

No. KSA.KSD-7/1035/ 2016

KERALA STATE AUDIT DEPARTMENT,
DISTRICT AUDIT OFFICE, KASARAGOD.

E-Mail: ddlfadksd@gmail.com

Phone :04994256690

DATED: 16.12.2016

From

The Senior Deputy Director
Kerala State Audit Department,
District Audit Office, Kasaragod.

To

The President,
Karaduka Block Panchayat.

(Through the Secretary)

Sir,

Sub: Karadka Block Panchayat- Audit Report for the year 2014-15&2015-16 issued -regarding.

As required in under Section 13 of Kerala Local Fund Audit Act,1994, Rule 18 of Kerala Local Fund Audit Rules 1996 and section 215 (4) of Kerala Panchayat Raj Act 1994, I forward herewith the Audit Report on the accounts of Karadka Block Panchayat for the financial year 2014-15&2015-16 for favour of further necessary action as required under Rule 23 (1) of Kerala Local Fund Audit Rules, 1996.

Special attention is invited to Paras in Part-3 of this Audit Report.

On receipt of the audit report, the extracts of the relevant paragraphs have to be forwarded to the concerned implementing officers to rectify the defects pointed out .

A special meeting of the Block Panchayat Committee is to be held with in one month from the date of receipt of the Audit Report for a detailed discussion on the Report and a copy of the Audit Report and the decision taken by the Block Panchayat Committee has to be published for the attention of the public.(Rule 14,15 of Kerala Panchayat Raj (Manner of inspection and Audit system) Rules, 1997).

Necessary action may be taken to settle the audit objections early. A reply to the audit report has to be forwarded to this office within two months of the receipt of audit report. (See section 15 (1) of Kerala Local Fund Audit Act-1994, Rule 23 of Kerala Local Fund Audit Rules-1996, Rule 20,23 of Kerala Panchayat Raj (Manner of inspection and Audit system) Rules-1997).

Yours faithfully,

The Senior Deputy Director

Kerala State Audit Department,

District Audit Office, Kasaragod.

Copy to :

- 1 Secretary, Local Self government Department, Tvpm (with C/L)
2. Director, Kerala State Audit Department , Tvpm (with C/L)
3. Assistant Development Commissioner, Kasaragod.
4. Office copy.

No. KSA.KSD-7/1035/ 2016

Dated:16-12-2016

AUDIT REPORT ON THE ACCOUNTS OF KARADKA BLOCK PANCHAYAT IN KASARAGOD
DISTRICT FOR THE YEAR 2014-15&2015-16

(Issued under Section 215[4] of Kerala Panchayat Raj Act-1994, Section 13 of Kerala Local Fund Audit Act-1994 and under Rule 18 of the Kerala Local Fund Audit Rules-1996.)

The accounts of receipts and payments of the Karadka Block Panchayat, in Kasaragod district, for the financial year 2014-15&2015-16 was subjected to Audit. Development fund received, Fund for maintenance, Centrally Sponsored Funds and various departmental allocations were also audited. The cash receipts, remittances and withdrawals (except from IAY accounts) for the period from 01-04-2014 to 31-03-2016 were also verified. Since the payment made from IAY accouts were not properly recorded in the cash book, withdrawals could not be verified.

The defects noticed in the audit have been brought to the notice of the Block Panchayat through Audit Enquiries. Out of 11 Audit Enquiries served replies to 2 Enquiry was received. On the basis of the reply to the Audit Enquiries and the discussions in the Exit Conference only important observations are incorporated in this Report. The follow up actions on the Audit Enquiries not included in the Audit Report has to be taken by the Block Panchayath.

The Audit Report is prepared based on the Registers and Records maintained by the Block Panchayat and the replies and explanations received to the audit enquiries. This Department is not responsible for any faulty information or any information not provided to audit.

(A). Details of Audit Conducted.

Name and Designation of the Officer : Sri. Krishna Kumar.K,

who conducted the audit

Senior Deputy Director, Kerala State Audit Department.

Time taken for audit	19.09.2016 to 30.09.2016.
Name and designation of auditors who conducted the audit	Sri.Mahesha.B, Audit officer (HG).
	Sri.Jayananda.H, Assistant Auditor Officer.
	Sri.Jenu Kuriakose Senior Grade Auditor
	Sri.Sudheesh.N.K. Auditor

(B). Executive Authorities.

President	Sri.B.M.Pradeep	01.04.2014 to 18.11.2015.
-----------	-----------------	---------------------------

	Smt.Omana Ramachandran	19-11-2015 to 31-03-2016
Secretary	(1)Sri.Sukesh Kumar.V.	01.04.2014 to 24.06.2014.
	(2)Sri.B.T.Sugunan.Joint BDO(i/c)	25-06-2014 to 22-07-2014
	(3)Sri.Suresh Kumar.V.	23-07-2014 to 12-02-2016
	4)Sri.Sri.B.T.Sugunan.Joint BDO(i/c)	13-02-2016 to 08-03-2016
	5)Sri.Abdulla.P.S	09-03-2016 to 31-03-2016

Implementing Officers.

Designation	Name of the Officers	Period
Assistant Executive Engineer	Sri.K.M. Kunjumon	01.04.2014to11.09.2015
	Sri.Valsan Puliya Parayil(Additional Charge)	12-09-2015to 16-02-2016
	Sri.K.M. Kunjumon	17-02-2016to 31-03-2016
Assistant Director Agriculture	Sri.P.Palani	01-04-2014to 18-05-2015
	Sri.V.Murugan	19-05-2015to 20-07-2015
	Sri.P.Palani	21-07-2015to 31-03-2016
SCDO	Sri.Venu.A.	01-04-2014to 08-01-2016
	Sri.Sreejith Kumar.V.	09-01-2016to 31-03-2016
CDPO	Smt.ArunRenuka Devi(i/c)	01-04-2014to 08-07-2014

	Smt.Anitha.K.R.	09-07-2014to 30-07-2015
	Smt.Prasanna Kumari.A(i/c)	31-07-2015to 01-02-2016
	Smt.Anitha.K.R.	02-02-2016to 31-03-2016
Medical Officer- CHC-Muliyar	Dr.Vincy V.S	01-04-2014to 31-06-2014
	Dr.Anil Kumar	01-07-2014to 07-07-2015
	Dr.Divakar Rai	08-07-2015to 31-03-2016
Medical Officer- CHC-Bedadka	Dr.Praveen Babu	01-04-2014to 01-07-2014
	Dr.Sruthi .S.	02-07-2014to31-07-2015
	Dr.Muhammed.M.	01-08-2015to 31-03-2016
Tribal Extension Officer	Sri.Prasanna K.M	01-04-2014to 31-03-2016

Contents of this Audit Report.

Sl.No.		Paragraph Number
	Part 1-GENERAL REVIEW	
1	Budget.	1-1
2	Annual Financial Statement.	1-2
3	Details of certification of Annual Financial Statement.	1-3
4	Financial Position.	1-4
5	Utilization of Fund	1-5

6	Review of implementation of projects.	1-6
7	Own fund.	1-7
8	Cash verification.	1-8
9	Details of other audits conducted.	1-9
10	Functioning of working groups is not in order.	1-10
	PART 2-AUDIT OBSERVATION UNDER RECEIPT ACCOUNTS	
11	Demand register of rented building- not maintained	2-1
	PART 3-AUDIT OBSERVATIONS ON EXPENDITURE ACCOUNTS	
12	Maintanance works - arithmetical inaccuracies in calculating the rate for R.C.C. hume pipe - loss	3-1
13	Road concreting work - higher rate provided for the cement concrete paving with 1:2:4: 20mm graded stone - excess payment - loss:	3-2
14	Higher rate provided for Sectioning Work for old road-	3-3
15	Assistant Executive Engineer (LSGD)- implimenting Officer- Cash book in TR 7 A not maintained	3-4.
16	President vehicle -Mileage test not done	3-5
17	Panchayat vehicle repair- irregularities amount objected.	3-6
18	Projects not implemented in Health sector	3-7
19	Mechanisation of Agricultural Sector - Further service and follow-up should be ensured	3-8
20	Total sanitation campaign-IEC- Programme-Advance paid- not adjusted.	3-9
21	Expenditure made by CDPO- Defects	3-10
22	Furniture to SC students - Details of receipt not	3-11

	produced	
23	Tender Register and connected files not produced	3-12
24	IAY Houses- work not completed	3-13
	Part 4-GENERAL INFORMATIONS AND REVIEW OF AUDIT.	
25	Details of fund received for joint venture projects.	4-1
26	Deposits made with other agencies/LSGIs.	4-2
27	Details of mobilization advances made.	4-3
28	Loan/loan repayment.	4-4
29	Investments/Fixed deposits.	4-5
30	Audit Recovery.	4-6
31	Details of paragraphs included in the Consolidated Audit Report.	4-7
32	Review of Audit.	4-8
33	Audit reports pending settlement.	4-9

Annexures:

1. Receipts and payments Statement 2014-15&2015-16
2. Income and Expenditure Statement 2014-15&2015-16
3. Balance Sheet 2014-15&2015-16

ഭാഗം 1

പൊതു അനുബന്ധം

1-1 Budget.

The budget for the year 2014-2015& 2015-16 was approved by the panchayat committee. The anticipated receipts and payments as per the budget were as follows.

	2014-15	2015-16
Opening Balance	Nil	Nil
Anticipated Receipts	42,00,00,000	46,03,92,500
Total	42,00,00,000	46,03,92,500

Anticipated Payments	41,98,75,000	46,02,87,500
Closing Balance	1,25,000	1,05,000
Resolution No.& dated	39/14-20.04.2014	43/15-17.03,2015

As the Budget was prepared in single entry basis and the AFS prepared based on double entry system, both could not be compared in audit.

1-2 Annual Financial Statement.

The Annual Financial Statement for the year 2014-2015 & 2015-2016 were submitted to audit on 31-07-2015 & 31-07-2016. The statutory time limit for the submission of AFS to Audit has been complied with by the Panchayat.

1-3 Details of certification of Annual Financial Statement.

Year	Date of certification	Date and Number of the certificate	Type of certificate
2014-2015	08.09.2015	No.KSA-KSD3/991/2015 dated 11.12.2015	Qualified Certificate
2015-2016	28.09.2016	Not issued	

The Income and Expenditure Account, Receipt and payment and the balance sheet for the year 2014-15 & 2015-2016 which were subjected to audit are appended to this report.

AFS Verification defects not rectified, details are given below (2015-16)

- 1) Asset Register not Produced for verification..
- 2) Plan Fund Treasury Statement not produced for Audit verification.
- 3) Bank reconciliation Statement not produced for Audit verification.

1-4 Financial Position.

The financial position of the panchayat as per the accounts audited is furnished below.

	2014-15	2015-16
Opening balance	5,14,98,001	5,37,20,895
Receipts	15,24,16,995	10,33,09,024
Total	20,39,14,996	15,70,29,919

Payments	15,01,94,101	11,26,10,898
Closing Balance	5,37,20,895	4,44,19,021

1-5 Utilization of Fund

Fund	Opening balance	Receipts	Total	Payments	Closing Balance	Percentage of utilization
<u>2014-15</u>						
Development Fund - General	17,91,818	2,93,56,000	3,11,47,818	2,34,68,556	76,79,262	75.3
Development Fund- SCP	8,22,333	1,00,85,000	1,09,07,332	1,00,71,023	8,36,309	92.3
Development Fund - TSP	Nil	63,79,000	63,79,000	63,75,918	3,082	99.95
Maintenance Fund	1,76,378	49,74,000	51,50,378	27,63,009	23,87,369	53.65
<u>2015-16</u>						
Development Fund - General	76,79,262	1,81,59,73(TC-Receipt-42,660)	2,58,81,661	2,58,81,661	Nil	100
Development Fund- SCP	8,36,309	59,33,926	67,70,235	67,30,657 (TC-Payment 39,578)	Nil	100
Development Fund - TSP	3,082	55,13,668	55,16,750	55,13,668 (TC-Payment-3082)	Nil	100
Maintenance Fund	23,87,369	Nil	23,87,369	23,87,369	Nil	100

1-6 Review of implementation of projects.

The details of projects approved and implemented are furnished below:

Year	No. of projects	Estimated expenditure	No. of Projects	of Expended amount	No. of projects	of No. of projects not	No. of projects	Percentage of projects
------	-----------------	-----------------------	-----------------	--------------------	-----------------	------------------------	-----------------	------------------------

	approved	under the approved projects	implemented		partially implemented	implemented	completed	completed
2014-15	76	13,24,48,228	52	4,26,78,506	1	24	51	67
2015-16	104	14,33,39,825	78	4,05,43,817	5	18	73	70

Abandoned incomplete projects: NIL

Details projects implemented by Implementing Officers.

2014-15

Sl No	Name of Implementing Officer	Details of projects to be implemented		Details of projects implemented		Percentage of expenditure
		Number	Amount	Number	Amount	
1	Secretary.	19	10,73,09,843	19	2,98,81,194	28
2	Assistant Executive Engineer.	37	1,75,24,498	13	64,64,016	37
3	Assistant Director Agriculture	4	27,79,480	4	15,95,147	57
4	CDPO	6	23,43,270	6	23,36,695	99
5	SCDO	4	11,05,550	4	10,93,080	99
6	Medical Officer-CHC	6	13,85,587	6	13,08,374	94
	Total	76	13,24,48,228	52	4,26,78,506	32

For the year 2014-15 a total of 76 projects were approved by DPC. Out of this 52 numbers were implemented during 2014-15 which account for only 32% of the total numbers. Out of the 76 projects implemented only 51 projects were completed. In the case of public works the number of projects have to be implemented was 37 out of which only 13 projects were implemented. The poor percentage in implementation of projects is brought to notice.

2015-16

Sl No	Name of Implementing Officer	Details of projects to be implemented		Details of projects implemented		Percentage of expenditure
		Number	Amount	Number	Amount	
1	Secretary.	26	10,25,62,088	21	1,94,15,785	19
2	Assistant Executive Engineer.	62	3,00,44,504	46	1,77,36,007	59
3	Assistant Director Agriculture	5	34,08,233	5	14,77,500	43

4	CDPO	4	27,00,000	3	13,99,500	52
5	SCDO	4	20,25,000	3	5,15,025	25
6	Medical Officer-CHC	2	8,00,000	Nil	Nil	Nil
7	Veterinary Surgeon	1	18,00,000	Nil	Nil	Nil
	Total	104	14,33,39,825	78	4,05,43,817	28

For the year 2015-16 a total of 104 projects were approved by DPC. Out of this 78 numbers were implemented during 2015-16 which account for only 28% of the total numbers. Out of the 104 projects implemented only 73 projects were completed. In the case of public works the number of projects have to be implemented was 62 out of which only 46 projects were implemented. The poor percentage in implementation of projects is brought to notice

1-7 Own fund.

There was a no hike in the own revenue(Non tax Revenue) of the panchayat when compared to the revenue of the panchayat in the previous year, as detailed below:

Year	Item	Previous year	This year	Difference	Percentage (+)/(-)
2014-15	Non tax revenue	4,34,465	3,08,490	(-)1,25,975	(-)29
2015-16	Non tax revenue	3,08,490	59,335	(-)2,49,155	(-)81

1-8 Cash verification.

The verification of cash balance as required under Section 6(4) of the Kerala Local Fund Audit Act, 1994 was conducted on 23.09.2016 at 4 PM, in the presence of the accountant and the Secretary. The cash balance is nil.

1-9 Details of other Audit conducted

Audit	Date of Last Audit	Period of Audit	Date of Receipt of the audit report
Performance Audit	18/6/2016	2014-15	1/8/2016
A G Audit	Not Conducted		

1-10 Functioning of working groups is not in order.

Different working groups have been formed in the Block Panchayath for plan formation. Details of working groups meetings held during the financial year 2014-2015 & 2015-16 are as follows.

Sl	Name of working	No of members in the working	Details of meeting held during

No.	Group.	group.	2014-15.&2015-16	
			Date.	No of members participated.
1	Agriculture	15	25.11.14	6
			13.01.15	10
			17.02.16	11
			04.03.16	6
2	Animal husbandry & Dairy Development	15	25.11.14	5
			13.01.15	6
			28.01.15	7
			17.02.16	6
			04.03.16	6
3	SC Development	15	15.11.14	8
			13.01.15	5
			28.01.15	7
			22.07.15	10
			17.02.16	11
			04.03.16	4
4	ST Development	15	25.11.14	14
			13.01.15	5
			28.01.5	11

5	Social security	15	25.11.14	7
			13.01.15	4
			28.01.15	6
			22.7.15	8
			17.02.16	9
			4.03.16	11
6	Development of women and children.	15	25.11.14	7
			13.01.15	7
			28.01.15	7
			17.02.16	8
			04.03.16	5
7	Small Scale Industry	15	25.11.14	3
			13.01.15	4
			28.01.15	3
			22.07.15	12
			04.03.16	11
8	Education	16	25.11.14	6
			28.01.15	9
			22.07.15	11
			17.02.16	7
			04.03.16	5

9	Health.	15	29.11.15	5
			13.01.15	9
			28.01.15	5
			22.07.15	12
			17.02.15	8
			4.03.16	9
10	Cultural,Arts and Sports	16	25.11.14	5
			13.01.15	3
			28.01.15	7
			04.03.16	6
11	Public work	15	25.11.14	6
			13.01.15	5
			04.03.16	8
12	Poverty alleviation	15	25.11.14	8
			13.01.15	5
			28.01.15	7
			04.03.16	7
13	Drinking water & sanitation	14	13.01.15	6
			28.01.15	7

On verification of the minutes book and attendance of the working groups it is evident that almost all the working groups were functioning only for the name sake. As per paragraph number 11 (C) ii of GO(MS)No 362/13/LSGD dated 16.11.2013 quorum of the meeting of working groups is fixed as 1/3rd of the total members. From the above statistics it is clear that some of the meetings were held without the participation of minimum required members. As per above Government Order, monitoring of projects and preparation of

monitoring report are the duties of working groups. But the above working groups have not followed this direction.

Supervision of the Block Panchayat Committee and the related standing committees are required on the functioning of each working groups. Participation of all the members of each working groups should be confirmed in future. The creative and effective participation of all working groups may be assured right from the preparation draft proposal to the monitoring of projects.

ഭാഗം-2

വരവു കണക്കുകളിൻമേലുള്ള ഓഡിറ്റ് നിരീക്ഷണങ്ങൾ

2-1 Demand register of rented building- not maintained

Block panchayath is being rented out 9 rooms at Kundam kuzhi and povval shopping complex. But register regarding the details of monthly rent received is not maintained.Hence the correctness of rent realized could not be ensured in audit.

ഭാഗം-3

ചെലവു കണക്കുകളിൻമേലുള്ള ഓഡിറ്റ് നിരീക്ഷണങ്ങൾ

3-1 Maintanance works - higher rate provided for R.C.C. hume pipe - loss

On verification of the estimate of the some road works higher rate was seen admitted for the work of “supplying and fitting RCC hume pipes, 600mm dia”This has resulted in excess payments to the conveners/contractors of this work. The observed data was subjected to verification by the Technical Sanctioning authority is not produced for audit verification. There was a block level observed data in prevalence with applicability to the whole block for items like these. The data for Karadka Block for this item of work, prepared based on PWD schedule of Rates 2012 with average conveyance of Kasaragod Taluk is furnished below:

The details of the works in which excess payment was resulted on this account are furnished below-

Data for supplying and fitting of RCC hume pipe of 600 mm dia – data for 7.5 m

Quantity	Description	Rate	Amount
Materials			
7.5 m	600 mm RCC hume pipe	1000/m	7500
2 nos	RCC collar	240/E	480
1.797 MT	Conveyence of RCC hume pipe	334/MT	600.20
0.100 MT	Conveyence of RCC collar	334/MT	33.4
	TOTAL		8631.60
Labour			
1 no	Mason	471/e	471
4 nos	Heavyload mazdoor	396/e	1584
	Total		2055
Ls	Sundries		15
GRAND TOTAL	(Rs.8613.60+2055+15)		10683.60

Hence for 1m = $10,683.6/7.5 = 1,424.48$, say Rs.1424/m

This has resulted in an excess calculation of the rate to the tune of Rs.1423 /m as detailed below-

Admitted rate- Rs.2847/m

Admissible rate- Rs.1424/m

The details of the works in which excess payment was resulted on this account are furnished below-

1.Mulleriya - Beeramkole road improvement work

1. Project No.Name of work	Mulleriya - Beeramkole road improvement so.007/15
Fund and estimate	Plan fund, 5,00,000
Name of convenor	Vijayan . B
Agreement and date	25/AEE/LSGD/KDK/13.14 DT.22.01.2014
Bill no and amount	00/13.14/31.3..2014 Rs.1,35,270 05/14-15/14.10.14 Rs. 3,56,349
Measurement book no.	01/13-14
Valuation	Rs. 4,72,299/-

Details of excess payment made to the convenor is given below.”

	Valuation admitted	Admissible valuation	Excess
Item no.5. ' supplying and fixing 600mm dia Rcc hume pipe including all cost conveyance fixing charges etc complete.'	10m @ Rs.2847/m= 28,470.00 Page no 8 and 17. m.book no.01/13-14	10m @ Rs. 1424/m =14,240.00	=Rs.14,230.00

2.Kannathoor moola ST colony road side protection, pipe culvert and road tarring work

2. Project No.Name of work	Kannathoor moola ST colony road side protection,pipe culvert and road tarring. SO06/14
Fund and estimate	Plan fund, 5,00,000/-
Name of Contractor.	M.A.Mohammed Sayeed.
Agreement and date	11/AEE/LSGD/KDK. Dated.4.12.2013
Bill no and amount	03/14-15 dt.14.07.2014. Rs.3,95,434.00
Measurement	54/12-13

book no.	
Valuation	4,64,452 - 69018 (14.86%BER)=395434/-
Tender quoted	14.86% below estimate rate

Item no. 3 of the approved estimate of the work was "supplying and fitting RCC hume pipe 600 mm dia- 10 m @ Rs.2847/m= Rs.28,470.00"

Details of excess payment made to the contractor is given below.

	Valuation admitted	Admissible valuation	Excess
Item no.3. ' supplying and fixing 600mm dia Rcc hume pipe including all cost conveyance fixing charges etc complete.'	5 m @ Rs.2847/m = Rs.14,235.00. Page no 2 and 26. m.book no.54/12-13	5 m @ Rs.1,638/-(1424 +214/- 10% CP and 5% OHC)= Rs. 8,190.00	Rs.5,147.00 (6045-14.86% tender below)

Audit enquiry bearing no.3 and date 29.9.2016 was served to the assistant engineer. No reply was received. The excess payment made to the convners/contractors amounting to Rs.19,377/- is disallowed in audit.The loss amount to be recovered from the Assistant Engineer who prepared the esimates of these works.

3-2 Road concreting work - higher rate provided for the cement concrete paving with 1:2:4: 20mm graded stone - excess payment - loss:

Name of work,Project No.	Payarpallam Munchirakulam road concrete work. 38/16
Fund	Plan fund . Rs. 5,00,000/-
Name of Contractor	Irshad .C.A.
Estimate	Rs.5,00,000/-
Agreement no.and date	17/AEE/LSGD/KDK/15-16 DT.20.11.2015.
Valuation and measurement book no.	Rs. 4,99,220.15/- 15/15-16
Bill. no.amount and date	26/15-16. Rs.3,92,686. dt.26.03.2016
Tender quoted.	21.34% below estimate rate

Item No.7 of the approved estimate of the work was "Cement concrete pavement with 1:2:4 (1 cement: 2 coarse sand: 4 graded stone aggregate 20mm nominal size) including finishing complete. ITEM CODE: 11.7 :- 42.90M3 @ Rs.7514.60/m3= Rs.3,22,376/-"

ADMISSIBLE RATE

The actual rate for "Cement concrete pavement with 1:2:4 (1 cement: 2 coarse sand: 4 graded stone aggregate 20mm nominal size)as per CPWD Schedule of rates 2014 Cost index of 1.3048 with adding contractors profit

and over head charges is Rs.7,132/m³ only. For the road concreting the applicable rate is Rs. 7,132/-(ITEM CODE:4.1.3).But, in the above work, the rate has been taken as Rs.7,514.60/10m³, this item applicable for the flooring. This has resulted in inclusion of excess rate in the estimate and excess payment to the contractor, the details of which are given below:

Item no.7. "Cement concrete pavement with 1:2:4 (1 cement: 2 coarse sand: 4 graded stone aggregate 20mm nominal size)"	<u>Valuation admitted</u>		
	42.90m ³ Rs.7514.60/m ³ = 3,22,376.34 (ITEM CODE.NO.11.7) Page no 15 m.book no.15/14-15	@	<u>Admissible valuation</u>
			<u>Excess</u>
		42.90m ³ Rs.7132.42/m ³ 3,05,980.81 (ITEM CODE NO. 4.1.3)	= Rs.16,395.53 Rs.12897.00(16396 - 21.34%BER)

There is an excess valuation of Rs.12,897/- under this item is disallowed in audit.Audit enquiry bearing no.4 and date 29.9.2016 was served to the assistant engineer. No reply was received. The excess payment made to the contractor amounting to Rs. 12,897/- is disallowed in audit.The loss amount to be recovered from the Assistant Engineer who prepared the estimates of this work.

3-3 Higher rate provided for Sectioning Work for old road-

Name of project	Tarring to Evanthoor – Mannamkadavu road
Project No.	So.o90/16
Estimate amount	Rs. 5,00,000/-
Fund	Plan fund
Name of contractor	Sri. A.Thamban Nair, (Agr.No.17/AEE /LSGD/KDR/2014-15DT.26.2.15
Tender quoted	Estimate rate
Measuremen book No.	17/14-15
Valuation	Rs. 4,95,367.00
Bill No. and date.	11/15-16 dt.30.11.2015.

Amount	Rs.4,95,367.00
--------	----------------

Item No.2 of the approved estimate of the work was "Sectioning up to 150mm and forming in the surface for old road:- 750 m2 @ Rs.217/10m2/m= Rs.16,275/-"

ADMISSIBLE RATE

The actual rate for "Sectioning up to 150mm and forming in the surface of old road as per Schedule of rates 2012 (GO (MS) No.68/2012/PWD dated 28.09.2012 and Item No.652 of Standard Data Book) is Rs.108/10m2 only. But, in the above data, the rate has been taken as Rs.217/10m2.. This has resulted in inclusion of excess rate in the estimate and excess payment to the contractor, the details of which are given below:

Item no.2. 'Sectioning up to 150mm and forming in the surface for old road'	<u>Valuation admitted</u>	<u>Admissible valuation</u>	
	630 m2 @ Rs.217/10m2 = 13,671.00 Page no 2 and 19. m.book .No.17/14-15	630m2@ Rs.108 /10m2 = 6,804.00 Rs.6804.00	<u>Excess</u> Rs.6,867.00

There is an excess valuation of Rs.6,867/- under this item is disallowed in audit.Audit enquiry bearing no.3 and date 29.9.2016 was served to the assistant engineer. No reply was received. The excess payment made to the contractor amounting to Rs. 6,867/- is disallowed in audit.The loss amount to be recovered from the Assistant Engineer who prepared the estimates of this work.

3-4 Assistant Executive Engineer (LSGD)- implimenting Officer- Cash book in TR 7 A not maintained

As per GO (P) 177/06/fin dated 12.04.20006, every implimenting officers have to maintain cash book in form TR 7 A and route every financial transactions through this cash book. But, The assistant executive Engineer, who was the implimenting officer during 2014-15 and 2015-16 did not maintain cash book in form TR 7 A.The Government direction may be adhered.

3-5 President vehicle -Mileage test not done

As per the Log book of the President vehicle of panchayat (KL-14N-811 Tavera) the mileage test was seen conducted for the last time on 06.03.2014 . After that no mileage test has been conducted till date .Mileage test is to be conducted by the competitive authority at the earliest and certificate of mileage has to be recorded in the log book

3-6 Panchayath vehicle repair- irregularities amount objected.

As per voucher no. 21400561 dt: 28.08.2014 amount of Rs.15,978/ was paid to Karnataka Agency Joseph Workshop Mullar Road Jeppu Mangalore, towards repairing charge of panchayath vehicle but details regardig the invitation of quotation, estimate approved by the engineer, register for vehicle repaire etc,were not produced for audit verification. In the absence of above details Rs.15,978/- is objected in Audit (Audit enquiry no: 10 dt: 30-09-2016).

3-7 Projects not implemented in Health sector

During the financial year 2015-16, no projects were implemented by the Block Panchayat in the Health Sector. Even a project for 'the Purchase of medicine for CHC' was also not executed by the Block Panchayat, though the Block Panchayat area falls under the worse Endo-sulfan affected area. An audit enquiry (No:06,dtd:29/09/2016) regarding this issue was served to the Block Panchayat Secretary. But no reply was furnished .So the reason should be explained.

3-8 Mechanisation of Agricultural Sector - Further service and follow-up should be ensured

During the financial years 2014-15 and 2015-16, the Assistant Director Agriculture has implemented projects, for the mechanisation of Agriculture sector by distributing different types of machines to various Padasekhara samithis within the Block panchayat.

The Audit team heard the Secretaries/Convenors of some Padasekharasamithis, where they explained the difficulties faced by them in the maintainance and usage of these machines. They pointed out that they face immense difficulty to get a proper mechanic for service when these machines need repair. Acute shortage of spare parts further increase their hardships. Hence the farmers could not execute the agricultural and related works in-time.

In these circumstances, it is suggested in audit that the implementing officers should ensure that the distributors must render timely services and follow-ups to the farmers. An agreement should be executed with the distributors, at least for five years regarding this. The implementing officers make sure that the selected distributors must agree the above condition. Thus the project become effective, than mere distribution of machinery.

3-9 Total sanitation campaign-IEC- Programme-Advance paid- not adjusted.

As per Chq no.323626dt 15-11-2014 , an amount of Rs.30,000/- was paid as advance to Shri.Suresh Kumar .V.Secretary being TSC-IEC Programme.The details of expenditure has not been produced till date .The amount is also not adjusted in consequent bills. So the amount of Rs-30,000/- with 18% interest is to be recoverd from Secretary and to be credited to Panchayath Fund as per note II under Art53(e)KFC.(IAudit Enquiry No.11dated 30.09.16,)

3-10 Expenditure made by CDPO- Defects

1)Transactions not routed through cash book

While verifying the cash book it has been noticed that Cheques/DD given by the block panchayath Secretary are not routed through TR 7A cash book.Some examples are given below.

Cheque NO.& date	Amount	Purpose
2305966 dtd 14.11.2014	1000/-	Toner filling & service charge of computer
3939610 dtd 12.03.2015	3450/-	Service charge of photocopies and purchase of pedestal fan
1381348 dtd 15.09.2015	4850/-	Photocopier service charge & replacement of motherboard

All transaction should be routed through cash book in future and instructions given in GO(P)No.177/2006/fin dtd 12.04.2006 should be strictly adhered to.

2.Utilisation Certificate not produced

Project No. 01/2014-15 NPRPD Block share

Allotment : Devpt Fund (Gen) Rs.12,00,000/-

Bill No. 01/2014-15 dtd 26.09.2014 Rs.12,00,000/-

As per above bill no Rs.12,00,000/- has been withdrawn and given to Dist panchayath secretary vide DD.No.890398/26.09.2014 as NPRPD block share. But utilisation certificate for the above said amount has not been produced for audit verification.

3. Utilisation certificate given by CDPO – Defects

CDPO has transferred amounts for the following projects during audit year.

Project No.	Allotment	Bill No.	To whom &DD.No.
22/2015-16 Block share to kerala social security mission	Devpt Fund (Gen) Rs 5,00,000/-	03/2015-16 dtd 30.11.2015 Rs.5,00,000/-	Exe.Director, Kerala social security mission vide DD.No.743208/01.12.2015
23/2015-16 Block share to Block share to Sneha buds school in Karadka Grama panchayath and Thannal buds school in Muliya Grama panchayath	Devpt Fund (Gen) Rs 5,00,000/-	01/2015-16 dtd 21.07.2015 Rs.2,50,000/- & Bill no.02/2015-16 dtd 29.07.2015 Rs.2,50,000/-	Karadka Grama panchayath secretary (Rs 2.5 lakh vide DD No.740092/23.07.2015) & Muliya Grama panchayath secretary(Rs 2.5 lakh vide DD No 741864/30.09.2015)

But while verifying the above project files Utilisation certificates dtd 01.02.2016 were seen given to the Block panchayath secretary by CDPO for the above transferred amounts without obtaining the UC from Social security mission and Karadka,muliya Grama panchayath secretaries. Hence an audit enquiry was served to CDPO asking explanation in this regard(Audit Enq. No.02/2016 dtd 24.09.2016). As reply to the above enquiry UCs availed from the Social security Mission and Karadka,Muliya Grama panchayath secretaries were produced for audit verification. In this circumstances it is concluded in audit that the above deed of CDPO well before obtaining UC from Social security mission and Karadka,muliya Grama panchayath secretaries is irregular and not to happen in future.

3-11 Furniture to SC students - Details of receipt not produced

Implementing Officer- SCDO

project No. - 77/2015 Furniture to SC students

Allotment – Development fund (SCP)

Rs.10,12,000/-

Bill No.-19/2014-15 dtd 28.03.2015 Rs.10,11,870/-

DD No.- 736449/31.03.2015 Rs. 10,11,870/-

As per the above project 253 steel table and 253 steel cushion chair amounting Rs.10,11,870/- are bought from SIDCO to distribute among SC students residing in Block panchayath area. While verifying the project file the following defects have been noticed.

1)As per the project , the list of SC students produced by the school authorities has to be sent to the concerned grama panchayath for approval.But the list of students authorised by each village panchayath has not been produced for audit verification.

The permanent address of students who received the furniture has not been produced for verification. So it could not be verified in audit that the students who received the furniture are the permanent residence in Block panchayath area due to the non presentation of their address.

1. The details of distribution of furniture are given below.

Sl No.	Name of school	No. of selected students as per list	No.of students who received the furniture as per stock register	short	remarks
1	GVHSS Iriyanni	3	3	-	
2	GVHSS Iriyanni	10	10	-	
3	BARHS Bovikanam	12	12	-	
4	BARHS Bovikanam	17	17	-	
5	GVHSS Delampady	8	8	-	
6	GVHSS Delampady	3	3	-	
7	GVHSS Iriyanni	18	18	-	
8	GHSS pandi	6	6	-	

9	GHSS Bellor	28	28	-	
10	GHSS Bellor	17	17	-	
11	GHSS Adhur	8	8	-	
12	GHSS Adhur	3	3	-	
13	GHS Bandadka	1	1	-	
14	GHSS Kundamkuzhi	1	1	-	
15	GHSS Kundamkuzhi	7	7	-	
16	GHSS Adoor	26	26	-	
17	GVHS Karadka	14	14	-	
18	GHS Bandadka	4	4	-	
19	GHSS Adoor	14	14	-	
20	GVHS Karadka	6	6	-	
21	GVHSS Mulleria	24	24	-	
22	GVHS Mulleria	19	Nil	19	As per stock register page No.6
23	GHS Kolathur	3	3	-	
24	GHSS Bethurpara	1	Nil	1	As per stock register page No.14
		253	233	20	

The details of distribution and receipt of above 20 furniture are to be produced before audit. Otherwise audit will reach in the conclusion that the 20 furniture are not distributed among the students. Hence spent amount Rs.10,11,870/- is objected in audit (Audit enquiry No.01/2016 dtd 24.09.2016)

3-12 Tender Register and connected files not produced

During the year 2015-16, all public works were implemented by the Assistant Executive Engineer and most of the public works were executed by the Contractor through E-Tender. Tender Register was not maintained by the Implementing Officer. Documents and files related to E-Tender, comparative statement etc., were not produced for the audit verification. Hence correctness of the lowest bidder could not be verified in audit. All the work files and E-Tender documents such as tender register, comparative statement and details of panchayat

resolution etc to be produced for the audit verification.[Audit requisition No.2. dated 29.09.2016]

3-13 IAY Houses- work not completed

IAY housing projects are started in Block panchayath from 2010-11 financial year onwards.The following statistics reveals the present position of IAY Housing scheme.

Year	Beneficiaries entered in Contracts	No.of Completed houses	No. of incomplete houses
2010-11	40	32	8
2011-12	208	201	7
2012-13	249	230	19
2013-14	368	312	56
2014-15	423	299	124
2015-16	420	77	343
Total	1708	1151	557

Action should be taken to complete the construction work of pending houses immediately.

ഭാഗം-4

പൊതു വിവരങ്ങളും ഓഡിറ്റ് പ്രത്യുവലോകനവും

4-1 Details of fund received for joint venture projects.

The details of shares received from other LSGIs for joint venture projects are shown below.

Name of Institution from which the fund received	Date of receipt	Amount	Name of Project	Expenditure	Balance
Muliyar Gr.Pt	3/4/2014	161750	IAY Plan		
	22/11/2014	440000	IAY Plan		
	24/2/2014	457500	IAY Plan		

	Total	1059250			
Delampady Gr.Pt.	7/4/2014	175000	IAY Plan		
	28/1/2015	2130000	IAY Plan		
	31/1/2015	320000	IAY Plan		
	28/3/2015	200000	IAY Plan		
	Total	2825000			
Kumbadaje Gr.Pt	25/4/2014	925000	IAY Plan		
	20/12/2014	850000	IAY Plan		
	Total	17,75,000			
Bedadkka Gr.Pt	18/8/2014	60000	IAY Plan		
	19/1/2015	500000	IAY Plan		
	29/1/2015	670000	IAY Plan		
	21/3/2015	92500	IAY Plan		
	27/3/2015	300000	IAY Plan		
	Total	1622500			
Belloor Gr.Pt	19/9/2014	227500	IAY Plan		

	13/11/2014	1067500	IAY Plan		
	Total	1295000			
Kuttikole Gr.Pt	3/12/2014	680000	IAY Plan		
	13/2/2015	1545000	IAY Plan		
	Total	2225000			
Karadkka Gr.Pt	29/1/2015	640000	IAY Plan		
	9/3/2015	602500	IAY Plan		
	Total	1242500			
	Total Receipt	1,20,44,250		1,20,44,250	Nil
District Panchayat	13/11/2014	2656500	IAY Plan		
	16/12/2014	2295000			
	12/1/2015	2072000			
	19/2/2015	4028500			
	10/3/2015	679000			

	19/3/2015	1018500		
	Total	1,27,49,500	1,27,49,500	Nil

Receipt from Grama Panchyath during 2015-16- (IAY)

Name of Institution from which the fund received	Date of receipt	Amount	Name of Project	Expenditure	Balance
Muliyar Gr.Pt	19/2/2016	1160000	IAY Plan		
	26/2/2016	505000	IAY Plan		
	Total	1665000			
Delampady Gr.Pt.	6/2/2016	1512500	IAY Plan		
	23/2/2016	580000	IAY Plan		
	Total	2092500			
Kumbadaje Gr.Pt	8/1/2016	535000	IAY Plan		
	16/1/2016	760000	IAY Plan		
	Total	1295000			
Bedadkka Gr.Pt	10/2/2016	640000	IAY Plan		
	Total	640000			

Bellur Gr.Pt	23/2/2016	390000	IAY Plan		
	Total	1295000			
Kuttikole Gr.Pt	6/4/2015	360000	IAY Plan		
	25/1/2016	1927500	IAY Plan		
	Total	2287500			
Karadkka Gr.Pt	27/1/2016	620000	IAY Plan		
	22/3/2015	570000	IAY Plan		
	22/3/2016	932000	IAY Plan		
	Total	2122000		2122000	
District Pt.	28/4/2015	612500	IAY Plan		
	21/10/2015	3381000	IAY Plan		
	30/12/2015	336000	IAY Plan		

	Total	4329500		4329500	Nil

4-2 Deposits made with other agencies/LSGIs.

NIL

4-3 Details of mobilization advances made.

NIL

4-4 Loan/loan repayment.

There is receipt on account of loan during the year. The details of loan repayment made during the year and the loan amount outstanding as on 31.03.2015,2016 are given below.

Name of the loan and purpose	Order No. Date	Loan amount	Amount outstanding at the beginning of the year	Amount repaid during the year		Amount outstanding as on 31.03.2015& 31.03.2016
				Principal	Interest	
<u>2014-15</u> Loan for IAY housing scheme from Bedadkka Farmers Service Co-op Bank	GO(MS)332/13/LSGD Dated-09-10-2013	10,00,000	10,00,000	4,16,000	-	5,84,000
Loan for IAY housing scheme from Kuttikole Service Co-op Bank	GO(MS)332/13/LSGD Dated-09-10-2013	5,00,000	5,00,000	2,00,000		3,00,000
	Total	15,00,000	15,00,000	6,16,000		8,84,000
<u>2015-16</u> Loan for IAY housing scheme from Bedadkka Farmers Service Co-op Bank	GO(MS)332/13/LSGD Dated-09-10-2013	10,00,000	5,84,000	5,84,000		Nil

Loan for IAY housing scheme from Kuttikole Service Co-op Bank	GO(MS)332/13/LSGD Dated-09-10-2013	5,00,000	3,00,000	3,00,000	Nil
	Total	15,00,000	8,84,000	8,84,000	

4-5 Investments/Fixed deposits

NIL

4-6 Audit Recovery.

An amount of Rs.32,988/-s collected during the year as audit recovery, details are given below.

Audit Report year	Part/ Paragraph No	Amount recovered	Name and designation of the remitter	Receipt No & date
Local Fund Audit 2012-13 & 2013-14	3-5	3000/-	Sri.Kunjumon Asst.Exe. Eng. LSGD, Karadkka	No.38 (Book No.336) dtd: 30/6/2015
	3-6	29988/-		No.38(Book No. 336) dtd: 30/6/2015
Total		32,988/-		

4-7 Details of paragraphs included in the Consolidated Audit Report.

NIL

4-8 Review of Audit.

A- Concise Details:

	2014-15	2015-16
Total Receipts	15,24,16,995	10,33,09,024

Total Payments	15,01,94,101	11,26,10,898
Loss in receipts	Nil	Nil
Loss in expenditure/ amount disallowed in audit	19,377	19,764
Amount objected in audit	10,27,848	Nil

B. Details of clear cases of loss sustained to the panchayat Fund.

Para No	Amount Loss		Name of the officers responsible for the loss
	Charge	Surcharge	
3(1)1	---	14,230	Anish.S.Nair Assistant Engineer
3(1)2		5,147	Anish.s.Nair Assistant Engineer
3(2)	_	12,897	Thulasidharan .N.T.Assistant Engineer
3(3)	_	6,867	Anish.S.Nair Assistant Engineer
	Total	39,141	

Details of amount objected in Audit:

Para No.	Amount.	Name and designation of the officer responsible.
3(6)	15,978	Sri.suresh kumar, Secretary
3(11)	10,11,870	Smt.Anitha.k.R. CDPO
Total	10,27,848	

C. Details of loss sustained to the Central/state Govt, or other Agencies/institutions.

NIL

D. Cases requiring further inquiry to fix the loss.

NIL

E. Permanent addresses of the officers responsible for the loss mentioned in the Audit report.

Para No	Name & Designation	Official Address	Permanent Address
3(1)1 3(1)2	Anish.S.Nair Assistant Engineer	LSGD Sub Division Pallom Block Panchayath Kottayam	Vaishnavam VP 14/188-E Akshya Nagara Residence Association A-41 Chenniyoorkonam Peyad(p.o)- 695573
3(2)	Thulasidharan .N.T.Assistant Engineer	LSGD Sub Division Madhur Grama Panchayath	Vrndavanam Nerappanadi Kalanad (po) Kasaragod
3(3)	Anish.S.Nair Assistant Engineer	LSGD Sub Division Pallom Block Panchayath Kottayam	Vaishnavam VP 14/188-E Akshya Nagara Residence Association A-41 Chenniyoorkonam Peyad(p.o)- 695573

4-9 DETAILS OF AUDIT REPORTS PENDING SETTLEMENT

Year of Audit	Reference from this office on the Audit Report	No. of objections pending settlement
2010-11 & 2011-12	LFKSD8/124/2013 Dated 10/05/2013	6
2012-13 & 2013-14	LFKSD6/158/2015 Dated 04/03/2015	3

Actions have to be initiated to settle the audit objections in the above reports urgently.

SENIOR DEPUTY DIRECTOR,
KERALA STATE AUDIT DEPARTMENT
KASARAGOD

Annexure - 1**Audit Certificate**

No. KSA-KSD//2016

Kerala State Audit Department

District Audit Office,
Kasaragod – 671123
E-mail:- doksd.ksad@kerala.gov.in
Phone: 04994256690
Dated :----2016

AUDIT CERTIFICATE

Certified that I have audited the Annual Financial Statement of Karaduka Block Panchayat in Kasaragod District for the year ended on 31.03.2016 in accordance with Section 4 of the Kerala Local Fund Audit Act 1994, Section 215 of the Kerala Panchayat Raj Act 1994, the rules made there under and the guidelines issued by the Comptroller and Auditor General of India for the purpose of audit of accounts of Panchayat Raj Institutions.

In my opinion, the Financial Statements of Karaduka Block Panchayat for the year 2014-15&2015-16 except the observations in my audit report properly presents the picture of income and expenditure.

Senior Deputy Director
District Audit Office, Kasaragod.