

CHAPTER – V

5.1 Unauthorised diversion of fund received on account of Road Cess.

According to the provisions under the Cess Act and instructions by revenue department the amount of road cess released by the Government to the Zila Parishads were to be utilised for the development works. A total sum of Rs. 71.78 lakh received by four Zila Parishads during 2000-04 on this account from Government vide details below, was unauthorisedly diverted towards establishment expenditure which resulted in the violation of the provisions of the Act and Governments instructions as well. Any reason for such diversion was not explained. There was no reaction of the State Government also over this irregularity.

Sl.No.	Name of Zila Parishads	Amount of road cess received (Rs. In lakh)
1	Madhepura	16.07
2	Banka	37.90
3	Araria	15.09 (including OB of Rs. 1.80 lakh)
4	Sheoher	2.72
Total		71.78

5.2 Irregular payment of 6th pay revision scale

The State Government under letter no. 2012 dated 16.03.1991 sanctioned 4th pay revision scale to the employees of Z.P, but it came to the notice of the government that some Z.Ps. were making payment of salary to their employees in the scale of pay provided in 6th Pay revision for Government employees. Hence the Government under letter no. 1768 dated 20.04.2000 directed all the Z.Ps. to recover excess payment made on this account upto December, 2000.

But, in contravention of above order two Z.Ps. (Sheoher and Banka) paid salary to their employees in scale of pay provided in 6th pay revision for Government employees without obtaining approval of the Govt.

This resulted in irregular payment of salary amounting to Rs. 32.43 lakh (Sheoher 12.62 lakh and Banka 19.81 lakh).

5.3 Provident fund amount not deposited

In sheoher Z.P. provident fund subscriptions and contributions of employees from December 1997 to January 2004, which amounted to Rs. 6.78 lakh was not deposited into provident fund account. This deprived the employees of the timely interests permissible.

5.4 Outstanding Advances

Rule 90 of Bihar Panchayat Samities and Zila Parishads (Budgets and Accounts) Rules, 1964 provides that advance should not be made in any case unless immediate expenditure is necessary. Further a second and subsequent advance should not be granted in any case

without ensuring immediate adjustment/recovery of the st or earlier advance.

It was noticed in audit that frequent advances were made to executing agents viz Executive Engineer/ District Engineer, Asstt. Engineer & Junior Engineer, without receiving adjustment bills of previous advances. Advance ledger, which is an important record to ascertain position of advance made, advance adjusted and balance at the end of the year, was not maintained by Z.Ps. Even list of outstanding advance was neither prepared by Z.Ps nor outstanding advance at the beginning of the year (2002-05) was furnished to audit. As such, actual amount of outstanding advance against several executing agents as on 31st March 2005 was not ascertainable.

However, from scheme register, scheme files and different Cash Books of 8 Z.Ps it was noticed that Rs.

36.46 crore of advance was outstanding on 31st March 2005, (Appendix XXVII), which related to the period as under.

Agewise analysis of outstanding advance

	Rs. in crore
More than one year	10.46
More than two years	5.99
More than three years	2.60
More than four years	0.53
More than five years	3.57
Total	23.15
Analysis of outstanding advance of 3 Z.Ps. viz Kishanganj, Nawada and Madhepura was not ascertainable.	13.31
Total outstanding advance	36.46

(Appendix - XXVIII)

5.5 In 69 PS Rs. 19.02 crore of advance was outstanding on 31st march 2005, (Appendix XXIX).

5.6 In 200 G.P. Rs. 3.92 crore of advance was out standing on 31st march 2005 (Appendix XXX). No reasons for such a huge outstanding advance against executing agents in the ZPs, PSs and GP were assigned. Due to non-maintenance of advance ledger and due to accumulation of huge amount of outstanding

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