



ANNUAL REVIEW OF THE WORKING OF **TREASURIES IN BIHAR**

FOR THE YEAR 2019-2020



लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest



INDIAN AUDIT & ACCOUNTS DEPARTMENT
OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (A&E), BIHAR, PATNA

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PART-I

1.1 Introductory

There are 76 treasuries (including one PAO working as a treasury at Bihar Bhawan, (New Delhi) in the State of Bihar as on 31.03.2020. All treasuries in Bihar are banking treasuries and do not engage in cash business. A list of all the treasuries is given at **Annexure-I**. Since there is no Directorate of Treasuries in existence in the state of Bihar, all these treasuries function under the direct administrative control of the Finance Department, Government of Bihar, Patna. In accordance with the provisions of Article 149 of the Constitution, the work of compilation of State Government Accounts has been entrusted to the Comptroller & Auditor General of India i.e. The Pr. Accountant General (A&E) of the State. Most of the receipt and payment transactions of State are carried out by the treasuries. The treasuries have to submit online accounts through CFMS to The Pr. Accountant General (A&E) of the State in respect of all receipt/payment transactions along with the supporting challans and vouchers. In the course of compilation of these accounts for the financial year 2019-20, various irregularities on the part of State Treasuries were noticed. Inspection of treasuries is conducted regularly by the O/o The Pr. Accountant General (A&E) to apprise the irregularities and to provide necessary corrective measures to be taken by the Finance Department. Treasury Inspection is intended to ensure that treasuries are working strictly in accordance with prescribed rules and regulations meeting the audit requirements, all accounts and records maintained by them are complete in all respect, there is a proper system of reconciliation of balances, there is a proper arrangement for the custody and handling of cash and other valuables and rules of financial propriety are being observed. Inspection of treasuries of Bihar conducted during the Financial Year 2019-20 revealed a number of persisting irregularities which need to be rectified.

1.2 Organizational Set-up

Treasuries are very important institutions of the State Government playing the role of a gateway through which cash transactions of the State Government is carried out. In the interest of proper financial accountability, treasuries are required to adhere to the provisions contained in codes and manuals.

Unless the Government otherwise directs in any special case, there shall be a Treasury in every district. A list of treasuries in Bihar is given in **Annexure-I**. The Treasury shall be under the general charge of the Collector who shall entrust the immediate executive control to a Treasury Officer subordinate to him, but shall not divest himself of administrative control. The Collector shall be responsible for the proper observance of the procedure prescribed by or under these rules and for the punctual submission of all returns by the Treasury to the Government, The Pr. Accountant General and the Reserve Bank of India.

Rule 9(a) of the Bihar Treasury Code -2011 describes that the Collector shall satisfy himself by periodical examination, at least once a year, that stamps, securities and cheques are kept under joint lock and key, and that they correspond to their book balance. Rule 9(b) of the Bihar Treasury Code-2011 describes that the Collector shall satisfy himself at least once in every quarter that deposit registers are kept according to prescribed rules and all necessary entries are made and initiated without fail at the time of transaction by the Treasury Officer.

As per Rule 11 of Bihar Treasury Code-2011, the Monthly Accounts and other returns to the Pr. Accountant General shall be jointly signed by the Treasury Officer and Collector.

1.3 Position of Treasury Staff

Annexure-II shows the position of Treasury staff (sanctioned strength/men-in-position) where inspection took place during 2019-20. The table shows that there is prolonged shortage of staff particularly in Clerk/Head Clerk/Accountant cadre.

PART-II

Defects noticed during compilation and verification of accounts

2.1. Non receipt/Delay in receipt of awaited Vouchers from Treasuries:-

Rule 25 and 26 of Bihar Treasury Code-2011 require the Treasury Officers to satisfy themselves that all vouchers/challans are attached with the list of payments and Cash Accounts along with the relevant Schedule to be sent online through CFMS to the office of the Pr. Accountant General (A&E), Bihar, Patna. Compilation of the State Government accounts by the Pr. Accountant General is primarily based on the vouchers and challans received from the Treasuries. Rendering of quality accounts has direct impact on the preparation of Finance and Appropriation Accounts of the State. In a number of cases, Monthly Accounts rendered by the state Treasuries were not found to have supported challans and vouchers due to which amount remitted/paid under the respective Challan & voucher has been accounted under OB suspense .

A huge amount, due to wanting vouchers/challan, is pending in 21 out of 24 treasuries which were (listed below) inspected during 2019-20.

Sl. No.	Name of Treasuries	Amount in O.B. Suspense	Sl. No.	Name of Treasuries	Amount in O.B. Suspense
1	Daudnagar	35062026.00	11	Tekari	21117853.00
2	Bihar Bhawan	3565207.00	12	Triveniganj	12082529.00
3	Sasaram	633043542.00	13	Bettiah	421025755.00
4	Lalganj	21749679.00	14	Hajipur	268789782.00
5	Dalsingsarai	74245070.00	15	Dehri	93785428.00
6	Begusarai	363945932.00	16	Narkatiyaganj	101368279.00
7	Masaurhi	16783765.00	17	Rosera	67945075.00
8	Nalanda	593763179.00	18	Dumraon	104031848.00
9	Purnia	411055130.70	19	Madhubani	684264479.00
10	Samastipur	844294589.00	20	Munger	370749979.00
21	Siwan	594496919.30			

Table:-1 Amount depicted under OB suspense is upto March-2020

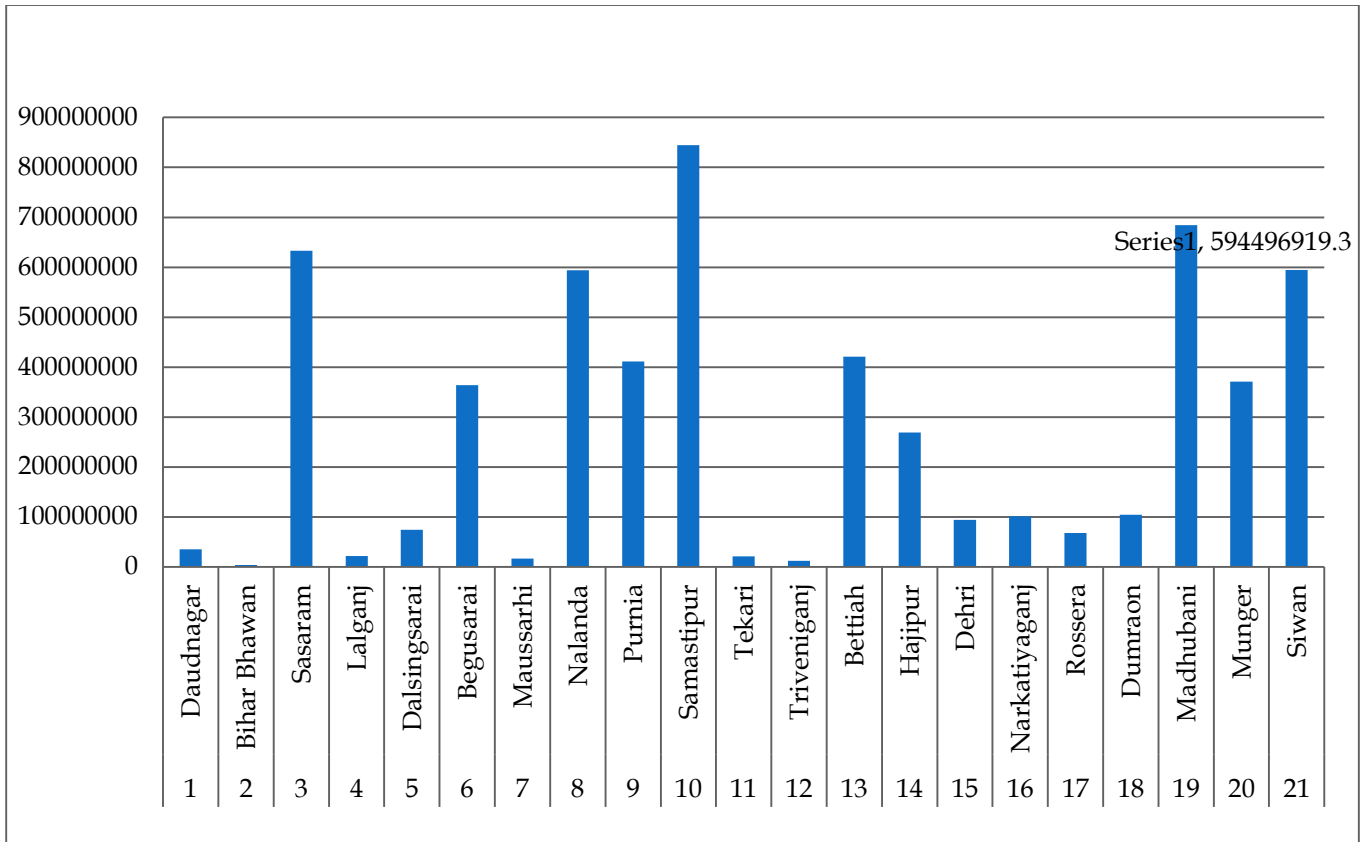


Figure No:-1 Amount of O.B. Suspense

2.2 Pending Abstract Contingent Bills from Treasuries:-

According to Rule 191, 192 and 194 of BTC 2011, contingent charges requiring counter signature after payment may be drawn on ‘ Abstract Contingent Bill’ in BTC Form 26. Such bills do not contain the details of the charges and are presented at the treasury without any supporting vouchers. The Drawing Officer states in each bill the fact that a 'detailed bill' is to be sent for countersignature by a named date.

A certificate to the effect that a detailed bill drawn previously was submitted for countersignature to the Controlling Officer on such a date shall be attached to the next contingent abstract bill presented at the Treasury. Further, in no case should be the submission of the detailed bill be delayed beyond the end of the six months following that in which the abstract contingent bill was drawn from the Treasury. No abstract bill shall be cashed after the end of this period unless detailed bill is submitted in accordance with these rules.

Also as per rule 314 (c) (i) of BTC-2011, Government servant disbursing these advances should be allowed to draw a second advance without producing a Detailed Bill to account for the amounts already disbursed from the last advance, any balance left being refunded into the Treasury. In no case should the submission of the detailed bill be delayed beyond the end of the sixth month following that in which the advance was drawn from the Treasury.

During the inspection of treasuries (2019-20), it was found that in 23 treasuries out of 24 treasuries inspected (the names of which are given), huge amount of AC bills was still pending in absence of submission of DC bills up to 2018-19. List of such treasuries are as follows:-

Sl. No.	Name of Treasuries	Amount (in Rs.)	Sl. No.	Name of Treasuries	Amount (in Rs.)
1	Bihar Bhawan	230000.00	13	Siwan	296591498.40
2	Lalganj	7669000.00	14	Tekari	5284058.00
3	Dalsinghsarai	597223944.00	15	Triveniganj	3265000.00
4	Mahua	3332709.00	16	Bettiah	123399855.00
5	Sasaram	517277467.00	17	Hajipur	1772000.00
6	Begusarai	9213385.00	18	Dehri	67352122.00
7	Nalanda	425036725.40	19	Narkatiyaganj	313691560.00
8	Naugachia	11471575.00	20	Rosera	46088973.00
9	Daudnagar	158760.00	21	Dumraon	1752000.00
10	Purnia	549845160.60	22	Sikarahna	19285552.00
11	Samastipur	229301497.00	23	Madhubani	1796521961.15
12	Munger	246532238.50			

Table:-2 Amount of pending Abstract Contingent Bills

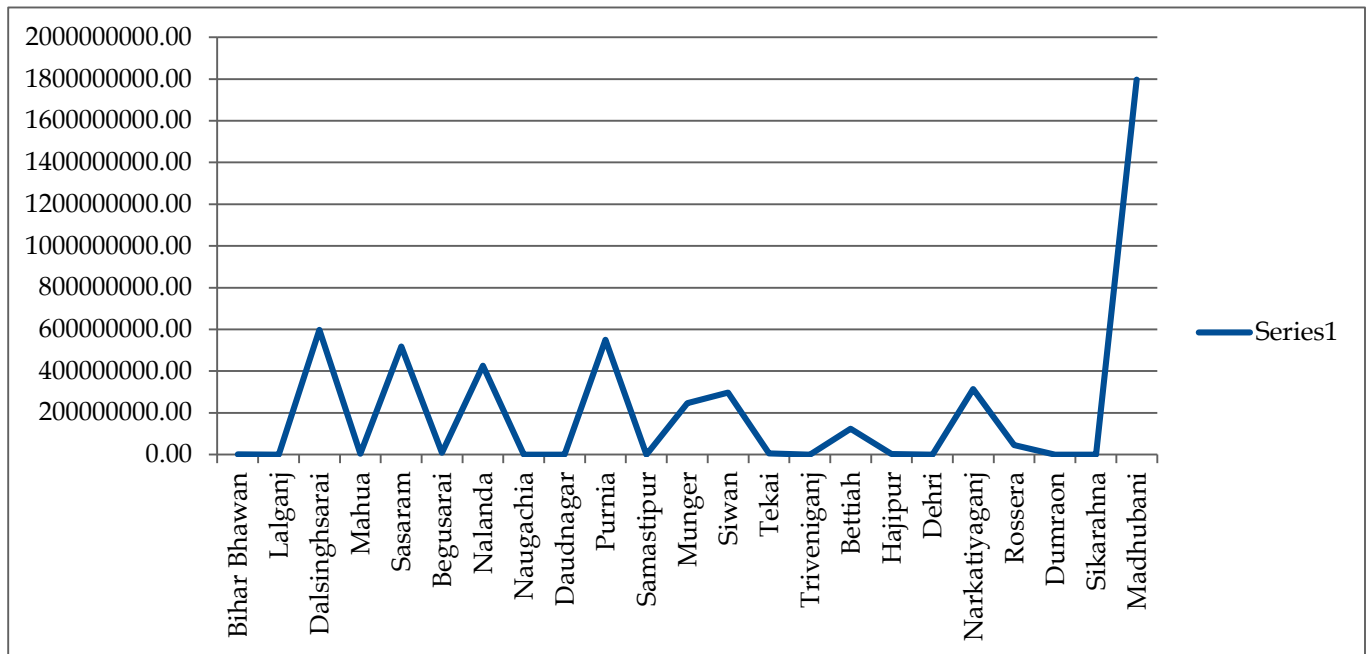


Figure:-2 Amount of pending Abstract Contingent Bills

2.3 PD/PL Accounts

Rules 350-53 of B.T.C. -2011 deals with the proper maintenance of Personal Ledger Account. During the inspection of treasuries, it was found that P.D/ P.L. accounts were not maintained properly by 13 treasuries out of 24 treasuries inspected the names of which are given below. Columns made in the P.D/ P.L. Accounts Register to record details of cheques and challans and amount of receipt and payment have not been assigned any title. On the perusal of available records, the source of head/ department/ scheme from which aforesaid amount of money has been credited to the P.D / PL Account could not be ascertained.

Sl. No.	Name of Treasuries	Sl. No.	Name of Treasuries
1	Sasaram	8	Bettiah
2	Dalsingsarai	9	Hajipur
3	Nalanda	10	Narkatiyaganj
4	Naugachhia	11	Rosera
5	Samastipur	12	Dumraon
6	Siwan	13	Madhubani
7	Tekari		

Table:-3 List of PD/PL account was not proper maintained in Treasuries

The above deficiency was noticed in 13 out of 26 treasuries inspected during 2018-19 and the same was reported in Annual review on working of treasuries.

2.3.1 Accounting of Nagar Nigam, Nagar Parishad and Nagar Panchayat in wrong Head:-

As per Finance Department Letter No. 8037 dated 14-09-2015, transaction of Nagar Nigam, Nagar Parishad and Nagar Panchayat should be booked under Sub Head 0001, 0002 and 0003 respectively under Major Head 8448, Sub Head 00, Minor Head 102.

However in course of inspection of treasuries, it was noticed that transaction of Nagar Nigam, Nagar Parishad and Nagar Panchayat had been booked under wrong sub-head and the above allotted sub-head was not being used for accounting of Nagar Nigam, Nagar Parishad and Nagar Panchayat. It was found that 18 treasuries out of 24 treasuries inspected (the names of which are given below) were booking in wrong Head of Account. Some examples were given belows-

Sl .No.	Name of Treasuries	Example-	Sl. No.	Name of Treasuries	Example-
1	Daudnagar	Nagar Parishad Daudnagar wrongly classified sub-head 001 instead of 002	10	Siwan	Nagar Panchayat, Maharajganj should be booked under head 8448-00-109-0002 instead of 8448-00-102-003
2	Sasaram	NagarPanchayat, Bikramganj, Nokha, Koath wrongly classified sub-head 001 instead of 003.	11	Tekari	Nagar Panchayat Tekari wrongly classified sub-head 001 instead of 003.
3	Lalganj	Nagar Panchayat, Lalganj wrongly classified sub-head 001 instead of 003.	12	Bettiah	Nagar Parishad, Bettiah wrongly classified sub-head 003 instead of 002
4	Dalsingsarai	NagarPanchayat, Dalsingsarai wrongly classified sub-head 001 instead of 003.	13	Hajipur	Nagar Parishad, Hajipur & Mahnar wrongly classified sub-head 001 instead of 002
5	Masuarhi	Nagar Parishad Masuarhi wrongly classified sub-head 001 instead of 002	14	Narkatiyaganj	Nagar Parishad, Narkatiyaganj wrongly classified sub-head 001 instead of 002

6	Nalanda	Biharsharif Dist. Board, Nalanda should be booked under head 8448-00-109-0001 instead of 8448-00-102-001	15	Rosera	Nagar Panchayat, Rossera wrongly classified sub-head 001 instead of 003.
7	Naugachhia	Nagar Panchayat, Naugachhia wrongly classified sub-head 001 instead of 003.	16	Dumraon	Nagar Parishad, Dumraon wrongly classified sub-head 001 instead of 002 till December-2019 .
8	Samastipur	Nagar Parishd, Samastipur wrongly classified sub-head 001 instead of 002	17	Sikarahna	Nagar Parishad Sikarahna from june 2017 and above allotted subhead was not being used for accounting of Nagar Panchayat/Parishad, Sikarahna
9	Madhubani	Nagar Parishd, Madhubani wrongly classified sub-head 001 instead of 002	18	Munger	Nagar Parishad, Jamalpur & Nagar panchayat H.K.G.P. MGR wrongly booking sub-head 001 instead of 002 & 001 instead of 003

Table:-4 Booking wrong head by Treasuries

The above deficiency was noticed in 16 out of 26 treasuries inspected during 2018-19 and the same was reported in Annual review on working of treasuries

2.4 Non furnishing of Consolidated Treasury Receipts for Forest Remittance

Huge accumulation under M/H-8782 (Publics Works Remittances/Forest Remittances)

As per Rule 300 and notes there under (Rule 177 of B.T.C. 2011), no money should be drawn from treasury unless it is required for immediate payment. It is not permissible to draw money from the Treasury and then to place in deposit in order to avoid lapse of allotment. In case, it is drawn in any special circumstances, the unspent balance so drawn be refunded to the treasury before the end of the financial year in which the amount is drawn.

In course of verification of treasury records and List of Receipt (L.O.R.) of Financial Year 2015-2016, 2016-17, 2017-18 and 2018-19, it was observed that a significant amount had been parked under M/H K8782-Public Works Remittances. Details are shown under **Annexure –III**.

2.5 Treasuries inspected during the year:

A list of treasuries inspected during financial year 2019-20 is shown as Annexure IV.

2.6 Non revalidation of Gratuity Payment authority after the expiry of one year:-

As per rule 240 of BTC-2011, a gratuity payment order shall remain in force for one year only and no such order shall be retained in a disbursing office if payment had not been made on it within a year of its issue.

In course of inspection of treasuries during 2019-20, it was found from the Inspection Report that the gratuity payments has been made after one year from the date of authority issued without revalidation of the same in the following treasuries:- (**Annexure- V enclosed**)

Sl. No.	Name of Treasuries	No of pensioners
1	Naugachia	02
2	Masaurhi	05

Table:-5 List of Treasuries non revalidation of Gratuity Payment

2.7 Improper/Non maintenance of records:-

2.7.1 Records of Letter of Credit (LOC):-

As per Rule 96 of Bihar Treasury Code-2011, an LOC is required to be maintained in BTC Form-8 or as prescribed in BTC Form-58. During the inspection of the treasuries in financial year 2019-20, it was found that records of Letter of Credit were not maintained in the prescribed format in 04 out of 24 treasuries inspected. The name of the same is mentioned below:

Sl. No.	Name of Treasuries	Sl. No.	Name of Treasuries
1	Sasaram	3	Samastipur
2	Begusarai	4	Madhubani

Table:-6 List of Treasuries was not maintained LOC register

The above deficiency was noticed in 07 out of 26 treasuries inspected during financial year 2018-19 and the same was reported in Annual review on working of treasuries.

2.7.2 Non-Submission of Lapsed Statement:-

Under the provision of Rules 331 to 333 of B.T.C. (2011), all deposit balances that remained unclaimed for more than three complete accounting years shall, at the close of 31st March each year, be credited to the Government Account (Consolidated Fund) and a list of deposits and balances, thus, lapsing shall be submitted to the Pr. Accountant General by the Treasury Officer immediately thereafter. Details of preparation of lapsed deposit statement are contained in Accounting Rules for Treasuries 1992.

In the course of inspection, it has been observed that most of the treasuries neither credits the amount of lapsed deposits back to the Government Accounts nor do they submit a lapsed deposit statement to the Pr. Accountant General. Out of 24 treasuries inspected, 14 treasuries mentioned below did not submit the report.

Sl. No.	Name of Treasuries	Sl. No.	Name of Treasuries
1	Daudnagar	8	Samastipur
2	Sasaram	9	Siwan
3	Lalganj	10	Tekari
4	Begusarai	11	Bettiah
5	Massaurhi	12	Hajipur
6	Nalanda	13	Dehri
7	Dumraon	14	Munger

Table:-7 Lapsed statement

The above deficiency was noticed in 15 out of 26 treasuries inspected during 2018-19 and the same was reported in Annual review on working of treasuries.

2.8 Non-maintenance of Objection Memoranda:-

As per Finance Deptt. Orders vide letter no. 11889 dated 29-12-2011, treasuries are required to pass a bill within five days and if it is not possible due to some defect, as per rule 119 of B.T.C. 2011, every such defective bill produced in the treasury should be returned with a half margin memorandum showing

items of objection. Such objection memorandum should be kept in treasury for three years and should be produced at the time of inspection. In absence of any half margin memo or other record to show the reason of delay, it is difficult to understand the nature of defect. During inspection of treasuries for 2019-20, it was found that most of the treasuries were not following the above codal provision. A few examples are given below:-

Sl. No.	Name of Treasuries	Sl. No.	Name of Treasuries
1	Lalganj	6	Siwan
2	Mahua	7	Dehri
3	Nalanda	8	Rosera
4	Purnia	5	Samastipur

Table:-8 Objection Memoranda list

The above deficiency was noticed in 10 out of 26 treasuries inspected during financial year 2018-19 and the same was reported in Annual review on working of treasuries.

2.9 Irregular Payment of Pension benefits due to lack of proper checks:-

In the course of inspection of treasuries, it has been noticed that some treasuries (as well as agency banks) are paying less amount than Pension/Family Pension admissible. As per Para 2 of the Finance Department resolution no. 819-20 dt. 23.09.2009, the minimum pension/family pension payable with effect from 01.04.2007 is Rs. 3500.00 per month. Further, as per para 5 of the said resolution, treasury office/bank has been directed to make payment of consolidated pension/family pension in the light of said resolution. As per resolution No. 755 dated 20/10/17 of Finance Department, Govt. Of Bihar, Minimum pension should be paid @ 9000 w.e.f. 01/04/17. However, in course of inspection of different treasuries during 2019-2020, it was observed that some cases of pension/family pension had not been revised and consolidated in the light of the said order resulting in lesser payments of pension/family pension to pensioners. List of Treasuries in which such cases have been found is given below:-

Sl. No.	Name of Treasuries	No of pensioners	Sl. No.	Name of Treasuries	No of pensioners
1	Daudnagar	02	8	Masaurhi	03
2	Dalsinghsarai	13	9	Nalanda	09
3	Begusarai	22	10	Purnia	08
4	Siwan	10	11	Samastipur	17
5	Hajipur	05	12	Rosera	10
6	Madhubani	12	13	Munger	05
7	Tekari	05			

Table-9 List of irregular Payment of Pensions

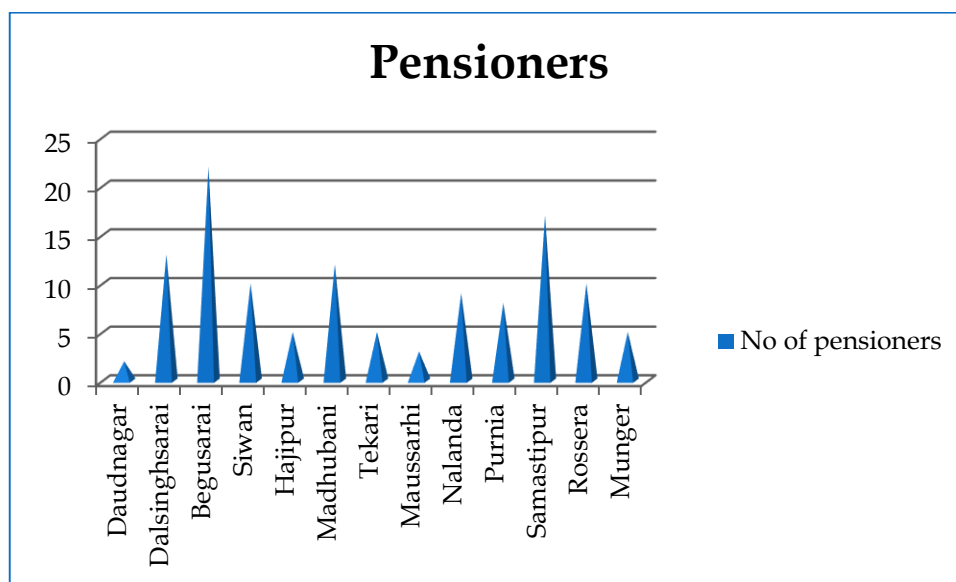


Figure 3 No. of Pensioners

The above deficiency was noticed in 05 out of 26 treasuries inspected during 2018-19 and the same was reported in Annual review on working of treasuries.

2.10 Excess Payment of pension and Gratuity:-

In the course of inspection of the records of payment of pension, family pension, commutation, revision cases, etc., it was observed that over-payment were made due to non-observance of instruction noted on the P.P.O. as well as negligence at the time of calculation of payable amounts by different treasuries (listed below) and accredited Banks (**Annexure VI**).

Sl.No.	Name of Treasury	No of pensioners	Sl.No.	Name of Treasury	No of pensioners
1	Daudnagar	01	2	Naugachia	03

Table-10 Excess payment of Pension & Gratuity

The above deficiency was noticed in 02 out of 26 treasuries inspected during 2018-19 and the same was reported in Annual Review on working of treasuries.

2.11 Un-drawn Pension/Unauthorized retention of PPOs:-

As contain in Rule 242 of BTC 2011, delays in payment are opposed to all rules and thus objectionable.

During the course of inspection of treasuries of 2019-20, it was observed that some pension payment orders issued by the Accountant General, Bihar, Patna were lying pending for payment at the Treasury. A few examples of treasuries are listed below:-

SI No	Name of Treasuries	No of pensioners	Pensioner Name	PPO No.	Date of Issued
1	Sasaram	07	Bhagwan singh	200911141787	16/09/2009
			Kesho Prasad	200911161293	12/05/2009
			Kapil Pandit	201011161525	20/06/2010
			Vishwanath Dwivedi	370222(Duplicate)	28/06/2010
			Late Muni Singh	201112083491	09/02/2011
			Surendra Pd. Singh	201216061816	29/03/2012
			Akhilesh Kumar	201711162392	20/12/2017
2	Lalganj	04	Mahendra Pd. Singh	201211162164	24/09/2012
			Dashai Rai	201211071387	05/03/2012
			Pawan Devi w/o Lal Babu Thakur	201812072680	14/12/2018
			Ganesh Rai	201311073359P1	28/12/2018
3	Begusarai	09	Pramod prasad singh	201811122057	03/12/2018
			Ram Rajiv Sah	201811162543	29/11/2018
			Ram Naresh Singh	201811062134	25/06/2018
			Anjani Kumar Vatsayan	201811161666	25/05/2018
			Ram Naresh Ray	201811061880	14/05/2018
			Shashi Kant Jha	201611122556	22/12/2016
			Ram Dhyan Yadav	201611072508	28/09/2016
			Ravindra Nath Rai	201511121847	09/04/2015
			Md. Jasim Uddin Jauhar	201511121305	09/02/2015
4	Mahua	03	Ratneshwar Prasad Verma	201511051909	10/08/2015
			Jawahar Lal Rai	201411162943	09/01/2015
			Ramjee Prasad Singh	201511162453	29/10/2015
5	Masaurhi	05	Birendra Kumar	201711121921	09/10/2017
			Bijendra Kumar Sharma	201816121864	31/08/2018
			Balsundar Paswan	201811072721	06/12/2018
			Kanti Devi W/o Late Bhagwan Paswan	201912151123	13/03/2019
			Arjun Prasad Yadav	201911031408	10/04/2019
6	Dehri	04	Ali Hussain Ansari	201811081014	05/01/2019
			Ram Kumar Ojha	201911081017	11/01/2019
			Ashesh Kumar Sinha	201911031142	15/02/2019
			Ram Chandra Singh	201914091182	06/03/2019
7	Munger	05	Fuleshwari Devi	201212081314	14/03/2012
			Asha Kumari	201611131925	13/06/2016
			Bharat Yadav	201711161291	06/03/2017
			Bhagawat Singh	201811051715	15/06/2018
			Surendra Pandey	201711062393	28/07/2017

8	Nalanda	10	Yogendra Prasad	201711031514	13/04/2017
			Sachidanand Prasad	201714091522	05/05/2017
			Shailendra Kumar	201711101649	29/06/2017
			Surendra Prasad	201811062706	14/11/2018
			Satyendra Kumar Singh	201811062393	14/08/2018
			Abdul Majid	201911061196	31/01/2019
			Chinta Devi	201812032266	31/12/2018
			Shyamnandan Sharma	201911061368	22/02/2019
			Kameshwar Paswan	201911061485	13/03/2019
			Veermani singh	201911061401	23/02/2019
9	Naughachhia	15	Chandradev Rai	201911151524	11/09/2019
			Veena Kumari	201911042200	25/09/2019
			Ganesh Prasad Choudhary	201911031925	05/09/2019
			Mohan Das	201911151593	16/10/2019
			Binod Jha	201911081384	26/07/2019
			Jawahar Prasad Sharma	201911081409	19/08/2019
			Sharda Devi	201912072188	26/08/2019
			Sachiddanand Choudhary	210914091852	21/08/2019
			Birendra Kumar	201911062291	21/08/2019
			Suresh Rai	201911081315	15/06/2019
			Harihar Mishra	201911081095	22/02/2019
			Sahdeo Mandal	201811052217	28/12/2018
			Geeta Devi	201811041731	29/06/2018
			Nirmal Chand Yadav	201811061453	12/03/2018
Khurshid Alam	201711161167	10/02/2017			
10	Purnia	08	Umesh Prasad Singh	201511061479	11/03/2015
			Chandrakala Devi	201512011417	27/11/2015
			Anil Kumar Verma	201711051811	12/06/2017
			Deo Narayan Mandal	201711071865	07/07/2017
			Hira Lal Yadav	201711161998	28/08/2017
			Jai Prakash Yadav	201811151069	20/02/2018
			Suk Dev Das	201811161519	25/04/2018
			Anjan Kumar Sarkar	201811041744	28/06/2018
11	Siwan	07	Ram Nandan Pandey	201611101091	12/01/2016
			Driver Choudhary	201311074844	17/10/2013
			Sabarun Nessa	200914091645	23/03/2009
			Birendra Thakur	200914092688	16/10/2009
			Shankar Ram	201011082235	03/10/2010
			Naindra Devi	201012051114	04/02/2010
			Kedar Choudhary	201311075228	31/12/2013
12	Triveniganj	01	Bhawani Kumari	20161112213	26/09/2018
13	Sikarahna	03	Ram Chandra Ojha	201911051958	10/10/2019
			Hajara Khatoon W/o Lt. Md. Zamalluddin	201912051900	30/08/2019
			Md. Najmul Hoda	201911051294	29/03/2019

Table:-12 List of Un-drawn Pensioners

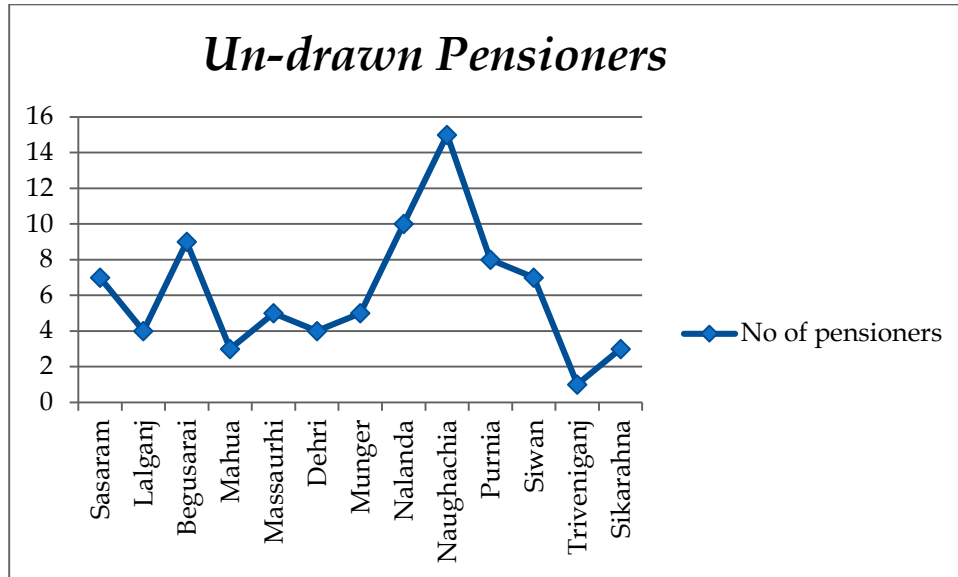


Figure-04 Un-drawn Pensioners

2.12 Stamp Account: Huge retention of Stamps in the Treasuries:-

As per codal provision, stamp accounts should be verified periodically by the treasury officer as well as by the collector.

However, in course of inspection of treasuries during 2019-20, accumulation of large number of Stamps were noticed. In addition to that a large number of damaged, obsolete and inoperative stamps was also been found lying in the strong room. Indent of stamps should be based upon the use or consumption of stamp by the treasury. A list of such treasuries where accumulation of large number of stamps are as follows:-

Sl. No.	Name of Treasuries	Sl. No.	Name of Treasuries
1	Siwan	5	Samastipur
2	Nalanda	6	Begusarai
3	Sasaram	7	Hajipur
4	Madhubani		

Table:-13 Stamp Account

2.13 Inspection of Strong Room and Issuance of Safety Certificate:-

Valuables including important documents, different type of stamps, coins and currency, precious metal/jewellery, keys and Cash chests of Govt. Departments are kept in strong room of a treasury for security point of view. Accordingly, any damage to the Strong Room by Fire or otherwise may put the Government in a major loss. Keeping in view the above facts, necessary rules and provisions have been framed by the Govt. As per Rule 377 of B.T.C-2011, without the permission of the State Government, no place should be used as strong-room unless it is first certified to be secure and fit for use by an officer of the Public Works Department not below the rank of an Executive Engineer. Existing strong rooms should be inspected annually by an Executive Engineer rank officer, who will grant certificate of safety and it is the duty of the Treasury Officer to obtain such a certificate annually.

Further, the District Superintendent of Police or the Commanding Officer of the Guard of a military one, should record an order prescribing the position of the Sentries and may also require any additional precautions to be taken in the strengthening of fastenings, burning of lights etc. And, a copy of such certificates are required to be exhibited prominently within the Strong Room and it is the duty of the Treasury Officer to see that any conditions as to the manner of the Storage etc. Stated in these documents are complied with. During local inspection of treasuries, it was observed that rules and provisions related to the security of the strong room were not fully complied with. List of such Treasuries is given below:-

Sl. No.	Security of Strong Room	Name of Treasuries
1	Fitness Certificate of Strong Room	Naugachhia, Nalanda, Masaurhi, Hajipur,
2	Establishment and Refilling of Fire Extinguisher	Siwan, Samastipur, Nalanda, Hajipur
3	Exhibition of updated position of santries	Naugachhia, Masaurhi, Madhubani

Table:-14 Strong Room

2.14 Annual Verification of Valuables, Deposited in the Treasuries:-

As per rule 31 of Bihar Treasury Code-2011, the following rules shall be observed by the Treasury Officer in the receipt, custody and delivery of valuables deposited for safe custody:

- (a) Only sealed cash chests and packets containing valuables shall be received for safe custody. They should be accompanied with a memorandum from the government servant sending them, giving a list of the property contained in the bag or packet and a statement of its actual or estimated value.
- (b) The sealed packet or bag must have a label attached to it containing the specimen of the seal (which should be attested by Treasury Officer and the depositor) used on the packet or bag.
- (c) The Treasury Officer shall carefully examine the chests or packets to see if the seals are intact. He will also satisfy himself that the seal on the packet or bag exactly tallies with the attested specimen on the label attached to it.
- (d) Thereafter the Treasury Officer will record receipt of the chest or packet or bag in a bound register in printed BTC Form 3. This register, the pages of which will have machine numbers, shall be kept in the Treasury.
- (e) The number assigned to the chest or packet according to the entry in the register will be noted on it and a receipt given. After having signed the receipt, the Treasury Officer will hand it over to the officer presenting the packet/bag and will keep the memorandum of contents presented by the said officer attached with the counterfoil of the receipt so granted. The chests or packet/bag will then be kept under double lock in the same way as cash and it should not be returned without a written order from the government servant on whose authority it was received. The Treasury Officer shall insist upon the return of the original receipt granted by him before the return of each chest and valuables out of safe custody.
- (f) The Treasury Officer shall periodically verify and in any case at periods not less than six months, the presence of sealed packets and shall satisfy himself that the seals are intact. He shall also verify its presence whenever there is a change in the charge of the Treasury. In the latter case, outgoing and incoming Treasury Officers shall personally hand over and take charge of the sealed packets and sign the register mentioned in clause (d) to this effect.

In course of Inspection of Treasuries during 2019-20, it was found that valuable Register was not maintained in BTC Form-3 in the following Treasuries. -:

Sl. No.	Name of Treasuries	Sl. No.	Name of Treasuries
1	Sasaram	2	Madhubani

Table:-15 Valuable Register

2.15 Inspection of Treasuries not being conducted by the Collector/Dy. Commissioner:-

As per Rules 6 and 9 of the B.T.C.-2011, the Collector of a district is overall in-charge of the treasuries situated within the district, which shall be responsible for the proper observance of the procedure prescribed in the rules and for timely submission of all reports and returns by the Treasury. He shall satisfy himself by periodical examination at least once a year that stamps, securities and cheques are kept properly and that they correspond to their book balance.

However, on review, it was noticed from that such Periodical inspection of treasuries were not conducted. The names of such treasuries are listed below:

Sl. No.	Name of Treasury	Last inspected	Sl. No.	Name of Treasury	Last inspected
1	Daudnagar	No Inspection On 2011 to till Date	07	Nalanda	06/02/2019
2	Sasaram	08/02/2012	08	Naugachhia	19/07/2017
3	Lalganj	2006	09	Siwan	19/11/2016
4	Begusarai	07/12/2012	10	Tekari	Not Inspected yet
5	Mahua	No Inspection On 2013-14 to till Date	11	Triveniganj	Not Inspected yet
6	Masaurhi	Not Inspected yet	12	Bettiah	18/04/2016
13	Dehri	Not Inspected yet	13	Narkatiyaganj	19/05/2017
14	Rosera	08/08/2017	15	Sikarahna	01/06/2015
16	Madhubani	16/07/2013	17	Munger	July-2011

Table:-16 List of treasuries was not inspected by D.M.

The above deficiency was noticed in 22 out of 26 treasuries inspected during 2018-19 and the same was reported in Annual Review on working of treasuries.

PART-III

IT Controls and IT Security

IT audit is the examination and evaluation of an organization's information technology infrastructure, policies and operations. Treasury inspection team has a wide area for checking the IT controls and security. In the compliance of checklist for IT controls & IT security, inspection team tried to cover the different checks under the IT controls and security which are as follows:-

- | | |
|--|-------------------------|
| 1. Information security | 2. Physical security |
| 3. Network security | 4. Application security |
| 5. Personal information processing/storage equipment | |
| 6. Computer environment | 7. Backup & recovery |
| 8. System security | |

During the inspection of treasuries, following irregularities were noticed in the treasuries listed below:-

Sl. No.	Name of Treasury	Irregularities/ Objection noticed during Treasury inspection
1.	Bettiah	<ul style="list-style-type: none">➤ IT hardware inventory was not maintained in treasury.➤ No such physical access control policies for all IT assets of the Treasuries to prevent the accidental and intentional damage of hardware.➤ Annual maintenance of Contract (AMC) register for Hardware and Software was not maintained.➤ Additional USB ports were not disabled in treasury so as to prevent use of pen drives, external disk drives etc.➤ The utility software used in computers was not licensed properly.
2.	Rosera	<ul style="list-style-type: none">➤ Not deactivated if Unused port of computer.➤ No document regarding IT controls and policies & procedures was found➤ Adequate Physical access control policy did not exist in treasury.➤ Non- operation of Audit trail module in CFMS.
3.	Narkatiyaganj	<ul style="list-style-type: none">➤ IT hardware inventory was not maintained in treasury.➤ No registers for password policy and inventory were being maintained.➤ CFMS was running very slowly.➤ Total no. of vouchers/grand total was not shown in CFMS.
4	Purnea	<ul style="list-style-type: none">➤ No registers for password policy and inventory were being maintained.➤ CFMS was running very slowly.➤ No such physical access control policies for all IT assets of the Treasury.➤ The utility software used in computers was not licensed properly.
5.	Madhubani	<ul style="list-style-type: none">➤ No register for password policy was being maintained.➤ CFMS was running very slowly.➤ VDMS(Verified Data Wise Monthly Statement) was not uploaded in CFMS.

6.	Dumraon	<ul style="list-style-type: none"> ➤ Annual maintenance of Contract (AMC) register for Hardware and Software were not maintained. ➤ The utility software used in computers was not licensed properly. ➤ Unused port of the computer was not deactivated. ➤ No such physical access control policies for all IT assets of the Treasuries to prevent the accidental and intentional damage of hardware.
7.	Munger	<ul style="list-style-type: none"> ➤ Non- operation of Audit trail module in CFMS. ➤ Additional USB ports were not disabled in treasury so as to prevent use of pen drives, external disk drives etc. ➤ No registers for password policy and inventory were being maintained. ➤ Annual maintenance of Contract (AMC) register for was not been maintained. ➤ VDMS(Verified Data Wise Monthly Statement) did not generate through CFMS. ➤ No provision in CFMS to start Family Pension in case of Death of pensioners. ➤ CFMS was running very slowly
8.	Bihar Bhawan	<ul style="list-style-type: none"> ➤ CFMS was running very slowly. ➤ VDMS(Verified Data Wise Monthly Statement) was not uploaded in CFMS. ➤ No such physical access control policies for all IT assets of the Treasuries to prevent the accidental and intentional damage of hardware.
9.	Sasaram	<ul style="list-style-type: none"> ➤ VDMS(Verified Data Wise Monthly Statement) was not uploaded in CFMS. ➤ Digital signature of concern Bank Manager and digital counter signature of treasury officer should be available on each VDMS. ➤ CFMS was running very slowly. ➤ After passing of bill in treasury, the details of concern voucher was not shown in treasury
10	Lalganj	<ul style="list-style-type: none"> ➤ No registers for password policy and inventory were being maintained. ➤ No such physical access control policies for all IT assets of the Treasuries to prevent the accidental and intentional damage of hardware.
11.	Dalsinghsarai	<ul style="list-style-type: none"> ➤ VDMS(Verified Data Wise Monthly Statement) was not uploaded in CFMS. ➤ CFMS was running very slowly. ➤ No registers for password policy and inventory were being maintained.

12	Begusarai	<ul style="list-style-type: none"> ➤ The utility software used in computers had not licensed properly. ➤ No such physical access control policies for all IT assets of the Treasuries to prevent the accidental and intentional damage of hardware. ➤ No registers for password policy and inventory were being maintained. ➤ Annual maintenance of Contract (AMC) register for Hardware and Software was not maintained. ➤ Unused port of the computes was not deactivated. ➤ The utility software used in computers was not licensed properly. ➤ Non- operation of Audit trail module in CFMS.
	Nalanda	<ul style="list-style-type: none"> ➤ VDMS (Verified Date Wise Monthly Statement) did not generate through CFMS. ➤ Non- operation of Audit trail module in CFMS.

Annexure-I

List of Treasuries in Bihar			
Sl. No.	All Treasury	Sl. No.	All Treasury
1	Araria	39	Masaurhi (Patna)
2	Arah (Bhojpur)	40	Mokama, (Patna)
3	Arwal	41	Motihari East Champaran
4	Aurangabad	42	Munger
5	Bagaha	43	Muzaffarpur
6	Banka	44	Biharsharif (Nalanda)
7	Barh (Patna)	45	Narkatiaganj
8	Barsoi (Katihar)	46	Naugachhia (Bhagalpur)
9	Begusarai	47	Nawada
10	Benipur (Darbhanga)	48	Nirmali (Darbhanga)
11	Bettiah, West champaran	49	Patna
12	Bhabhua (Kaimur)	50	Patna City, (Patna)
13	Bhagalpur	51	Pupri (Sitamarhi)
14	Birpur (Supaul)	52	Purnea
15	Buxar	53	Rajauli (Nawada)
16	Chapra (Saran)	54	Rajgir (Nalanda)
17	Dalsinghsarai	55	Rossera (Samastipur)
18	Danapur (Patna)	56	Saharsa
19	Darbhanga	57	Samastipur
20	Daudnagar	58	Rohtas (Sasaram)
21	Dehri (Rohtas)	59	Nirman Bhawan, Patna
22	Dumraon (Buxar)	60	Sinchai Bhawan, Patna
23	Forbisganj (Araria)	61	Vikas Bhawan, Patna
24	Gaya	62	Shahpur Patori
25	Gopalganj	63	Sheikhpura
26	Hilsa (Nalanda)	64	Sheohar
27	Jamui	65	Sherghati (Gaya)
28	Jehanabad	66	Sikrahana (East Champaran)
29	Jhanjharpur	67	Sitamarhi
30	Katihar	68	Siwan
31	Khagaria	69	Supaul
32	Kishanganj	70	Teghra (Begusarai)
33	Lakhisarai	71	Tekari (Gaya)
34	Lalganj (Vaishali)	72	Triveniganj (Supaul)
35	Madhepura	73	Hazipur (Vaishali)
36	Madhubani	74	Bihar Bhawan , New Delhi
37	Mahua (Vaishali)	75	Udakishanganj
38	Marhaura	76	e-Treasury

Annexure-II

Table showing position of Staff in Treasuries inspected (Men in position/Sanctioned Strength):-

Sl. No.	Name of Treasury	Treasury Officer		Asstt. Treasury Officer		Clerk/Accountant/ Head Clerk		Data Entry Operator		Peon	
		Sanctioned Strength	Men-in-Position	Sanctioned Strength	Men-in-Position	Sanctioned Strength	Men-in-Position	Sanctioned Strength	Men-in-Position	Sanctioned Strength	Men-in-Position
1	Bihar Bhawan	01	01	00	00	-	01	-	02	-	02
2	Begusarai	01	01	03	01	31	07	02	02	02	00
3	Dalsinghsarai	01	01	-	-	04	02	04	04	01	01
4	Daudnagar	01	01	-	-	03	02	01	01	-	-
5	Lalganj	01	01	-	-	04	01	-	-	01	01
6	Mahua	01	01	-	-	04	02	-	-	01	01
7	Naugachia	01	01	-	-	03	02	02	01	-	01 (On Deputation)
8	Samastipur	01	01	02	02	12	10+01 (On Deputation)	03	01	03	02+01 (on contract)
9	Sasaram	01	01	02	01	18	06	04	01	01	01
10	Triveniganj	01	01	-	-	-	-	-	-	-	-
11	Masaurhi	01	-	-	01 (Posted in Patna Treasury in-charge of Masaurhi Treasury)	04	03	-	-	01	01
12	Siwan	01	01	02	02	18	05+02	-	-	01	01
13	Tekari	01	-	--	-	02	Nil	--	--	--	--
14	Nalanda	01	01	02	01	26	06	02	02	03	--
15	Sikarahana	01	01	-	-	Nil	03 (On Deputation)	Nil	02 (On Deputation)	Nil	01 (On Deputation)
16	Munger	01	01	02	02	19	05	03	03	03	01
17	Madhubani	01	01	01	01	23	05	03	03	02	01
18	Dumraon	01	01	-	-	03	02	01	Nil	Nil	Nil
19	Rossera	01	01	-	-	04	02	03	03	01	01
20	Narkatiaganj	01	01	Nil	Nil	Nil	01 (On Deputation)	Nil	02 (On Deputation)	Nil	Nil

21	Dehri	01	01	Nil	Nil	Nil	01 (On Deputation)	-	02 (On Deputation)	-	01 (On Deputation)
22	Hajipur	01	01	02	01	12	05	02	01	01	-
23	Bettiah	01	01	01	Nil	27	05 (03 Regular + 02Contract)	03	02	01	-
24	Purnea	01	01	03	01	20	03	04	03	02	02
Difference											

Annexure-III

Accumulation under M/H-K-8782-00-102 (Public work Remittance)

(as on 31.03.2019)

SI No	Name of Treasury	Amount (in Rs)
01	Daudnagar	8688087.00
02	Nalanda	202552628.00
03	Samastipur	264413533.00
04	Rosera	253237268.00

Accumulation under M/H-K-8782-00-103 (Forest Remittance)

(as on 31.03.2019)

SI No	Name of Treasury	Amount (in Rs)
01	Daudnagar	3281885.00
02	Nalanda	230306031.00
03	Samastipur	705662.00
04	Rosera	6100.00

Annexure-IV

Sl. No.	Name of Treasury	IR No	Inspection Period	Outward No.
1.	Bettiah	01/19-20	01/07/19 to 06/07/19	TM-Try-Ins(19-20)-566 Dated 25-07-19
2.	Hajipur	02/19-20	08/07/19 to 12/07/19	TM-Try-Ins(19-20)-573 Dated 02-08-19
3.	Daudnagar	03/19-20	23/09/19 to 27/09/19	TM-Try-Ins(19-20)-1321 Dated 29-10-19
4.	Dehri	04/19-20	11/09/19 to 14/09/19	TM-Try-Ins(19-20)-1291 Dated 22-10-19
5.	Lalganj	05/19-20	16/09/19 to 20/09/19	TM-Try-Ins(19-20)-1326 Dated 29-10-19
6.	Tekari	06/19-20	23/09/19 to 24/09/19	TM-Try-Ins(19-20)-1331 Dated 29-10-19
7.	Siwan	07/19-20	21/10/19 to 26/10/19	TM-Try-Ins(19-20)-1425 Dated 20-11-19
8.	Masaurhi	08/19-20	05/11/19 to 09/11/19	TM-Try-Ins(19-20)-1547- Dated 16-12-19
9.	Mahua	09/19-20	05/11/19 to 09/11/19	TM-Try-Ins(19-20)-1620 Dated 08-01-20
10.	Sasaram	10/19-20	18/11/19 to 23/11/19	TM-Try-Ins(19-20)-1587 Dated 27-12-19
11.	Triveniganj	11/19-20	09/12/19 to 14/12/19	TM-Try-Ins(19-20)-1682 Dated 15-01-20
12.	Dalasis sarai	12/19-20	16/12/19 to 21/12/19	TM-Try-Ins(19-20)-1639 Dated 09-01-20
13.	Naugachhia	13/19-20	02/12/19 to 07/12/19	TM-Try-Ins(19-20)-1644 Dated 10-01-20
14.	Begusarai	14/19-20	9/12/19 to 14/12/19	TM-Try-Ins(19-20)-1677 Dated 15-01-20
15.	Samastipur	15/19-20	30/12/19 to 04/01/20	TM-Try-Ins(19-20)-1711 Dated 23-01-20
16.	Sikrahana (East Champaran)	16/19-20	06/01/20 to 11/01/20	TM-Try-Ins(19-20)-1746 Dated 31-01-20
17.	Purnia	17/19-20	13/01/20 to 18/01/20	TM-Try-Ins(19-20)-1751 Dated 03-02-20
18.	Bihar Bhawan	18/19-20	13/01/20 to 17/01/20	TM-Try-Ins(19-20)-1803 Dated 04-02-20
19.	Narkatiya gunj	19/19-20	03/02/20 to 08/02/20	TM-Try-Ins(20-21)-100 Dated 04-06-20
20.	Rosera	20/19-20	10/02/20 to 14/02/20	TM-Try-Ins(20-21)-67 Dated 11-05-20
21.	Munger	21/19-20	10/02/20 to 15/02/20	TM-Try-Ins(19-20)-1906 Dated 04-03-20
22.	Dumroan	22/19-20	17/02/20 to 22/02/20	TM-Try-Ins(20-21)-26 Dated 11-05-20
23.	Madhubani	23/19-20	02/03/20 to 07/03/20	TM-Try-Ins(20-21)-80 Dated 22-05-20
24.	Nalanda	24/19-20	02/03/20 to 07/03/20	TM-Try-Ins(20-21)-93 Dated 27-05-20

Annexure-V

Payment of DCRG after lapse of validity of authority in Naugachhia Treasury

Sl. No	PPO NO.	Name of pensioner	Issue date	Payment Order date
1	201711151153G0	Shri Kripanand Jha	26-04-2017	29-06-2018
2	201611071442G0	Shri Mohan Lal	09-03-2016	26-08-2019

Payment of DCRG after lapse of validity of authority in Masuarhi Treasury

Sl. No	Name of pensioner	PPO No.	Issue date	Payment Order date
1	Suresh Paswan	201511122569G0	24/08/2015	17/08/2019
2	Smt. Shakuntala Kumari	201611121250G0	12/02/2016	12/10/2018
3	Ram Balant Ravidas	201611122450G0	21/11/2016	25/02/2019
4	Phool Kumari Devi W/o Late Kameshwar Ram	201812072370G0	25/09/2018	11/10/2019
5	Ram Pravesh Pal	201811032078G0	12/10/2018	21/10/2019

Annexure-VI

List of Excess Payment

Daudnagar Treasury			<u>Punjab National Bank, Daudnagar</u>		
Sl. No	Name of the Pensioner (S/Sri/Smt.)	PPO No.	Basic Pension/ Family Pension as per PPO	Basic Pension/ Family Pension admissible after consolidation (w.e.f. 01/04/17)	Basic Pension/ Family Pension paid by Agency Bank
1	Sri Kanahaiya Lal Ram	387482	5013 wef 01.02.2003	29,121/-	31,504/-

Naugachia Treasury			<u>Allahabad Bank, Naugachhia</u>		
Sl. No	Name of the Pensioner (Sri/Smt.)	PPO No.	Basic Pension/ Family Pension as per PPO	Basic Pension/ Family Pension admissible after consolidation (w.e.f. 01/04/17)	Basic Pension/ Family Pension paid by Agency Bank
1	Shri Dayanand Choudhary	401013	5147/- w.e.f.- 01.01.2004	29,899/-	32,804/-
2	Shri Vivekanand Bhagat	371131	5922/-w.e.f. 01.02.2002	34,397/-	36,790/-
3	Shri Bhagwan Prasad Sah	414932	5215/- w.e.f. 01.10.2004	30,291/-	34,073/-

*******END*******