

**Report of the  
Comptroller and Auditor General of India**

**For the year ended 31 March 2016**

**Jaintia Hills Autonomous District Council,  
Jowai, Meghalaya**



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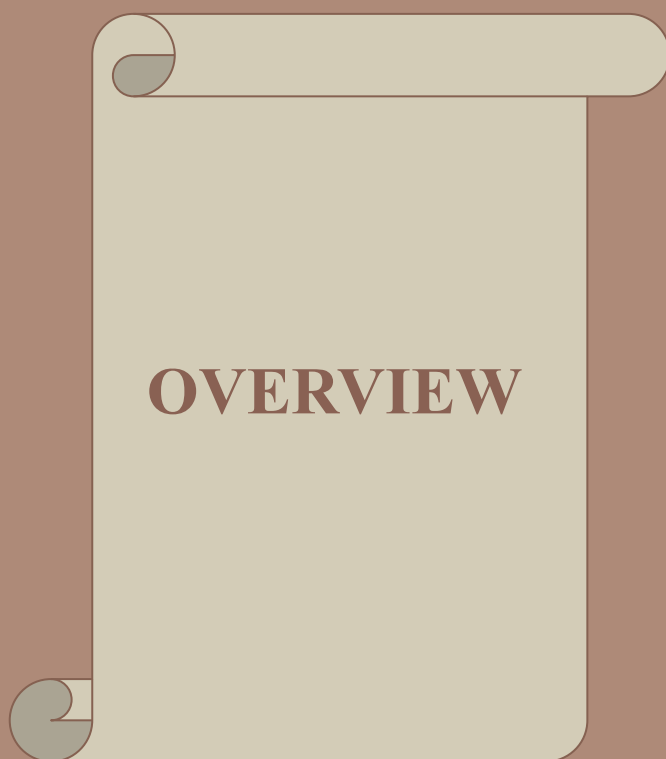
## PREFACE

*This Report has been prepared for submission to the Governor of Meghalaya under Paragraph 7(4) of the Sixth Schedule to the Constitution of India. It relates mainly to the issues arising from the audit of the Annual Accounts as also of the transactions of the Jaintia Hills Autonomous District Council, Jowai, Meghalaya for the year 2015-16.*

*2. The cases mentioned in this Report are those which came to notice in the course of test check of the accounts of the Council for the year 2015-16.*

*3. This Report contains three Chapters, the first of which deals with the Constitution of the Jaintia Hills Autonomous District Council, rules for the management of the District Fund and maintenance of accounts by the District Council. Chapter-II depicts ADC Funds position. Chapter-III deals with compliance issues during test-audit of the transactions of the Council for the year 2015-16.*







## OVERVIEW

This Report contains three Chapters. Chapter-I provide a background on the formation of the Autonomous District Council, rules for the management of the District Fund and relevant constitutional provisions on maintenance of Accounts. Chapter-II gives an overview on the financial position of the Council and budgetary process during the year. Chapter-III deals with the audit findings pertaining to Compliance Audit of the Council.

### 1. Internal Control

An evaluation of internal control system in the JHADC, revealed that internal control mechanism in the Council was weak which is evident from persistent irregularities like discrepancy in cash balances as per Annual accounts, non-reconciliation of opening and closing balance (Paragraph 2.4), incomplete maintenance of Stock Register and absence of physical verification of stock (Paragraph 3.1.1), *etc.* Due to weak internal controls, the attempt on the part of Audit to examine the annual accounts and transactions of the Council was constrained to that extent. Above failure in internal controls under Financial Management is fraught with risks of fraud, misappropriation and financial irregularities, which might remain undetected.

(Paragraph 1.5)

#### **Recommendations:**

- (i) *The Council may take appropriate steps to address challenges and enhance the proficiency of the Accounts team, aiming at ensuring smooth and accurate preparation of up-to-date Financial Statements in the future.*
- (ii) *The existing personnel may be trained through targeted upskilling initiatives, leveraging the resources and opportunities provided by the State's training facilities.*
- (iii) *The Council may expedite the functioning of the Internal Audit Section for good governance.*

A synopsis of the important findings contained in the Report is presented below:

### 2. Autonomous District Council Funds

Total receipts of the Council decreased by ₹ 0.70 crore (0.95 *per cent*) from ₹ 74.07 crore in 2014-15 to ₹ 73.37 crore in 2015-16. The reason for decrease was mainly due to decrease in Grants-in-aid and Own Revenue Receipts.

(Paragraph 2.2.1)

During 2015-16, JHADC generated ₹ 5.76 crore (eight *per cent*) from its own sources, received ₹ 67.04 crore (91 *per cent*) as share of taxes and ₹ 0.57 crore (one *per cent*) as Grants-in-aid from the State Government. As such, JHADC is primarily dependent on external sources of funds (92 *per cent*) as against its own sources of funds (eight *per cent*).

(Paragraph 2.2.1.1)

During 2015-16, the share of royalty on Mines & Minerals (₹ 66.58 crore), Grants-in-aid received from State Government (₹ 0.57 crore) and share of taxes on vehicles (₹ 0.46 crore) constituted 92 *per cent* of the total revenue receipts (₹ 73.37 crore) of the JHADC, indicating high dependence of the Council on revenue from share of royalty from the Government.

Despite incurring an expenditure of ₹ 6.19 crore during 2015-16, under ‘Public Works – Construction, *i.e.*, construction of roads, school buildings, *etc.*, being capital expenditure, there was no capital expenditure reported in the Annual Accounts of the Council.

**[Paragraph 2.2.1.2]**

The total receipts of the Council amounting to ₹ 73.37 crore showed a decrease of 0.11 *per cent* from the Budget Estimate during 2015-16. The expenditure of the Council amounting to ₹ 63.26 crore, also fell short of the Budget Estimate during the year 2015-16 by 21 *per cent*.

**(Paragraph 2.3)**

The Report of the Comptroller and Auditor General of India for the year ended 31 March 2005 highlighted the unauthorised removal of ₹ 5.49 crore from JHADC’s Cash Book in October 2004. This discrepancy remains unrectified in subsequent Cash Books, hence, the Annual Accounts for the year 2015-16 lack accuracy, preventing certification until the time the Cash Book of the JHADC is fully reconciled.

**(Paragraph 2.4)**

***Recommendations:***

- (i) The Council needs to improve the collection efficiency of revenue from own sources in order to be less dependent on share of taxes and grants-in-aid.*
- (ii) The Council must strategically plan the allocation of its available funds to ensure prudent utilisation. Additionally, it is advised that capital expenditures be accurately categorised and recorded under appropriate heads in the Annual Accounts.*
- (iii) The Council may undertake detailed budgetary analysis and reviews to identify untapped eligible revenue resources and to estimate revenue receipts more accurately. Expenditure on schemes implemented by the Council should also be incurred as per the budget estimate to achieve its objectives.*
- (iv) The Council may prepare and update Cash Book as early as possible and prepare its Annual Accounts in complete and transparent manner to ensure true and fair view.*

### **3. Compliance Audit Observations**

Due to the absence of adequate regulations governing the purchase of stock, the Council procured articles at higher rates, resulting in an avoidable expenditure amounting to ₹ 5.36 lakh.

**(Paragraph 3.1)**

**Recommendation:**

*The Council may take the support of the Rule Advisory Committee, established specifically for the examination and formulation of Acts, Rules, and Regulations pertaining to the Council's operations, to devise appropriate regulations governing the acquisition of stock and services, taking into consideration the Decision No. 4 dated 16 November 2021. For guidance, the Council may also refer to Chapter 6 of the General Financial Rules, 2017, as a benchmark for rules pertaining to procurement of goods and services.*





## CHAPTER-I

### *Constitution, Rules and Maintenance of Accounts*



## CHAPTER - I

### Constitution, Rules and Maintenance of Accounts

#### 1.1 Profile of Jaintia Hills Autonomous District Council

The United Khasi and Jaintia Hills Autonomous District Council was set up in June 1952 under the provisions of Article 244 (2) read with the Sixth Schedule to the Constitution of India. The Council was bifurcated in 1967 and the Jowai District Council was carved out of it. In 1973, the United Khasi and Jaintia Hills District Councils was renamed as Khasi Hills Autonomous District Council and Jaintia Hills Autonomous District Council respectively.

The Sixth Schedule to the Constitution provides for administration of specified tribal areas. For that purpose, it provides for constitution of a District Council for each Autonomous District with powers to make laws on matters listed in paragraph 3(1) of the schedule mainly in respect of allotment, occupation, use of land, management of forest other than reserve forests, use of any canal or water courses for irrigation purposes, regulation of the practice of “*Jhum*”<sup>1</sup> or other forms of shifting cultivation, establishment of village or town committees or councils and their powers, village or town administration including police, public health and sanitation and inheritance of property.

Paragraph 6 (1) of the Schedule empowers the Councils to establish, construct or manage primary schools, dispensaries, markets, cattle pounds, ferries, fisheries, roads, road transport and water ways in the respective autonomous districts. Paragraph 8 of the Schedule further empowers the Councils to assess, levy and collect within the autonomous districts, revenue in respect of land and buildings, taxes on professions, trades, callings and employments, animals, vehicles and boats, tolls on passengers and goods carried in ferries and taxes for the maintenance of schools, dispensaries or roads.

Jaintia Hills Autonomous District Council (JHADC) consists of 30 Members including 29 elected Members and one Member nominated by the Governor on the recommendation of the Chief Executive Member (CEM). The Council is headed by a Chief Executive Member. JHADC is headquartered at Jowai, Meghalaya. During 2015-16, the Council had its full strength of members consisting of all 29 elected and one nominated member.

#### 1.2 Rules for the management of the District Fund

The Sixth Schedule provides for the constitution of a District Fund for each Autonomous District to which shall be credited all moneys received by the Council in the course of administration of the districts in accordance with the provisions of the Constitution.

In terms of paragraph 7(2) of the Schedule, Rules are to be framed by the Governor for management of the District Fund and the procedure to be followed in respect of

<sup>1</sup> “Jhum” cultivation is a local name for slash and burn agriculture practiced by the tribal groups in the north-eastern states of India. Crops are grown in this cultivation by clearing the trees and other vegetation and then burning the fields. Land burning allows the addition of potash to the soil, which in effect increases soil fertility and nutrient content.

payment of money into the said fund, the withdrawal of money therefrom, the custody of money therein and any other matter connected with or ancillary to these matters. These rules had not been finalised (January 2022). Meanwhile, the affairs of the Jaintia Hills Autonomous District Council were being regulated in accordance with the Jowai Autonomous District Fund Rules, 1967.

### **1.3 Maintenance of Accounts**

In pursuance of paragraph 7(3) of the Sixth Schedule to the Constitution of India, the forms of Accounts of the Council were prescribed by the Comptroller and Auditor General of India with the approval of the President, in April 1977.

In terms of Paragraph 7 (4) of the Sixth Schedule of the Constitution, the Comptroller and Auditor General of India shall cause the accounts of the District Council to be audited in such manner as he may think fit, and the Reports of the Comptroller and Auditor General relating to such accounts, shall be submitted to the Governor who shall cause them to be laid before the Council.

Rule 97 of the Jowai Autonomous District Fund Rules, 1967 stipulates that the Annual Accounts of the Council should be prepared as per the prescribed forms and forwarded to the Accountant General by 30 June each year. The annual accounts of the Council for the year 2015-16 were due to be submitted within June 2016, however, submitted to the Principal Accountant General (Audit), Meghalaya on September 2019, after a delay of more than three years.

While accepting the audit observation, JHADC in response stated (August 2023) that the submission of Annual Accounts remained in arrears for several years for want of skilled staff to prepare Annual Accounts. However, the issue in delay of submission of accounts has been addressed and currently there are no arrears in Accounts. Further, a commitment has been made to ensure timely submission of Annual Accounts henceforth.

Audit did not notice any significant staff shortages during 2015-16, with 33 persons in position against sanctioned strength of 37. Notably, the deficit of four staff members comprised of two peon cadre, whose responsibilities do not encompass accounting works, and two LDAs. Therefore, delay in submission of accounts appears to be on administrative grounds rather than staff shortage. However, Audit acknowledges that Council has taken steps to streamline the submission of Annual Accounts. The Annual Accounts for the year 2022-23 have also been received in October 2023.

Nevertheless, it remains incumbent upon the Council to prioritise staff training so as to improve their skills, ensuring that future accounts are prepared and submitted without any delay.

**Recommendation:** *The Council may take appropriate steps to address challenges and enhance the proficiency of the Accounts team, aiming at ensuring smooth and accurate preparation of up-to-date Financial Statements in the future.*

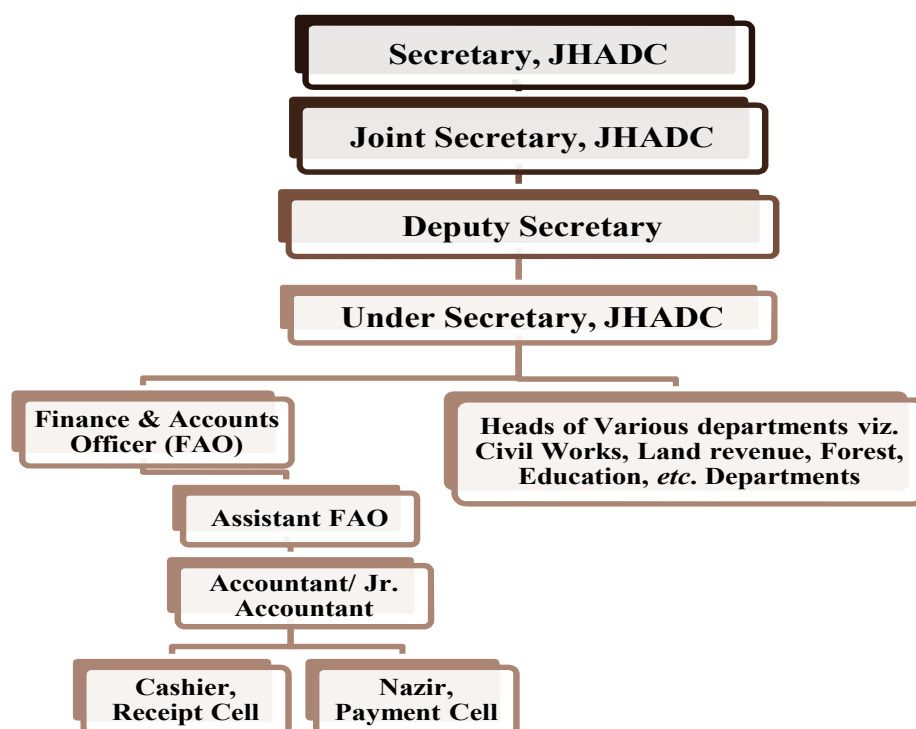
Results of audit are discussed in the succeeding Chapters.

#### 1.4 Administrative set-up of the Council

The Executive Committee of the District Council comprises of the Chief Executive Member and one or more but not exceeding ten other Members to exercise the functions hereinafter specified in ADC Rules. The Chief Executive Member is elected by the District Council and the other Executive Members are appointed by the Governor on the advice of the Chief Executive Member from amongst the members of the District Council. The Executive Committee is headed by the Chief Executive Member who is the administrative head of the Council. There is a Secretary to the Executive Committee appointed by the Chief Executive Member. In addition, there is also a Secretary to the Legislative Council who heads the Legislative Wing and a Judge who heads the District Council Court.

The flow chart of the administrative hierarchy of the Council is depicted in **Chart 1.1:**

**Chart 1.1: Administrative set-up of JHADC**



Source: JHADC records.

The functions of the Council are administered through 16 Departments by managing its various functions and activities with 929 persons-in-position (89.85 *per cent*) against a total sanctioned strength of 1034 persons, as mentioned in **Table 1.1**.

**Table 1.1: Human Resource position of JHADC during 2015-16**

Sl. No.	Name of the Department/Branch	Sanctioned Strength	Persons in Position
1.	General Administration Department	141	132
2.	Finance and Accounts Department	37	33
3.	Land Revenue and Land Reform Department	181	169
4.	Land Record and Land Settlement Department	98	91

Sl. No.	Name of the Department/Branch	Sanctioned Strength	Persons in Position
5.	Taxation Department	58	52
6.	Forest Department	225	217
7.	Political Department	27	24
8.	Civil Works Department	103	81
9.	Education Department	21	20
10.	Town Committee Affairs Department	0	0
11.	Market, Agriculture, Soil and Fishery Department	53	34
12.	Statistics and Information Department	15	15
13.	Stationery and Printing Department	12	11
14.	Planning Department	10	7
15.	Judicial Department	29	24
16.	Legislative Department	24	19
<b>Total</b>		<b>1034</b>	<b>929</b>

Audit noticed that the Council had in position 33 accounts staff (**Appendix-I**) against the sanctioned strength of 37 and all the staff deployed for Accounts and Audit were trained for their respective work. Despite availability of trained staff, Audit has seen persistent shortcomings in maintenance of accounts such as non-maintenance of relevant records, deficiencies in cash management and delay in finalisation of Accounts by the Autonomous District Council (ADC).

Financial statements are a structured representation of the financial position and financial performance of an entity. The objective of financial statements is to provide information about the financial position, financial performance and cash flows of an entity that is useful to stakeholders in making and evaluating decisions about the allocation of resources. Due to delay in preparation of accounts coupled with deficiencies in Financial Statements, audit could not assess the appropriateness of utilisation of resources in a timely manner.

**Recommendation:** *The existing personnel may be trained through targeted upskilling initiatives, leveraging the resources and opportunities provided by the State's training facilities.*

## 1.5 Internal Control

Internal control system in an organisation ensures that proper checks and procedures are in place for efficient and effective discharge of its mandate, reliability of its financial reporting and compliance with applicable laws and regulations.

Effective internal control reduces the risk of asset loss and helps to ensure that information is complete and accurate, financial statements are reliable, and day-to-day operations are conducted in accordance with the provisions of applicable laws and regulations.

An evaluation of internal control system in the JHADDC, revealed that internal control mechanism in the Council was weak which is evident from persistent irregularities like discrepancy in cash balances as per Annual accounts, non-maintenance of Cash Book, non-reconciliation of opening and closing balance (Paragraph 2.4), incomplete maintenance of Stock Register and absence of physical verification of stock (Paragraph 3.1.1), etc. We consider absence of strong internal controls as a serious audit constraint.

In response to Audit (August 2023), the Secretary, Executive Committee, JHADC stated that in order to enhance the Internal Control system, the Executive Committee has taken a decision to set up an Internal Audit Section vide Decision No. 6 dated 29.11.2022. A Notification (No. JHADC/GENL/IN8/2023/2, 27.06.2023) for its creation and staff allocation has been issued. The Internal Audit Section will start functioning shortly.

***Recommendation:*** *The Council may expedite the functioning of the Internal Audit Section for good governance.*

## **1.6 Summary of Recommendations**

- (i) The Council may take appropriate steps to address challenges and enhance the proficiency of the Accounts team, aiming at ensuring smooth and accurate preparation of up-to-date Financial Statements in the future.*
- (ii) The existing personnel may be trained through targeted upskilling initiatives, leveraging the resources and opportunities provided by the State's training facilities.*
- (iii) The Council may expedite the functioning of the Internal Audit Section for good governance.*





## CHAPTER-II

### *Autonomous District Council Funds*



## CHAPTER -II

### Autonomous District Council Funds

#### 2.1 Introduction to Autonomous District Council Funds

Sixth Schedule to the Constitution of India provides for a District Fund for each Autonomous Region and a Regional Fund to which shall be credited all moneys received by the District Council for that district and the Regional Council for that region in the course of the administration of such district or region *respectively*. The District Fund of the Autonomous District Council is constituted under the provisions of Sub- Paragraph (I) of Paragraph 7 of the Sixth Schedule.

The ADC fund comprises receipts from its own resources, shared revenue and grants/ loans & advances from State/Central governments. Broad classification is as discussed below:

#### A. District Fund

District Fund is divided into four sections as detailed below:

- (i) **Revenue Section** for Revenue Receipts and Revenue Expenditures. This section shall deal with the proceeds of taxation and other receipts classed as revenue and expenditure met therefrom. It shall also include the grants and contributions received from the Government of India (GoI)/Government of Meghalaya (GoM) and also grants and contributions from the Council.
- (ii) **Capital Section** for Capital Receipts and expenditure of Capital nature<sup>2</sup>.
- (iii) **Debt**, under which Loan received from Government and other sources and their repayments shall be recorded. This section shall also record District Council Provident Fund deducted and payments made, and
- (iv) **Loans and Advances** raised and paid off by the District Council.

#### B. Deposit Fund

Deposit Fund covers transactions relating to Deposits, General Provident Fund (GPF), other funds and advances such as Cess, Income Tax, Sales Tax and Security Deposits, *etc.* where the Council incurs a liability to repay the moneys received or has a claim to recover the amount paid.

#### 2.2 Receipts and Disbursement

The receipts and expenditure of JHADC for the year 2015-16 is depicted in **Table 2.1**:

<sup>2</sup> Expenditure incurred for acquiring fixed assets that can be used for a longer duration.

**Table 2.1: Summarised position of Accounts for the year 2015-16**

(₹ in crore)

<b>PART –I DISTRICT FUND<sup>3</sup></b>					
<b>Receipts</b>			<b>Disbursement</b>		
<b>2014-15</b>	<b>1. Revenue Receipt</b>	<b>2015-16</b>	<b>2014-15</b>	<b>Revenue Expenditure</b>	<b>2015-16</b>
3.14	(i) Taxes on Income and expenditure	3.05	1.33	(i) District Council	1.20
0.47	(ii) Land Revenue	0.51	7.32	(ii) Land Revenue	7.66
0.02	(iii) Other Administrative Services	0.06	1.01	(iii) Administration of Justice	1.14
0.16	(iii) Stamps and Registration	0.17	3.07	(iv) Executive Members	4.05
0.20	(iv) Taxes on Vehicles	0.46	13.72	(v) Secretariat General Services	11.31
2.71	(v) Interest Receipts	0.56	0.40	(vi) Stationery and Printing	0.61
0.47	(vii) Other General Economic Services	0.47	10.84	(vii) Public Works	9.98
0.02	(viii) Fisheries	0.03	2.85	(viii) Pensions and other retirement benefits	3.40
0.92	(ix) Forest	0.90	10.43	(ix) Forest	8.92
58.25	(x) Mines & Minerals	66.58	1.06	(x) Urban Development	0.00
	(xi) Grants-in-aid from:		8.93	(xi) Education	10.05
0.67	a. State Government	0.57	0.49	(xii) Information and Publicity	0.58
7.03	b. GoI <sup>4</sup>	0.00	1.46	(xiii) Relief on account of natural calamities	3.00
0.01	(xii) Stationery and Printing	0.01	1.33	(xiv) Agriculture	1.35
<b>74.07</b>	<b>Total Revenue Receipt</b>	<b>73.37</b>	<b>64.24</b>	<b>Total Revenue Expenditure</b>	<b>63.26</b>
	<b>Revenue Deficit</b>		<b>9.83</b>	<b>Revenue surplus</b>	<b>10.11</b>
<b>0</b>	<b>2. Capital</b>	<b>0</b>	<b>0</b>	<b>2. Capital</b>	<b>0</b>
<b>0</b>	<b>3. Debt</b>	<b>0</b>	<b>0</b>	<b>3. Debt</b>	<b>0</b>
<b>0</b>	<b>4. Loans and Advances</b>	<b>0</b>	<b>0</b>	<b>4. Loans and Advances</b>	<b>0</b>
<b>74.07</b>	<b>Total Part-I District Fund</b>	<b>73.37</b>	<b>64.24</b>	<b>Total Part –I District Fund</b>	<b>63.26</b>
<b>PART II- DEPOSIT FUND</b>					
<b>0</b>	Deposit receipts	<b>0</b>	<b>0</b>	Deposits Payments	<b>0</b>
<b>0</b>	<b>Total of part II Deposit fund</b>	<b>0</b>	<b>0</b>	<b>Total of Part II Deposit fund</b>	<b>0</b>
<b>74.07</b>	<b>Total receipts (I + II)</b>	<b>73.37</b>	<b>64.24</b>	<b>Total Disbursements (I +II)</b>	<b>63.26</b>
24.59	Opening balance	34.42	34.42	Closing balance <sup>5</sup>	44.53
<b>98.66</b>	<b>Grand total</b>	<b>107.79</b>	<b>98.66</b>	<b>Grand total</b>	<b>107.79</b>

Source: Annual Accounts of the Council.

## 2.2.1 Sources and application of funds

A comparative statement of sources and application of fund of the Council during 2015-16 and 2014-15 is given in **Table 2.2**.

<sup>3</sup> To which shall be credited all money received by the Council in the course of Administration of the District in accordance with the provisions of the Constitution.

<sup>4</sup> 13<sup>th</sup> Finance Commission Grant.

<sup>5</sup> 2015-16: Cash - ₹ 1.39 crore; Bank - ₹ 13.79 crore; PLA - ₹ 21.91 crore; Investment - ₹ 7.44 crore.

**Table 2.2: Sources and application of fund during 2015-16****(₹ in crore)**

Particulars		2014-15	2015-16	Increase/Decrease (per cent)
<b>Opening Cash Balance</b>		<b>24.59</b>	<b>34.42</b>	<b>39.98</b>
<b>Sources</b>	<i>Own Revenue Receipts</i>	7.92	5.76	-27.27
	<i>Share of Taxes</i>	58.45	67.04	14.70
	<i>Grants-in-Aid (GoI)</i>	7.03	0.00	-100.00
	<i>Grants-in-Aid (GoM)</i>	0.67	0.57	-14.93
	<b>Total Revenue Receipts</b>	<b>74.07</b>	<b>73.37</b>	<b>-0.95</b>
	<b>Capital Receipts</b>	<b>0.00</b>	<b>0.00</b>	<b>-</b>
	<i>Recoveries of Loans and Advances</i>	0.00	0.00	-
	<i>Receipts under Deposit Fund</i>	0.00	0.00	-
	<b>Total</b>	<b>74.07</b>	<b>73.37</b>	<b>-0.95</b>
<b>Application</b>	<b>Revenue Expenditure</b>	<b>64.24</b>	<b>63.26</b>	<b>-1.53</b>
	<b>Capital Expenditure</b>	<b>0.00</b>	<b>0.00</b>	<b>-</b>
	<i>Disbursement of loans and advances</i>	0.00	0.00	-
	<i>Disbursement under Deposit Fund</i>	0.00	0.00	-
	<b>Total (Disbursement)</b>	<b>64.24</b>	<b>63.26</b>	<b>-1.53</b>
<b>Closing Cash Balance</b>		<b>34.42</b>	<b>44.53</b>	<b>29.37</b>

Source: Annual Accounts of JHADC.

It can be seen from **Table 2.2** that:

- Total receipts of the Council decreased by ₹ 0.70 crore (0.95 per cent) from ₹ 74.07 crore in 2014-15 to ₹ 73.37 crore in 2015-16. The reason for decrease was mainly due to decrease in Grants-in-aid and Own Revenue Receipts.
- Grants-in-aid of the Council decreased by ₹ 7.03 crore (100 per cent) over the previous year.

During 2015-16, out of the total fund available of ₹ 107.79 crore, including OB, the Council utilised ₹ 63.26 crore (59 per cent).

### 2.2.1.1 Resources

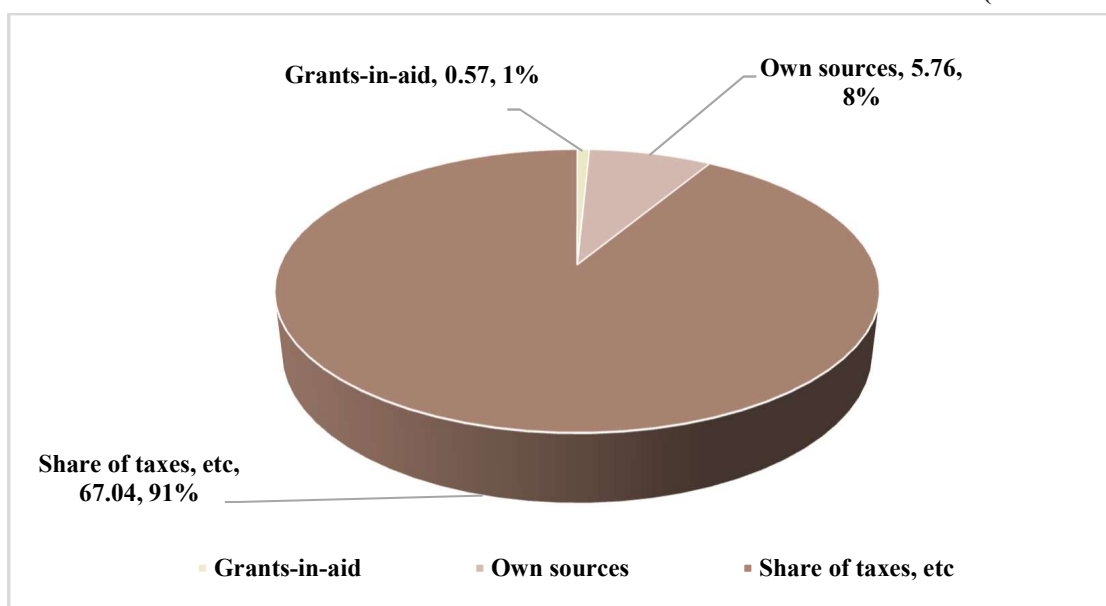
JHADC collected its own revenue through:

- **Revenue from own sources** - Trade licenses, taxes on profession, land revenue, market auction, bank interest, fisheries, forest, stamp & registration etc.;
- **Share of taxes** - From the State Government on taxes on vehicles, forest and mines & minerals.
- **Grants-in-Aid** - From the State Government through the State Plan.

**Chart 2.1** below depicts the composition of resources of JHADC amounting to ₹ 73.37 crore during 2015-16.

**Chart 2.1: Composition of Aggregate Receipts (2015-16)**

(₹ in crore)



During 2015-16, JHADC generated ₹ 5.76 crore<sup>6</sup> (eight *per cent*) from its own sources, received ₹ 67.04 crore<sup>7</sup> as (91 *per cent*) share of taxes and ₹ 0.57 crore<sup>8</sup> (one *per cent*) as Grant-in-aid from the State Government. As such, JHADC is primarily dependent on external sources of funds (92 *per cent*) as against its own sources of funds (eight *per cent*).

**Recommendation:** *The Council needs to improve the collection efficiency of revenue from own sources in order to be less dependent on share of taxes and grants-in-aid.*

#### 2.2.1.2 Availability of funds and expenditure

The revenue receipts and revenue expenditure of JHADC during 2015-16 is analysed as follows:

##### A. Revenue receipts

**Table 2.3** and **Chart 2.2** below summarise the revenue receipts of JHADC during 2015-16.

<sup>6</sup> Revenue from own sources: – ₹ 5.76 crore: (i) Taxes on income & expenditure- ₹ 3.05 crore, (ii) Land revenue- ₹ 0.51 crore; (iii) Stamps & Registration- ₹ 0.17 crore; (iv) Interest receipt- ₹ 0.56 crore; (v) Other Administrative Services- ₹ 0.06 crore, (vi) Fisheries- ₹ 0.03 crore, (vii) Other General Economic Services- ₹ 0.47 crore, (viii) Forest- ₹ 0.90 crore and (ix) Stationery and Printing- ₹ 0.01 crore.

<sup>7</sup> Share of taxes – ₹ 67.04 crore: (i) Taxes on vehicles- ₹ 0.46 crore and (iii) Mines & Minerals- ₹ 66.58 crore.

<sup>8</sup> Grants-in-aid from State Government – ₹ 0.57 crore (Forests: ₹ 0.49 crore + Land Survey & Reform: ₹ 0.08 crore).

**Table 2.3: Summarised position of revenue receipts for the year 2015-16**

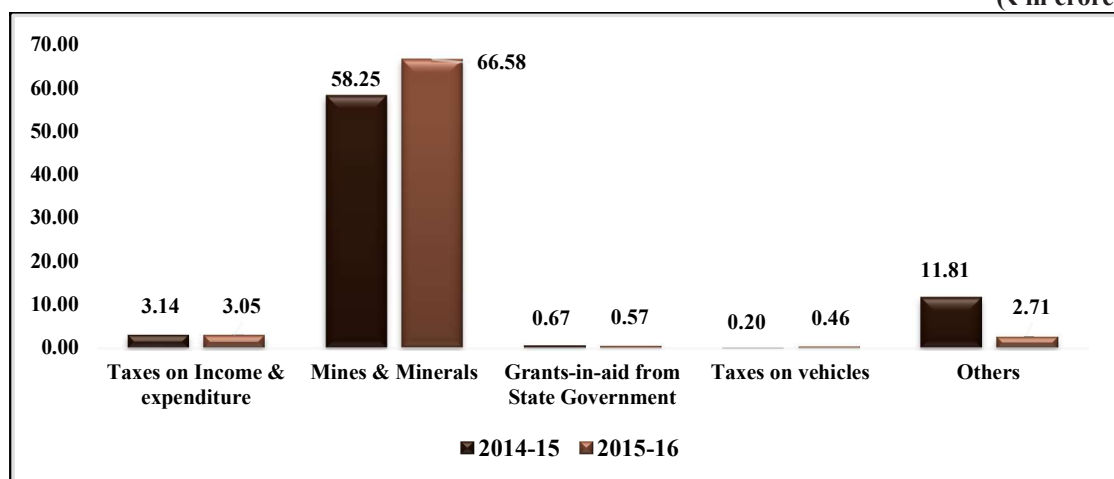
(₹ in crore)

Head	2014-15	2015-16 (Percentage of Revenue)
Taxes on Income and Expenditure	3.14	3.05 (4)
Mines & Minerals	58.25	66.58 (91)
Grants-in-aid from State Government	0.67	0.57 (1)
Taxes on vehicles	0.20	0.46 (1)
Others <sup>9</sup>	11.81	2.71 (3)
<b>Total</b>	<b>74.07</b>	<b>73.37 (100)</b>

Source: Annual Accounts of JHADC.

**Chart 2.2 - Composition of Revenue Receipts**

(₹ in crore)



Source: Annual Accounts of JHADC.

- As evident from **Table 2.3**, the total revenue receipts of JHADC decreased by one *per cent* from ₹ 74.07 crore in 2014-15 to ₹ 73.37 crore during 2015-16. The decrease in revenue receipts during 2015-16 was primarily due to less realisation of Taxes on income and expenditure with a three *per cent* decrease from ₹ 3.14 crore in 2014-15 to ₹ 3.05 crore in 2015-16 and 14 *per cent* decrease in Grants-in-aid from State Government from ₹ 0.67 crore in 2014-15 to ₹ 0.57 crore in 2015-16.
- During 2015-16, the share of royalty on Mines & Minerals (₹ 66.58 crore), Grants-in-aid received from State Government (₹ 0.57 crore) and share of taxes on vehicles (₹ 0.46 crore) constituted 92 *per cent* of the total revenue receipts (₹ 73.37 crore) of the JHADC, indicating high dependence of the JHADC on revenue from share of royalty from the Government.

## B. Revenue expenditure

**Table 2.4** and **Chart 2.3** below summarise the revenue expenditure of JHADC during 2014-15 and 2015-16.

<sup>9</sup> Includes Land Revenue, Other Administrative Services, Other General Economic Services, Forests, Public Works, etc.

**Table 2.4: Summarised position of revenue expenditure for the year 2015-16**

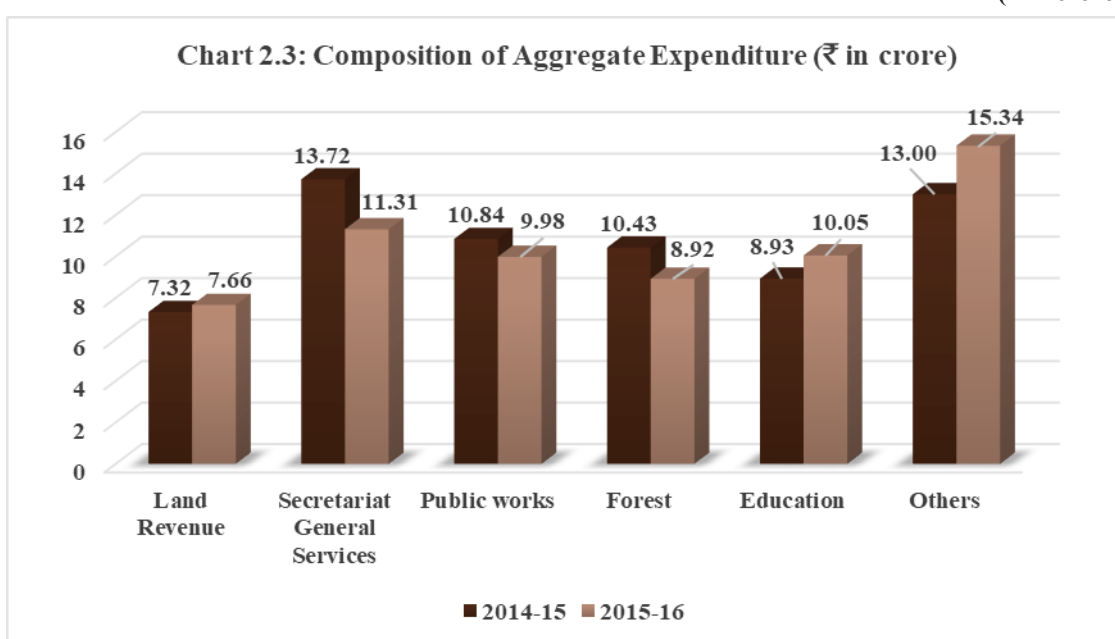
(₹ in crore)

Head	2014-15	2015-16 (percentage of revenue)
Land Revenue	7.32	7.66 (12)
Secretariat General Services	13.72	11.31 (18)
Public Works	10.84	9.98 (16)
Forest	10.43	8.92 (14)
Education	8.93	10.05 (16)
Others	13.00	15.34 (24)
<b>Total</b>	<b>64.24</b>	<b>63.26 (100)</b>

Source: Annual Accounts of JHADC.

**Chart 2.3: Composition of Aggregate Expenditure**

(₹ in crore)



- The total revenue expenditure of JHADC decreased by 1.53 *per cent* from ₹ 64.24 crore in 2014-15 to ₹ 63.26 crore in 2015-16. The decrease in revenue expenditure during 2015-16 was due to decrease in expenditure under, (i) Secretariat General Services, from ₹ 13.72 crore in 2014-15 to ₹ 11.31 crore in 2015-16 (18 *per cent*), (ii) Public Works, from ₹ 10.84 crore in 2014-15 to ₹ 9.98 crore in 2015-16 (eight *per cent*), and (iii) Forest from ₹ 10.43 crore in 2014-15 to ₹ 8.92 crore in 2015-16 (14 *per cent*).
- During 2015-16, Secretariat General Services (18 *per cent*) Public Works (16 *per cent*), Education (16 *per cent*) and Forest (14 *per cent*), together accounted for 64 *per cent* of the revenue expenditure leaving small percentage for other heads of expenditure including important heads such as Land Revenue, Urban Development and Agriculture.
- Despite incurring an expenditure of ₹ 6.19 crore under ‘Public Works – Construction, *i.e.*, construction of roads, school buildings, *etc.*, being capital expenditure, there was no capital expenditure reported in the Annual Accounts of the Council.

**Recommendation:** The Council must strategically plan the allocation of its available funds to ensure prudent utilisation. Additionally, it is advised that capital expenditures be accurately categorised and recorded under appropriate heads in the Annual Accounts.

### 2.2.1.3 Grants received under Article 275(1) of the Constitution

Grants-in-aid under the provision of Article 275(1) of the Constitution of India are 100 per cent annual grant from Government of India to States having notified Scheduled Tribes. Grants under this programme are an additive to State's initiatives and effort for tribal development.

During the year 2015-16, JHADC did not receive grant under Article 275(1).

## 2.3 Substantial variation between Budget Estimates and Actuals

Scrutiny of budget estimates for the year 2015-16 *vis-à-vis* actual receipt and expenditure revealed that there were variations between budget estimates (BE) as compared to receipts and expenditure as detailed below:

**Table 2.5: Budget estimates and actual for the year 2015-16**

(₹ in crore)

Particulars	Budget Estimate (BE)	Actual	Excess (+) / Shortfall (-)	Percentage of Excess (+) / Shortfall (-)
Receipt	73.45	73.37	(-) 0.08	(-) 0.11
Expenditure	79.72	63.26	(-) 16.46	(-) 21.00

Source: Budget Estimates of Receipts and Expenditure and Statement 5 & 6 of Annual Accounts.

As compared to the BE, the receipts and expenditure of the Council during 2015-16 showed a shortfall of 0.11 per cent and 21 per cent respectively.

Some of the Major heads under which the actual receipts and expenditure were significantly lesser than the estimated budget provisions during 2015-16 are as under:

**Table 2.6: Heads under which receipts were significantly less than the BE**

(₹ in crore)

Sl. No.	Major Head	2015-16		
		Budget Estimate	Actual	Shortfall
1.	Land revenue	0.73	0.51	0.22 (30)
2.	Trading by Non-tribals (TNT)	1.25	0.00	1.25 (100)

Source: Budget estimates of Receipts and Expenditure and Statement No.5 of Annual Accounts.

The shortfall between the budget provision and actual collection of revenue under Land revenue and Trading by Non-tribals ranged from 22 to 100 per cent. This indicated that the Council had not been able to make its revenue collection mechanism effective to the extent it had planned for.

In respect of expenditure, the shortfall was mainly due to the Major heads pertaining to Public Works, Education, Information & Publicity and Land Revenue, where expenditure

declined sharply ranging from 15 to 33 *per cent* during the year 2015-16 as detailed in Table 2.7 below:

**Table 2.7: Heads under which expenditure were significantly less than the BE**

(₹ in crore)

Sl. No.	Major Head	2015-16		
		Budget Estimate	Actual	Shortfall
1.	Public works	14.87	9.98	4.89 (33)
2.	Education	13.24	10.05	3.19 (24)
3.	Information and Publicity	0.82	0.58	0.24 (29)
4.	Land revenue	8.97	7.66	1.31 (15)

The decline in the actual implementation as compared to the BE indicates poor implementation of schemes by the Council. Audit also observed that Council had utilised only 59 *per cent* of total available funds during the year 2015-16.

In response to audit observation (August 2023), JHADC stated that regarding revenue collection, some areas like land revenue are hard to predict due to factors like services needed and the economic situation. The budget for land revenue and taxes is based on past collections. The reply also stated that the overall revenue receipt shortfall for the year compared to the budget is ₹ 0.08 lakh, which is only 0.11 *per cent*. With regard to shortfall in expenditure, the Secretary stated that the budget is based on expected revenue, including Motor Vehicle Tax, Mines & Minerals share, and Government Grants. Hence, when actual revenue receipts fall short, so does the expenditure.

The Council also stated that the expenditure shortfall of ₹ 16.46 crore in 2015-16 was mainly because the Council's share on minor minerals amounting to ₹ 21.89 crore, was received in March 2016, leaving little time to use the full amount. Since the council's revenue relies heavily on timely releases from the government, any delays in receipt causes challenges in planned revenue and spending.

While acknowledging the responses, audit suggests that the Council should enhance its revenue collection capabilities from internal sources and aim to reduce the Council's reliance on government shares and grants.

**Recommendation:** *The Council may undertake detailed budgetary analysis and reviews to identify untapped eligible revenue resources and to estimate revenue receipts more accurately. Expenditure on schemes implemented by the Council should also be incurred as per the budget estimate to achieve its objectives.*

## 2.4 Constraints in conducting Audit of Accounts

Paragraph 7(4) of the Sixth Schedule to the Constitution of India states that “*The Comptroller and Auditor General shall cause the accounts of the District Councils to be audited in such manner as he may think fit, and the reports of the Comptroller and Auditor General relating to such accounts shall be submitted to the Governor who shall cause them to be laid before the Council.*”

Audit Report contains the comments on accounts. However, for the year 2015-16, the accounts were not audited by Audit and as such, we are unable to certify the accounts

and provide any assurance that the accounts are free from material irregularities for reasons explained below:

The affairs of the Jaintia Hills Autonomous District Council (JHADC) were being regulated in accordance with the Jowai Autonomous District Fund Rules, 1967. Rule 16 (1) of the Fund Rules states that the Cashier shall keep a Cash Book in the form prescribed in which he shall enter all sums received and payment made by him on account of the Council. Rule 7 further states that the Member-in-charge of the Financial Affairs shall, at the time of audit, cause to be produced all accounts, registers, documents and subsidiary papers which may be called for by the audit authority for investigation.

During the course of audit of Council's accounts for the year 2015-16, it was observed that the Cash Book from 01 August 2009 to 01 June 2014 was not available with the Finance and Accounts Department of JHADC and the same was not furnished to Audit.

The Council vide Office Memorandum dated 28 May 2014 created two separate cells viz. Receipt Cell and Payment Cell. Accordingly, two Cash Books were brought into use, one for Receipt Cell and another for Payment Cell. The Cash Book of the Receipt Cell was opened on 02.06.2014 showing opening balance as 'Nil' and the Payment Cell brought the Cash Book into use on 21.10.2014, also with 'Nil' opening balance. Showing opening balance as 'Nil' in the Cash Books was wrong and misleading since the Council had not reconciled and re-cast the Cash Book taking into account the fund of ₹ 5.49 crore unauthorisedly removed during 01 October 2004.

- Audit is of the view that opening of Cash Book without taking into account the missing fund is a violation to the provisions of Rule 16 (1) of the Fund Rules. Further, in the absence of a re-casted Cash Book/ irregular opening of Cash Book, the basis of preparation of final accounts and closing balance of 'cash in hand' as reflected in the Annual Accounts for the year 2015-16 could not be vouchsafed by Audit.
- Mention was made in Paragraph 3.1 of the Report of the Comptroller and Auditor General of India for the year ended 31 March 2005 that the closing balance of cash in hand as on 30 September 2004 was ₹ 5.49 crore. In the following month (01 October 2004) a new Cash Book was opened with Nil opening balance without any attestation or authorisation order and thus fund amounting to ₹ 5.49 crore was unauthorisedly removed from the Cash Book. This fund was not brought back into the subsequent Cash Books for the year 2005-06 to 2015-16. Thus, the opening balance of cash in hand as on 01 April 2005 was understated to the tune of ₹ 5.49 crore and remained unreconciled till 31 March 2016. This fact was also brought out in **Paragraph 2.2.2** of (2005-06 to 2007-08), **Paragraph 3.1** of (2008-09), **Paragraph 2.3** of (2009-10), **Paragraph 2.3** of (2010-11), **Paragraph 2.4** of (2011-12) and **Paragraph 2.4** of (2012-13) of the Report of the Comptroller and Auditor General of India.

It was, however observed that in the past Reports discrepancies in the opening and closing cash balances as pointed out by Audit had not been reconciled by the JHADC, even in the Annual Accounts for the year 2015-16. As such, the opening and closing balances do not reflect true and correct picture of the Annual Accounts of JHADC. In such circumstances, audit is unable to certify the annual accounts of JHADC for the year 2015-16, and until such time the Cash Book of the entity is fully reconciled and presented to the Audit.

In light of the above it can be concluded that the Council has failed to exercise due diligence in financial monitoring besides depicting apathy in addressing the serious matter of financial impropriety with the swiftness it deserves.

In response to audit observation (August 2023), Secretary, Executive Committee, JHADC stated that the issue of not maintaining the Cash Book and misuse of Council's funds was due to misconduct of the former cashier and Finance & Accounts Officer. The council has started disciplinary actions and are now working on creating/updating the Cash Book from October 2004 to May 2014 for the Receipt Cell and from October 2004 to 20 October 2014, for the Payment Cell. This includes considering the closing balance of 30 September 2004, and tracking recoveries, remittances, and disbursements. The reply also stated that proper maintenance of Cash Books began on 02 June 2014, for the Receipt Cell and on 21 October 2014, for the Payment Cell. The Cash Books had to be started with a zero balance as the closing balances before those dates were unavailable at that time. Once the Cash Book preparation is complete, any differences in closing balances will be reconciled.

***Recommendation:*** *The Council may prepare and update Cash Book as early as possible and prepare its Annual Accounts in complete and transparent manner to ensure true and fair view.*

## **2.5 Conclusion**

Revenue receipts of JHADC decreased by one *per cent* from ₹ 74.07 crore in 2014-15 to ₹ 73.37 crore during 2015-16. The decrease in revenue receipts during 2015-16 was primarily due to less realisation of Taxes on income and expenditure and Grants-in-aid from State Government by 4 and 14 *per cent* respectively over the previous year.

During 2015-16, the share of royalty on Mines & Minerals (₹ 66.58 crore), the Grants-in-aid received from State Government (₹ 0.57 crore) and share of taxes on vehicles (₹ 0.46 crore) constituted 92 *per cent* of the total revenue receipts (₹ 73.37 crore) of the JHADC, indicating high dependence of the JHADC on revenue from share of royalty from the Government.

Revenue expenditure of JHADC decreased by 1.53 *per cent* from ₹ 64.24 crore in 2014-15 to ₹ 63.26 crore in 2015-16. The decrease in revenue expenditure during 2015-16 was due to decrease in expenditure under Secretariat General Services, Public Works and Forest by 18, 8 and 14 *per cent respectively* over the previous year.

Cash Book for the year though made available to Audit were opened without taking into consideration the missing fund of ₹ 5.49 crore which constrained verification and

validation of expenditure for bonafide purposes, resulting in unverified cash balances. Thus, audit has not proceeded with the audit the accounts for the year 2015-16, and is therefore unable to certify the accounts and provide any assurance that the Accounts were free from material irregularities.

## **2.6 Summary of Recommendations**

- (i) The Council needs to improve the collection efficiency of revenue from own sources in order to be less dependent on share of taxes and grants-in-aid.*
- (ii) The Council must strategically plan the allocation of its available funds to ensure prudent utilisation. Additionally, it is advised that capital expenditures be accurately categorised and recorded under appropriate heads in the Annual Accounts.*
- (iii) The Council may undertake detailed budgetary analysis and reviews to identify untapped eligible revenue resources and to estimate revenue receipts more accurately. Expenditure on schemes implemented by the Council should also be incurred as per the budget estimate to achieve its objectives.*
- (iv) The Council may prepare and update Cash Book as early as possible and prepare its Annual Accounts in complete and transparent manner to ensure true and fair view.*





## CHAPTER-III

### *Compliance Audit Observations*



## CHAPTER - III

### Compliance Audit Observations

#### 3.1 Persistent Irregularities

##### 3.1.1 Avoidable expenditure on purchase of stationery items

Scrutiny of the Jowai Autonomous District Fund (JADF) Rules, 1967 revealed that there is absence of established procedures within the Council to serve as guidelines for the procurement of stores and stock such as stationery items, furniture, machinery, tools and plants, *etc.*

Mention was made in **Paragraph 3.1** of the Audit Report of the Comptroller and Auditor General of India, Jaintia Hills Autonomous District Council, for the year ended 31 March 2012, on procurement of stationery items at higher rates which resulted in unavoidable expenditure amounting to ₹ 4.66 lakh. However, Audit noted that the irregularities in procurement of stationery items persisted, as evidenced from the following instances:

Audit of stationery purchases made during 2015-16 revealed that the JHADC invited quotations for supply of stationery items during October 2015 and in response 42 suppliers quoted their rates. The comparative statement on the item-wise rates quoted by the suppliers was prepared by the Stationery & Printing Department and the rates were approved by the Executive Member in-charge. Audit observed that the supply orders were issued to 21 suppliers during February 2016 without taking into consideration the lowest rates quoted by the suppliers.

It was further observed that though the Council had maintained the Stock Register, all the articles purchased were not recorded completely in the Stock Register. No physical verification of stock was conducted during the year.

On being pointed out, the Council stated that the quotation was based on the rates quoted by the suppliers/ firms and reasonable rate for each item was approved by the Executive Member in-charge, taking into account the prevailing market rates and previous year's approved rates. The reply is not tenable since there was no record to show that the Council had assessed the market rates including the maximum retail price of each item.

The Secretary, EC, JHADC, in reply stated (August 2023) that there was no laid down procedure in the Council for purchase of stationery articles. The Council followed standard procedure of inviting tender, preparation of Comparative statement and selected the firms who quoted lowest rates, while suppliers who quoted abnormally low rates were not considered. It also stated that, in order to address audit findings and improve transparency, the Executive Committee established a detailed procedure for stationery purchases vide Decision No. 4 dated 16 November 2021. The Council is currently following this procedure in line with the Executive Committee's decision.

Due to the absence of adequate regulations governing the purchase of stores, the Council procured articles at higher rates, resulting in an avoidable expenditure amounting to ₹ 5.36 lakh on purchase of 40 stationery items as detailed in **Appendix-II**. Further, it was also seen that the Council failed to appropriately document all acquired articles in the stock registers in violation of its own Rule.

**Recommendation:** *The Council may take the support of the Rule Advisory Committee, established specifically for the examination and formulation of Acts, Rules, and Regulations pertaining to the Council's operations, to devise appropriate regulations governing the acquisition of stores and services, taking into consideration the Decision No. 4 dated 16 November 2021. For guidance, the Council may also refer to Chapter 6 of the General Financial Rules, 2017, as a benchmark for rules pertaining to procurement of goods and services.*

### **3.2 Outstanding Inspection Reports**

Audit observations on financial irregularities and defects in the maintenance of accounts noticed during previous local audits which are not settled on the spot are communicated to the Secretary of the Council with copy to that District Council Affairs Department and Finance Department through Inspection Reports (IRs). Seven IRs issued between July 2005 and November 2020, comprising 49 paras had not been settled (April 2024).

In response to Audit (August 2023), the Secretary, Executive Committee, JHADC stated that 11 outstanding paras relating to four Inspection Reports have been reviewed and settled by the team conducting audit during May-June 2018. The reply also stated that replies to 39 paras in respect of the Inspection Reports for the years 2005-15 and Supplementary Inspection Reports for the years 2011-12 to 2012-13 has been furnished between July 2017 and August 2022.

It may be stated that replies of the Council are not accompanied by complete documents in support of the replies. The matter is under correspondence with JHADC. Consequently, ten outstanding paras related to Inspection Reports for the years 2000-01 to 2004-05 have not been conclusively resolved.

### **3.3 Follow-up action on Audit Reports**

According to the JADF Rules, 1967, the Member in-charge of Financial Affairs shall place the Audit Report before the Council and shall send a copy of the proceedings of discussion held by the Council thereon to the Governor of the State for information. Though, the Audit Reports for the years up to 2012-13 has been placed before the Council, apart from the Chairman's request for greater diligence from Council officials in the future, and considering past findings as lessons, no further action was taken by the Council regarding the audit paragraphs contained in these reports.

It is recommended that the Council may ensure time bound action on the audit observations pointed out in the Audit Reports to facilitate improved financial discipline and good governance in the conduct of the affairs of the Council.

### **3.4 Conclusion**

The audit focuses on the functioning of the Council, viz. financial management, development activities, internal control and monitoring, *etc.* and concluded that the Council did not have adequate regulations governing the purchase of stationery items.

### **3.5 Summary of Recommendation**

*The Council may take the support of the Rule Advisory Committee, established specifically for the examination and formulation of Acts, Rules, and Regulations pertaining to the Council's operations, to devise appropriate regulations governing the acquisition of stores and services, taking into consideration the Decision No. 4 dated 16 November 2021. For guidance, the Council may also refer to Chapter 6 of the General Financial Rules, 2017, as a benchmark for rules pertaining to procurement of goods and services.*

**Shillong**  
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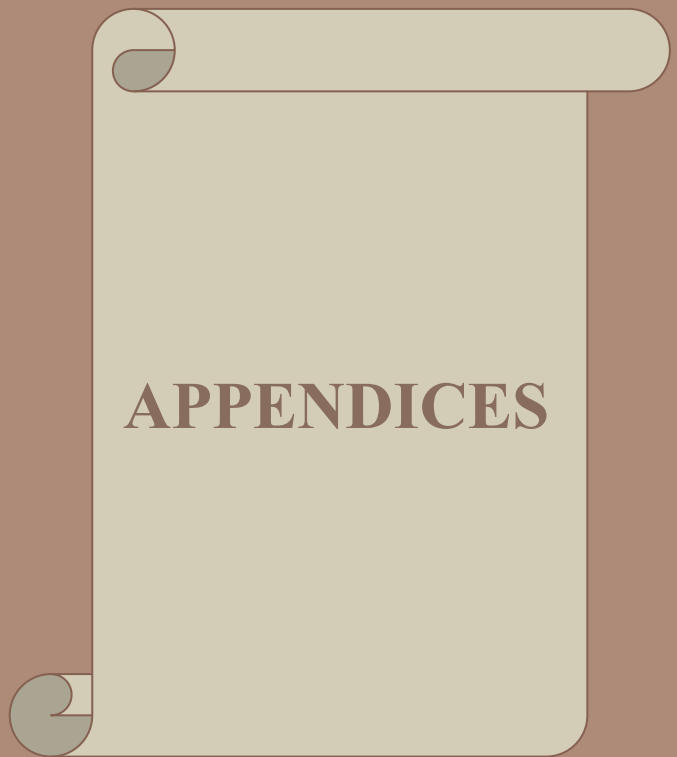
**(JOHN K. SELLATE)**  
**Principal Accountant General (Audit), Meghalaya**

*Countersigned*

**New Delhi**  
**The**

**(GIRISH CHANDRA MURMU)**  
**Comptroller and Auditor General of India**







## APPENDIX - I

### Statement showing Sanctioned Posts and Person-in-Position under Finance & Accounts Department for the year 2015-16.

*(Reference: Paragraph 1.4)*

Sl. No.	Name of post	Sanctioned Posts	Person-in-Position
1.	Finance & Accounts Officer	0	0
2.	Assistant Finance & Accounts Officer	1	1
3.	Accountant	1	1
4.	Junior Accountant	1	1
5.	Nazir	0	0
6.	Cashier Payment Cell	1	1
7.	Cashier Receipt Cell	1	1
8.	Upper Division Assistant	1	1
9.	Lower Divisional Assistant	22	20
10.	D.E.O	0	0
11.	Duftry	1	1
12.	Peons	8	6
<b>Total</b>		<b>37</b>	<b>33</b>

*Source: Information furnished by the JHADC.*

**APPENDIX - II**  
**Statement showing the details of stationary items purchased by the Council during the year 2015-16**  
*(Reference: Paragraph 3.1.1)*

Sl.No	Name of Items and specification	Lowest Rate Quoted	Name of Suppliers who quoted lowest rate	Proposed Rate	Unit	Quantity Purchase	Quantity Recorded in Stock Register	Number of suppliers who quoted lesser rate than the proposed rate	Difference in rate	Difference in amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1.	Drafting Paper	-	K.L Suting	980	Per Ream	35	25	19	810	28350
2.	Azure laid paper	-	L. Laloo	1150	Per Ream	25	-	19	340	8500
3.	File Board	-	A. Tariang	13500	Per 1000 pcs	9	-	21	2200	19800
4.	File cover	-	Bar Ksoo	12500	Per 1000 pcs	9	-	23	5100	45900
5.	Carbon Paper	-	K.L Suting	400	Per Packet	105	-	13	290	30450
6.	Paper pin	-	Chare Bathu	400	Per (Big) pkt	29	-	14	30	870
7.	Stamped Ink	-	L. Laloo	400	Per dozen	9	-	5	210	1890
8.	Self stampad	-	M. Paswet	600	Per box (big)	8	-	12	180	1440
9.	Ball pen (blue & Red)	-	Rushwa	250	pkt	45	37	7	150	6750
10.	Tag	-	R. Bamon	350	(Big) Bundle	26	-	12	150	3900
11.	Eraser	-	R. Bamon	200	dozen	14	13	9	128	1792
12.	Pencil	-	L. Laloo	150	pkt	13	9	10	110	1430
13.	Ruler	-	L. Laloo	250	Per dozen	9	-	6	170	1530
14.	Correction fluid	-	M. Paswet	700	Per dozen	31	30	19	460	14260
15.	Torch	-	R. Bamon	4500	Per dozen	6	-	29	2700	16200
16.	Torch Batteries	-	M. Paswet	650	Pkt	80	-	9	430	34400
17.	Stapler	-	F.K. Laloo	1100	(big) pkt	6	-	12	650	3900
18.	Staples (pin)	-	L. Laloo	450	(big) pkt	9	-	12	170	1530
19.	Pencil Batteries	-	L. Laloo	250	pkt	8	-	7	150	1200
20.	Towel (small)	-	H. Langbang	850	Per dozen	10	6	11	650	6500
21.	Calling Bell	-	M. Paswet	1000	Per dozen	2	-	11	400	800
22.	Tracing Paper	-	M. Paswet	1600	Per roll	21	-	20	1540	32340
23.	Drawing Paper	-	M. Paswet	1100	Per roll	15	-	8	1040	15600
24.	Waste paper Basket	-	L. Laloo	850	Per dozen	7	-	3	470	3290
25.	Water Jug (plastic)	-	L. Laloo	5600	Per dozen	1	-	42	5100	5100
26.	Adhesive Paste	-	L. Laloo	670	Per dozen	5	-	10	420	2100
27.	Rubber Band	-	R. Postian	600	kg	4	-	21	480	1920

SLNo	Name of Items and specification		Lowest Rate Quoted	Name of Suppliers whoquoted lowest rate	Proposed Rate	Unit	Quantity Purchase	Quantity Recorded in Stock Register	Number of suppliers who quoted lesser rate than the proposed rate	Difference in rate	Difference in amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
28.	Sponge with container	-	216	L. Laloo	250	Per dozen	9	-	8	34	306
29.	Pin Cushion	-	370	L. Laloo	400	Per dozen	3	-	2	30	90
30.	Poker	-	190	L. Laloo	300	Per dozen	2	-	3	110	220
31.	PlasticBasket	-	2200	A. Tariang	2500	Per dozen	13	-	11	300	3900
32.	Broomstick	-	500	M. Paswet	720	Per dozen	5	-	2	220	1100
33.	MeasuringTape	-	4100	A. Tariang	6800	Per dozen	2	-	20	2700	5400
34.	Draftman scale	-	600	M. Paswet	1400	Per dozen	2	-	15	800	1600
35.	Tableglass	-	3000	Y. Passah	4250	Per dozen	1	-	13	1250	1250
36.	Register Azureliad	No.20	700	Rushwa	4000	Per dozen	8	-	15	3300	26400
		No.16	550	Rushwa	3500	Per dozen	6	-	6	2950	17700
37.	Register Rulled	No.14	200	Rushwa	1650	Per dozen	8	-	5	1450	11600
		No.10	200	Rushwa	1580	Per dozen	6	-	7	1380	8280
38.	Envelope	26x 12c ms	670	L. Laloo	1200	Per 1000 pcs	10	9000	6	530	5300
		36x25cms	700	L. Garod	1000	Per 200 pcs	5	-	5	300	1500
39.	JK Copier	FS	220	L. Laloo	450	Per pkt	350	320	12	230	80500
		A4	190	L. Laloo	400	Per pkt	350	270	9	210	73500
40.	Lock &Key	35 mm	420	M. Paswet	800	Per dozen	11	-	10	380	4180
		50mm	720	M. Paswet	1100	Per dozen	4	-	8	380	1520
Total:											536088

