CHAPTER 5

Other Compliance Audit Paras of PRIs

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5.1 Audit Paragraph

5.1.1 Loss of Government funds

Unadjusted advances against Social Security Pension distribution

Rule 41 of OPSAP Rule, 2002 stipulates that advances shall be regularly and promptly adjusted and unspent balances of advance shall be immediately refunded. Rule 42 also stipulates that all advances granted shall be noted in the Register of Advance. In Advance Registers, the name of the persons receiving advances, dates, purposes and amount of advances, dates of adjustment of advances are recorded for maintaining transparency, accountability and also for future reference. The BDO shall check the Advance Register annually. Further, as per Finance Department instructions (March 2002), advances which remained unadjusted for more than one year should be treated as loss to the organisation and the Government, and action shall be taken against the person responsible for such loss.

Audit scrutiny (March 2021) of the Cash Book of Nimapara Panchayat Samiti and as per the information furnished by the BDO in response to audit requisition on status of the outstanding advances, revealed that during (2017-20), 21 officials of Nimapara PS and 26 officials of the GPs coming under the PS, had received funds from the BDO, Nimapara for distribution of Social Security Pension[24] during their period of incumbency (2017-18 to 2019-20). After disbursement of the Social Security Pension to the beneficiaries, they did not refund the undisbursed amount to the BDO and unauthorisedly, kept the balance amount with themselves. As per the position intimated by the BDO, the unrecovered balance accumulated to ₹ 77.80 lakh over the three years, as detailed in ***Appendix-5.1***. Audit found that no Advance Register was maintained as required under Rule 42. As a result, advances amounting to ₹77.80 lakh remained unadjusted as of March 2023. In accordance with the prescribed criteria, which stipulate that advances remaining unadjusted for more than one year are to be treated as loss, these advances meet the criteria requiring accounting classification as loss pending recovery action and actions were to be taken against the person responsible for such loss.

In reply, the BDO stated (May 2023) that instructions had been issued to the employees concerned to deposit the undisbursed funds. The reply is not tenable as despite unauthorised retention of Government money with them for years together, no action had been taken against officials for recovery. Hence, responsibility may be fixed on the person for non-refund of Government money and unauthorized retention of government funds. The fact has also been brought (May 2023) to the notice of the PR&DW Department. No reply has been received from the Department (October 2025).

[24] Madhubabu Pension Yojana and National Security Assistance Programme