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HARYANA VIDHAN SABHA
COMMITTEE ON LOCAL BODIES AND
PANCHAYATI RAJ INSTITUTIONS

(2013-2014)

(THIRD REPORT)

REPORT
ON
THE AUDIT AND INSPECTION NOTE ON THE
ACCOUNTS OF PANCHAYAT SAMITI,
MUSTAFABAD (DISTT YAMUNANAGAR)
FOR THE PERIOD FROM APRIL, 2010
TO MARCH, 2012, AUDITED BY
THE DIRECTOR, LOCAL AUDIT,
HARYANA



(Presented to the House on 4th March, 2014)

HARYANA VIDHAN SABHA SECRETARIAT
CHANDIGARH
2014

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**COMPOSITION OF THE COMMITTEE ON LOCAL BODIES AND
PANCHAYATI RAJ INSTITUTIONS**

(2013-2014)

CHAIRPERSON

- 1 Shri Anand Kaushik MLA

MEMBERS

- 2 Shri Anand Singh Dangri MLA
- 3 Shri Ashok Kumar Arora MLA
- 4 Shri Krishan Lal Panwar MLA
- 5 Shri Krishan Pal Gurjar MLA
- 6 Shri Jagbir Singh Malik MLA
- * 7 Shri Aftab Ahmed MLA
- 8 Shri Jai Tirath MLA
- 9 Shri Parminder Singh Dhull MLA

SPECIAL INVITEE

Dr Bishan Lal Saini MLA

SECRETARIAT

- 1 Shri Sumit Kumar Secretary
- 2 Shri Kuldip Singh Additional Secretary
- 3 Shri Inderjit Singh Grewal Superintendent

* Shri Aftab Ahmed MLA resigned from the Membership of the Committee
w e f 29 10 2013 on being appointed as Minister of Haryana

INTRODUCTION

I Anand Kaushik the Chairperson of the Committee on Local Bodies and Panchayat Raj Institutions having been authorized by the Committee in this behalf present this Third Report on the Audit and Inspection Note on the accounts of Panchayat Samiti Mustafabad (Distt Yamunanagar) for the period from April 2010 to March 2012 audited by the Director Local Audit Haryana

2 The Committee examined/ scrutinized the Audit and Inspection Note on the accounts of Panchayat Samiti Mustafabad (Distt Yamunanagar) for the period from April 2010 to March 2012 audited by the Director Local Audit Haryana as per details given in the Report and its annotated reply submitted by the concerned Panchayat Samiti. The Committee has gone into the details of the matter and has tried its level best to make its observations/ recommendations strictly as per the information/ record produced before the Committee by the concerned quarters and as per law

3 The Committee considered and approved this Report in its meeting held on 8th February 2014

4 A brief record of the proceedings of the meetings of the Committee has been kept in Haryana Vidhan Sabha Secretariat

5 The Committee place on record their appreciation of the assistance and co operation rendered by the Director Local Audit Haryana and his officers in giving information/ record to the Committee

6 The Committee is also thankful to the Secretary Additional Secretary and officers/ officials of the Haryana Vidhan Sabha for their whole hearted co operation and assistance given by them to the Committee

NEW DELHI
THE 8TH FEBRUARY 2014

ANAND KAUSHIK
CHAIRPERSON

REPORT
GENERAL

The Chairperson/ Members were nominated by the Hon ble Speaker on 2nd May 2013 to serve on the Committee on Local Bodies & Panchayati Raj Institutions for the year 2013 14 under Rule 272 (I) of the Rules of Procedure and Conduct of Business in the Haryana Legislative Assembly vide Notification No LB/PRIC 1/2013/23 dated Chandigarh the 2nd May 2013

The Committee held 42 meetings in all at Chandigarh and other places upto 21st February 2014

**REPORT
ON
THE AUDIT AND INSPECTION NOTE ON THE ACCOUNTS OF
PANCHAYAT SAMITI MUSTAFABAD (DISTT YAMUNANAGAR)
FOR THE PERIOD FROM APRIL 2010 TO MARCH 2012
AUDITED BY THE DIRECTOR
LOCAL AUDIT HARYANA
(PART I LAST AUDIT NOTE)**

The Committee scrutinized the Audit and Inspection Note on the accounts of Panchayat Samiti Mustafabad (Distt Yamunanagar) for the period from April 2010 to March 2012 audited by the Director Local Audit Haryana as under

After going through the written reply of the Audit and Inspection note on the accounts of Panchayat Samiti Mustafabad (Distt Yamunanagar) for the period from April 2010 to March 2012 the Committee observed that the reply was not signed by the competent authority and the Audit Officer under their seals and even the annotated reply of the Audit Report was not based on the latest position/facts

The Committee therefore desired the department to be careful in future and to send the annotated reply having the signatures of the competent authority and the Audit Officer under their seals on every page

The Committee also desired to follow up the instructions of the Committee on Local Bodies & Panchayati Raj Institutions of Haryana Vidhan Sabha issued in this regard earlier in toto

However the Committee decided to scrutinize the annotated reply of the Audit and Inspection Note on the accounts of Panchayat Samiti Mustafabad (Distt Yamunanagar) for the period from April 2010 to March 2012

[1] 1 LAST AUDIT NOTE

Action taken on the last audit note was not satisfactory Even its annotated reply was not prepared and sent to this office This was irregular and highly objectionable Sincere efforts may be made to get the outstanding audit objection till the conclusion of current audit was as follows

<u>Sr No</u>	<u>Nature of objection</u>	<u>Period of audit note</u>	<u>Para No</u>	<u>Remarks</u>
	(a) Misappropriation			
	(b) Excess/irregular and avoidable payments			
	(c) Short recoveries			
	(d) Irregularities in purchases			
	(e) Irregularities in works			
	(f) Miscellaneous and			
	(g) Objection statements			

Note Detail of the said cases from (a) to (g) has been mentioned in the Audit and Inspection Note on the accounts of Panchayat Samiti Mustafabad (Distt Yamunanagar) for the period from April 2010 to March 2012

The department in its written reply stated as under

Efforts are being made to remove the audit objection Annotated reply has been prepared and will be sent to the concerned office and compliance will be shown at the time of next audit

The Committee observed that the annotated replies of the last various Audit and Inspection Notes on the accounts of Panchayat Samiti Mustafabad (Distt Yamunanagar) were not prepared and sent to the office of the Director Local Audit Haryana Even the action taken on the last Audit Notes for the period from June 1999 to March 2010 as well as objection statements for the period from June, 1999 to March 2009 were not put up to the office of Local Audit Department Haryana as per its requirement which is serious lapse on the part of Panchayat Samiti and is highly objectionable

The Committee took it seriously and recommends that immediate action should be taken by the department as well as the authorities of Panchayat Samiti Mustafabad (Distt Yamunanagar) for an early settlement of the outstanding audit objections as contained in the last various Reports of the Director Local Audit Haryana by furnishing the latest correct annotated replies to the audit paras pending from June 1999 till date to the Local Audit Department within the prescribed period

The department should also apprise the Committee about the action taken on such Reports accordingly

[2] (a) MISAPPROPRIATION

Para No 8 Period of Audit from 6/1999 to 3/2001

Para No 8 Period of Audit from 4/2001 to 3/2003

Para No 8 Period of Audit from 4/2003 to 3/2005

Para No 9 Period of Audit from 4/2005 to 3/2009

Para No 9 Period of Audit from 4/2009 to 3/2010

Neither any action was taken against the defaulters for misappropriation of collections nor the loss of interest was recovered as yet

The department in its written reply stated as under

Action against the defaulters is under process and loss of interest shall be recovered from them and credited into Panchayat Samiti funds and shall be shown to the auditors during the period of next audit

The Committee desired that the information be sent to the Committee after taking action against the defaulters of misappropriation of collections and make sincere and vigorous efforts to recover the amount in question alongwith interest thereon and progress made in this regard be intimated to the Committee accordingly

[3] (b) EXCESS/IRREGULAR & AVOIDABLE PAYMENTS

Para No 9 (i) Period of Audit from 6/99 to 03/2001

Invalid expenditure of Rs 11541/50 was neither regularised as yet

The department in its written reply stated as under

Invalid expenditure and excess payments shall be got regularized with the sanction of Govt and compliance shall be shown at the time of next audit

The Committee desired that invalid expenditure of Rs 11541/50 be got regularised with the sanction of Govt and final action taken in this regard be intimated to the Committee accordingly

[4] Para No 9 (ii) Period of Audit from 6/99 to 03/2001

Rs 10000/ paid to DDPO for Election was not recouped

The department in its written reply stated as under

Invalid expenditure and excess payments shall be got regularized with the sanction of Govt and compliance shall be shown at the time of next audit

The Committee desired that Rs 10 000/ paid to DDPO for Election be got regularised with the sanction of Govt and final action taken in this regard be intimated to the Committee accordingly

[5] Para No 9 (iii) Period of Audit from 6/99 to 03/2001

Excess payment of Rs 1466/ to tent house was still not recovered from the defaulters

The department in its written reply stated as under

Invalid expenditure and excess payments shall be got regularized with the sanction of Govt and compliance shall be shown at the time of next audit

The Committee desired the department to recover the excess payment of Rs 1466/ with regard to tent house from the defaulters at the earliest and inform the Committee after depositing it in the Panchayat Samiti Account

[6] Para No 9 (iv) Period of Audit from 6/99 to 03/2001

Excess payment of Rs 400/ was not recovered from the defaulters as yet

The department in its written reply stated as under

Invalid expenditure and excess payments shall be got regularized with the sanction of Govt and compliance shall be shown at the time of next audit

The Committee desired the department to recover the excess payment of Rs 400/ from the defaulters at the earliest and inform the Committee after depositing it in the Panchayat Samiti Account

[7] Para No 9 (v) Period of Audit from 6/99 to 03/2001

Rs 15 000/ paid to Sh Gurcharan Singh Clerk on a hand receipt was neither got adjusted nor refunded as yet

The department in its written reply stated as under

Invalid expenditure and excess payments shall be got regularized with the sanction of Govt and compliance shall be shown at the time of next audit

The Committee desired the department either to get adjust Rs 15000/- paid to Sh Gurcharan Singh Clerk on a hand receipt or to recover it from him and thereafter inform the Committee after depositing it in the Panchayat Samiti Account

[8] Para No 9 (vi) Period of Audit from 6/99 to 03/2001

Sanction of competent authority for appointing of Sh Hukam Chand Clerk on daily wages was not forthcoming

The department in its written reply stated as under

Invalid expenditure and excess payments shall be got regularized with the sanction of Govt and compliance shall be shown at the time of next audit

The Committee desired the department to get verify the sanction of the competent authority for appointing Sh Hukam Chand Clerk on daily wages from the concerned Circle Senior Auditor of Local Audit Department at the time of next audit and its final outcome be intimated to the Committee accordingly

[9] Para No 9(viii) Period of Audit from 6/99 to 03/2001

The actual vouchers were still not put up to verify the accuracy of share paid

The department in its written reply stated as under

Invalid expenditure and excess payments shall be got regularized with the sanction of Govt and compliance shall be shown at the time of next audit

The Committee desired the department to get verify the actual vouchers for accuracy of share paid from the concerned Circle Senior Auditor of Local Audit Department at the time of next audit and its final outcome be intimated to the Committee accordingly

[10] Para No 9(i) Period of Audit from 04/2001 to 3/2003

Para No 9(iii) Period of Audit from 04/2001 to 3/2003

Para No 9(i) 9(ii) Period of Audit from 04/2003 to 3/2005

Para No 11(i) 11(ii) Period of Audit from 04/2005 to 3/2009

Para No 10 Period of Audit from 04/2009 to 3/2010

Neither expenditure as detailed in the para was made good nor regularised as yet

The department in its written reply stated as under

Invalid expenditure and excess payments shall be got regularized with the sanction of Govt and compliance shall be shown at the time of next audit

The Committee desired the department to get regularize the expenditure as mentioned in concerned para with the sanction of the Govt and the final action taken in this regard be intimated to the Committee accordingly

[11] Para No 9(ii) Period of Audit from 4/2001 to 3/2003

Sanctioning of competent authority for appointing Sh Hukam Chand Clerk and Sh Padam Singh Driver on daily wages was not forthcoming

The department in its written reply stated as under

Invalid expenditure and excess payments shall be got regularized with the sanction of Govt and compliance shall be shown at the time of next audit

The Committee desired the department to get verify the sanction of the competent authority for appointing Sh Hukam Chand Clerk and Sh Padam Singh Driver on daily wages from the concerned Circle Senior Auditor of Local Audit Department at the time of next audit and its final outcome be intimated to the Committee accordingly

[12] Para No 11 (iii) Period of Audit from 4/2005 to 3/2009

The recovery of Rs 1142/ for purchased of diesel as detailed in para was not recovered from the official as yet

The department in its written reply stated as under

Invalid expenditure and excess payments shall be got regularized with the sanction of Govt and compliance shall be shown at the time of next audit

The Committee desired the department to recover the amount of Rs 1142/ for purchase of diesel as detailed in para from the official within a period of three months under intimation to the Committee

[13] Para No 11 (iv) Period of Audit from 4/2005 to 3/2009

Rs 1294/ were paid as surcharged of Electricity bills and Telephone bills as detailed in para was not recovered from the official at fault as yet

The department in its written reply stated as under

Invalid expenditure and excess payments shall be got regularized with the sanction of Govt and compliance shall be shown at the time of next audit

The Committee desired the department to recover the amount of Rs 1294/ paid as surcharge of Electricity bills and Telephone bills as detailed in para from the official within a period of three months under intimation to the Committee

[14] Para No 10 (iii) Period of Audit from 4/2009 to 3/2010

Rs 450/ were paid as surcharged of Electricity bills and Telephone bills as detailed in para was not recovered from the official at fault as yet

The department in its written reply stated as under

Invalid expenditure and excess payments shall be got regularized with the sanction of Govt and compliance shall be shown at the time of next audit

The Committee desired the department to recover the amount of Rs 450/ paid as surcharge of Electricity bills and Telephone bills as detailed in para from the official within a period of three months under intimation to the Committee

[15] Para No 11 (v) Period of Audit from 4/2005 to 3/2009

Rs 10800/ were paid to the Panchayat Samiti as TA/DA within the radius of 8 K M as detailed in para were not recovered from Panchayat Samiti Member as yet

The department in its written reply stated as under

Invalid expenditure and excess payments shall be got regularized with the sanction of Govt and compliance shall be shown at the time of next audit

The Committee desired the department to recover the amount of Rs 10800/ from the Panchayat Samiti Member paid as TA/DA as detailed in para within a period of three months under intimation to the Committee

[16] Para No 10 (iv) Period of Audit from 4/2009 to 3/2010

Rs 3400/ were paid to the Panchayat Samiti as TA/DA within the radius of 8 K M as detailed in para were not recovered from Panchayat Samiti Member as yet

The department in its written reply stated as under

Invalid expenditure and excess payments shall be got regularized with the sanction of Govt and compliance shall be shown at the time of next audit

The Committee desired the department to recover the amount of Rs 3400/ from the Panchayat Samiti Member paid as TA/DA as detailed in para within a period of three months under intimation to the Committee

[17] Para No 11 (vi) Period of Audit from 4/2005 to 3/2009

Para No 10 (v) Period of Audit from 4/2009 to 3/2010

Sanctioning of competent authority for appointing of Driver Water Carrier and Computer Operator on daily wages was not forthcoming

The department in its written reply stated as under

Invalid expenditure and excess payments shall be got regularized with the sanction of Govt and compliance shall be shown at the time of next audit

The Committee desired the department to get verify the sanction of the competent authority for appointing Driver Water Carrier and Computer Operator on daily wages from the concerned Circle Senior Auditor of Local Audit Department at the time of next audit and its final outcome be intimated to the Committee accordingly

[18] Para No 11 (vii) Period of Audit from 4/2005 to 3/2009

Para No 10 (ii) Period of Audit from 4/2009 to 3/2010

The expenditure as detailed in para were not recovered from concerned Panchayats as yet

The department in its written reply stated as under

Invalid expenditure and excess payments shall be got regularized with the sanction of Govt and compliance shall be shown at the time of next audit

The Committee desired the department to recover the amount of expenditure as detailed in para from the concerned Panchayats within a period of three months under intimation to the Committee

[19] (C) SHORT RECOVERIES

Para No 10 (i) (ii) Period of Audit from 6/1999 to 3/2001

Para No 10 (vi) Period of Audit from 4/2009 to 3/2010

Fee of Zamabandhi and lease money share after the creation of Panchayat Samiti was still not recovered from Panchayats as yet

The department in its written reply stated as under

Lease money outstanding as shown in para shall be recovered from the Panchayats concerned and will be remitted as share of the Panchayat Samiti and Compliance shall be shown at the time of next audit

The Committee desired the department to recover the Fee of Zamabandhi and lease money share after the creation of Panchayat Samiti from the concerned Panchayats within a period of three months under intimation to the Committee

[20] Para No 10 (iii) Period of Audit from 6/1999 to 3/2001

Loss against lease money of Plot No 13 for 1999 2000 and 2000 01 was still not recovered

The department in its written reply stated as under

Lease money outstanding as shown in para shall be recovered from the Panchayats concerned and will be remitted as share of the Panchayat Samiti and Compliance shall be shown at the time of next audit

The Committee desired the department to recover the lease money of Plot No 13 for 1999 2000 and 2000 2001 within a period of three months under intimation to the Committee

[21] Para No 10 (i) Period of Audit from 4/2001 to 3/2003

Neither the cause of down fall of lease money was find out nor any action taken against the involving authority

The department in its written reply stated as under

Lease money outstanding as shown in para shall be recovered from the Panchayats concerned and will be remitted as share of the Panchayat Samiti and Compliance shall be shown at the time of next audit

The Committee desired the department to intimate the Committee about the reasons of down fall of lease money and also to inform about the type of action taken against the involving authority in this case

[22] Para No 8 (a) Period of Audit from 4/2005 to 3/2009

Rs 11450/ as arrears of rent of Samiti plots as detailed in para were not recovered from the defaulters as yet

The department in its written reply stated as under

Lease money outstanding as shown in para shall be recovered from the Panchayats concerned and will be remitted as share of the Panchayat Samiti and Compliance shall be shown at the time of next audit

The Committee desired the department to recover the amount of Rs 11450/ as arrears of rent of Samiti plots as detailed in the para from the defaulters within a period of three months under intimation to the Committee

[23] Para No 8 (b) Period of Audit from 4/2005 to 3/2009

Rs 713100/ were outstanding on account of sports fund and Haryana Samwad against various Panchayats were not recovered as yet

The department in its written reply stated as under

Lease money outstanding as shown in para shall be recovered from the Panchayats concerned and will be remitted as share of the Panchayat Samiti and Compliance shall be shown at the time of next audit

The Committee desired the department to recover the amount of Rs 713100/ outstanding on account of Sports Fund and Haryana Samwad against various Panchayats within a period of three months under intimation to the Committee

[24] Para No 10 Period of Audit from 4/2005 to 3/2009

The loss of revenue of Rs 10000/ as detailed in para was not taken any action against the officials nor any sanction obtained from the Dy Commissioner as yet

The department in its written reply stated as under

Lease money outstanding as shown in para shall be recovered from the Panchayats concerned and will be remitted as share of the Panchayat Samiti and Compliance shall be shown at the time of next audit

The Committee desired the department to initiate the proceedings of taking action against the delinquent officials and its final outcome be intimated to the Committee accordingly

The Committee also desired the department to obtain the sanction as mentioned in this para from the Dy Commissioner under intimation to the Committee

[25] (D) IRREGULARITIES IN PURCHASES

Para No 12 Period of Audit from 4/2005 to 3/2009

Para No 11 Period of Audit from 4/2009 to 3/2010

Various irregularities in making purchases as detailed in para were neither looked into nor the difference in rates paid on higher side as compared to approved rates, were still not recovered from the defaulters

The department in its written reply stated as under

Irregularities as shown in both the paras are being attended to and if any rates paid in excess shall be recovered from the Officer/Official at fault and compliance shall be shown at the time of next audit

The Committee desired the department to recover the difference of rates paid on higher side as compared to the approved rates from the defaulters within a period of three months under intimation to the Committee

[26] (E) IRREGULARITIES IN WORKS

Para No 13 Period of Audit from 4/2005 to 3/2009

Para No 12 Period of Audit from 4/2009 to 3/2010

Expenditure incurred out of Panchayat Samiti Fund as detailed in para without observing Panchayati Raj works Rules 1996 still not justified nor the work was got assessed from the competent authority

The department in its written reply stated as under

The expenditure out of Panchayat Samiti fund shall be got assessed by the competent Auditor as per Panchayati Raj Act 1996 and compliance shall be shown at the time of next audit

The Committee desired the department to get assess the expenditure incurred out of Panchayat Samiti Fund as detailed in para from the competent authority as per Panchayati Raj works Rules 1996 and its compliance report be sent to the Committee after verifying the same from the concerned Circle Senior Auditor of Local Audit Department at the time of next audit

[27] (F) MISCELLENEOUS

Para No 11(i) Period of Audit from 6/1999 to 3/2001

Budget were still not prepared and got approved

The department in its written reply stated as under

The requirement as suggested in para have been attended to and compliance shall be shown at the time of next audit

The Committee desired that the facts may be got verified from the concerned Circle Senior Auditor of Local Audit Department at the time of next audit and its final outcome be intimated to the Committee accordingly

[28] Para No 11(ii) Period of Audit from 6/1999 to 3/2001

Para No 14(vi) Period of Audit from 4/2005 to 3/2009

PLA Pass Book for the period 8/2000 to date lying incomplete as such cash book was also lying unreconciled as yet

The department in its written reply stated as under

The requirement as suggested in para have been attended to and compliance shall be shown at the time of next audit

The Committee desired the department to complete the PLA Pass Book lying incomplete from the period 8/2000 till to date and also to reconcile such Cash Book lying unreconciled as yet within a period of three months and its compliance report be sent to the Committee after verifying the same from the concerned Circle Senior Auditor of Local Audit Department at the time of next audit

[29] Para No 11(iii) Period of Audit from 6/1999 to 3/2001

Para No 14(iv) Period of Audit from 4/2005 to 3/2009

Para No 13(iv) Period of Audit from 4/2009 to 3/2010

Monthly/Annually accounts were still not prepared

The department in its written reply stated as under

The requirement as suggested in para have been attended to and compliance shall be shown at the time of next audit

The Committee desired the department to get prepare the Monthly/Annually accounts lying incomplete sofar for the period as mentioned in the para and its compliance Report be sent to the Committee after verifying the same from the concerned Circle Senior Auditor of Local Audit Department at the time of next audit

[30] Para No 11(iv) Period of Audit from 6/1999 to 3/2001

Para No 14(ii) Period of Audit from 4/2005 to 3/2009

Para No 13(ii) Period of Audit from 4/2009 to 3/2010

Disposal of Newspapers raddi was still not pointed out

The department in its written reply stated as under

The requirement as suggested in para have been attended to and compliance shall be shown at the time of next audit

The Committee desired the department to show the record of disposal of Newspapers raddi for the period mentioned in the para to the concerned Circle Senior Auditor of Local Audit Department at the time of next audit & its final outcome be intimated to the Committee accordingly

- [31] Para No 11(v) Period of Audit from 6/1999 to 3/2001
 Para No 11(ii) Period of Audit from 4/2001 to 3/2003
 Para No 10(ii) Period of Audit from 4/2003 to 3/2005
 Para No 14(i) Period of Audit from 4/2005 to 3/2009
 Para No 13(i) Period of Audit from 4/2009 to 3/2010
 Stock & Store were still not got physically verified

The department in its written reply stated as under

The requirement as suggested in para have been attended to and compliance shall be shown at the time of next audit

The Committee desired the department to get physically verify the Stock and Store for the period mentioned in this para and its record may be got verified from the concerned Circle Senior Auditor of Local Audit Department at the time of next audit & its final outcome be intimated to the Committee accordingly

- [32] Para No 11(iii) Period of Audit from 4/2001 to 3/2003
 Para No 14(iii) Period of Audit from 4/2005 to 3/2009
 Para No 13(iii) Period of Audit from 4/2009 to 3/2010

1/3 share as detailed in para was not credited to Government as yet

The department in its written reply stated as under

The requirement as suggested in para have been attended to and compliance shall be shown at the time of next audit

The Committee desired the department to credit 1/3 share as detailed in this para to the Government and its record may be got verified from the concerned Circle Senior Auditor of Local Audit Department at the time of next audit and its final outcome be intimated to the Committee accordingly

[33] Para No 14(v) Period of Audit from 4/2005 to 3/2009

Stock register of consumable and non consumable items were not prepared as yet

The department in its written reply stated as under

The requirement as suggested in para have been attended to and compliance shall be shown at the time of next audit

The Committee desired the department to prepare the Stock Register of consumable items and non consumable items and its record may be got verified from the concerned Circle Senior Auditor of Local Audit Department at the time of next audit and its final outcome be intimated to the Committee accordingly

[34] (G) OBJECTION STATEMENTS

The following items of objections statements were lying pending These should be attended to at an early date

Objection Statement Item No 1 to 5 Period of audit from 6/1999 to 3/2001

Objection Statement Item No 1 to 8 Period of audit from 4/2001 to 3/2003

Objection Statement not put up Period of audit from 4/2005 to 3/2009

The department in its written reply stated as under

Objection statements have been attended to and reply be shown at the time of next audit

The Committee desired that the record of Objection Statements which have been attended to should be produced to the concerned Circle Senior Auditor of Local Audit Department at the time of next audit for verifying the same and its compliance report be submitted to the Committee accordingly

OBSERVATION/RECOMMENDATION OF THE COMMITTEE

The annotated reply of the Audit and Inspection note on the accounts of Panchayat Samiti Mustafabad (Distt Yamunanagar) for the period from April 2010 to March 2012 audited by the Director Local Audit Haryana was placed before the Committee for its scrutiny

The Committee observed that the outstanding audit objections are pending for a long time and the concerned department is not paying any attention in this regard

The Committee took it seriously and recommends that immediate action should be taken by the department as well as the authorities of Panchayat Samiti Mustafabad (Distt Yamunanagar) for an early settlement of the outstanding audit objections as contained in the last various Reports of the Director Local Audit Haryana by furnishing the latest correct annotated replies to the audit paras pending from June 1999 till date to the Local Audit Department within the prescribed period. The department should also apprise the Committee about the action taken on such Reports accordingly

**REPORT
ON**

**THE AUDIT AND INSPECTION NOTE ON THE ACCOUNTS OF
PANCHAYAT SAMITI MUSTAFABAD (DISTT YAMUNANAGAR)
FOR THE PERIOD FROM APRIL 2010 TO MARCH 2012
AUDITED BY THE DIRECTOR
LOCAL AUDIT HARYANA
(PART II PRESENT AUDIT)**

[35] Para No 7 Arrears

Arrear of Samiti dues as detailed in Appendix B to this note amounting to Rs 1280200/ were also outstanding as on 31 03 2012 against the various panchayats. The same may also be recovered and credited in Samiti Fund

The department in its written reply stated as under

Efforts are being made to recover the arrear outstanding against the Panchayats as shown in para and compliance shall be shown at the time of next audit

The Committee desired the department to make constant all out efforts to recover the outstanding arrears against the various Panchayats in question and after crediting it in the Panchayat Samiti Fund put up the case to the concerned Circle Senior Auditor of Local Audit Department at the time of next audit for check up & its final outcome be intimated to the Committee accordingly

[36] Para No 10(i) Excess/Irregular avoidable payments

The expenditure did not constitute a valid charges on the Samiti Fund. The same may either be recouped out of appropriate source or got regularized with the sanction of Govt under section 100 (h) of the Haryana Panchayati Raj Act 1994 and compliance shown at the time of next audit

V No & Month	Amount	Particulars
5 of 4/10	10950	Cost of ceiling fans etc
15 do	7500	Cost of table glass
18 do	63262 50	Purchase of Lap top
30 of 5/10	4900	Cost of cooler
7 of 4/10	6825	Cost of curtains rings pipe bracket etc
30 of 7/10	6875	-- -- do -- --

5 (1 & 2)	13000	Cost of inverter and battery
55 of 10/10	89400	Cost of Lunch Tea Biscuit Bread etc
57 of 11/10	5200	Cost of almirah
76 do	9580	Cost of two table
137 of 1/11	4470	Cost of almirah
7 of 4/11	11250	Cost of Lunch of 150 persons
8 of 4/11	6104	Rent of tentage
9 do	2000	Rent of sound system
49 of 5/11	8080	Cost of 4 PC of orient fans and motor
15(1 5) of 7/11	53250	Purchase of books for library
26 of 7/11	7500	Purchase of Rickshaw Rehra for G P Hangoli
41 of 7/11	17370	Rent of tentage charges of Sarpanch anganwan worker and panchayat secretary to attend Samelan
42 of 7/11	10050	Cost of samosa Tea Bread & Laddu
43 of 7/11	700	Rent of sound service on 18 07 11
31 of 8/11	80000	Grant of Gram Panchayat Jagdholi
32 of 8/11	78000	Paid to Sh Rajesh Kumar for rent of JCB for working 12 Hours 10 days for disposal of water in flood Effected area Nagla Jagir Kul Chandu etc
39 of 8/11	56000	cost of 700/ pkt lunch to attend the State level Panch/Sarpanch/ Panchayat Samiti members/Z P Held at Jind on 21 8 11
40 do	11190	Cost of bus tickets from Mustafabad to Jind
49 of 8/11	50000	Grant for G P Bal Chhapar
5 of 1/12	6132	Rent of tentage charges for attend of Sarpanch & Numberdar for smart card
6 of 1/12	3345	Refreshment charges for Sarpanch & Numberdar
27 of 2/12	50000	Sent to DDPO YNR for Distt level sports comp

37 of 2/12	77400	Cost of 90 Dinner set Kadhi set
10 of 3/12	47594	Cost track suits
11 of 3/12	36900	Cost of water cooler

The department in its written reply stated as under

The expenditure as detailed in para shall be got regularized with the specific sanction of Govt under Section 100 (H) of Haryana Panchayat Raj Act 1994 and compliance shown at the time of next audit

The Committee desired that the expenditure incurred in excess of prescribed limit as well as irregular avoidable payment as detailed in this para be got regularized with the specific sanction of the Government and thereafter its complete record and the actual position in this regard be submitted to the concerned Circle Senior Auditor of Local Audit Department at the time of next audit for check up and final adjustment in the accounts of Panchayat Samiti Mustafabad under intimation to the Committee

[37] Para No 10(ii) Excess/Irregular avoidable payment

As per instruction issued from the Commissioner and Secretary to Govt Haryana Development and Panchayat Deptt contained memo No 7494 BAP 1(2)85/9166 dated 10 12 85 and as per Rule 52 of Haryana Panchayat Raj F B A Rule 1996 Rs 10000/ Rs 5000/ Rs 5000/ Rs 2000/ and Rs 3000/ P A only were to be spent on purchases of fuel & lubricant (POL) Repair of Jeep Stationery Advertisement charges and Printing Charges respectively but contrary to this following expenditure was incurred in excess of limit prescribed The excess expenditure made may be got recouped form Govt under section 100 (h) of Haryana Panchayat Raj Act 1994 and compliance shown at the time of next audit

Item No	Period	Amount spent	Amount admissible	Amount recouped	Excess
POL	2010 11	95469	10000-	-----	85469
Jeep Repair	-do-	45144	5000	-	39144
Stationary	-do-	26150	5000	- - -	21150
POL	2011 12	126754	10000-	-----	116754
Jeep Repair	-do-	45709	5000	- - -	40709
Stationary	-do-	25030	5000	- - -	20030
Advertisement	-do-	7680	2000	- ----	7480

The department in its written reply stated as under

The expenditure incurred in excess of the limit as shown in para shall be recouped/ regularized with the sanction of Govt as required under Section 100(h) of Haryana Panchayat Raj Act 1994 and compliance will be shown at the time of next audit

The Committee desired that the expenditure incurred in excess of limit presented for various mentioned purposes in this para be got recouped/regularized with the specific sanction of the Government and thereafter its complete record and the actual position in this regard be submitted to the concerned Circle Senior Auditor of Local Audit Department at the time of next audit for check up and final adjustment in the accounts of Panchayat Samiti Mustafabad under intimation to the Committee

[38] Para No 10(iv) Excess/Irregular avoidable payment

The following T A bills of the members of Panchayat Samiti were paid shown against each to attend the meeting at Block Mustafabad However the journey performed by the members of Panchayat Samiti within the radius of 8 K M so the amount of D A paid was not admissible vide rule 2 41 of Pb CSR Vol III The recovery of such payments may be made good or regularized with the sanction of Govt and compliance shown at the time of next audit

V No & Month	Name of Member	Distance KM	Date of journey	Amount paid
	Sunita W/o Kushinder Mustafabad	Local	13 9 10 1 3 11	200
	Fakir Chand S/o Banwan Uncha Chandana	5 KM	13 9 10 1 3 11 23 9 11 28 7 11 26 8 11	500
	Vinod S/o Roshan Lal Kalawar	7 KM	13 9 10 1 3 11 23 9 11 28 7 11 26 8 11	500
	Sunnder S/o Sh Chemla Ram Gadhola	5 KM	13 9 10 1 3 11 23 9 11 28 7 11 26 8 11 18-10 11	600
			Total	1800

The department in its written reply stated as under

The amount of travelling allowance paid to the members of Panchayat Samiti as detailed in para shall be recovered and shown to audit as they have been written by the office memo 1648 dated 22 07 13 to deposit the same into Samiti Fund

The Committee desired that strenuous and vigorous efforts may be made to recover the amount of travelling allowance from the Members of Panchayat Samiti as detailed in para and thereafter complete record of recovered amount be put up to the concerned Circle Senior Auditor of Local Audit Department at the time of next audit for check up and final adjustment in the accounts of Panchayat Samiti Mustafabad under intimation to the Committee

[39] Para No 10(v) Excess/Irregular avoidable payment

The following persons were engaged on daily wages without the sanction of the competent authority on Panchayat Samiti was not empowered to engage persons on daily wages in the term of letter No 5/6/92 1 B & C dated 9 01-96 The payment made as such may either be justified or made good from the defaulters unless got regularized with the sanction of Govt

Period	Driver	Computer Operator
2010 11	43770	94200
2011 12	---	104500

The department in its written reply stated as under

The Driver and Computer Operator were engaged on daily wages against vacant posts on The sanction of Deputy Commissioner Yamuna Nagar and such para needs to be dropped by the audit

After going through the written reply of the department the Committee wants to know whether the Deputy Commissioner Yamuna Nagar was competent to give sanction for engaging the Driver and Computer Operator under the rules

The Committee desired the department to get verify the sanction of the competent authority for engaging the Driver and the Computer Operator on daily wages from the concerned Circle Senior Auditor of Local Audit Department at the time of next audit

[40] Para No 10(vi) Excess/Irregular avoidable payment

The following expenditure were incurred on preparation of Panchayat Maps without obtaining the sanction of Govt The material were to be purchased before obtaining sanction of Govt under Rule 52 & 74 (Appendix A) of Haryana Panchayati Raj Finance Budget Accounts Audit Taxation and works Rule 1996 Neither the amount of expenditure were created as demand in Demand &

Collection Register nor recovered from the concerned Panchayat Which resulted into irregular expenditure The matter is brought to the notice of Deputy Commissioner Yamunanagar for looking into and action be taken against the official/ officer at fault Beside recovery of the same from the concerned Panchayat alongwith obtaining the sanction of the Govt and compliance shown at the time of next audit

V No & Date	Amount	Particulars
30 of 6/11	37752	Cost of Maps of Panchayats
22 of 8/11	32500	do --

The department in its written reply stated as under

Rs 40252/ have been recovered from the concerned Panchayat out of Rs 70252/ which was incurred for panchayat maps and for the balance amount of Rs 30000/ efforts are being made to server from the concerned Panchayat and compliance will be shown at the time of next audit

The Committee desired the department to make all out efforts to recover the balance amount of Rs 30 000/ from the concerned Panchayats at the earliest and inform the Committee after crediting the due amount in Panchayat Samiti Account

[41] Para No 11 Irregularities in Purchases

The following material was purchased after collecting spot quotations instead of approved source of supply of manufacture as prescribed in Appendix 17 of PFR Vol II The quality and specification of material purchased was neither specified in quotations nor in the bills and these material were to be purchased before obtaining sanction of the Govt under rule 52 and 74 (Appendix A) of Haryana Panchayati Raj Finance Budget Accounts Audit Taxation and Work Rules 1996 This was irregular and the matter being serious is brought to the notice of the Deputy Commissioner Yamunanagar to ensure that the amount paid commensurate with the value of material received and responsibility for non adherence of prescribed procedure may be fixed and excess amount if any recovered from the official at fault and recovered and credit shown at the time of next audit

V No & Month	Amount	Particulars
5 of 7/10	10950	Cost of fans
18 of 4/10	63262	Cost of Lap top
1 of 7/10	30020	Cost of orient fans
5 (1 2) of 7/10	13000	Cost of inverters and battery
1 of 9/10	16200	Cost of 4 boxes
55 of 10/10	89400	Cost of Lunch Tea Bread etc
26 of 5/11	2585	Cost of electrical goods
15 (1 5) of 7/11	53250	Cost of library books for Panchayat
32 of 8/11	78000	Rent of JCB for 10 days
39 of 8/11	56000	Cost of lunch
33 of 2/12	77400	Cost of Dinner set 90 PC Kadhai Set
10 of 3/12	47594	Cost of 95 PC track suits
11 of 3/12	36900	Cost of water cooler
15 of 3/12	3240	Cost of writing/Painting of name plate etc

The department in its written reply stated as under

The irregularities of the purchases as detailed in para shall be attended to removed in due course for which correspondence is in process with the concerned authorities and in case the amount had been paid in excess shall be recovered from the official/ officer at fault and shall be shown to the audit at the time of next audit

The Committee desired that the irregularities of the purchases in excess of prescribed limit as detailed in para be got regularized with the specific sanction of the Government and in case the amount had been paid in excess it should be recovered from the delinquent officer/official and thereafter the complete record in this regard be submitted to the concerned Circle Senior Auditor of Local Audit Department at the time of next audit for its verification and final adjustment in the accounts of Panchayat Samiti Mustafabad

[42] Para No 12(iv) Miscellaneous

The monthly/annual accounts as required under rule 22 & 23 General ledger and statement in form XII and indicating assets and liabilities of the samiti as required under rule 22(2) of Haryana F B A rule 1996 was not prepared This is highly objectionable and not in order The accounts may be prepared as required and prescribed in rule and compliance shown at the time of next audit

The department in its written reply stated as under

Monthly/annual accounts now have been prepared as suggested by Audit and will be shown at the time of next audit

The Committee desired that the Monthly/Annual Accounts as mentioned in this Audit Report may be submitted to the concerned Circle Senior Auditor of Local Audit Department at the time of next audit for check up

[43] Para 14 Conclusion

Action taken on the last audit note was not satisfactory (Part 1) Cases of non production of record (Para 2A) Misappropriation of fund (Para 9) irregular/excess avoidable payments (Para 10) were noticed Accounts stand in need of considerable improvement and close supervision

The department in its written reply stated as under

Most of the compliance of Audit objections was made during the period of audit However the compliance of the rest of the paras is under process and such most of the compliance should be shown at the time of next audit

The Committee observed that the annotated replies of the last various Audit and Inspection Notes on the accounts of Panchayat Samiti Mustafabad were not prepared and sent to the office of the Director Local Audit Haryana as per its requirement which is a serious lapse on the part of Panchayat Samiti and is highly objectionable

The Committee is agreed with the suggestions of the Director Local Audit Department as the accounts stand in need of considerable improvement and close supervision

The Committee desired the department to make all out constant efforts to settle the outstanding audit objections as contained in the last various Reports of the Director Local Audit, Haryana

The department should apprise the Committee as well as to the Local Audit Department also about the action taken on such reports

RECOMMENDATIONS OF THE COMMITTEE

The Committee recommends that immediate action should be taken by the authorities of Panchayat Samiti Mustafabad (District Yamuna Nagar) for an early settlement of the outstanding audit objections of Present Audit and as contained in the last Various Reports of the Director Local Audit Haryana within the prescribed period as these are pending for a long time and the concerned department is not paying any attention in this regard and its progress report be submitted to the Committee as well as Local Audit Department Haryana from time to time accordingly

The Committee also recommends the department to take appropriate action on the recommendations of the Committee as expeditiously as possible and no recommendation should remain pending for action for more than two consecutive Quarterly Progress Reports. However the period mentioned in the report be meticulously adhered to

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GENERAL OBSERVATION/RECOMMENDATIONS OF THE COMMITTEE

The Committee recommends that the department should initiate action on all the Audit Reports finalized by the Local Audit Department of Haryana without waiting for the Committee's discussion and thereafter should also apprise the Committee as well as Local Audit Department Haryana about the action taken on such Audit Reports within a period of three months and it should be signed by the competent authority and the Audit Officer under their seals

The Committee also recommends that the latest correct annotated replies to the audit paras should be furnished to the Committee within the prescribed period of three months after the issuance of Audit Report by the Local Audit Department Haryana in the following proforma

Sr No	Audit Para Number & its year of audit	Details of audit objection raised by the Local Audit Department/PAG	Audit observation	Comments/ Reply

Sd/
Authorized officer

Sd/
Audit officer

The annotated reply on the Audit Reports should be based on the latest factual position. The annotated replies with regard to the information sought/ observations/recommendations made by the Committee should be sent to this Secretariat within a period of fifteen days positively after receiving such information from this office.

The department will furnish annotated replies within a period of three months of the presentation of the Report of the Comptroller and Auditor General of India to the State Legislature with regard to the elected Local Bodies/Panchayati Raj Institutions.

All the pending audit objections/paras as mentioned in the different Reports may be settled after arranging necessary meetings with the concerned officers of the Local Audit Department Haryana. It may also be ensured that the

observations/recommendations contained therein are implemented meticulously by all the concerned and its progress report be submitted to the Committee on Local Bodies and Panchayati Raj Institutions accordingly

The Committee further recommends that the Quarterly Progress Report with regard to the information sought and observations/ recommendations made by the Committee in its Reports during its oral examination/scrutiny of the Reports should be sent to this Secretariat within the prescribed period of every three Month ending March June September and December of each year positively after receiving such information and observations/ recommendations as well as Committee s Reports from this office

The Committee also recommends that the Nodal Officer appointed for dealing with the working of the Committee on Local Bodies and Panchayati Raj Institutions should ensure speedy disposal of the recommendations made by the Committee as well as the compliance of the instructions/observations/ recommendations of the Committee in a proper way as the Nodal officer is answerable for following up of all the Committee matters pertaining to the department

The Committee further recommends that the Director cum Special Secretary/ Nodal Officer should make correspondence with the Heads of all the Zila Parishads and Panchayat Samities to initiate action on all the Audit Reports without waiting for the Committee s discussion as well as for strict compliance of the instructions/ observations/ recommendations of the Committee in a proper way

The Committee is of the view that the above instructions/observations/ recommendations of the Committee may be Strictly Complied with It may also be noted for future that correct and factual position should invariably be placed before the Committee wherein the view of the Govt on the Audit points is clearly stated

Appendix 'B**(Refer paragraph 2-A page 14)**

Referred to para No 7 of the Audit Note of Panchayat Samiti Mustafabad for the period from 4/10 to 3/12 (Part II)

Statement showing the position of arrear of Panchayat Samiti dues and arrears as on 31 3 12

Particulars	Opening	Demand	Total	Recovery	Closing Balance
Haryana Sanwad	17200	7000	24200		24200
Sports fund	6 96 000	5 60 000	12 56 000		12 56 000

sd
Senior Auditor
Jagadhari circle

sd
BDPO
P S Mustafabad

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