



**OFFICE OF THE ACCOUNTANT GENERAL (A&E),  
ORISSA : BHUBANESWAR**

**Report on the Annual Review  
on the working of Treasuries  
in Orissa  
2008-2009**

## **PREFACE**

The Annual Review report on the working of the Treasuries in ORISSA for the year 2008-09 is prepared as required under paragraph 20.17.11 of Manual of Standing Orders (A&E) Vol-I. The Report contains 3 (three) parts.

- Part-I        Introductory & Organisational Set up
  
- Part-II       Irregularities noticed during the course of accounting of the initial records rendered by the Treasuries.
  
- Part-III      Irregularities noticed during local inspection of Treasuries.

The review is intended to draw the attention of State Government and Departmental authorities mainly to the delays in rendition of Accounts, short comings in maintenance of initial accounts, other defects noticed during the course of compilation of accounts and also irregularities noticed during local inspection of the Treasuries.

I hope, this compilation will help as a guide for ensuring an effective system of Treasury administration and improve the efficiency and accuracy of the Govt. accounts.

**(SUPARNA DEB)**  
**Accountant General**

**Bhubaneswar**

**Dated the        , 2009**

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## **Report on the Annual Review on the working of Treasuries in ORISSA for the year 2007-08**

### **Highlights:**

01. AIEPF ( TPF) Debits wrongly booked under 8009-GPF (State)- Rs. 3,18,73,547/- **(Para-2.8)**
02. Adjustments wanting against advances drawn in AC Bills for the tune of Rs.53.12 crores. **(Para 2.12)**
03. Outstanding pension claims to the tune of Rs.8,93,43,550/- awaiting reimbursement from CPAO/Defence/Railways for the year 2008-09 due to non furnishing of vouchers. **(Para 2.13)**
04. 698 IRs and 2753 Paras relating to Treasury Inspection pending for settlement. **(Para 3.2)**
05. Excess payment made as pensionary benefits to the tune of Rs.38,03,222.00 **(Para 3.3(a))**
06. Non recovery of Rs.10,79,302/- from family pension / T.I in District Treasury, Nowarangpur. **(Para 3.3(c))**
07. Irregular payment of provisional CVP for Rs.1,30,395/- in Dist Treasury Nuapada. **(Para 3.3 (d))**
08. Misclassification of other pension vouchers to Govt. of Orissa. **(Para3.5)**
09. Undrawn unauthorized retention of large no of closed pension case **(Para 3.6)**
10. Heavy stock of unserviceable / unused damaged stamps. **(Para 3.12)**
11. Rolling of huge balance to the tune of Rs.265 crores under 8443- Civil Deposits –800 –Other deposits **(Para 3.21)**
12. Non-closure of in-operative P.L. Account. **(Para3.22)**



# **REVIEW REPORT**

# ANNUAL REVIEW REPORT ON THE WORKING OF THE TREASURIES IN ORISSA FOR THE YEAR 2008-09

## PART-I

### Introductory:

1.1 In the State of Orissa all financial transactions and accounting are carried out through Treasuries / Spl Treasuries/Sub-Treasuries.

On behalf of Govt. of Orissa, all moneys are collected, disbursed and accounted for through the treasuries. The paramount responsibilities for proper and effective functioning of the system are bestowed upon the Treasuries. Any failure on part of the treasuries would undermine the fiscal management of the state. With a view to ensuring proper working of the treasuries, the Accountant General (A&E), Orissa conducts regular inspection of the Treasuries every year and brings out an Annual Report summarising the results of such inspection. The present Annual Report on the working of the Treasuries for the year 2008-09 has been prepared incorporating brief analysis of the deficiencies & irregularities noticed during compilation of accounts in the Office of the Accountant General (A&E), Orissa and those noticed during inspection of the Treasuries.

Some of the deficiencies and irregularities though reflected in the earlier Reports repeatedly, have not been taken care of which do not exhibit a healthy financial management by the Treasuries.

### 1.2. Organisational set up:

In Orissa, there are 30 District Treasuries, 8 Special Treasuries and 127 Sub-Treasuries during the year 2008-09, a list of which is given in Annexure -‘A’ These Treasuries are administratively controlled and supervised by the Director of Treasuries and Inspection, Orissa Bhubaneswar.

However, with a view to improving the financial reporting and management of the State Govt., reduction in number of DDOs for better control of the state Govt. staff, timely rendition of accounts, minimizing the difference in the cash balance (State RBD) as per the books of AG. and CAS, Nagpur, clearing of various items of suspense including Treasury & O.B suspense and better coordination and synergy between computerisation of the treasuries and that of V.L.C. in A.G’s. Office, State Govt. have, in the meanwhile, completed treasury computerisation in respect of 164 District Treasuries /Special Treasuries/Sub Treasuries, the details of which are depicted in Annexure-‘A’. DDO wise allotment position are sent to the Treasury Officers in hard copies and



are also being received in soft copies in the nerve center of DT & I Orissa and transmitted to the Treasuries through Orissa Treasury Management System.

### 1.3. **Disposition of Treasury staff**

The position of Treasury personnel for the last 4 successive years is as under.

<b>Year</b>	<b>Sanctioned strength</b>	<b>Men-in position</b>	<b>Trained</b>	<b>Untrained</b>
2005-06	899	765	658	107
2006-07	911	748	635	113
2007-08	906	733	623	110
2008-09	913	693	609	84

However, in order to ensure that the accounts rendered by the Treasuries to the Office of the Accountant General (A&E). are correct and complete in all respects and also for effective checking of the entitlement claims presented at the Treasuries, it is imperative to have adequate trained manpower.

## **PART-II**

### **Important omissions, lapses and irregularities noticed during the course of accounting of the initial records rendered by the Treasuries.**

#### 2.1. **Delay in rendition of Accounts.**

The due dates prescribed for receipt of the Ist. and second list of Vouchers in the office of the Accountant General (A&E) along with Cash account are 21<sup>st</sup> of the same month and 5<sup>th</sup> to 8<sup>th</sup> of the following month respectively. Any delay in receipt of the vouchers from the Treasuries causes delay in compilation of monthly accounts and their exclusion results in portrayal of distorted picture of the State Civil Accounts. Such delay in rendition of accounts leads to delay in preparation of Annual Accounts and submission of Finance Accounts and Appropriation Accounts to State Legislature. A review of the position of submission of monthly accounts by the Treasuries during the year 2008-09 revealed that despite several instructions, late submission of accounts continued to prevail in the Treasuries during 2008-09 also and average delays ranged from 1 to 9 days and 1 to 10 days in respect of 1<sup>st</sup> and 2<sup>nd</sup> list of accounts respectively..

The Treasury wise list indicating such delays is given in **Annexure-‘D’**. Timely submission of Accounts with reduction of operational errors may be strictly ensured by the Treasuries henceforth.

#### 2.2 **Requisition for correction of Accounts :**

There were as many as 157 number of requisitions for corrections of accounts received during the year 2008-09 from 29 Treasuries as shown in **Annexure-E**. This indicates that proper

care was not taken in preparation of initial accounts at the treasury level in conformity with codal provisions.

**2.3 Outstanding balances under Treasury Suspense due to difference noticed between figures incorporated in Treasury list of payments/cash Accounts and corresponding schedule of payment/Cash Account.**

A balance of Rs. 1,49,318/- under charges and Rs. 4,75,618/- under Receipts are outstanding till 3/2009(P) Account. The suspense are neither avoided nor minimised. Had the Treasuries been more careful while submitting the accounts, such omissions could have been avoided. The matter has been reported to the Treasury Officers / DDOs and Director of Treasuries and Inspection, Orissa ,Bhubaneswar from time to time by this office. (Annexure F(i) & F(ii)).

**2.4 Non-Submission of Paid Vouchers.**

In the course of compilation of Treasury accounts, it was noticed that in a number of cases, the paid vouchers were not submitted along with payment schedules which resulted in accumulation of objection Book suspense of this office. The accounts, thus, failed to present a correct picture of the State of affairs and fraudulent drawals, if any, from the Treasuries remained undetected. A Statement of such wanting paid vouchers for the year 2008-09 is shown in Annexure-‘G’.

In this connection provisions of SR-31 to 34 of OTC may be followed which enumerate the procedure regarding submission of Accounts and in all cases intentional/deliberate delay in submission of vouchers with list of payments should be discouraged.

**2.5 Failure to check arithmetical accuracy:**

The Treasuries are required to check the correctness of arithmetical calculation of the bills before those are passed for payment as per provisions of Orissa. Treasury Code. But it was noticed that the Treasuries failed to exercise such routine checks in the cases illustrated in Annexure- H, as a result of which the discrepancies had to be kept under suspense, pending receipt of clarification from the Treasury Officers / drawing and disbursing officers concerned.

**2.6 Non- Submission of Plus & minus memoranda :**

Plus and minus memoranda in respect of deposit heads of Account and PL accounts are required to be furnished by the Treasury Officers along with the monthly Accounts in accordance with the provisions of SR- 476 of OTC Vol-I, read with Rule – 97 of Accounting Rules for Treasuries 1992.

But in most of the occasions, the Treasuries failed to furnish the Plus minus memoranda either for the entire financial year or part there of, in the absence of which it was not possible to check the correctness of the Deposit accounts and PL Accounts maintained by this office. This has also been commented in our Inspection Reports many a times.

**2.7 Non- Submission of Annual Balance Certificates under deposit heads of account and other heads of Account:**

During review, it was noticed that till 31.5.2009 all the Treasuries failed to submit the A.B.Cs for the year 2008-09 which contravenes the provisions of SR-479 of OTC. Therefore, Treasury wise reconciliation of balances under the Head of Account “8443-Civil Deposit”/”8448-Deposits of Local Funds” could not be fairly conducted.

**2.8 Wrong inclusion of transactions under GPF(State)**

Receipt and payment relating to other major heads/minor heads of accounts were found misclassified by the Treasuries under the head of A/c “ 8009- GPF”-101-GPF(State) inspite of proper classification given on the body of the chalans/ vouchers by the Drawing and Disbursing Officers. This causes difficulties and delay in accounting of such transactions under respective head of accounts. The debits pertaining to AEIPF(TPF) were mostly misclassified by the Treasuries under 8009-GPF(State). In spite of repeated mention in the Review Reports the position has not improved and misclassified of AEIPF(TPF) continues. An illustrative list containing some cases of such misclassification is given in **Annexure- J**.

**2.9 Passing of incomplete chalans by the Treasuries under 8009- GPF/ 7610- HBA/ 7610-MCA:**

Details viz., complete head of account, name of the depositor, purpose of depositing the amount etc. are required to be noted in the respective columns of the chalans, in the absence of which it is not possible to account for the deposited amount under the correct head of account. Scrutiny of chalans relating to GPF. Deposits / HBA /MCA recoveries revealed that some chalans did not contain the name of the subscriber, GPF A/C No. and the period to which the deposit / recovery relates etc. in absence of these relevant particulars, the amount so deposited could not be properly accounted for and remained under suspense head. Thus, the accounts of the subscribers/ Loanees do not reflect a correct and true picture of their deposits /recoveries as the case may be. Instances of a few such cases are given in **Annexure-K**. The Treasuries should be more meticulous while scrutinizing and passing of chalans.

**2.10 Non- submission of schedules/ Challans in support of GPF / HBA /MCA recoveries.**

As per Codal provisions, all schedules/ Chalan in support of provident Fund / HBA/ MCA/ recoveries must accompany the salary voucher / receipt schedule in order to facilitate the posting of the amounts in the respective subscriber's/ loanee's account. It was, however, noticed that in many cases, in the absence of relevant schedules/ Chalan, the amount could not be accounted for in the accounts of the respective subscribers/ loanees. This leads to accumulation of missing credits in respect of provident fund, HBA/ MCA accounts. Instances of such cases noticed during the period of report are given in **Annexure-L**.

#### **2.11 Non- Submission of Lapsed Deposits Statements :**

At the close of March each year, the Treasury Officers are required to submit a statement of lapsed deposits in accordance with the provisions of SR- 436 of OTC Vol-I, in order to enable the Accountant General's Office to credit the lapsed amount to Govt. account by transfer entry. It was, however, noticed that statements of lapsed deposits were not submitted by the Try. Officers as shown in **Annexure-M**.

#### **2.12 A.C Bills outstanding for settlement**

Provisions of SR-260 and 261 of OTC Vol-I read with Rule-84 of OGFR vividly enumerate the procedure for drawals through A.C bills and submission of D.C bills there of which inter alia states that Detailed contingent bills for the A.C bills drawn before the previous month should be submitted by the D.D.O;s to their Controlling Officers for countersignature and onward submission to the A.G(A&E) failing which further drawl of funds through A.C bills shall not be permitted and the Treasuries should, therefore, be strict in observance of these instructions.

It is however noticed that A.C Bills were drawn for Rs.22,10,33,911/- during 2008-09 and an amount of Rs.22,07,32,871/- has been cleared during 2008-09 leaving a balance to the tune of Rs.53,12,26,044.00 pertaining to different years.

The following examples indicate the failure of control system on the part of the Govt. machinery with regard to settlement of amounts drawn in A.C Bills.

- (i) An amount of Rs.4,26,55,586.00 was drawn in A.C Bill voucher No. 1263 of Dist Treasury Cuttack in 3/2004 under the major head of A/c 2055 Police in favour of DG & IG of Police, Cuttack out of which Rs.32,81,631.00 had been adjusted leaving the balance of Rs.3,93,73,955.00 unadjusted till 5/09 in violation of the provision of SR 260,261 of OTC, Vol-I.

Series of correspondence made with the concerned quarters have not yielded any result, last of such correspondence being Lr No. 108 of 27.02.09 addressed to the DG & IG of Police, Orissa , Cuttack with copies to Home & Finance Department.

- (ii) Rs.45.00 lakhs for construction of 3<sup>rd</sup> and 4<sup>th</sup> floor of Niyojan Bhawan sanctioned in labour and employment Deptt order No. II-M/S-26/07-13745/LE dated 19.12.07 was drawn in A.C Bill no 487/07-08. TV No. 6/17.03.08 under the Head of A/c. 4059-60-061-0182-37171 in order to avoid lapse of fund which is in violation of SR-242 of OTC, Vol-I. Further, information on DC bill in adjustment of the above A.C Bill was not available with the Treasury. ( IR No. 50., Para –7 of Spl. Try No. I, Khurda, Bhubaneswar).

Effective control in this regard is required to be taken by the Government.

### **2.13 Outstanding pension claims from CPAO New Delhi**

Pension payments to the central civil pensioners and central political pensioners are made by the Treasuries in the first instance and the expenditure to that effect is subsequently reimbursed by the CPAO, New Delhi. The treasuries initially book the expenditure under “8658-suspense Account 101- PAO suspense” adjustable by the CPAO, New Delhi and the AG.(A&E), Orissa arranges to prefer the claims to the CPAO, for such amounts as booked by the Treasuries under suspense. For the purpose of settling the claims at the level of the CPAO, New Delhi, the Treasuries are required to transmit the pension vouchers to the CPAO directly.

However, during review, it is observed that inspite of adequate pursuance, a good number of Treasuries in Orissa are not rendering central pension vouchers to CPAO, New Delhi for which claims of the State Govt. to the tune of Rs.2,80,66,368/- as calculated from 4/08 to 3/09 remain un recouped. This amount together with the outstanding of the previous years total aggregating to Rs. 16,39,33,129/- is outstanding for recoupment from the CPAO which is a matter of great concern.

Similarly the amount pending with Railways and Defence are Rs.52,16,721/- and Rs.5,60,60,461/- respectively during the year 2008-09 . The quantum of pension vouchers not submitted to CPAO.is shown in Annexure –N.

## **PART-III**

### **Important irregularities noticed during local inspection of Treasuries.**

#### **3.1 Status of Inspection :**

During 200809, 30 district Treasuries 8 Special Treasuries and 72 Sub-Treasuries were inspected by the inspecting staff of the Accountant General (A&E) Appendix-I indicates the

name of Treasuries, Special Treasures and Sub-Treasuries inspected by this office during the year 2008-09.

The irregularities and lapses noticed during 2008-09 were brought to the notice of the treasury Officer / Sub-Try Officers concerned through inspection reports issued by this office. Copies of Inspection Reports have also been sent to the Director of treasuries and Inspection, Orissa and the Collectors concerned.

Some of the important irregularities and lapses noticed during inspection are shown as under

### **3.2. Outstanding Paras:**

The position of outstanding IRs as on 31.3.2009 relating to different Treasuries / Sub-Treasuries is indicated in **Appendix-II**, to this report. It is seen that as many as 2753 Paras concerning to 698 Inspections Reports from the year 1976-77 onwards are outstanding awaiting final compliance from the Treasuries/ Sub-Treasuries. The negligence in submission of compliance to these IRs and the lack of follow up corrective measure to avoid re-occurrence of those irregularities defeats the very purpose for which the inspections were conducted. Concerning over the issue, the D.T.I(O) in his Circular No. TP-65/07(pt)/14429(38) dt. 2.7.07 impressed upon and directed all the Treasury Officers to expedite timely submission of compliances to the I.Rs within one month from the date of receipt of the reports and to take up appropriate and corrective measures to settle the paras.

D.T.I also conducted Triangular Committees Meetings for settlement of Outstanding IR s and paras during 2008-09. Such T.C Meetings were held in respect of 8 Treasuries and development in settling IR s and paras were achieved to some extent.

### **Pension related areas**

#### **3.3(a) Excess payment of pension & Gratuity :**

A test check of the Treasury records relating to pension and gratuity payments revealed that excess payment of pensions and other retirement benefits aggregating to Rs 38,03,222/- were made under different categories /reasons as detailed in the Appendix. Treasury wise list of excess payment made during 2008-09 is enclosed at **Appendix-III**. Considering the magnitude of excess payments, the Treasuries are required to exercise close scrutiny while passing pension bills.

#### **EXCESS PAYMENT OF PENSION & GRATUITY DURING THE YEAR 2008-09** **ABSTRACT**

1. Excess payment of pension due to arithmetical inaccuracy	Rs.1,37,127.00
2. Excess payment due to delayed commencement of reduced	Rs.96,479.00

pension on account of payment of commuted value of pension.

3.	Excess payment of pension/ DCRG due to non adjustment of provisional pension / DCRG already paid.	Rs.29,42,730.00
4.	Excess payment of pension in favour of family pension due to payment at enhanced rate beyond the stipulated date.	Rs.36,356.00
5.	Excess payment of pension due to allowing inadmissible T.I	Rs.6854.00
6.	Irregular drawal of Fixed Medical Allowances to Central Pensioners.	Rs.1,77,000.00
7.	Excess payment due to wrong calculation of D.P	Rs.1,70,026.00
8.	Excess payment of pension due to other miscellaneous reasons.	Rs.2,36,650.00
<b>Total :</b>		<b>Rs.38,03,222.00</b>

**3.3.(b) Irregular payment of pensionary benefits without exercising proper checks/obtaining non-drawal certificate**

In a number of cases it was observed that required checks by the TO/ STOs were not exercised properly as a result of which irregular payment of pensionary benefits were made. A few such instances are given below. Immediate step is thus required for their regularisation.

IR No	Para No	Name of the Treasury	Amount paid without obtaining provisional drawal certificates
82/08-09	1(d)	Sub-Try. M.Rampur	Rs. 17,743.00

3.3.(c ) Recovery of Rs.10,79,302/- & irregular payment of Family Pension /T.I to the tune of Rs.3,93,406/- in District Treasury, Nowarangpur. [ I.R No. 69/08-09 Para No-1]  
 Recovery of Rs.10,79,302/- from Smt. Renubala Naik, PPO NO. 48390-SF . In this case A.G in letter No. Pen-14-PR-3935/07-08/4311 dated 04.01.08 directed a recovery of Rs.6,85,896/- from the T.I of F.P of Smt. Naik who is employed as Health Worker in Sanamajhi gaon PHC in the district of Nowarangpur. Payment of T.I on F.P was obviously not admissible while she was paid provisional F.P + T.I from 28.02.2000 to 08/07 to the tune of Rs.3,93,406/- as intimated by A.C.S.O, Koraput in his letter No. 5247 dt. 13.11.07. This has made the process of recovery of the excess paid amount of Rs.10,79,302/- more complicated. Action taken in this matter by the Treasury Officer is still awaited.

3.3.(d) Irregular payment of provisional commuted value of pension amounting to Rs.1,30,395/- in para No & IR No. 104/2008-09.

In the District Treasury, Nuapada, provisional CVP amounting to Rs.1,30,395/- was drawn and paid vide TV No. 6 dated 31.03.04 to Sri Chaitanya Patra, PPO No. 365116-TS

As ascertained , application for commutation of pension was returned to the PSA i.e Collector , Nuapada . But the provisional CVP remained unadjusted. Compliance regarding adjustment of provisional CVP is still awaited.

**3.3(e) Excess payment of disability element beyond cut off date:-**

Ref:- IR No. 99/2008-09 , Dist Treasury, Bhadrak Para No. 1 –(b)(i).

Disability element paid beyond the cut off date in respect of the following cases have resulted in excess payment.

- (i) Binod Ch. Parida, PPO No. S/030208/2000 was authorised DE @ Rs.930/- P.M +D.R as admissible from time to time upto 17.02.2005. Records revealed that he was paid such DE wef 18.02.05 to 31.12.08 resulting in excess payment of Rs.57,749/-
- (ii) Sri Nirmal Ch. Pradhan, PPO No. D/RA/7404/2002 was authorised DE @ Rs.775/- P.M. upto 30.01.05. But he was paid DE+DR as admissible from time to time upto 12/2008 resulting in excess payment of Rs.36,450/-+D.R.

**3.3(f) Irregular consolidation of pension :-**

Ref:- IR No. 100/08-09 – District Treasury Mayurbhanj , Baripada Para No. 1(ii)(a)

I.R No. 100/2008-09

Para No. 1(ii) (a) & 1(ii) (b)

District Treasury Mayurbhanj , Baripada.

As per provision of Para 6.2 of circular No. 57 dated 17.09.08 of PCDA ( P), Allahabad , a pensioner who is in receipt of more than one pension, the floor ceiling of Rs.3500/- should be applicable to total of all the pensions taken together. But due to irregular consolidation, the following excess payments were detected which needs regularization.

- (i) J.Murmu (I) PPO No. S/006571/2000 pension @ Rs.1275/- w.e.f 1.12.2000 totalling to Rs.2883/-.



Both the case were stepped up to Rs.3500/- each resulting in excess payment of Rs.19,668.00.

- (iii) Similarly in case of Sri Saikila Tudu PPO No. S/006356/2001 and PPO No. S/R/1605/D , both the pensions had been stepped to Rs.3500/- each resulting in excess payment of Rs.14,962/-.

**3.3.1g) Misclassification in Treasury Account:-**

- (i) I.R No. 100

Para No. 2

Dist Try – Mayurbhanj , Baripada

- (A) Expenditure in respect of West Bengal Pensioners were misclassified in the Treasury under 2071 pension and other Retirement Benefits under Govt of Orissa instead of classifying under 8793 ISS A/c resulting excess burden on the State exchequer. The details are-

Sl No.	Name of the Pension	Drawal Branch	Amount	Amount involved per month
1.	Ram Soren, PPO No. 117846-WB	SBI/ Baripada	Rs.1712/-	9/07
2	Saraswati Kabat, PPO No. 59023-WB	BOI/ Barasahi	Rs.4542/-	9/07

- (B) The gratuity amount of Rs.1,95,464/- paid to Charan Gouda, GPO No. 07/NL of 5/08 was misclassified and booked under 2071 pension & ORB of Govt. of Orissa instead of 8793 ISS A/c with Govt. of Nagaland. The irregularity committed by the Sub-Treasury Bhanjanagar resulted in extra burden on the State exchequer.

### **3.4 Personal Identification of the pensioners not done periodically.**

As required under the provisions of SR-314 of OTC Vol-I, on or after 1<sup>st</sup> April each year, all the pensioners should be personally identified by the Disbursing Officer with reference to identification documents available in the Treasury/Sub Treasury and a note to that effect recorded in the disbursers half of the PPOs.

As observed, in some of the Treasuries this aspect is neglected which may leave scopes for appearance of ghost pensioners. Instances of a few such cases are shown in **Appendix IV**

### **3.5 Misclassification of pension vouchers paid through Nationalized Banks relating to other States/Central/Railway/Defence**

As a matter of accounting principle, Railway Central/Defence and Railway pensions are to be booked under “8658-Ssuspense Accounts” finally adjustable by Accountant General duly debiting the amount to the CPAO/ concerned Ministry. Similarly, payments made in respect of other State Govt. pensioners are to be classified under “8793-ISS account” finally adjustable by A.G debiting to the concerned State Govt. accounts.

But during local inspection of Treasury/Sub Treasury(s) by treasury Inspection Parties, a good no. of cases were noticed during the year 2007-08 where pension vouchers concerning to other Govt./Central Deptts. Have been erroneously booked under “2071-Pension and other Retirement Benefits” in the Government of Orissa Account.

This has not only resulted in incorrect exhibition of debit by R.B.I but also adversely affected the State’s exchequer position. This needs attention of higher authorities.

A few such instances have been depicted in **Appendix-V**. The concerned Treasury Officers have been instructed through the Inspection Reports to review all such similar cases and report the exact amount so far mis-classified and make requisitions for correction of accounts.

Further, while scrutinizing the bank scrolls/pension vouchers by this office for the period from 4/08 to 3/09 (vide **Appendix-VI**) an amount of Rs.38,40,697/- has been detected as misclassification under state pension head “2071-Pension and other Retirement Benefits”. The above misclassified amount relates to other States, Defence, Railways and Central Civil Pension Payments. Had the Treasuries been meticulous in examining the bank scrolls such misclassifications could have been avoided. This needs more attention.

### **3.6 Un drawn Pension unauthorized retention of closed PPOs**

SR-317(ii) of OTC Vol-I provides that if a service pension remains undrawn for three years, and a political pension remains undrawn for six years it can not be paid without the authority of Accountant General.

Such pension cases which are ceased to be payable during life time of a pensioner (SR-319) should be returned to the authorizing organizations forthwith in order to prevent from their being misused.

It was however observed that a good no of closed cases have been retained in the Treasuries unauthorisedly and in some cases no review of such closed cases was conducted in the Treasuries for, which the status of all such closed cases could not be fairly ascertained. This contravenes the codal requirements envisaged in SR-319 of OTC.

An illustrative position of such closed cases are shown below:-

Sl No.	IR No	Para No	Name of the Treasury/Sub Try.	No of cases not returned.
1.	20/08-09	1(d)	Sub-Try- Tangi	20
2.	22/08-09	1 ( c )	Sub.Try-Pallahara	02
3.	24/08-09	1(v)	Sub.Try-Tirtol	03
4.	26/08-09	2(b)	Sub.Try-Ghatagaon	02
5.	27/08-09	1(c )	Dist Try, Keonjhar	10
6.	43/08-09	1(iii)	Sub Try. Gunupur	03
7.	44/08-09	1(d)	Sub Try. Hindol	06

### **Procedural Irregularities**

#### **3.7 Reconciliation of Court Deposits**

In almost all the Treasuries, the balances appearing under 104-Civil Court Deposit and 105-Criminal Court Deposit under 8443-Civil Deposit are never verified and reconciled with the extracts of Court Registers which is against the requirements provided under SR-444 of OTC. This leaves Treasury balances almost un authentic and unrealistic.

Instances of a few such neglecting Treasuries is shown below:-

**Non Reconciliation of Court deposits under 8443 Civil Deposit**

SI No	IR. No.	Para No.	Name of the Treasury
1.	6/08-09	3(e)	Sub Treasury, Baramba
2.	8/08-09	2(d)	Sub Treasury, Athagarh
3.	14/08-09	2(b)	Sub Treasury, Pipili
4.	17/08-09	2(e)	Sub Treasury, Kotpad
5.	19/08-09	3(e)	Sub Treasury, Titilagarh
6.	22/08-09	3(iv)	Sub Treasury, Pallahara
7.	25/08-09	5(g)	Dist Treasury, Bolangir
8.	27/08-09	4(e)	Dist Treasury, Keonjhar
9.	34/08-09	5(iii)	Spl Treasury, Panposh
10.	45/08-09	6(d)	Sub Treasury, Talcher

**3.8 Inspection of Strong Room and Issuance of Safety Certificate**

With a view to ensuring the safety and security of the Strong Room of the Treasuries/Sub-Treasuries, where valuables of the Govt. are stored, it is provided in S.R 71(ii) of O.T.C-Vol-I and note there under that Strong room of the Treasury should be inspected annually by the P.W.D, Executive Engineer, or by his Subordinate Officer nominated for the purpose and a certificate of safety to be issued by such inspecting officer. It was, however, noticed that neither the P.W.D authorities had inspected the Strong Rooms in many cases nor any suitable initiative was taken by the Treasury/Sub Treasury Officer to get the strong rooms inspected. A few such instances are indicated in **Appendix-VIII**.

**3.9 Fire extinguishers either not provided or stand defunct**

In order to meet the contingencies out of probable fire accidents, installing fire-extinguishers on the outside wall of the strong rooms have been prescribed. During inspection of the strong rooms it was observed that in some treasuries, no fire extinguishers was provided for the strong room and in some cases those stand defunct as not refilled in due dates.

Instances of such Treasuries/ Sub Treasuries are shown below:-

IR No.	Para No.	Name of the Try	Remarks
15/08-09	2(b)	Sub-Try, Banki	Unserceviceable
22/08-09	5(ii)	Sub Try- Pallahara	Stood defunct since 3.2.05
36/08-09	4(iv)	Sub Try- Surada	Defunct since 2005
41/08-09	4(ii)	Sub Try- Bisam Cuttack	
43/08-09	4(ii)	Sub Try- Gunupur	Since 24.09.05

### 3.10 Annual Verification of Valuables, deposited in the Treasuries

As provided under S.R 88(c) ibid, sealed packets/bags containing valuables which are lodged by different Drawing Officers in the Treasury for safe custody are required to be verified by the depositing officers in the month of April each year and the fact of such verification noted in the Register of Valuables. At the end of April, the Treasury Officer should review the position and serve notices upon the depositing officer in case the valuables are not verified by him and direct him to take back the valuables within 15 days from the date of receipt of such notice. It was, however, observed that annual verification of sealed packets was neither conducted by the depositors in most of the cases nor any action was taken by the Treasury Officers in this regard resulting unnecessary dumping of many old deposits for years together. Instances of the Treasuries/Sub-Treasuries where most of the sealed packets stood unverified is given in Appendix-IX.

### Stamp Account

#### 3.11 **Non- realisation of Security Deposit from Stamp Clerk**

As per note 3 below SR-21 OTC-Vol-I, the Stamp Clerk of a Treasury and a Sub-Treasury should furnish Security Deposit worth Rs.1000/- and Rs.500/- respectively in the shape of Fidelity Insurance Bond. On scrutiny of Treasury records it was revealed that the Stamp Clerks of many Treasuries / Sub--treasuries had neither furnished the security deposit nor the Insurance bonds once deposited were revalidated/renewed after expiry. A few such instances are given below.

Sl No.	IR No	Para No.	Name of the Treasury/Sub Treasury
1.	6/08-09	5(iv)	Sub Treasury, Baramba
2.	15/08-09	2(c )	Sub Treasury, Banki
3.	19/08-09	4 ( d)	Sub Treasury, Titilagarh
4.	22/08-09	4(iv)	Sub Treasury, Pallahara
5.	25/08-09	3(d)	Dist Treasury, Bolangir
6.	34/08-09	7(ii)	Spl. Treasury, Panposh
7.	36/08-09	4(ii)	Sub Treasury, Surada
8.	51/08-09	2(ii)	Sub Treasury, Kantabanji

Apart from the above, considering the magnitude of stamps dealt in the Treasuries no-a-days, it has become absolute necessary to revise/raise the quantum of security deposits fixed earlier for ensuring better security. Attention of the Govt. may be drawn on this issue.

### 3.12 Un-serviceable /Unused/damaged Stamps

On verification of Strong Room, it was noticed that huge quantity of unused OET Stamps and water marked plain papers were kept in the strong room since long. Out of that some category of stamps have also become unserviceable due to prolonged stacking/storage

In this connection, although DTI(O) in his circular No. 11828 dt. 28.7.94 and No. 79/96-19558(160)/DTI dt. 28.8.97 communicated the procedure for disposal of such huge stock of OET stamps, the Treasuries failed to implement it in action.

It was also noticed that a sizable quantity of stamps of different other categories were kept in the Treasuries which is in excess of the reasonable requirements of the Treasuries even in near future. No transactions are taking place in respect of those stamps since long. Hence, in order to avoid their becoming unserviceable in course of time, those should be transferred to needy treasuries immediately.

Instances of the position is shown as follows:-

#### Unserviceable/Un-used/damaged stamps

IR No	Para No.	Name of the Try	Unused/Unserviceable stamps	Damaged stamps
6/08-09	5(v)	Sub Try, Baramba	Rs.2600.00	Rs.800.00
7/08-09	2(b)	Sub Try, Tigiria	OET, Rs.1,58,400.00 USWM, Rs.4000.00	Rs.100.00
8/08-09	3(e)	Sub Try, Athagarh	WM, Rs.13,200.00 OET, Rs.1,58,400.00	
22/08-09	4(v)	Sub Try, Pallahara	Rs.10345.05(unused)	
25/08-09	3(b)	Dist Try, Bolangir	OET, Rs.29,44,448.00 WM, Rs.55,400.00	
27/08-09	2(a)	Dist Try, Keonjhar	Damaged (NJR) Rs.6,82,923.00 Rev Rs.400.00 Unused Rs.54200.00(WM) OET Rs.50,92,295.00	
36/08-09	4(i)	Sub Try, Surada	Rev Stamps unused Rs.38,000.00 WM Rs.4600.00	
43/08-09	4(iii)	Sub Try, Gunupur	Rev Stamps Rs.64000.00 since 20.6.03	
44/08-09	6(c)	Sub Try, Hindol	CCF Rs.1176.00 Plainpaper Rs.8800.00	
45/08-09	7(B)	Sub Try, Talcher	OET Rs.10,76,042.00	

Apart from this above huge quantity of damaged stamps are also kept in the strong room which are required to be disposed off/destroyed as per procedure outlined in Orissa Supply and

sale of stamps and stamp paper Rules, 1990 and their value written off from the stocks after obtaining approval of the Finance Department. Effective steps from Government is required in this regard.

**3.13. Non realization of TDS**

(a) The Income Tax is required to be realised from the vendors on the commission/discount allowed to them on stamps as per letter No. 3859(159) dt. 7.3.05 of DTI(O). It is the duty of the Try/Sub Try Officer to deduct Income Tax at the rate of 5% of the Commission allowed to stamp vendors. The Income Tax so realised should be deposited periodically depending on the local condition but never for a period of more than one month. The amount can be deposited in one chalan within 7 days after the end of the month.

But it was observed that some Treasuries do not follow the practice of deducting tax as source from the stamp vendors and where deducted, the amounts are kept in the personal custody of stamp clerk which is not correct. In this context, it should be borne in mind of the Treasury Officers that failure to deduct TDS may liable them to pay interest @ 1.25% per month under section 201 (A) of IT Act, 1961.

Instances of some Treasuries are given below given below:-

IR No.	Para No.	Name of the Treasury/Sub Treasury
27/08-09	1(i)	DTO, Keonjhar
34/08-09	7(iii)	Spl. Treasury Office, Panposh

**3.13 (b) Non-deduction of Income Tax at source from Pensioner**

I.R No. 50/08-09, Para-Z Spl. Treasury No. I, Bhubaneswar.

In the following case it was observed that it was calculated nor deducted from the pensioners.

- (i) Sri B.Mohan, PPO No.
- (ii) Rajkishore Swain- 49718/TS-643

Pension including arrear drawn during 2006-07 in favour of Sri R.K.Swain was 1.12.05 to 30.09.06-adjusting provisional pension of Rs. 30,561.00=Rs. 1,31,675.00 drawn on 19.10.06.

Pension- 10/06 to 02/07 Rs. 83,040.00

Total – Rs. 2,14,715.00

### 3.14 **Shortage of stamps in the Strong room of Sub Treasury, Jaleswar**

During inspection it was noticed that there was a shortage of Non-judicial stamps worth Rs. 2500/- (50 nos of stamps at the denominations of Rs. 50/- each) in the strong room of Jaleswar Sub Treasury. This has been reflected in Para No. 3(v) of IR No. 9/2007-08.

Since the matter has been ventilated to the Treasury Officer, Balasore and the DTI(O), arrangements may be made to investigate the matter and write off loss to the Government.

### **Other Procedural Irregularities**

#### 3.15. **Improper maintenance of issue register of Book of Drawals**

As per instructions issued in D.T.I's Circular 3376(80) dt. 14.2.75, No. 6810(80) dated 11.4.75, and No. 15127 dated 30.7.83, special care is required to be taken whenever a new Book of Drawal is introduced for an existing office or for an office newly created. For this purpose, a separate letter in the form of an advice should be sought for in a sealed cover from all such DDOs in whose favour new Books of Drawals are to be issued requesting them to specify the date of first operation of the new Book of Drawal, the commencing bill number and date.

Check of relevant records in the Treasuries/Sub-Treasuries revealed that DDOs in whose favour new Book of Drawals were issued have neither furnished the above information nor they were insisted upon to comply with the deficiency. A few such instances are given in **Appendix-X**.

#### 3.16. **Improper maintenance of Bill Transit/Token Register/proper accountal of Tokens neglected**

Following lapses and irregularities were noticed in the maintenance of the Bill Transit/Token Register.

- (i) Receipt of Bills and Cheques from various Drawing and Disbursing Officers in the Treasuries were not signed with date by the concerned bill receiving clerk of the Treasuries and entered in the Bill Transit Register.
- (ii) Stock of tokens in hand at the close of the day were not verified by the Treasury Officers as required vide Note 1 and 2 below S.R 383 of O.T.C-Vol-I. As a result, the number of tokens missing could not be ascertained.
- (iii) Tokens accounts are not being done correctly by most of the Treasuries..

A few instances of such lapses made by Treasuries are given in **Appendix-XI**

#### 3.17 **Improper maintenance of Advice/Chalan/Pension enfacement Register**

As per SR-386,387 of OTC Vol-I read with G.O.F.D No. 45539/TRA/441/77/F dt. 2.9.77 and No. 2391 dt. 8.9.91, the debit/credit scroll No and date are required to be noted



against the corresponding entries made in the Advice/Chalan and Pension Enfacement registers to ascertain the correctness of payment or receipt as the case may be.

It is observed that most of the treasuries do not follow above codal provisions which may lead to system failure.. A few instances are exhibited below.(In this connection the Treasuries should follow the instructions of the DTI(O) communicated in his circular No. TP-32/96-1387(160)/DTI dt. 24.1.97 and No. Pen-II-29/81-14936(91) dt. 11.6.81 regarding proper maintenance of the above registers)

Sl.No	IR No/Year	Para No.	Name of the Try/Sub Try
1	6/08-09	11	Sub Try , Baramba
2	7 /08-09	1 a (ii)	Sub Try , Tigiria
3	8/08-09	1 a (ii)	Sub Try ,Athagarh
4	14/08-09	5(a)	Sub Try ,Pipili
5	15/08-09	1(k)	Sub Try ,Banki
6	17/08-09	1(b)	Sub Try ,Kotpad
7	18/08-09	1(a)	Sub Try ,Boriguma
8	19/08-09	2(a) (ii)	Sub Try ,Titlagarh
9	20/08-09	7(a)	Sub Try ,Tangi
10	22/08-09	8	Sub Try ,Pallahara
11	23/08-09	7	Sub Try , Samal
12	25/08-09	4(a0 (ii)	Dist Try , Bolangir
13	26/08-09	2 ( c ) & 7(a)	Sub Try, Ghatagaon
14	27/08-09	1(d) & 10	Dist Try Keonjhar
15	30/08-09	2(b)	Sub Try Bijnharpur
16	31/08-09	2(b)	Sub Try, Rajkanika

### 3.18 Delay in remittance of L.I.C premium

The monthly premium of LIC shall be remitted to the LIC authority by the 15<sup>th</sup> of the succeeding month to which it relates as per the instruction of DTI(O) vide his circular No. 18745 dt. 3.12.94. In spite of several instructions given on the matter delayed remittance of LIC premia continues to prevail in the Treasuries

Instances of Treasuries where remittance of LIC premia were mostly delayed are shown as follows:-

I.R No.	Para No.	Name of the Treasury/Sub Treasury
25/-08-09	4(g)	Dist Try Bolangir
27/08-09	6	Dist Try KJR
98/-08-09	12	Spl Try, KR D
107/-08-09	9(c )	Dist Try Dhenkanal
90/-08-09	9 (i)	Dist Try Puri

### 3.19 Short fall in Inspection by higher authorities

SR-35(a),(c) and (d) of OTC Vol-I provides that the Treasuries /Sub Treasuries should be inspected by the Collector, the DTI(O) and the Dist Treasury Officers at least once in a year. But as observed, some of the Treasuries/Sub Treasuries are not being inspected regularly in contravention of the above codal requirements.

Instances of a few such short falls are shown as follows:-

IR No.	Name of the Treasury/Sub Treasury
104 /08-09	Nuapada
77/08-09	Phyulabani
76/08-09	Malkangiri
105/08-09	Sambalpur
81/08-09	Kalahandi

This may be attended to by the higher authorities.

### 3.20 Non-maintenance of statutory registers:-

In most of the Treasuries /Spl Trys/ Sub-Treasuries, statutory registers are not being maintained in contravention of codal provisions. Some of the objections raised in the following IRs.

Sl No.	IR No.	Para	Name of the Treasury
1.	85/08-09	7(iii)	Dist Treasury, Khurda
2.	94/08-09	10	Dist Try, Gajapati
3.	90/08-09	7	Dist Try, Puri
4.	76/08-09	8( c)	Dist Try Malkangiri
5.	50/08-09	11( c)	Spl. Try No.-I, BBSR

## Accounts related Areas

### 3.21 Rolling of unutilized funds under 8443-Civil Deposit-800-Other Deposit

During inspection of the Treasuries it was observed that huge unspent amounts to the tune of Rs. 2,65.45 crore has been crores rolling under 800-Other Deposits since long. No steps have, so far, been taken for their re-drawal and utilisation by the DDOs concerned. Those amounts were drawn from the service heads of expenditure in order to prevent from lapse of budget grants.

An illustrative position of such old deposits is shown in detailed below.

Rolling of unutilised funds under 8443-Civil Deposit –800 other deposit

Sl No.	I.R No/ Year	Name of the Treasury	Amount kept blocked under 800-other deposit (Rs.)
1.	25/ 2008-09	District Treasury Bolangir	6,88,06,947.00
2.	27/ 2008-09	District Treasury Keonjhar	84,27,917.55
3.	34/ 2008-09	Spl. Treasury Panposh	11,02,228.00
4.	50/ 2008-09	Spl. Treasury Bhubaneswar	1,80,68,854.51
5.	54/ 2008-09	District Treasury Cuttack	20,26,00,950.00
6.	64/ 2008-09	District Treasury Koraput	1,33,15,500.00
7.	65/ 2008-09	Spl. Treasury No.II- BBSR	1,64,49,88,078.00
8.	69/ 2008-09	District Treasury Nowarangpur	88,88,699.00
9.	73/ 2008-09	District Treasury Sonepur	45,91,011.00
10.	74/ 2008-09	District Treasury Bargarh	21,39,252.00
11.	75/ 2008-09	Spl. Treasury Cuttack	10,19,74,946.00
12.	76/ 2008-09	District Treasury Malkangiri	12,87,098.00
13.	77/ 2008-09	District Treasury Phulbani	72,54,062.77
14.	79/ 2008-09	District Treasury Jagatsinghpur	74,23,473.00
15.	81/ 2008-09	District Treasury Kalahandi	---
16.	83/ 2008-09	District Treasury Jajpur	53,49,044.00
17.	84/ 2008-09	Spl. Treasury Jajpur Road	6,24,059.00
18.	85/ 2008-09	District Treasury Khurda	15,41,128.00
19.	87/ 2008-09	District Treasury Kendrapara	7,67,897.00
20.	90/ 2008-09	District Treasury Puri	1,12,82,743.00
21.	91/ 2008-09	Spl. Treasury, Berhampur	3,00,49,276.14
22.	92/ 2008-09	District Treasury Angul	2,38,92,755.00
23.	93/ 2008-09	District Treasury Boudh	5,89,358.00

24.	94/ 2008-09	District Treasury Gajapati	31,04,526.00
25.	95/ 2008-09	District Treasury Ganjam	58,55,952.32
26.	96/ 2008-09	District Treasury Nayagarh	34,63,991.00
27.	97/ 2008-09	District Treasury Deogarh	24,84,764.00
28.	98/ 2008-09	Spl. Treasury Khurda	44,62,836.75
29.	99/ 2008-09	District Treasury Bhadrak	86,48,770.00
30.	100 / 2008-09	District Treasury Mayurbhanj	1,27,88,796.00
31.	102/ 2008-09	District Treasury Balasore	1,92,01,291.35
32.	103/ 2008-09	District Treasury Jharsuguda	12,22,872.00
33.	104/ 2008-09	District Treasury Nuapada	1,29,26,661.00
34.	105/ 2008-09	District Treasury Sambalpur	4,59,67,434.90
35.	106/ 2008-09	Sp,. Treasury, Jeypur	19,432,269.00
36.	107 /2008-09	District Treasury , Dhenkanal	35,14,016.00
37.	109/ 2008-09	District Treasury , Sundergarh	80,55,742.00
38.	110/2008-09	District Treasury Rayagada	33,83,86,108.00
		Total :	2,65,44,81,303.00 or say 265.45 crores

Since such diversion of funds from service head of expenditure to Deposit head violates the principles of legislative appropriation, suitable steps may be taken for their re-drawal and utilization at an early date or lapsing those to Govt. Account under the provisions of SR-436 and 498(H) of OTC Vol-I.

### 3.22 **Non - closure of in-operative personal ledger Account**

As provided under Note-2 below SR-423 of OTC-I all the P.L. accounts remained in-operative for 3 full financial year shall be closed automatically and the balance shall be transferred to Govt. account by means of transfer entry in the Office of the A.G.(A&E). For such purposes, the unused cheque books remaining with the Administrators should be brought back and cancelled, the agreement of balances between the Administrators and the Treasury should be agreed upon and a proposal for transferring the balances to the source head of Account should be submitted by the Treasuries to the A.,G(A&E)

But it was observed that huge balances have been kept rolling idle for years together which amounts to gross financial irregularity and no efforts are made for final closure of such Accounts. This needs attention of higher authorities. A few example of such P.L. account is given below.

Non-closure of In-operative P.L.Accounts

Sl. No	IR.No	Para No.	Name of the Treasury/sub Treasury	Name of the Administrator/DO last transaction	Balance as on 31.03.08
1	27/08-09	3(c)	Dist Try, Keonjhar	CSO, Keonjhar, 5.5.96 HM, B.N.High School, Anandpur, 13.8.96	15,08,903.74 17,835.21
2.	29/08-09	4(e)	Sub Try, Dhamnagar	H.M.Govt. High School, Dhamnagar, 10/03	59475.00
3.	28/08-09	6(b)	Sub Try, Niali	H.M.Govt. High School, Ramiala, 11/04	19802.35
4.	100/08-09	6(2)	Dist Try, Mayurbhanj, Baripada	H.M.Bahalda, High School, 24.03.97	2339.71
				E.O, Collectorate, MBJ, 11.9.04	474877.40
5.	50/08-09	8	Spl. Try No-I, BBSR	Remained unutilised/undisbursal under the P.L. Accounts of 22 nos administrator	130.99 crores

3.23. **Issue of CTR/CTI neglected**

As per provision of S.R. 403 of O.T.C. Vol-I and notes there under, the Treasury Officer is required to issue a /consolidated Treasury Receipt (CTR) in respect of whole of the remittances, received during the month. and a Certificate of the Total Issues (CTI) in respect of Cheques drawn by the Divisional Officers under the jurisdiction of the Treasury to the Divisional Officers of P.W. Divisions by 20<sup>th</sup> of the following month as stipulated in D.T.I.'s letter No.TE-57/83-17261(19) dated 2.8.83 and A.G's L.No WAC-IV-Form-51-1586 dt. 29.3.96 for onward transmission to the Accountant General together with Form 51. It was, however, noticed that CTRs/CTIs were not regularly issued by the Treasury Officers to P.W. Divisions for which discrepancies between the Treasury and Divisional Accounts remain unreconciled. Instance of a few defaulting Treasuries are given in **Appendix-X II**

Apart from this, although it is expressly provided in the SR-410 of OTC Vol-I to issue CTRs to the Forest Division on the Ist of the ensuing month such returns are never sent although the Forest Divisions are regularly transacting their business with the Treasury in the same line and action as P.W. Divisions. This needs attention of higher authorities.

### 3.24: **Irregular honouring of A.C Bills**

As per provisions of SR-260 read with Rule-84 of OGFR not more than one A.C Bill under one unit of expenditure can be drawn in a day. In cases, where no such financial stipulations are indicated, the Controlling authorities impose certain conditions in their sanction orders which should be scrupulously watched by the Treasuries while honoring the AC Bills.

Apart from the above, as per SR-261 ibid no A.C bills should be honoured for drawals unless DC bills in respect of A.C bills drawn before the previous month are submitted to the Controlling Officers by the DDOs.

During inspection it was however, observed that most of the Treasuries do not adhere to the codal restrictions scrupulously while honoring the A.C bills which is against financial decorum.

Instances of a few such Treasuries is shown below:-

IR No	Para No	Name of Treasury/Sub Treasury
6 /08-09	8(ii)	Sub Try,
8 /08-09	1(e )	Sub Try,
15 /08-09	8(d)	Sub Try,
22 /08-09	6	Sub Try,
25 /08-09	4(f)	Dist Try, Bolangir
27 /08-09	7	Dist Try, KJR
34 /08-09	4	Spl Try, PNP
44 /08-09	4	Sub-Try Hindol
45 /08-09	4	Sub Try- Talcher
98 /08-09	7	Spl Try, Khurda
90 /08-09	5	Dist Try puri

### 3.25 **Non realization of Professional Tax**

As per Orissa State Tax Professions, Trades, Callings and employment Act, 2000 (Orissa Act-7 of 2000) as published in the extraordinary issue of 1386 of Orissa Gazette dated 29.9.2000 and circulated vide Govt. of Orissa, FD Memo No. CTA/94/2000(Pt0I)/ 46588(230)/F dt. 18.11.2000 which has come into force wef 1.11.2000, Professional Tax shall be deducted from the salary or wages (including pay or wages, DA and all other remuneration received by any person on regular basis and also includes perquisites and profits in lieu of salary as defined in Section 17 of the IT Act 1961)

Up to 5000/-	Nil	
Exceeding 5000 but not exceeding 6000		Rs.30/-
Exceeding 6000 but not exceeding 8000		Rs. 50/-
Exceeding 8000 but not exceeding 10000		Rs.75/-
Exceeding 10000 but not exceeding 15000		Rs. 100/-

Exceeding 15000 but not exceeding 20000 Rs.150/-

Exceeding 20000 Rs. 200/-

As observed Dist. Try Bhadrak did not realize professional tax to the appropriate extent as reflected in IR No. 99/08-09 Para 5.

### **3.26 Loss of Revenue due to Less recovery/non-recovery of standard licence fees of Govt. quarters**

Instances of less recovery/non-recovery of standard licence fees of Govt. quarters were noticed during inspection of Treasuries which have been incorporated in the inspection reports. This has resulted in loss to the Govt.

IR No.	Para No	Treasury	Amount involved
25/08-09		Dist Try Bolangir	Rs.20,120.00

## **Miscellaneous Irregularities**

### **3.27 (a) I.R No. 49/2008-09**

**Para No. 2(f)**

#### **Sub-treasury, Chhendipada.**

Flood and cyclone contingency of Rs.7070/- has been deposited under 8443-Civil Deposits-800 Other Deposits by Tahasildar Chhendipada w.e.f 31.03.1998. No action has been taken for transfer of the amount to proper Head of account though the irregularity was pointed out in para 3 of IR –78/2003-04.

This needs attention of higher authorities.

### **3.27 (b) I.R No. 69/2008-09**

Para No. 7 (g)

Dist. Treasury, Nowarangpur

Drawal of money to avoid lapse of budget grants.

S.R-242 of OTC specifies that no money should be drawn from the Treasury unless required for immediate disbursement and it is not permissible to draw money in order to avoid lapse of budget grants.

Contrary to the provisions enumerated above, it was observed that an amount of Rs. 29,038/- was drawn in Bill No. 108/06-07 on 26.03.07 for purchase of Computer Stationary out of which expenditure was made to piecemeal leaving a balance of Rs. 16,158/- in the cash book till 31.10.07.

### 3.28 Unutilised amounts under 11<sup>th</sup> & 12<sup>th</sup> Finance Commission

Unutilised amounts under 11<sup>th</sup> & 12<sup>th</sup> Finance Commission Grants are as follows.

Upto 30.03.07 – Rs. 3,284.80 crores

Upto 31.12.07 – Rs. 2,616.16 crores

#### 4. Maintenance of GPF Accounts:-

GPF Accounts of the State Govt. employees inclusive of class-IV employees are being maintained in the O/o- the AG ( A&E). Besides procedural irregularities such as non-submission of schedules/chalans/misclassification of GPF vouchers, some irregularities are noticed during inspection of Treasuries /as well as in the office at the file of compilation of GPF accounts. Some of those are illustrated below.

- (a) Payment to wrong persons.

It was observed from the GPF vouchers for the month of 1/09 in the following cases that GPF advance has been passed by Treasury Officer, Sonapur in TV No. 35 of 1/09 although the amount sanctioned differs from the amount paid.

Sl No.	Name of DDO	Name of employees with A/c No.	Amount sanctioned	Amount as per voucher
1.	Horticultures, Sonapur	Madan Mohan Nayak, 30484-AV(O)	Rs.25600.00	Rs.63000.00
2.	-do-	Asit Kumar, 35616-AV(O)	Rs.63000.00	Rs.25600.00

Deputy Accountant General (Accounts)



# **ANNEXURE & APPENDICE**