Vidyapitha

Scheme: SFC **Voucher No-TFC(-22-/30.6.14)**

Estimated Cost: Rs 200,000/- **C.R. No**: 19/11-12

Name of the Executant: Manas Chandra Rana **Name of the J.E**: Nityananda Mohapatra,JE

MB No: 402(125-131) **Name of the A.E.**.: Banamali Mishra

On scrutiny of the aforesaid case record with respect to the MB concerned it was noticed the following irregularities.

1. One road is constructed to length of 230ft.

2. No cut off wall was constructed for this road. This violates the CC road guidelines and durability is not free from doubt.

3.The fine dressing of earth work in hard soil was executed.

3. The sand filling was measured to height of 3.5” average on the road. The CC(1:3:6) was measured to a height of 3.66” and the top of the road CC(1:2:4) was measured to a height of 3.5” average. The centering and shuttering was measured to height of 10”.

From the above measurement the sustainability of sand without any cut off is not seems possible. Without any protection wall the filled sands cannot be retained and the sole purpose of filling the sand will be unfruitful. Hence the measurement for sand filling is not free from doubt and hence not admitted in audit.

In view of the above the sand filling on the base of the road as measured at page 126 for 21.89 cum amount to Rs. 6991.00 is treated as excess paid and necessary compliance may be made to this effect.

Till submission of satisfactory and reasonable compliance a sum of Rs. 6991.00 is suggested for recovery.

In response to the audit objection statement, the local authority complianced that actually the cut off wall has been constructed during the time of execution & by mistake the cut off wall has not been measured. Which is profit to the Govt. Hence this para may please be dropped.

The compliance is irrelevant and unreasonable. Hence the objection is sustained and a sum of Rs.6991.00 is suggested for recovery.

Responsible Person for this paragraph

Slno	Name	Designation	Adress	Amount(In Rs:)
1	Nityananda Mohapatra	JE	Tigiria PS Cuttack	3496.00
2	Banamali Mishra	AE	Tigiria PS Cuttack	3495.00

15.13 - Excess payment due to wrong measurement.

.**Construction of Karadapalli CC road from Mohammad house to Md Tatar**

Scheme: TFC **Voucher No-TFC(71/12.12.14)**

Estimated Cost: Rs 150,000/- **C.R. No**: 10/2013-14

Name of the Executant: Saukat Ali Khan **Name of the J.E**: Nityananda Mohapatra,JE

MB No: 393(165-170) **Name of the A.E**.: Banamali Mishra

On scrutiny of the aforesaid case record with respect to the MB concerned it was noticed the following irregularities.

1. One road is constructed to length of 170 ft.

2. No cut off wall was constructed for this road. This violates the CC road guidelines and durability is not free from doubt.

3.The fine dressing of earth work in hard soil was executed.

3. The sand filling was measured to height of 3.5" average on the road. The CC(1:3:6) was measured to a height of 3.66" and the top of the road CC(1:2:4) was measured to a height of 3.5" average. The centering and shuttering was measured to height of 10".

From the above measurement the sustainability of sand without any cut off is not seems possible. Without any protection wall the filled sands cannot be retained and the sole purpose of filling the sand will be unfruitful. Hence the measurement for sand filling is not free from doubt and hence not admitted in audit.

In view of the above the sand filling on the base of the road as measured at page 166 for 16.03 cum amount to Rs. 5119.00 is treated as excess paid and necessary compliance may be made to this effect.

Till submission of satisfactory and reasonable compliance a sum of Rs. 5119.00 is suggested for recovery.

In response to the audit objection statement, the local authority complianced that actually the cut off wall has been constructed during the time of execution & by mistake the cut off wall has not been measured. Which is profit to the Govt. Hence this para may please be dropped.

The compliance is irrelevant and unreasonable. Hence the objection is sustained and a sum of Rs.5119.00 is suggested for recovery.

Responsible Person for this paragraph

Slno	Name	Designation	Adress	Amount(In Rs:)
1	Nityananda Mohapatra	JE	Tigiria PS Cuttack	2560.00
2	Banamali Mishra	AE	Tigiria PS Cuttack	2559.00

PARA: 16 **AUDIT ON UNITS / DEPARTMENT**

16.1 -

There are no separate units or departments in the Panchayat Samiti, audit of which can be conducted. So, audit on units or departments were not conducted by the present audit.

PARA: 17 **AUDIT ON SCHEMES / PROGRAMMES**

17.1 - Financial and Physical achievement of schemes-

The position of achievement in respect of various schemes against both physical and financial targets as per the Annual Action Plan has been ascertained from the local authority and furnished below. In total only 47.64 % of the grants available have been utilized during the period (Para 9 of this AUDIT REPORT) which is not satisfactory. The local authority is suggested to achieve both financial target and physical target during the coming financial year by take suitable steps and compliance reported to audit.

SL No	Name of the Scheme	Financial achievement						Physical achievement			Percentage of physical achievement for 2014-15
		OB	Funds received during the year	Total Fund Avialable	expenditure	Balance	Percent of grant utilised	No of spill over project completed in 2014-15	No of project taken relating to 2014-15	No of project completed out of 2014-15 plan	
1	CC ROAD	3779131	9910827	13689958	3682468	10007490	26.90	13	30	1	3.33
2	GGY	5595492	6751310	12346802	3141864	9204938	25.45	18	25	3	12.00
3	SFC	13352354	0	13352354	3435738	9916616	25.73	20	0	0	0.00
4	MPLAD	5525198	0	5525198	1885790	3639408	34.13	30	38	0	0.00
5	MLA lad	3259510	0	3259510	1357186	1902324	41.64	27	2	0	0.00
6	LAC	830000		830000	269664	560336	32.49	2	0	0	0.00
7	ST/SC	0	400000	400000	632862	-232862	158.22	1	1	0	0.00
8	SPF/SDP	-28695.00	500000.00	471305	981860.00	-510555	208.33	14	0	0	0.00
9	FDR		3000000	3000000	291712	2708288	9.72	2	0	0	0.00
10	PYYKA	-8467.00	1000000.00	991533	326898.00	664635	32.97	1	1	0	0.00
11	IAY	19725360.00	6090000.00	25815360	16680240.00	9135120	64.61		172	158	91.86
12	Mokudia	-206689.00	10540380.00	10333691	4913000.00	5420691	47.54		116	97	83.62
13	NREGS	-20027211.50	569871.00	-19457341	569471.00	-20026812	-2.93	0	22	6	27.27

From the above table it is noticed that the performance in utilizations of the grant in Mo Kudia and IAY scheme is commendable one where as in CC road and GGY, it is far away from satisfactory. The Local authority is requested to initiate effective strategy to utilization of the Grants at an early date with concurrence of the competent authority.

17.2 - Gopabandhu Gramin yojan GGY-

A new initiative called Gopabandhu Gramin Yojana(GGY) was launched by the Government of Odisha during 2006-07 with a view to provide additional development assistance to the targeted 11(Eleven) districts of the State not covered under the Backward Regions Grant Fund(BRGF) . Due to inclusion of Bargarh district under BRGF Scheme during 2012-13, the number of districts has been reduced to 10. With this scheme, Rural connectivity and quality of rural life has undergone tremendous change. Most of rural roads in the targeted districts have been covered. In order to further strengthen rural connectivity, both inter village and intra village, in the targeted districts during the 12th Plan period with due importance to electrification and water supply, these revised comprehensive guideline & are hereby issued. The GGY scheme is being implemented in the following 10 number of districts. They are Angul, Balasore, Bhadrak, Cuttack, Jajpur, Jagatsinghpur, Kendrapara, Khurda, Nayagarh and Puri. The principal objective of the scheme is to provide additional development funds to the targeted districts to provide infrastructure consisting of Bijili, Sadak and Pani(i.e. electrification, roads and water supply) to every revenue village in the identified districts in need based manner. Fund Allocation:- Each district will be provided with funds of Rs 15.00 crores per annum which can be changed from time to time on need basis. During 2013-14 additional funds amounting to Rs 75.00 crores will be distributed basing on numbers of Gram Panchayats in the district. All funds will be placed with the Collector who will be distributing the same among blocks on need based manner. The PD, DRDA will be the DDO for the purpose and release funds as per requirement of a particular block on approval of projects by the District Level Committee (DLC) on GGY. The FFY aims at providing infrastructure consisting of Bijili, Sadak and Pani to every revenue village in the identified ten districts on need based manner. The list of projects for the next financial year should be routed through Palli Sabha and Grama Sabha. The Palli Sabha/Grama Sabha should list out the projects by the end of October each year and submit it to the Panchayat Samiti for prioritization. The Panchayat Samiti should finalise the prioritized list by the end of November and send the same to the Collector by the end of December each year. The Collector shall get it approved by the end of January in the District Level Committee on GGY. The approved list should be communicated to the Block office by the end of February. Internal control and check mechanism:- The Block Development Officer shall execute the work at block level. He shall also supervise the work executed at GP and block level. The PD, DRDA, Collector and the District Level Committee on GGY shall monitor the scheme achievement.

Name of the Scheme	Financial achievement						Physical achievement			Percentage of physical achievement for 2014-15
	OB	Funds received during the year	Total Fund Avialable	expenditure	Balance	Percent of grant utilised	No of spill over project completed in 2014-15	No of project taken relating to 2014-15	No of project completed out of 2014-15 plan	
GGY	5595492	6751310	12346802	3141864	9204938	25.45	18	25	3	12.00

Year of Grants	Amount spent	No of projects
2011-12	300000	1
2012-13	392994	5
2013-14	1457278	12
2014-15	991592	3
TOTAL	3141864	21

Conclusion:-

It would be seen from the above that funds to the tune of Rs 6751310.00 has been received towards GGY during 14-15 and a sum of Rs 3141864.00 has been spent during the year under audit leaving a balance of Rs 9204938.00 towards unspent grant. The percentage of utilization of funds is 12 %. During the current year 25 new projects were taken up and only 3 projects were completed. A total number of 18 projects are completed out of the previous year grant. The overall progress of GGY Scheme in this P.S. is not satisfactory. However, the local authority is suggested either to refund the balance funds under GGY or to utilize the balance funds under GGY and submit utilization certificate to proper quarter.

17.3 - MPLAD Scheme-

MPLAD scheme was announced by the Prime Minister in the parliament on 23rd December, 1993. It is a scheme fully funded by the Government of India. The objective of the scheme is to enable MPs to recommend works of developmental nature with emphasis on the creation of durable community assets based on the locally felt needs to be taken up in their Constituencies. Right from inception of the Scheme, durable assets of national priorities viz. drinking water, primary education, public health, sanitation and roads, etc. are being created. In 1993-94, when the Scheme was launched, an amount of Rs. 5 lakh per Member of Parliament was allotted which became Rupees one crore per annum per MP constituency from 1994-95. This was stepped up to Rs. 2 crore from 1998-99 and now it has been increased to Rs.5 crore from the financial year 2011-12. All works to meet locally felt infrastructure and development needs, with an emphasis on creation of durable assets in the constituency are permissible under MP LADS except those prohibited in Annex-II. Expenditure on specified items of non-durable nature is also permitted as per list in the Annexure-IIA. MPs are to recommend every year, works costing at least 15 per cent of the MPLADS entitlement for the year for areas inhabited by Scheduled Caste population and 7.5 per cent for areas inhabited by S.T. population. Each MP will recommend works up to the annual entitlement during the financial year in the format at Annex-III to the concerned District Authority. The District Authority will get the eligible sanctioned works executed as per the established procedure of the State Government". Each MP shall recommend eligible work on the MPs letter head dully signed by the MP. Recommendations by third parties and representatives of M.Ps are not admissible and cannot be acted upon. The work and the sited for the work execution by the MP shall not be changed, except with the concurrence of the MP concerned, but change will not be allowed once the work has commenced and expenditure liability incurred. The work, once recommended by the MP and sanctioned by the District Authority may be cancelled if so desired by the MP, only if the execution of the work has not commenced and the cancellation does not lead to any contractual financial liability/ cost on the Government. Funds from Member of Parliament Local Area Development Scheme (MP LADS) can be converged with MGNREGA with the objective of creating more durable assets. The minimum amount sanctioned under the MP LAD Scheme for any project or work should normally not be less than Rs. 1 lakh. If, however, the District Authority is of the considered view that the work of lesser amount will be beneficial to the public at large, he/she may sanction the same, even if the cost of the work is less than Rs. 1 lakh" The annual entitlement of Rs 5 crore shall be released, in two equal Installments of Rs 2.5 crore each, by Government of India directly to the District Authority of the Nodal District of the Member of Parliament concerned. The District Authority and Implementing Agencies will properly maintain MPLAD accounts. District Authority will furnish Utilization Certificate every year in the form prescribed in the Guidelines (Annex- VIII) to the State Government and the Ministry of Statistics and Programme Implementation. It will be the responsibility of the officers of the Implementing Agencies to regularly visit the works spots to ensure that the works are progressing satisfactorily as per the prescribed procedure and specifications and the time schedule. The Implementing Agencies shall furnish physical and financial progress of each work to the District Authority every month with a copy to the concerned State Department. The Implementing (22) Agencies should provide the report also in the soft format. A work register should also be maintained by the implementing agencies showing details of the physical and financial progress of projects being undertaken by them. This register should also contain the details of spot visit made by the implementing agencies. Implementing Agency must inspect 100% of the works. The Implementing Agencies shall furnish completion report/certificates and utilization certificates to the District Authority within one month of completion of the works.

Name of the Scheme	Financial achievement						Physical achievement			Percentage of physical achievement for 2014-15
	OB	Funds received during the year	Total Fund Avialable	expenditure	Balance	Percent of grant utilised	No of spill over project completed in 2014-15	No of project taken relating to 2014-15	No of project completed out of 2014-15 plan	
MPLAD	5525198	0	5525198	1885790	3639408	34.13	30	38	0	0.00

During the year under audit Rs 5525198.00 was unspent at the beginning of the year and a sum of Rs 1885790.00 has been spent with a balance unspent of Rs 3639408.00 with 34.13% of utilization of funds. No fund was received during the FY 2014-15 as revealed from the cash book. During the year 30 numbers of spill over projects were completed.Though i38 nos of projects were sanctioned during 2014-15 but not a single project eas complete. Hence, the local authority is suggested to take prompt steps to complete the Project during 2015-16 and submit the utilization certificate to proper quarter.

PARA: 18 **MISCELLANEOUS**

PARA: 19 **AUDIT OF LOAN/DEPOSITS/CPF INCLUDING POSITIONS**

19.1 - Non-remittance of Govt. dues-

It would be seen from the table furnished below that royalty, VAT, labour cess, Income Tax and professional Tax amounting to Rs (-) 235009.00 was shown as outstanding for deposit as on 31-03-2014. Rs 1133669.00 has been deducted from the work bill/pay bill, out of which Rs 957521.00 has been remitted to the Government exchequer leaving a balance of Rs (-)58861 . From this audit concludes that a sum of Rs. 58861.00 was deposited in excess may be due to calculation error. Due to not maintaining cash analysis a sum of Rs. 58861.00 was excess deposited from the available funds. In other words this amount of Rs. 58861.00 was diverted till 31.3.15. Necessary compliance may be made to this effect. Till compliance a sum of Rs. 58861.00 is held under objection.

SL NO	PARTICULARS	OB	AMOUNT REALISED	TOTAL	AMOUNT REMITTED	BALANCE AS ON 31.3.15 TO DEPOSIT	REMARKS
1	ROYALITY	-10069	612457	602388	597682	4706	
2	VAT	63175	269489	332664	359839	-27175	
3	LABOUR CESS	-347437	251723	-95714	0	-95714	
4	IT	59322	0	59322	0	59322	
	TOTAL	-235009	1133669	898660	957521	-58861	

PARA: 20 **RESULT OF AUDIT**

20.1 -
In view of the remarks contained in the fore going paras of the report, the state of maintenance of accounts records and registers of the P.S needs further improvement. Special attention of the higher authorities is invited for reconciliation of the bank accounts which is considered as the backbone of the financial position of the accounts. Non adjustment of huge outstanding advances and non maintenance of important records and registers including analysis of closing balance was the major concern of the accounts. Despite codal provision, the Annual Budget was not prepared by the local authority. Due to lack of regular monitoring, advances were remained unadjusted for long period. Due to non-preparation of bank reconciliation bank balance in the closing balance in the cash book figure are understated/ overstated and thereby depicting inaccurate picture of cash availability which needs special attention of the local authority. Huge amount of grants are remained unspent vis-a-vis pending utilisation certificate for submission in scheme fund due to lack of internal control over financial management. In view of above facts the maintenance of accounts and records cannot said to be satisfactory.

Result Of Audit

Sl No	Name Of The Paragraph	Amount suggested for recovery(In Rs:)	Amount kept on objection(In Rs:)	Amount Surchargeable(In Rs:)	Amount Embezzlement(In Rs:)	Amount Othercases(In Rs:)	Remarks
1	4.1	0.00	18419426.19	0.00	0.00	0.00	
2	5.1	0.00	12075994.37	0.00	0.00	0.00	
3	8.1	2770170.00	2770170.00	2770170.00	0.00	0.00	
4	11.1	8100.00	8100.00	8100.00	0.00	0.00	
5	11.2	5300.00	5300.00	5300.00	0.00	0.00	
6	11.3	4400.00	4400.00	4400.00	0.00	0.00	
7	11.4	5300.00	5300.00	5300.00	0.00	0.00	
8	14.1	0.00	180000.00	0.00	0.00	0.00	
9	14.2	0.00	2228173.00	0.00	0.00	0.00	
10	14.3	0.00	2770000.00	0.00	0.00	0.00	
11	14.4	0.00	24000.00	0.00	0.00	0.00	
12	14.5	2500.00	2500.00	2500.00	0.00	0.00	
13	14.7	2262.00	2262.00	2262.00	0.00	0.00	
14	14.8	0.00	54692.00	0.00	0.00	0.00	
15	15.3	3382.00	3382.00	3382.00	0.00	0.00	
16	15.4	8899.00	8899.00	8899.00	0.00	0.00	
17	15.5	11417.00	11417.00	11417.00	0.00	0.00	
18	15.6	0.00	50000.00	0.00	0.00	0.00	
19	15.7	4653.00	4653.00	4653.00	0.00	0.00	
20	15.9	8669.00	8669.00	8669.00	0.00	0.00	
21	15.10	1507.00	1507.00	1507.00	0.00	0.00	
22	15.11	2287.00	2287.00	2287.00	0.00	0.00	
23	15.12	6991.00	6991.00	6991.00	0.00	0.00	
24	15.13	5119.00	5119.00	5119.00	0.00	0.00	
25	19.1	0.00	58861.00	0.00	0.00	0.00	
Total		**2850956.00**	**38712102.56**	**2850956.00**	**0.00**	**0.00**	

Audit Certificate

Cetrified that the accounts of Tigiria P.S. for the financial year 2014-2015 have been covered under audit and found correct subject to the comments / remarks offered in the foregoing paragraphs .

Spot Recovery

Sl No	Ref Para No/Audit Objection Statement Page No	M.R.No	Date	Amount(In Rs:)	Name of the person
			Total		