

ANNUAL REVIEW ON THE WORKING OF FOREST DIVISIONS

FOR THE YEAR
2020-21



लोकहितार्थं सत्यनिष्ठा
Dedicated to Truth in Public Interest



GOVERNMENT OF SIKKIM

PREFACE

This edition of the annual review by the office of the Sr. Dy. Accountant General (A&E), Sikkim is a report on the working of the 5(Five) Forests Divisions rendering units in the State of Sikkim for the financial year 2020-21. The aim of this review is to bring to the notice of the State Government the performance of the Public Works and Forest Divisions in maintenance of their accounts.

After decentralization of payment system of the Government of Sikkim w.e.f 01.08.2003, the Chief Pay and Accounts Officer in each District viz., East, West, North and South district maintain initial and subsidiary accounts and render monthly compiled accounts to the Dy. Accountant General(A&E) Sikkim. This review also highlights the findings of audit of the division conducted by the office of the Accountant General (Audit), Sikkim.

The review also gives recommendations for increasing the efficacy and accuracy of accounts in the divisions.



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HIGHLIGHT

1. **Delay in rendition of accounts (Para 2.2)**

Delay in timely rendition of monthly compiled accounts of Forest Divisions by the respective district Pay and Accounts Offices affected the closing of the accounts during 2019-20. The review revealed that in almost all cases the concerned Pay and Accounts Office did not submit the accounts within the scheduled dates in spite of the delay being brought to the notice of concerned authorities regularly. Extent of delay in average for submission of accounts during 2020-21 was as under:-

| Sl. No. | Name of accounts rendering units | Extent of delay in average |
|---------|----------------------------------|----------------------------|
| 1. | Headquarters, Gangtok | -- |
| 2. | CPAO, East | 03.5 days(0-17) |
| 3. | CPAO, West | 03.0 days (0-7) |
| 4. | CPAO, South | 8.91 days(0-41) |
| 5. | CPAO, North | 0.75 days (0-6) |

2. **Classification in Receipt Accounts (Para 4.2)**

Most of the Pay and Accounts Offices did not mention the complete classification of receipt heads in the monthly accounts in few cases.

3. **Schedule of expenditure not submitted (Para 4.3)**

Schedule of works expenditure in Form 64 was not received from all the Forest Divisions except Pay and Accounts Office, East District that too not in toto.

4. **List of accounts not submitted (Para 4.4)**

List of accounts in terms of Para 368 of the Sikkim Public Works Code, list of Accounts in Form -83 was not found enclosed along with the compiled accounts except Forest West district.

5. **Schedule of Deposit Works not submitted (Para 4.6)**

Schedule of deposit works in Form 65 were not received from all Forest departments.

6. **Audit notes not replied to by the Divisions (Para 5.2)
In respect of Forest Divisions**

- (i) Total no. of IRs issued: 04
- (ii) Total no. of Paras issued : 22
- (iii) Reply received : NIL
- (iv) Reply not received :22 Paras.

7. **Major irregularities in local audit (Para 6.1)**

| Sl No | Name of the Department | Number of Paras |
|-------|---|-----------------|
| 1 | Japan International Cooperation Agency(JICA), Forest and Environment Department | 6 |

CHAPTER – 1**INTRODUCTION**

There are **05(Five)** Forest accounts rendering units under different departments. Consequent upon the decentralization of accounts by the State Government w.e.f 01.08.2003, all the divisional Forest accounts are now compiled according to the provisions contained in the Sikkim Public Works Code by the respective Pay & Accounts Office (Works Cell) in the Headquarters and districts and are rendered to the Office of the Senior Deputy Accountant General (A&E), Sikkim, Gangtok. The details are as below:-

| Sl.No | Name of the Departments | Monthly Compiled Accounts rendering units | | | | |
|-----------------------|-------------------------|---|-------------|--------------|--------------|----------|
| | | CPAO (East) | CPAO (West) | CPAO (South) | CPAO (North) | TOTAL |
| WORKS DIVISION | | | | | | |
| 1. | Forest | 1 | 1 | 1 | 1 | 4 |
| 2. | Land Use (North) | | | | 1 | 1 |
| TOTAL | | 1 | 1 | 1 | 2 | 5 |

CHAPTER – II

2. **Submission of Monthly Accounts**

2.1 *Codal provision regarding submission of Accounts*

Each Pay & Accounts Office (Works Cell) forms an accounting unit under the charge of the Chief Pay & Accounts officer who is responsible for the up-to-date and proper maintenance of initial accounts of Forest transactions. It is the duty of the Chief Pay & Accounts Officer to ensure submission of the monthly accounts in a complete shape to the Office of the Sr. Deputy Accountant (A&E), Sikkim, Gangtok by the 10th of the following month to which the transactions relate.

2.2 *Delay in submission of Accounts*

Delay in timely rendition of monthly compiled accounts by the Pay & Accounts Office (Works Cell) results in delayed closure of monthly accounts and in some cases, even exclusion of these accounts as a result of which monthly civil accounts compiled and submitted by this office to the State Government do not give a true and correct picture of the financial position of the State. Non-submission of monthly accounts by the due date also upsets the time schedule laid down by the Comptroller & Auditor General of India for finalizing the Finance & Appropriation Accounts of the State.

The table in Annexure-II gives the dates on which the monthly accounts for Forest departments were received in this office. It will be seen that the delay in submission ranged from 01 to 41 days.

The extent of delay in rendition of monthly compiled accounts was as under:-

| Sl. No. | Name of accounts rendering units | Extent of delay in number of days during 2020-21 |
|---------|----------------------------------|--|
| 1. | CPAO, East | 01 to 17 days |
| 2. | CPAO, West | 01 to 07 days |
| 3. | CPAO, South | 01 to 41 days |
| 4. | CPAO, North | 01 to 06 days |

CHAPTER – III

3. RECONCILIATION OF ACCOUNTS

3.1 Reconciliation of accounts.

The departmental officers are required to verify the figures of the monthly accounts as submitted by each CPAO offices with those booked in the Office of the Sr. Deputy Accountant General (A&E), Sikkim to ensure the correctness of accounts in all respect. There is no arrear of reconciliation for the year under review.

3.2 Rectification of misclassification

During the year 2020-21, a total of 04 transfer entries were adjusted with a view to rectifying the misclassification noticed at the time of reconciliation of the concerned divisions. Details are as below:-

| Name of Departments | No. of Transfer Entries adjusted | | | | Total | Amt. involved in(₹) Rupees |
|---------------------|----------------------------------|------|-------|-------|-------|----------------------------|
| | East | West | South | North | | |
| Forest | - | - | 2 | 2 | 4 | 291330 |
| Land Use | | | | - | - | - |
| | TOTAL | | | | 4 | 291330 |

CHAPTER-IV**4. DEFECTS IN THE PREPARATION OF MONTHLY ACCOUNTS****4.1 Monthly accounts (SPWD Form 80)**

In terms of Para 354 of the Sikkim Public Works Code, monthly compiled accounts are required to be prepared in Form 80. It was observed from the schedule of monthly accounts that certificates of temporary advances lying unadjusted were not recorded in Form 80 in respect of the maximum numbers of Forest accounts submitted by the Chief Pay and Accounts Office.

4.2 Schedule of works expenditure not submitted

In terms of Para 297 and 365 of the Sikkim Public Works Code, Schedule of Forest expenditure are required to be prepared in Form 64 separately for expenditure relating to each of the Major Heads in respect of works on which expenditure has been incurred. Such schedules were found to be wanting in respect of all the divisions functioning under the Forest departments except Pay and Accounts Office, East District that too not in toto.

4.3 List of accounts accompanying the monthly accounts

In terms of Para 368 of the Sikkim Public Works Code, a list of accounts accompanying the monthly compiled accounts is required to be submitted in Form 83.(specimen copy enclosed as Annexure I). It was observed that only Forest divisions under the Pay & Accounts Office, West have submitted. The Officers who are responsible for submission of monthly compiled accounts are required to be more particular and should exercise proper checks of the monthly accounts before their submission to the office of the Sr. Dy. Accountant General (A&E), Sikkim, Gangtok.

4.4 **Schedule of deposit works not submitted**

In terms of para 365 of the Sikkim Public Works Code, the schedule of deposit works should be prepared in Form 65 showing the name of work, head of accounts, opening balance, credit & debit, expenditure during the month and progressive expenditure at the end of the month are required to be submitted to the Office of the Sr. Dy. Accountant General(A&E), Sikkim along with compiled accounts. Such schedules were found to be wanting in respect of all the Forest departments.

CHAPTER-V**5. COMMON TYPE OF IRREGULARITIES NOTICED IN AUDIT OF VOUCHERS**

5.1 Particulars of Audit observations noticed for the period 2020-21 during the audit of vouchers for which no replies have been received is NIL.

5.2 Compliance to Inspection Reports(IRs) not received in respect of Forest Divisions

- (v) Total no. of IRs issued: 04
- (ii) Total no. of Paras issued : 22
- (vi) Reply received : NIL
- (vii) Reply not received : 22

CHAPTER-VI

6. IMPORTANT IRREGULARITIES NOTICED IN THE LOCAL AUDIT INSPECTION OF FOREST DIVISIONS.

The number of major irregularities noticed during the audit of various Forest divisions are as under:

| IR No: | Para No: | Nature of irregularities |
|--|----------|--|
| 14/20-21 Japan International Cooperation Agency(JICA) Forest and Environment Department | 01 | Time and cost overrun due to abnormal delay in establishment of biodiversity training institute- ₹4.53 crore |
| | 02 | Avoidable excess expenditure of ₹ 4.55 crore and execution of impermissible items of work in trekking trails work worth ₹ 2.38 crore |
| | 03 | Escalation in project cost due to delay in finalization of concept design, DPR for construction of butterfly park-₹2.12crore |
| | 04 | Management and creation of propagation nursery and observation thereof |
| | 05 | Observation on development of Tourist Facilities (i) Cost and time overrun- ₹1.13 crore (ii) Cancellation/withdrawal of construction of interpretation centre and deprivation of benefits of the project |
| | 06 | Irregular execution of works not qualify under JICA guidelines ₹1.39 crore |

Annexure - I

Form-83

(Referred to in Para 4.4)

**LIST OF ACCOUNTS TO BE SUBMITTED TO THE OFFICE OF THE
SR.DEPUTY ACCOUNTANT GENERAL(A&E)**

| FORM NO. | NAME OF DOCUMENT |
|-----------------|---|
| 80 | MONTHLY ACCOUNTS |
| 46A | SCHEDULE OF REVENUE REALISED |
| 74 | CLASSIFIED ABSTRACT OF EXPENDITURE |
| 64 | SCHEDULE OF WORKS EXPENDITURE |
| 61 | SCHEDULE DOCKETS(FOR EACH WORK) WITH TRANSFER ENTRY ORDERS, VOUCHERS |
| 73 | STOCK ACCOUNT |
| 69 | SCHEDULE OF CREDIT/DEBIT TO PURCHASE SUPPORTED BY TEOs |
| 70 | SCHEDULE OF MISC. PUBLIC WORKS ADVANCES |
| 76 | SCHEDULE OF CREDIT/DEBIT TO MISC. HEAD OF ACCOUNTS |
| 79 | SCHEDULE OF DEPOSITS |
| 65 | SCHEDULE OF DEPOSIT WORKS |

ANNEXURE – II

| Sl. No | Name of the accounts rendering units | Due date of receipt | Actual date of receipt of monthly compiled accounts from Treasury, Pay & Accounts Office (Works Cell) | | | | | | | | | | | |
|--------|--------------------------------------|---|---|----------|-----------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| | | | April'19 | May'19 | June'19 | July'19 | Aug'19 | Sept'19 | Oct'19 | Nov'19 | Dec'19 | Jan'20 | Feb'20 | Mar'20 |
| 1. | CPAO, East | 10 th of the following month | 27.05.20 | 10.06.20 | 10.07.20 | 24.08.20 | 15.09.20 | 12.10.20 | 13.11.20 | 10.12.20 | 19.01.21 | 11.02.21 | 10.03.21 | 19.04.21 |
| 2. | CPAO, West | --do-- | 15.05.20 | 16.06.20 | 10.07.20 | 14.08.20 | 14.09.20 | 12.10.20 | 13.11.20 | 10.12.20 | 13.01.21 | 10.02.21 | 11.03.21 | 22.04.21 |
| 3. | CPAO, South | --do-- | 21.05.20 | 16.06.20 | 20.08.20 | 20.08.20 | 15.09.20 | 15.10.20 | 13.11.20 | 11.12.20 | 15.01.21 | 17.02.21 | 12.03.21 | 26.04.21 |
| 4. | CPAO, North | --do-- | 10.05.20 | 16.06.20 | 10.07.20 | 12.08.20 | 10.09.20 | 10.10.20 | 10.11.20 | 10.12.20 | 11.01.21 | 10.02.21 | 10.03.21 | 15.04.21 |

* *Due date for submission of March accounts is 15th of the following month.*

* *Issues on delay in rendition of monthly compiled accounts by the Pay & Accounts Office(Works Cell)/ if any, were brought to the notice of the Pr. Secretary, Finance Department vide Pr.Accountant General's Demi Official letter.*