



കേരള സർക്കാർ

## KERALA STATE AUDIT DEPARTMENT

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### AUDIT REPORT ON THE ACCOUNTS OF MANJESHWARA GRAMA PANCHAYAT

For the year  
**2016-2017**

District Audit Office, Kasaragod.

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(Registered with acknowledgement)

No. KSA.KSD-5/999 /2017

KERALA STATE AUDIT DEPARTMENT,  
DISTRICT AUDIT OFFICE, KASARAGOD- 671 123.

E-Mail: doksd.ksad@kerala.gov.in

Phone :04994256690

DATED: 18.09.2017

From

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

To

The President,  
Manjeshwara Grama Panchayat.  
(Through the Secretary)  
Sir,

Sub: Manjeshwara Grama Panchayat- Audit Report for the year 2016-2017 issued -regarding.

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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 Manjeshwara Grama Panchayat for the financial year 2016-17 for favour of further necessary actions as required under Rule 23 (1) of Kerala Local Fund Audit Rules, 1996.

Special attention is invited to Paras in Part-2 and Part-3 of this Audit Report.

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

A special meeting of the Panchayat Committee has to be held with in one month from the date of receipt of this Audit Report for a detailed discussion on the Report and a copy of the Audit Report and the decision taken by the Panchayath Committee has to be published for the attention of 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 21(1)(2 of Kerala Panchayat Raj (Manner of inspection and Audit system) Rules-1997).

Yours faithfully,

The Deputy Director,

Kerala State Audit Department,  
District Audit Office, Kasaragod.

Copy to :

1. The Director of Kerala State Audit Department, Tvpm (with C/L)

2. The Deputy Director of Panchayats, Kasaragod.
3. Office copy.

No. KSA.KSD-5/999/2017

Dated: 18.09.2017

AUDIT REPORT ON THE ACCOUNTS OF MANJESHWARA GRAMA PANCHAYAT IN KASARAGOD DISTRICT FOR THE  
YEAR 2016-17

(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 Manjeshwara Grama Panchayat, in Kasaragod district, for the financial year 2016-2017 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 for the period from 01.04.2016 to 30.07.2017 were verified in audit.

The defects noticed in audit have been brought to the notice of the Panchayat through Audit Enquiries. Out of 17 Audit enquiries served replies to 10 enquiries was received. On the basis of the reply to the Audit enquiries and the discussion 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 Panchayat.

This Audit Report is prepared based on the registers and records maintained by the 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 who conducted the audit	Rajarama.C, Deputy Director of Kerala State Audit Department.
Time taken for audit	09.08.2017 to 19.08.2017.
Name and designation of auditors who conducted the audit	Sathyanandan.C.V, Audit Officer. (11.08.2017 to 19.08.2017)
	Vinoth Kumar. C, Assistant Audit Officer. (11.08.2017 to 19.08.2017)
	Thomas.K, Assistant Audit Officer. (09.08.2017 to 17.08.2017)
	Kunhikrishnan.K.C, Senior Grade Auditor. (09.08.2017 to 17.08.2017)
	Sunil kumar.M.Senior Grade Auditor. (09.08.2017 to 17.08.2017)

(B). Executive Authorities.

President	Sri. Abdul Rahiman Haji K.M.K.	01.04.2016 to 31.03.2017.
Secretary	Sri. M.Dananjayan	01.04.2016 to 31.03.2017.

Implementing Officers.

Designation	Name of the Officers	Period
Assistant Secretary	Sri. JoyThomas	01.04.2016 to 31.03.2017
Assistant Engineer	Sri. Joby.K.	01.04.2016 to 31.03.2017
Agriculture Officer	Sri.Ambujakshan	01.04.2016 to 31.07.2016
	Sri.Ananda.K.	01.08.2016 to 17.10.2016 FN
	Sri. Sreejith.S	18.10.2016 to 31.03.2017
Village Extension Officer- Manjeshwer	Smt.Sameera.A.	01.04.2016 to 31.03.2017
Village Extension Officer- Kunjathur	Smt.Usha.T.V.	01.04.2016 to 31.03.2017
I.C.D.S. Supervisor.	Smt.Fasly.P.K	01.04.2016 to 30.11.2016
	Smt.Kavyashree. G.	01.12.2016 to 08.02.2017
	Smt.Riswan.B	09.02.2017 to 31.03.2017
Head Master.	Sri.Bhaskara Shettigar	01.04.2016 to 31.03.2017

Medical Officer (Allopathy)	Dr. Smitha	01.04.2016 to 31.03.2017
Medical Officer (Homeopathy)	Dr. Ambily. B.	01.04.2016 to 31.03.2017
Veterinary Surgeon.	Dr.Vasantha.K	01.04.2016 to 31.03.2017
Fisheries sub Inspector	Sri.Abdulla.K.P	01.04.2016 to 31.03.2017

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3. Income and Expenditure Statement 2016-17.
4. Balance Sheet as on 31.03.2017.

**ഭാഗം 1****പൊതു അഡ്വൈസറിയം****1-1 Budget**

The revised budget for the year 2016-2017 was approved by the Panchayat Committee as per resolution No.36/2017 dated 30.03.2017. The receipts and payments as per the budget were as follows.

Opening Balance	3,25,500.00
Receipts	11,28,58,971.00
Total	11,31,84,471.00
Payments	9,64,54,500.00
Closing Balance	1,67,29,971.00

**1-2 Annual Financial Statement**

The Annual Financial Statement for the year 2016-2017 was submitted to audit on 24.06.2017. The statutory time limit for the submission of A.F.S. 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
2016-2017	14.08.2017 & 16.08.2017	Audit Certificate is appended to this report as Annexure- I.

Defects noticed in the Annual Financial Statement are included in paragraph No 2.1 of this audit report.

**1-4 Financial Position.**

The financial position of the panchayat as per the accounts audited is furnished below.(as per Receipts and Payments statement)

Opening balance	2,41,33,665.05
Receipts	7,24,07,848.00*
Total	9,65,41,513..05
Payments	6,63,39,857.00*
Closing Balance	3,02,01,656.05.

\* The receipts and payments not includes ₹ 42,29,390/- received as EFMS under Mahatma Gandhi N.R.E.G. and ₹

3,60,72,045/- received as D.B.T. fund for the disbursement of various social security pensions.

### **1-5 Utilization of Fund (As per Appropriation Control Register)**

Fund	Opening balance	Receipts	Total	Payments	Closing Balance**	Percentage of utilization
1	2	3	4	5	6	7
Development Fund – General	0	2,09,98,396	2,09,98,396	1,60,38,263	49,60,133	76.37%
Development Fund- S.C.P.	0	31,88,661	31,88,661	21,08,187	10,80,474	66.11%
Development Fund – T.S.P.	0	4,78,479	4,78,479	4,62,145	16,334	96.58%
C.F.C. Grant	0	1,00,49,285	1,00,49,285	73,76,052	26,73,233	73.39%
Performance Grant Under K.L.G.S.D.P.	0	71,93,789	71,93,789	57,93,891	13,99,898	80.54%
Maintenance Fund- Road	0	71,54,412	71,54,412	19,63,677	51,90,735	27.44%
Maintenance Fund-Non-Road	0	57,41,589	57,41,589	53,22,505	4,19,084	92.70%
B. Fund	0	3,78,71,708	3,78,71,708	3,78,71,708	0	100%
M.G.N.R.E.G.S.	1,394	47,17,765	47,19,159	47,11,256	7,903	99.83%

\*\* Closing balance shown in column number 6 (except M.G.N.R.E.G.) lapsed on 31.03.2017.

### **1-6 Review of implementation of projects.**

The details of projects approved and implemented are furnished below.

No. of projects approved	No. of Projects implemented	No. of projects partially implemented	No. of projects not implemented	Percentage of projects completed
256	145	16	95	56.64%

Details projects implemented by Implementing Officers.

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.	25	99,65,665	17	59,61,352	59.81%



2	Assistant Secretary.	13	39,37,663	10	9,24,237	23.47%
3	Assistant Engineer.	190	4,87,24,584	108	2,50,53,407	51.41%
4	Agricultural Officer.	3	29,86,464	3	19,27,619	64.54%
5	Village Extension Officer.	8	1,02,60,000	8	61,78,900	60.22%
6	I.C.D.S. Supervisor.	7	63,53,848	6	55,54,258	87.4%
7	Medical Officer- P.H.C.	1	6,50,000	1	5,57,104	85.70%
8	Medical Officer- Homeopathy	1	3,00,000	1	3,00,000	100%
9	Head Master.	2	21,00,000	2	21,00,000	100%
10	Veterinary Surgeon	4	7,90,000	4	7,90,000	100%
11	Fisheries Sub inspector	2	16,44,000	1	1,68,000	10.21%
	Total	256	8,77,12,224	161	4,95,14,877	51.41%

For the year 2016-17 a total of 256 projects were approved by D.P.C. Out of this 161 projects were implemented during 2016-17, which account for only 51.41% of the total numbers. In the case of public works the number of projects have to be implemented was 190, out of which only 108 projects were implemented. The poor percentage in implementation of projects is brought to notice. The Assistant Engineer posted in the Panchayat had additional charge of near by Panchayats, which has affected the the percentage of implementation of projects under public works. Similarly the poor percentage of implementation of projects by Assistant Secretary, and Fisheries Sub Inspector is brought to notice.

### **1-7 Own fund.**

There was a hike of 41.50 %, in the own revenue of the panchayat when compared to the revenue of the the previous year, as detailed below.

Item	Previous year	This year	Difference	Percentage (+)/(-)
Tax revenue	66,72,811	99,73,640	(+)33,00,829	(+)49.46%

Non-tax-revenue	13,02,338	13,56,576	(+) 54,238	(+) 4.16%
Other Revenue	3,49,760	4,49,692	(+) 99,932	(+)28.57%
Total	83,24,909	1,17,79,908	(+)34,54,999	(+)41.50%

### **1-8 Welfare Pensions.**

The details of the amount utilized for welfare activities in the panchayat during the year 2016-17 are furnished below:

Name of the pension	Amount expended	No. of Beneficiaries
Unemployment Allowance	44,640	26
Agriculture Labour Pension	8,98,780	125
Widow pension	1,40,96,950	1,564
National Old Age Pension	1,68,61,880	1,865
Special Disabled Pension	40,12,585	526
Pension for unmarried women above 50 years	2,01,850	22
Financial help for widow's daughter's marriage	16,80,000	56

### **1-9 Cash verification.**

The verification of cash balance as required under Section 6(4) of the Kerala Local Fund Audit Act, 1994 was conducted on 14.08.2017, at 3 PM, in the presence of the accountant and the Secretary. The cash balance of 14.08.2017 was ₹ 15,015/- as per the records. The physical presence of ₹ 15,015/- was ensured in the verification.

### **1-10 Details of other audits conducted.**

Audit	Date of last audit	Period of Audit	No. & date of the report
Performance Audit	26.07.2017	01.06.2017 to 30.06.2017	Report not received
Audit of the Accountant General	26.02.2014	2008-09 to 2012-13	28.04.2014

## **ഭാഗം-2**

**വരവു കണക്കുകളിൻമേലുള്ള ഓഡിറ്റ് നിരീക്ഷണങ്ങൾ**

### **2-1 Annual financial statement certification- Defects noticed**

On verification of the annual financial statement of Manjeshwara Grama panchayat for the year 2016-17, the following defects were noticed

- 1) The defects pointed out on the annual financial statement for the year 2015-16 have not been rectified.
- 2) The digital Asset Register generated using sanchaya software is not up to date. Hence the accuracy of fixed asset shown in schedule B.11 of the Balance Sheet as on 31-03-2017 could not be verified.
- 3)The demand register & arrear demand register of Property Tax have not been maintained manually. The

integration of sanchaya software with saankhya remains incomplete. Hence the accuracy of the current and arrear D.C.B. of Property Tax could not be verified.

4) The arrear demand registers of revenue items have not been maintained. Hence the accuracy of the sundry debtors (Receivables) could not be verified.

5) Provisions have not been made for bad and doubtful debts.

6) The valuation and accounting of stock remains incomplete.

7) The reconciliation of balance as per the book of accounts with the balance in the bank account as on 31.03.2017 in respect of the following bank accounts is erroneous.

Sl- No	Name of Bank	Closing balance as per AFS	Closing balance as per passbook
1	Manjeswar SCB (OwnFund)**	87,53,775.06	87,70,824.89

\*\*The closing balance has been reconciled with the balance as per the books of accounts by showing stale cheques amounting to ₹1,592, further ₹642 & ₹1,260 received on 15-04-2016 & 29-09-2016 respectively has not been collected yet.

8) The registers and records showing the details of ₹ 1,17,003 shown in shedule B.7 under the head deposits received have not been produced. As per article 282 of K.F.C, the deposits not claimed even after the lapse of 3 years have to be forfeited. But no amount have been forfeited.

9) Monthly reconciliation as per rule 57 of Kerala Panchayat Raj accounts rules have not been done properly.

10) The details of ₹ 2,760 shown in shedule B2 and ₹42,53,229 shown in shedule B4 of the balance sheet as on 31-03-2017 have not been produced

11)The details of Liability shown under the head 380800199 amounting to ₹7,54,522 have not been made available for verification.

12) The actual receipt under development fund general is ₹ 1,60,38,263, but the amount shown in RP-31 is ₹ 1,66,38,263.

13) As per the Loan register the outstanding Loan as on 31-03-2017 is ₹1,38,80,000, but as per the Balance sheet it is shown as 1,29,60,000.

14) The amount deposited by the Panchayath with varrious agencies amounting to ₹10,49,499 is not reflected in the shedule B-18 of the Balance Sheet under the head 460800202

15) The Budget for the year 2016-17 has not been prepared based on function-functionary classification.

16) The headings in the reconciliation statements as on 31-03-2017 shown as march 2016 instead of march 2017

17) Abstract has not been worked out and certified by the secretary in the advance register for the year 2016-17

## **2-2 D. & O. Licence Fee - Renewal and Collection - Defects**

As per the Article 232 of Kerala Panchayat Raj Act, 1994, any place which comes under the jurisdiction of the Grama Panchayat, shall not be used for any purpose, without the licence obtained from the Panchayat.

The abstract of the D.& O. Licence Fee for the year 2016-17 is shown in the Table below.

Number of new Applications	Number of Applicants Renewed the D.& O. Licence			Total
	Renewed within the time period specified as per rule	Belated Renewal without considering the time period specified by rule	Non- renewal applicants	
103	102	394	-	599

When considering 21 Wards of the Grama Panchayath as a whole, the number of business/ commercial institutions which hold D.& O. Licence is very limited. In order to ensure that to all the commercial institutions functioning in the Jurisdiction of the Grama Panchayat, D,& O. Licence has been issued, the authority should collect the detailed list of occupants from the owners of buildings/ lands as specified in the Article 205 B. of Kerala Panchayath Raj Act. But out of the total applications submitted during the year 2016-17 for the renewal of D.&O. Licence, it is seen that 79% has been renewed only after the expiry of the time limit provided. Audit view it as the serious lapse from the part of the officer, who is incharge of the section. Since the Register of traders list is not kept by the section concerned, it is impossible to verify effectively, that whether the Licence fee is collected or not from all the traders / institutions functioning in the jurisdiction of the Panchayat. The panchayat followed a system,where the renewal of the licence is done only of those institutions, which submitted the applications within the stipulated time period. Panchayat do not taken any penal/ disciplinary actions towards those institutions who failed to renew the licence as per Rules. It has resulted a situation of unlicensed institutions functioning within the panchayat territory. This unlawful system should be reviewed and rectified.

Enquiries and Further Actions on the Applications submitted.

It is important that those applications which does not have complete informations regarding the institutions, shall not be received without adequate scrutiny. In the application the following things should be recorded. They are- date of application, the purpose of licence, the name of the institution (if it has a particular name), the number and name of the license of previous year (in the case of renewal), financial turn over for one day and the horse power of the machinery used. (only if it works with machinery).

Ensure the availabilty of Sanitary Fitness Certificate.

While giving license to those institutions which comes under the control of panchayath, a sanitary fitness certificate by the medical officer should be produced. When the sanitary fitness certificate is issued on the basis of the report of the Junior Health Inspector, the Junior Health Inspector shall keep a Personal Register regarding the enquiry. (66562/RC3-12-L.S.G.D. dated 10.01.2013)

The defects of application is not verified

At the time of renewal of licence, the officer concerned shall conduct verification of site and the secretary shall authenticate the report on enquiry. Verification of site helps to ascertain whether the turnover of the institution increased or not, whether they conduct unauthorised sale or not, and also helps to ensure that all the informations provided in the application is correct or not. At present, lapses are found in all such procedures mentioned above. Steps may be taken to avoid such lapses in the future.

The officer in-charge of section cocerned, shall ensure that all the Licence holders are renewed their licence on or before the last working day of the month of February. The institutions which works without renewed licence should be traced out from the Traders Register and they may be served a notice. A fine of Rs.1,000/- shall be

levied from those persons failed to renew the licence within the stipulated time ( Rule 26 ).

The Register of Traders List not Maintained.

As per the Kerala Panchayath Raj Rules, 1998 ( keeping of Records and issueing of copy ) Rule 3, the Grama Panchayath shall maintain a ward wise Traders Register regarding the commercial institutions which works within the jurisdiction of the Grama Panchayat. But the Grama Panchayat failed to maintain such a Register of Traders List. The non- maintainance of Traders Register stands as an obstacle in the the effective verification of D. & O. Licence Fee.

Audit suggests to take necessary actions to improve the efficiency of machinery for the distribution of licence in future.

## **2-3 Building permits issued without following Kerala Pachayat Building Rules- loss to panchayat fund**

On verification of the building application register and connected documents, it was found that in some cases, building permits were issued without realising the additional fee as stipulated in column 6 of table 2 of rule 35(2) of Kerala Panchayat Building Rules, 2011. As per table 2 of the Kerala Panchayat Building Rules, 2011, the occupancy category of buildings used for commercial purposes is "F". The floor area ratio allowable without additional fee for buildings categorised under "F" is 1.75. The maximum Floor Area Ratio that can be allowed by realising additional fee @ Rs.500 per sqm is 2.25. In the following cases building permits were seen issued to the parties without realising the additional fees which led to loss to the panchayat fund.

A)

Permit No.	89/07-08, 30.08.2007, Not recorded in permit register
Name of the party	Muhammed Ayoob, Shamsad, and 2 others
Survey no. & village	81/1A Pt, 30 cents
Date of completion	28.11.2015
Date of Assessment of property tax	28.11.2015/ 01.04.2016

Area of the building

Floor	Plinth area
Existing Building	1742.73 sqm
Third floor	700.65
Stair room	-
Total	2443.38 sqm

Category of the building- commercial (F)

Floor Area Ratio-  $2443.38/1214.10 = 2.01$

Admissible Floor Area without additional fee =  $1214.10 \times 1.75 = 2124.68$  sqm

Additional construction-  $2443.38$  sqm –  $2124.68$  sqm =  $318.7$  sqm

Additional fee that was to be realised-  $318.7$  sqm @ Rs.500/sqm= Rs.1,59,350

Hence, permit was to be issued only by realising Rs.1,59,350 as detailed above being the additional fee, but, the amount was not realised while issuing the permit.

Further, Regularisation fee @ Rs.10/sqm for the third floor the construction of which was completed amounting to Rs. 7006.5 was also not realised.

An Audit Enquiry bearing no.9 dated 16.08.2017 was served to the Secretary requiring to furnish explanations for the lapse, in reply to which, the Secretary explained that, actions have been taken to realise the amount. The details of the amount recovered has to be furnished to audit along with the first reply to this audit report, failing which charge proceedings will be initiated over the Secretary to recover the loss.

B)

Permit No.	S2-9274 dt. 24.11.2015
Name of the party	M.K.Ashraf
Survey no & village	81/3B, 10.75 cent (435 sqm)
Date of completion	10.11.2015
Date of Assessment of property tax	01.04.2016

Area of the building

Floor	Plinth area
Existing Building	640.87 sqm
Second floor	312.21 sqm
Stair room	-
Total	953.08 sqm

Category of the building- commercial (F)

Floor Area Ratio-  $953.08/435 = 2.19$

Admissible Floor Area without additional fee =  $435 \times 1.75 = 761.25$  sqm

Additional construction-  $953.08$  sqm –  $761.25$  sqm =  $191.83$  sqm

Additional fee that was to be realised-  $191.83$  sqm @ Rs.500/sqm= Rs.95,915

Hence, permit was to be issued only by realising Rs.95,915 as detailed above being the additional fee, but the amount was not realised while issuing the permit.

An Audit Enquiry bearing No.14 dated 17.08.2017 was served to the Secretary requiring to furnish explanations for the lapse, in reply to which, the Secretary explained that, actions have been taken to realise the amount. The details of the amount recovered is to be furnished to audit along with the first reply to this audit report failing which charge proceedings will be initiated over the Secretary, to recover the loss.

## **2-4 A Review on the Assesement, Demand and Collection of Property tax**

In Grama panchayats, the assesement, demand and collection of the Property tax are made on the provisions / instructions laid under the Sections 203,207,208 and 254 of the Kerala Panchayat Raj Act,1994. The rule relating to the above sections of the Act is - "The Kerala Panchayat Raj Rules - Property tax rules- 1996, came to existence vide G.O.(P):73/96/LSGD; dtd: 28.03.1996. As per this Rules, Property Tax of a building/ construction is assesed on the basis of Annual Rental Value (ARV). This method has many drawbacks and has been revised. The revised system of assessing Property tax is based on the Floor Area of the construction. The revised rule came into force vide the Govt. Order 20/2011/L.S.G.D./dtd. 14.01.2011 and is termed as the "The Kerala Panchayat Raj Rules - Property tax,service tax and surcharge- 2011", w.e.f. 01.04.2011. The revision of Property tax applicable for new constructions are w.e.f- 01.04.2011, while for existing/ old constructions, it is from 01.04.2013 onwards.

The property tax arrear for 2016-17, shown in the A.F.S.(Sch. B. 15) and the abstract from "Sanchaya" are not in agreement. Details given below,

Item	A.F.S.	Sanchaya	Difference
Arrear for 2016-17 (Res)	43,69,152	76,59,763	-32,90,611

(Demand/Collection/Balance - 2016-17)

Item	A.F.S. (lakhs)	Sanchaya(lakhs)
Demand	118.55(L.&E. )	139.32
Collection	74.87(R.&P. Sch-43)	64.19
Balance	43.68(B.S. Sch-15)	75.13

Balance Sheet (B.S. Sch-15) vs Sanchaya (Arrear 2016-17)

Item	Balance Sheet (lakhs)	Sanchaya (lakhs)
Arrear	43.68	75.13

The reasons for the difference were not explained / rectified yet. It can be rectified through the recording of actual demann,dcollection and correct posting of the tax. Immediate measures and actions should be carried out by the Panchayat Authorities for the rectification of the above difference.

It is directed to revise / modify and verify each entries in the Sanchaya database, to incorporate with the revisions / modifications made in the property tax as per G.O.(M.S.)144/2015/L.S.G.D./dtd:27.04.15,

G.O.(M.S.)358//2015L.S.G.D./ dtd:16.12.15. But these modifications / updations were not timely done by the Panchayat, resulted in huge arrears in property tax collection. Since the updation process is going on, the correctness of Demand, Collection and Balance are not able to verify during audit.

Saankhya – Sanchaya integration process has been completed (in 2016-17). The details of property tax can be obtained from Sanchaya from 2013-14 onwards. But the details before 2013-14 were not entered in Sanchaya. For Commercial Buildings, the permissible deduction in property tax (during revision) is 5% only. But Panchayat granted 6% deduction without any reason. Hence there is shortage in the actual demand and collection. The alterations and additions made by the owners were not confirmed by site verification, during the revision of tax. Tax assesment has been done based on the submission in Form No:6 by the owner and the details therein. Base data entry, regarding property tax has been completed. Tax has been exempted for residential buildings having floor area upto 60 m2, on submission of affidavit. The ex-servicemen, who owns residential buildings in the panchayat, seems to submit their proposal for tax exemption, within April 10 of each year. The ownership change, tax revision occupancy change etc are entered in Sanchaya, during the period of data entry and at the time of integration with Sankhya.

#### Other important defects noticed

- 1) The property tax Assesement Register, Demand Register, Vacancy Remission Register, Demolished building Register, Write-off register were not submitted for audit.
- 2) The site verification report submitted by the officer on the assesement of a building, do not include every / important details for the assesement of tax (such as flooring material, special facilities (air conditioner etc.) in the construction, road / infrastructure facilities available etc).
- 3) The Panchayat do not verified, whether the area / portions meant for general / common use in a building (like varandah, stair etc), are properly assesed as per the existing building rules. The remedial measures (Descrpancy solving steps), to rectify these defects in sanchaya, are not taken by the panchayat.
- 4) If the construction/building owned by a person, consists portions of different occupancies, it may be treated as different constructions as per the respective occupancies for assessing tax. Otherwise the whole construction is taken under the same occupancy. The property tax assesed as per the provisions / instructions laid under the rule 3(5) of the Kerala Panchayat Raj Rules-2011 and as per Section 203(9) and sub-section 2 of the Kerala Panchayat Raj Act, 1994 also specifies the same. As per G.O.(P):19/2011/L.S.G.D./14.01.2011, for the commercial buildings the property tax assesed by the Panchayat, in the following rates.

Floor area	Upto 100 m2	above 100 m2 , below 200 m2	Above 200 m2
Rate / m2	₹ 30/-	₹ 50/-	₹ 80/-

But during audit, it is found that the tax assesed for commercial buildings having floor area more than 100m2, is taken as a group of individual shop rooms, instead as a whole. The property tax are assesed separately for these rooms, in the lower rate (₹ 30/-), by considering them as individual constructions. Hence there is short, in the demand and collection of the tax. This error should be rectified and proper assesement, demand and collection of property tax must be ensured.

## **2-5 Defects in the assessment of property tax- loss**

On verification of the registers and records related to the assesement of property tax, the loss due to defective assesement were noticed. Details of which are given below. As per the basic tax rate notified , no A-1-5526/11 dated 24.10.2011 in confirmity with Kerala Panchayat Raj (property tax) rules 2011, the basic tax rule for hotels, restuarants, shops, godown (above 100m2) is Rs 50/m2. The basic tax rates for these buildings with built up area up to 100 m2 is 40/m2. But these basic tax rates were seen ignored while assesing the property tax of



the following buildings which has led to a loss of Rs 63,646 as detailed below,

1)Name—B.Ismail & 2 others

Building no. -- Ward No 14, 620A to 620 A62

Building details(m2)-

floors	Plinth area	Date of completion/ Assessment
GF	472.01m2	12.5.2016
FF	834.26m2	12.5.2016
SF	841.26m2	12.5.2016
Total	2147.53m2	

Building floor details	Rate of tax fixed				Rate of tax to be fixed				Short amount
	Tax	Exess	concession	Total	Tax	Exess	concession	Total	
G.F-472.01m2	472.01X40= 18,880	20%= 3,776	--	22,656	472.01X50= 23,600	20%= 4,720	--	28,320	5,664
F.F-834.26m2	834.26X40= 33,370	20%= 1,903	6% = 2,116	33,157	834.26X50= 41,713	20%= 8,343	5% = 2,503	47,553	14,396
S.F-841.26m2	841.26X5= 4,206	20%= 841	--	5,047	841.26X40= 33,650	20%= 6,730	10% = 4,038	36,342	31,295
Total									51,355

The regularisation fee realised from the party was found short to the extent Rs 3,280 as detailed below,

Regularisation fee due-	Rs 18,660(1,866x10)
Regularisation fee ralised -	Rs 15,380
Short	Rs 3,280

2)Name – P.M Abdul Hameed & Sainaba Hameed,

Building no. -- Ward No XI, 71 M1 to 71 M36 ,

Building details(m2)-

floors	Plinth area	Date of completion/ Assessment
GF	562.03m2	25.03.2017

	FF	466.55m2	25.03.2017							
	Total	1028.55m2								
Building floor details	Rate of tax fixed				Rate of tax to be fixed				Year in which tax was realised short	Short amount
	tax	Excess	concession	Total	tax	Excess	concession	Total		
GF-562.03m2	562.03x40=22,481	20% = 4,496	--	26,977	562.03x50=28,102	20% = 5,620	--	33,722	2017-18	6,745
FF-466.55m2	466.55x40= 18,660	20%= 3,732	6%= 1,344	21,048	466.55x50= 23,328	20%= 4,666	5%=1,400	26,594	2017-18	5,546
Total										12,291

The loss sustained to the panchayat fund as detailed above has to be made good from the officer responsible for defective assessment and property tax for the ensuing years has to be refixed.

## **2-6 Irregularities in granting permission for laying Optical Fibre Cable (OFC) to Reliance Jio Infocom**

1).Collected less amount as Restoration charge :

The Panchayat Committee accord sanction for laying O.F.C. to M/s. Reliance Jio Infocom for a length of 1,000 metres from Mada junction to Mada Temple road junction.(as per file no: R-4303/17/ dtd:25.02.2017). In this 1,000 mtr. length, 800m of the pit is digged in mud road and 200m in tarred road. The rate of restoration charge is determined by the Asst.Engineer of the Panchayat as per the existing D.S.R. rate. For mud road it is ₹ 161/m2 and for tarred road, ₹ 1521/m2 . The restoration width is taken as 0.45m while calculating the fees. But in the application, the restoration width is shown as 0.50m by Reliance Jio Infocom. So there is loss to panchayat, in calculating the actual restoration fees, as detailed below.

	Mud road @₹ 161/m2				Tarred road @₹ 1521/m2				total
	length	breadth	area	sum	length	breadth	area	sum	
Collected fees	800	0.45	360	57,960	200	0.45	90	1,36,890	1,94,850
Actual fees	800	0.50	400	64,400	200	0.50	100	1,52,100	2,16,500
Short collection									21,650

Since the sanction has already given, the short amount of fees should be realised immediately from the M/s.

Reliance Jio Infocom or the Secretary of the Panchayat.

2). The Performance Bank Guarantee not furnished

A Performance Bank Guarantee should be furnished by the licensee, at the rate of ₹ 100/m of route/duct for laying the cable, for a period one year or till the satisfactory completion of work. This condition is specified in the letter no:R.W/N.H. 33044/27/2005/S. & R.(R)(P.T.)/dtd:06.08.2013 of National Highway Authority of India. The same is insisted in the G.O.(M.S.) 16/2013/I.T.D./ dtd:14.06.2013, Information Technology Department, Kerala in decision no:14. Here, for 1000mtr of cable duct, a bank guarantee of ₹ 1,00,000/- must be furnished by Reliance Jio Infocom. But the bank guarantee is not furnished yet, and necessary action may taken to realise the same, at the earliest.

3).User Fees/ Rent Service tax etc. not levied

The Government has directed to collect or levy user fees from the Telecom operators, those who laid cables in the underground or overhead along the sides of the roads of the L.S.G Institutions.The rule 8,9(3) of the Kerala Panchayat Raj Rules-2005, allows L.S.G.I.s to lease the sides of the roads, places over the streets of their jurisdiction. The Panchayat Committee should decide the user fee and execute an agreement with the lessee. Here the Panchayat committee has not decided/fixed the rate of userfee and collected from Reliance Jio Infocom. The reason may be explained.

4).Agreement not executrd with the Panchayat (Licence Granting Authority)

In the Annexure no:2 of letter no:RW/N.H. 33044/27/2005/S & R(R)(P.T.)/dtd:06.08.2013 of National Highway Authority of India, the form of agreement, that should be executed between licencee and the Licence Granting Authority is given. This ensures to safeguard the interests of the Licence Granting Authority. But no agreement has been executed between these two agencies. The reason for this lapse and negligiance may be explained.

5).Contribution to I.T. Mission is not remitted.

As per G.O.(M.S.):39/2015/I.T.D./ dtd:15.09.2015, for granting RoW (Right of Way) permission, an amount of ₹ 75,000/-per kilometre, should remitted as a one time contribution to the Kerala State I.T.Mission. The details of remittance made is not produced nor explained to audit. Hence the remittance of contribution is not ascertained.

6). File not submitted to Audit

An amount of ₹ 76,500/- has been collected as road cutting charge during the audit year. But the respective files were not submitted to Audit for verification.

## **2-7 Profession Tax not collected from the contractors**

As per section 204 of Kerala Panchayat Raj Act, 1994, Profession tax has to be levied on those residing in the Panchayat area and engages in a work inside or out side the Panchayat for a period not less than 60 days in a half year. But, it was noticed that profession tax was not levied on the following licenced contractors residing in the panchayat area.

Sl.No.	Name of contractor	Profession Tax to be deducted Half Year	To be paid profession Tax
1	Moosa,s/oAbdulRahiman, P.W.D. Contractor, Genikatte House.	2016-17 1 and 11 Half Year	2,500

		1250 X 2 = 2,500	
2	Basheer,c/o Ismail, P.W.D. Contractor,Kanila. Durgipalla.	2016-17 1 and 11 Half Year 1,250 X 2 = 2,500	2,500
3	Iddhinkunhi Alias khalid, s/o.Alikunhi, P.W.D. Contractor,Durgipalla, Kadambar.	2016-17 1 and 11 Half Year 1,250 X 2 = 2,500	2,500
4	Saleem,s/oBapalikunhi P.W.D. Contractor, Koyavalappu House, Kunjathoor.	2016-17 1 and 11 Half Year 1,250 X 2 = 2,500	2,500
5	A.K.Thouseef, s/o U.K.Muhammed, P.W.D. Contractor, Kunjathoor.	2016-17 1 and 11 Half Year 1,250 X 2 = 2,500	2,500
Total			12,500

Profession tax is to be demanded and collected from the above contractors. The details of profession tax collected has to be intimated to audit. (Audit Enquiry No.16 dated 17-08-2017.)

### ഭാഗം-3

ചെലവു കണക്കുകളിൽമേലുള്ള ഓഡിറ്റ് നിരീക്ഷണങ്ങൾ

### **3-1 Road concreting works executed through beneficiary committees-Excess over head charges-not admitted.**

Implementing Officer: Assistant Engineer.

As per G.O.(P) No.30/2016/Fin. dated 29/02/2016, provision for overhead charges @7.5% can be allowed in the estimate for the works executed through beneficiary committees. But in the estimates prepared for road works using MoRD/MoRTH specifications overhead charges allowed is 10%. While preparing the estimates for road works (executed through beneficiary committees) in PRICE software using MoRD/MoRTH specifications, the overhead charges allowed is 10%. Since the over head charges feeded to the software is higher than the rate fixed by the Government, a clarification letter was issued by the Government vide letter number Ind &P.W.-B2/266/2016/Fin. dated 14.12.2016. In this Government letter, it was clarified that no revision of the existing over head charges of 7.5% for the works executed through beneficiary committees is required. Consequently, the Chief Engineer of L.S.G.D, vide circular No. D.B.3.-6512(B)/2013/C.E/L.S.G.D. dated 29.12.2016, has directed to limit the over head charges at 7.5% for the works which were executed through beneficiary committees. In the circular of the Chief engineer, it was also directed to execute supplementary agreement incorporating the over head charges admissible is limited to 7.5% only for those works to which agreements have already been executed.

During the year the panchayat had executed 60 road concreting works through beneficiary committees. Estimates of these works were prepared in PRICE software using MoRD/MoRTH specifications. The overhead

charges allowed in these works were 10%. In these works, except the following works, payments were made to the convenors after deducting 2.5% over head charges from the total value of work done. But in the following works, bills were prepared without deducting the 2.5% extra over head charges allowed in the estimates, which has resulted in an excess payment of ₹ 1,45,769/-.

Sl No.	Details of work		Name of convener & Agreement No.	M. Book No. & Total value of work done.	Details of amount paid to the convener.			Amount payable to the work.		Excess amount drawn (₹)
	Project No, Name of work.	Estimate & T.S. No.			Try. Bill No./ Date	Gross Amount (₹)	Net paid (₹)	Total value of work done	(-) 2.5% OH	
1	Proj.No 226/17. Guddekeri Surumathodu road concrete Fund: Finance Commission.	₹ 1,60,000/- T.S. No. 62384/16-17 dt. 15.01.17 of Asst.Ex.Eng, LSGD Sub Divn, Manjeshwara.	M.Narayana Bangera. No.AE/LSGD /MJR/37 /16-17 dt. 17.02.17	27/16-17 ₹ 1,59,014/-	35/16-17 13.03.17	1,60,000/-	1,47,280/-	Total value of work done	1,59,014/-	4,961/-
								(-) 2.5% OH	3,975/-	
								Amount to be drawn from Treasury	1,55,039/-	
								Amount drawn from Treasury	1,60,000/-	
2	Proj.No. 198/17. Old SDO office Hosabettu road improvement Fund: Finance Commission.	₹ 1,60,000/- T.S. No. 73288/16-17 dt 14.02.17 of Asst.Ex.Eng, LSGD Sub Divn, Manjeshwara.	Kaleel Rahman No.AE/LSGD /MJR/34 /16-17 dt. 15.02.17	28/16-17 ₹ 1,56,687/-	34/16-17 13.03.17	1,60,000/-	1,47,467/-	Total value of work done	1,56,687/-	7,230/-
								(-) 2.5% OH	3,917/-	
								Amount to be drawn from Treasury	1,52,770/-	
								Amount drawn from Treasury	1,60,000/-	
3	Proj.No. 177/17. NH to Devipuram road improvement. Fund: KLGSDP & MG(Road)	₹ 4,50,000/- T.S. No. 70861/16-17 dt. 06.02.17 of Asst.Ex.Eng, LSGDSubDivn, Manjeshwara.	U.M. Aboobeker No.AE/LSGD /MJR/30 /16-17 dt. 15.02.17	24/16-17 ₹ 4,46,328/-	48/16-17 31.03.17	3,00,000/-	4,00,356/-	Total value of work done	4,46,328/-	11,158/-
					122/16-17 31.03.17			1,46,328/-		
					(-) 2.5% OH			11,158/-		
					Total			4,46,328/-	Amount to be drawn from Treasury	

								Amount drawn from Treasury	4,46,328/-	
4	Proj.No.132/17. Ermudel Cross road improvement. Fund: KLGSDP	₹ 3,00,000/- TS.No.57868/16-17 dt. 06.02.17 of Asst.Ex.Eng, LSGD Sub Divn, Manjeshwara.	Naseer No.AE/LSGD /MJR/10 /16-17 dt. 18.02.17	33/16-17 ₹2,98,023/-	<u>125/16-17</u> 31.03.17	2,98,023/-	2,74,182/-	Total value of work done	2,98,023/-	7,451/-
								(-) 2.5% OH	7,451/-	
								Amount to be drawn from Treasury	2,90,572/-	
								Amount drawn from Treasury	2,98,023/-	
5	Proj.No.129/17. Kadambar Cross road improvement. Fund: Finance Commission & MG(Road).	₹ 3,50,000/- TS. 73298/16-17 dt. 14.02.17 of Asst.ExEng, LSGD Sub Divn, Manjeshwara.	No. Bharathi No.AE/LSGD /MJR/23 /16-17 dt. 15.02.17	15/16-17 ₹3,46,686/-	<u>33/16-17</u> 13.03.17	2,75,000/-	3,22,266/-	Total value of work done	3,46,686/-	11,981/-
					<u>36/16-17</u> 13.03.17	75,000/-				
					Total	3,50,000/-				
					Amount to be drawn from Treasury	3,38,019/-				
							Amount drawn from Treasury	3,50,000/-		
6	Proj.No.128/17. Gadi Kadambar 1 <sup>st</sup> Cross road improvement. Fund: Finance Commission & MG(Road).	₹ 3,00,000/- TS. 73128/16-17 dt. 13.02.17 of Asst.Ex.Eng, LSGD Sub Divn, Manjeshwara.	No. Abdul Rahiman. No.AE/LSGD /MJR/24 /16-17 dt. 15.02.17	16/16-17 ₹2,98,891/-	<u>27/16-17</u> 13.03.17	2,20,000/-	2,76,088	Total value of work done	2,98,891/-	8,581
					<u>29/16-17</u> 13.03.17	80,000/-				
					Total	3,00,000/-				
					Amount to be drawn from Treasury	2,91,419/-				
							Amount drawn from Treasury	3,00,000/-		
7	Proj.No 252/17. NH to Devipuram road 2 <sup>nd</sup> reach .	₹ 3,90,000/- TS. 72187/16-17 dt. 10.02.17 of	No. U.M. Aboobeker No.AE/LSGD /MJR/72 /16-17	21/16-17 ₹3,86,782/-	<u>47/16-17</u> 31.03.17	96,782/-	3,59,831/-	Total value of work done	3,86,782/-	9,670/-

	Fund: KLGSDP & own fund	Asst.Ex.Eng, LSGD Sub Divn, Manjeshwara.	dt. 17.02.17		Ch No 683864 dt.31.03.17 (General Purpose)	2,90,000/-		(-) 2.5% OH	9,670/-	
					Total	3,86,782/-		Amount to be drawn from Treasury	3,77,112/-	
								Amount drawn from Treasury	3,86,782/-	
8	Proj.No.114/17. Mahalingeshwar temple road concrete. Fund: KLGSDP & Finance Commission	₹ 4,50,000/- TS. No. 73148/16-17 dt. 13.02.17 of Asst.Ex.Eng, LSGD Sub Divn, Manjeshwara.	Vishwanatha Shetty No. No.AE/LSGD /MJR/27 /16-17 dt. 17.02.17	25/16-17 ₹ 4,49,548/-	31/16-17 13.03.17 40/16-17 13.03.17	1,50,000/- 3,00,000/-	4,14,038/-	Total value of work done (-) 2.5% OH Amount to be drawn from Treasury Amount drawn from Treasury	4,49,548/- 11,239/- 4,38,309/- 4,50,000/-	11,691/-
9	Proj.No. 234/17. Hosabettu Padinjar footpath concrete. Fund: Finance Commission.	₹ 1,60,000/- TS. No. 73297/16-17 dt. 14.02.17 of Asst.Ex.Eng, LSGD Sub Divn, Manjeshwara.	Nathaleo Monthero. No. No.AE/LSGD /MJR/35 /16-17 dt. 15.02.17	38/16-17 ₹ 1,59,047/-	49/16-17 31.03.17	1,59,047/-	1,46,324/-	Total value of work done (-) 2.5% OH Amount to be drawn from Treasury Amount drawn from Treasury	1,59,047/- 3,976/- 1,55,071/- 1,59,047/-	3,976/-
10	Proj.No.126/17. Lakshamveedu road improvement. Fund: Finance Commission.	₹ 2,50,000/- TS. No. 34202/16-17 dt. 06.12.16 of Asst.Ex.Eng, LSGD Sub Divn, Manjeshwara.	Naveen Naik No. No.AE/LSGD /MJR/61 /16-17 dt. 15.02.17	27/16-17 ₹ 2,48,038/-	142/16-17 31.03.17	2,48,038/-	2,28,195/-	Total value of work done (-) 2.5% OH Amount to be drawn	2,48,038/ 6,201/- 2,41,837/-	6,201/-

								from Treasury		
								Amount drawn from Treasury	2,48,038/-	
11	Proj.No.120/17. Padpra house to Sarapu Babu road concrete. Fund: KLGSDP	₹ 3,00,000/- TS. No. 70012/16-17 dt. 03.02.17 Asst.Ex.Eng, LSGD Sub Divn, Manjeshwara.	No. Abdul Latheef.B. of No.AE/LSGD /MJR/19 /16-17dt. 15.02.17	31/16-17 ₹ 2,99,581/-	42/16-17 31.03.17	2,99,581/-	2,78,610/-	Total value of work done	2,99,581/-	
								(-) 2.5% OH	7,490/-	
								Amount to be drawn from Treasury	2,92,091/-	7,490/-
								Amount drawn from Treasury	2,99,581/-	
12	Proj.No.229/17. Kanwatheertha to Sulijanardhana Temple road concrete. Fund: Finance Commission.	₹ 1,55,000/- TS. No. 73290/16-17 dt. 14.02.17 Asst.Ex.Eng, LSGD Sub Divn, Manjeshwara.	No. Srinivas Bhat of No.AE/LSGD /MJR/73 /16-17 dt. 21.02.17	22/16-17 ₹ 1,54,568/-	141/16-17 31.03.17	1,54,568/-	1,42,203/-	Total value of work done	1,54,568/-	
								(-) 2.5% OH	3,864/-	
								Amount to be drawn from Treasury	1,50,704/-	3,864/-
								Amount drawn from Treasury	1,54,568/-	
13	Proj.No.227/17. Anganwadi to Anebagilu road improvement. Fund: Finance Commission.	₹ 1,50,000/- TS. No. 83577/16-17 dt. 07.03.17 Asst.Ex.Eng, LSGD Sub Divn, Manjeshwara.	No. Sunil of No.AE/LSGD /MJR/93 /16-17 dt. 08.03.17	20/16-17 ₹ 1,47,754/-	46/16-17 31.03.17	1,47,754/-	1,37,411/-	Total value of work done	1,47,754/-	
								(-) 2.5% OH	3,694/-	
								Amount to be drawn from Treasury	1,44,060/-	3,694/-
								Amount drawn from Treasury	1,47,754/-	
14	Proj.No.199/17. Hosabettu KE Valappu road	₹ 3,00,000/- TS.No. 62396/16-17	Abdulla kunhi No.AE/LSGD	39/16-17 ₹ 2,63,920/-	41/16-17 31.03.17	2,63,920/-	2,42,807/-	Total value of work done	2,63,920/-	6,598/-



	improvement. Fund: KLGSDP.	dt. 15.01.17 Asst.Ex.Eng, LSGDSubDivn, Manjeshwara.	of /MJR/33 /16-17dt. 15.02.17						(-) 2.5% OH	6,598/-	
									Amount to be drawn from Treasury	2,57,322/-	
									Amount drawn from Treasury	2,63,920/-	
15	Proj.No. .207/17. Shanthinagar road improvement. Fund: Development fund(SCP)	₹ 2,40,000/- TS. 73299/16-17 dt. 14.02.17 Asst.Ex.Eng, LSGD Sub Divn, Manjeshwara.	No. Ajay No.AE/LSGD /MJR/09 /16-17 dt. 15.02.17	32/16-17 ₹ 2,37,384/-	53/16-17 31.03.17	2,37,384/-	2,18,394/-		Total value of work done	2,37,384/-	
									(-) 2.5% OH	5,935/-	
									Amount to be drawn from Treasury	2,31,449/-	5,935/-
									Amount drawn from Treasury	2,37,384/-	
16	Proj.No. 217/17. Sannadka Ummer road concrete. Fund: KLGSDP.	₹ 3,25,000/- TS. 50414/16-17 dt. 23.12.16 Asst.Ex.Eng, LSGD Sub Divn, Manjeshwara.	No. Rizwan No.AE/LSGD /MJR/02 /16-17 dt. 18.01.17	19/16-17 ₹ 3,24,865/-	43/16-17 31.03.17	3,24,865/-	2,98,876/-		Total value of work done	3,24,865/-	
									(-) 2.5% OH	8,122/-	
									Amount to be drawn from Treasury	3,16,743/-	8,122/-
									Amount drawn from Treasury	3,24,865/-	
17	Proj.No.139/17. Anchikatte to Abbupadapu road concrete. Fund: KLGSDP.	₹ 3,00,000/- TS.No. 57867/16-17 dt. 05.01.17 Asst.Ex.Eng, LSGD Sub Divn, Manjeshwara.	Udaya No.AE/LSGD /MJR/07 /16-17 dt. 05.02.17	35/16-17 ₹ 2,98,536/-	57/16-17 31.03.17	2,98,536/-	2,74,653/-		Total value of work done	2,98,536/-	
									(-) 2.5% OH	7,463/-	
									Amount to be drawn from Treasury	2,91,073/-	7,463/-

								Amount drawn from Treasury	2,98,536/-		
18	Proj.No.130/17. Arimala to Ganinjil road concrete Fund: Finance Commission & MG (Road).	₹ 3,00,000/- TS.No.72186/16-17 dt. 10.02.17 of Asst.Ex.Eng, LSGD Sub Divn, Manjeshwara.	M.K.Ismall No.AE/LSGD /MJR/29 /16-17 dt.12.02..17	17/16-17 ₹ 2,92,040/-	28/16-17	80,000/-	2,76,637/-	Total value of work done	2,92,040/-	15,261/-	
					13.03.17				(-) 2.5% OH		7,301/-
					26/16-17	2,20,000/-			Amount to be drawn from Treasury		2,84,739/-
					13.03.17				Amount drawn from Treasury		3,00,000/-
				Total	3,00,000/-						
19	Proj.No.223/17. Ermudel cross road foot path improvement Fund: Finance Commission.	₹ 1,55,000/- TS No 73134/16-17 dt. 13.02.17 of Asst.Ex.Eng, LSGD Sub Divn, Manjeshwara.	Shaik Moideen No.AE/LSGD /MJR/91 /16-17 dt. 17.02..17	34/16-17 ₹ 1,54,077/-	151/16-17	1,54,667/-	1,41,750/-	Total value of work done	1,54,077/-	4,442/-	
					31.03.17				(-) 2.5% OH		3,852/-
									Amount to be drawn from Treasury		1,50,225/-
									Amount drawn from Treasury		1,54,667/-
										Total	1,45,769/-

The excess drawal made from treasury, for the disbursement to the convenors of the above works amounting to ₹ 1,45,769/- needs to be recovered from the Assistant Engineer, who prepared the bill of these work. The amount recovered may be credited to the consolidated fund. (The matter was brought to the notice of the implementing officer vide Audit Enquiry No. 18 dated 19.08.2017, but no reply was furnished).

### **3-2 Road tarring works executed through beneficiary committee- purchase bill of bitumen not produced- payment objected.**

Implementing Officer: Assistant Engineer.

Rule 13(6) of Kerala Panchayat Raj (execution of public works) Rules, 1997 stipulates that the accounts of beneficiary committees have to be transferred to the Panchayat as soon as the work completed. But in the case of the following road tarring works executed through the beneficiary committees, purchase bill of bitumen was not produced for verification, though they were required vide audit requisition number 2 dated 18.08.2017. In the absence of the purchase bill of bitumen payments made for the works amounting to ₹ 12,78,788/- is objected in

audit.

Sl. No.	Name of work and project number.	Name of beneficiary committee convener.	M. book number	Total value of work done. (Rs)	Details of payment.		
					Try. Bill No./ Date	GrossAmount.	Net paid
1	Jaliliya to Pochathabail re tarring. ProjectNo.64/17	Sri.Moideen kunhi.	151/15-16	4,51,687/-	3/16-17 dt.30.09.16	4,78,788/-	4,42,654/-
2	Shanthinagar road tarring ProjectNo.27/17	Sri.Keshava.	02/16-17	1,90,308/-	10/16-17 dt.15.10.16	2,00,000/-	1,84,776/-
3	Old post office toKrishibhavan road-re-tarring ProjectNo.53/17	Sri.Mohandas	153/15-16	3,80,289/-	5/16-17 dt.30.09.16	4,00,000/-	3,69,578/-
					Total	₹ 12,78,788/-	

### **3-3 Implementation of public works -use of insufficient materials -irregularities.**

On verification of the Public work projects and connected files related to the construction of the concrete roads, it is seen that some materials used were not in prescribed, required proportions . The quantity of cement & GSM used in the concrete is inadequate to the required minimum proposed to. Some examples are given in the Table below.

Serial Number	Name of projects and Details of item of work.	Quantity done as per Measurement Book	Quantity of materialstock at the site	Defects noticed
1	Haji class to Mallugiri road Improvement, Project No. 123/16-17 Convenor: Abdul Haneef Project Allocation – 3,00,000 Estimate item No.2, 4.11.2 Granular Sub-base/base/surface course with local materials (Table 400.13 ) by mix in place method normal. Construction of granular sub-base by providing local material spreading in uniform layers with motor grader on prepared surface,mixing by mix in place method with rotavator at once and compacting with smooth wheel roller to achieve the desired density complete as per Clause 401.4 as per Technical Specification Clause 408 (ii)Using Gravel mix soil	M-Book No. - 45/16-17 GSB-31.69 M3	GSB- 30 M3	M-Book states that 31.69 M3 done with GSB 30 M3. Hence quantity of GSB used is inadequate  Payment limited to the estimate quantity.

	Quantity as per estimate- 29.100 cum@ Rs.1681.96/cum, Rs.48945.04			
	<p>Item-3, 11.4.3.1</p> <p>Providing concrete for plain/reinforced concrete in open foundations complete as per drawings and technical specifications complete as per drawings and technical specifications Clause 802,803,1202 &amp; 1203</p> <p>III.P.C.C grade M 20(i) Normal mix (1:2:4)</p>	38 M3	Cement 235 packets	<p>M-Book states that 38 M3 concrete done with 235 packets of cement. Quantity of cement actually required for the work is 251 packets.(ie.38 M3 X 330 kg/50=251) Hence quantity of cement used is inadequate. There is a shortage of 16 packets of cement.</p> <p>Payment limited to the estimate quantity of 34 M3</p>
2	<p>Kukkaje Back Road Improvement, Project No.167/17</p> <p>Allocation. 1,00,000/-</p> <p>Convenor: MuhammedHaneef</p> <p>Estimate item 2.(4.1.9)</p> <p>Providing and laying in position cement concrete of specified grade excluding the cost of centering and shuttering -All work up to plinth level 1:4:8(1cement:4 fine sand:8 graded stone aggregate 40 mm nominal size)</p> <p>Estimate item 1.(11.4.3.1)</p> <p>Providing concrete for plain/reinforced concrete in open foundations complete as</p>	<p>M-Book No. 28/16-17</p> <p>Estimate quantity 7.830 cum @Rs 5128.16/cum</p> <p>(Required quantity of cement 7.830 X 170/ 50 = 22 packet cement)</p> <p>Estimate quantity 7.830 cum @Rs 7099.33/cum</p> <p>(Required quantity of</p>	50 Bags of cement (Nashath Traders bill number 1847 date.15-2-17)	<p>Total required quantity of cement is 74 Bags (22 + 52). Instead of 74 Bags of cement the quantity shown at site is 50 Bags resulting a shortage of 24 Bags of cement.</p>

	<p>per drawings and technical specifications complete as per drawings and technical specifications Clause 802,803,1202 &amp; 1203</p> <p>III.P.C.C grade M 20(i) Normal mix (1:2:4)</p>	<p>cement 7.830 X 330/ 50 = 52 packet cement)</p>		
3	<p>Machampady to Puchathabail Road Concrete, 220/17</p> <p>Allotment : 3,42,000/-</p> <p>Convenor :Mohammed Ashraf</p> <p>Estimate item 2.(11.4.3.1)</p> <p>Providing concrete for plain/reinforced concrete in open foundations complete as per drawings and technical specifications complete as per drawings and technical specifications Clause 802,803,1202 &amp; 1203</p> <p>III.P.C.C grade M 20(i) Normal mix (1:2:4)</p>	<p>M-Book No.29/16-17</p> <p>Estimate quantity 39.240 cum @Rs 7099.33/cum</p> <p>(Required quantity of cement 39.240 X 330/ 50 = 259 packet cement)</p>	<p>250 Bags of cement</p> <p>(Nashath Enterprises bill No.861 dt.20-2-2017)</p>	<p>Total required quantity of cement is 259 Bags . Instead of 259 Bags of cement the quantity shown at site is 250 Bags resulting a shortage of 9 Bags of cement.</p>

Disproportionate / inadequate allocation of material in the concrete work will adversely affect the quality of the work. In this context, an enquiry by an authority deemed to fit, to verify the quantity and quality of the work may be conducted and reported to audit immediately.

**3-4 Projects were not implemented timely- 1.57 crores lapsed during the year 2016-17**

During the year 2016-2017, as detailed below, a total sum of ₹ 5,48,04,611/- was allotted to the Grama Panchayat by the State Government under Development fund, Maintenance grant, World bank aid and Finance commission grant for carrying out the developmental activities effectively. Out of the earmarked fund sanctioned to the panchayat, ₹3,90,64,720/- was spent by the institution during the year and the unspent balance of ₹ 1,57,39,891/- lapsed during the close of the financial year.

Fund	Allotted	Spent	Lapsed
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Development Fund – General	2,09,98,396	1,60,38,263	49,60,133
Development Fund- S.C.P.	31,88,661	21,08,187	10,80,474
Development Fund – T.S.P.	4,78,479	4,62,145	16,334
C.F.C. Grant	1,00,49,285	73,76,052	26,73,233
Performance Grant – K.L.G.S.D.P.	71,93,789	57,93,891	13,99,898
Maintenance Fund- Road	71,54,412	19,63,677	51,90,735
Maintenance Fund – Non-Road	57,41,589	53,22,505	4,19,084
Total	5,48,04,611	3,90,64,720	1,57,39,891

Total number of projects approved for the year 2016-17 was 256,(₹8,77,12,224), out of this 161 projects (4,95,14,877) were implemented during the year, which account for 56.45% of the total expenditure.

The lapse in implementation of projects timely has resulted in to the lapse of huge amount sanctioned for the development of basic infrastructure of the panchayat. All the projects to be implemented by the panchayat are coming from the Gramasabha. These projects are submitted to the panchayat for fulfilling the basic needs of the public. The lapse in executing the basic needs of public may lead them to turn around from the developmental programmes of the panchayat and Gramasabha. Hence, action may be initiated to utilize the entire amount sanctioned to this year with the co-operation of Gramasabha, working groups, implementing officers and employees of the panchayat.

### **3-5 Ashraya Project- an amount of 20.66 lakhs pending un utilized -including ₹10.60 lakhs from development fund.**

On verification of the bank account statement and other related documents maintained by C.D.S. authorities of Manjeshwar Grama Panchayat relating to the implementation of the Ashraya project, it is found that ₹20.66 lakhs is pending unutilized in the bank account as on 02-08-2017 . According to Kutumbashree C.D.S. authorities the major portion of this amount (about 50%) is the unspent balance of development fund (10.60) deposited during the the year 2015-16 (₹13.00 lakhs) being the grama panchayat assistance for House construction to 5 Ashraya beneficiaries. Among the 5 beneficiaries, one beneficiary has completed the construction, and the another house is under construction. But the other three beneficiaries named Smt.Nalini,Smt.Prema, and Smt.Aishamma were not started the house construction. The matter may be examined and, if the above three beneficiaries are unwilling or unable to construct their houses, then the amount allotted to them may be reallocated to the other eligible beneficiaries in the Ashraya list, after getting necessary sanction from the Administrative Committee. If it is not possible, the unspent amount of ₹ 9.00 lakhs allotted to the above three beneficiaries may be refunded to the consolidated fund and to the progress in this regard may be reported to the audit without further delay

The C.D.S. authorities have informed that the Project proposal for Asraya phase 2 is under consideration of the Govt. and Kudumbasree Mission. Necessary steps may be taken to get approval for the second phase of the project and and also to utilise the unspent amount of Challenge fund received during Ashraya first phase.

During the year 2016-17, the implementing officer Assistant Secretary has been withdrawn an amount of

₹ 6,00,000 from development fund being the house construction assistance for two Ashraya beneficiaries. (Project.No.11/17) and deposited it IN the bank account on 12-01-2017. After two months latter ( 21.03.2017) the amount refunded to the respective head with the explanation that, the one beneficiary was died and the other one possess no land. The practice of withdrawal of funds as advance for the implementation of individual projects without proper confirmation of the eligibility and willingness of the beneficiaries, may be avoided in future.

### **3-6 Supporting Documents not produced -Payments objected**

The following payments made by the Grama Panchayat Secretary is held under objection for the reasons noted against each. Necessary steps may be initiated to produce the expenditure vouchers and register mentioned below.

Sl.No.	Ch.No. & date	amount	Expenditure Details	Remarks
1	9216/30-06-2016	12,000	Pre-Mansoon sanitation program -amount paid to ward 18 -W.H.S.C.	Expenditure vouchers and connected documents are not produced
2	9223/ 04-07-2016	12,000	-do- ward 19 WHSC	-do-
3	9224/04-07-2016	12,000	-do- ward 08WHSC	-do-
4	9225/04-07-2016	12,000	-do- ward 15 WHSC	-do-
5	9099/17-06-2016	12,000	-do- ward 05 WHSC	-do-
6	9100/17-06-2016	12,000	-do- ward 07 WHSC	-do-
7	08824/15-10-2016	60,000	Amount paid to Adv.Shajimon, being the Leagal Fees for attending varrious cases	Sute register not updated. The details and present position of the cases are not entered in the register
8	08834/28-10-2016	13,500	-do- to Adv.Sadananda Rai	-do-
	Total	1,45,500		

### **3-7 Utilization certificates not produced**

During the year 2016-17 a total sum of ₹ 12,97,499/- as detailed below has been paid from Panchayat fund for the implementation of various projects. But the utilization certificates for the expenditure of the Panchayat share is not produced for audit verification. Necessary steps may be initiated to produce the Utilization Certificates for verification

Sl. No.	Implementing Officer	Bill No./ dt.	Amount	Particulars
1.	Secretary	Ch.No.450176 dt:07.11.2016	16,650/-	Paid to K.S.E.B. for Line extension Pro. No-151/17).
		Ch.No.450176 dt:07.11.2016	62,830	Paid to K.S.E.B. for post shifting pole (anganavady Electrification) (Project No-149/17)
		Try.billNo.15/16-17	28,464	Paid to K.S.E.B. for Post shifting pole (Project No-148/17)

		dt:23.01.2017		
		Try.bill No.14/16-17 dt:23.01.2017	3,44,985	Paid to K.S.E.B. for street light line extension (Project No-04/17)
		Ch.No.1006563 dt:01.03.2017	1,49,000	Paid to K.S.E.B. for street light line extension (Project No-04/17)
		Ch.No.1006563 dt:01.03.2017	1,47,570	Paid to K.S.E.B. for street light line extension (Project No-27/17)
		Ch.No.129540 dt:31.03.2017	3,00,000/-	Paid to K.S.E.B. for total Electrification (Project No-283/17).
2	Assistant Secretary.	bill.No.04/ dt. 30.03.2017	48,000/-	Paid to Secretary,Manjeshwar Block Panchayath being the Panchayat share for P.M.A.Y. (S.C.) (Project No. No-119/17)
3	Vet.Surgeon	Ch.No.450186 dt.13.12.2016	2,00,000/-	Paid to Secretary,Kasaragod District Panchayath being the Panchayat share for A.B.C. Project (Project No. 9/17)
		Total	₹12,97,499/-	

### **3-8 Subsidy Amount not routed through beneficiaries accounts-Irregularities**

(1) During the financial Year 2016-17 Agriculture officer has distributed all the subsidy amounts of various projects to agencies issuing permit. As per G.O.(M.S.) No.362/13/L.S.G.D. dated 16-11-2013, subsidy to be credited to the bank accounts of the beneficiaries. The details are give below.

Sl.No.	Bill No. and date	Amount	Amount paid	particulars
1	2/16-17/ 08-03-2017	1,45,422	President, Manjeshwar Block Jaiva Karshaka Samathi, shop, Manjeshwara Eco	Arecanut Development project. Project No.So.98/17 58 No. of Beneficiaries-
2	5/16-17/ 08-03-2017	1,14,703	President, Manjeshwar Block Jaiva Karshaka Samathi, shop, Manjeshwara Eco	Arecanut Development project. Project No.So.98/17 49 No. of Beneficiaries-
3	6/16-17 / 30-03-2017	98,054	President, Manjeshwar Block Jaiva Karshaka Samathi, shop, Manjeshwara Eco	Arecanut Development project. Project No.So.98/17 41 No. of Beneficiaries-
4	3/16-17/ 08-03-2017	1,95,210	President, Manjeshwar	Coconut Development



			Block Jaiva project. Karshaka Eco Project Samathi, No.So.97/17 shop, 134 No. of Manjeshwara Beneficiaries-
5	4/16-17/ 08-03-2017	2,94,732	President, Jaiva Manjeshwar Block Eco Karshaka Project Samathi, No.So.97/17 shop, 245 No. of Manjeshwara Beneficiaries-
6	7/16-17/ 30-03-2017	1,91,592	President, Jaiva Manjeshwar Block Eco Karshaka Project Samathi, No.So.97/17 shop, 135 No. of Manjeshwara Beneficiaries-
Total		10,39,713	

The defect was brought to the notice of the implementing officer vide audit enquiry No. 11 dated 17-08-2017, but no reply was furnished.

2) Project implemented in Agricultural sector- Monitoring not conducted.

During the financial Year 2016-17 Three projects were implemented in agricultural sector by the implementing officer. Monitoring of these projects were not done. The implementation of a project not completes with the distribution of subsidy, monitoring of the project is also a part of the project. The working group in agricultural sector has an important role in monitoring the projects . In future, monitoring of the projects as directed in paragraph number 19 of G.O.(M.S)No.362/2013/L.S.G.D. dated 16-11-2013 has to be done for ensuring the effective implementation of projects.

### 3-9 House construction- work not completed

During the year 2016-17, amounts were paid to the House scheme beneficiaries for the completion of their house construction work. But the following beneficiaries have not completed the construction work till date (17-08-2017) of audit. Details of payment made and balance to be paid are given below. Immediate action may be taken to complete the pending work or to recover the amount already paid to the beneficiaries.

INDIRA AVAS YOJANA

Sl.No.	Name of Beneficiary	Unit cost	Amount paid sofar	Balance
1	Smt.Sree Devi,w/o Harisha,papila.	2,00,000	60,000	1,40,000
2	Smt.Jayashree,w/o Vijayakumar,Hosabettu.	2,00,000	60,000	1,40,000
3	Smt.Yashoda,w/o Chandra,Udyawara,	2,00,000	1,02,000	98,000
4	Smt.Seethu,w/o Babu,Idiya.	2,00,000	17,500	1,82,500
5	Smt.Hemalatha,w/o Arunkumar	2,00,000	60,000	1,40,000
6	Smt.Chandravathy,w/o Anathanarayana,Udyawara.	2,00,000	17,500	1,82,500
7	Smt.Beefathima,w/o Usman,Kundukolake.	2,00,000	1,79,500	20,500
8		2,00,000		
House construction General - 2014-15				
9	Smt.FATHIMATH SOUFIYA, D/O ABDUL RAHIMAN, ARIMALA,BADAJE	2,00,000	1,80,000	20,000

10	Smt.SEETHAMMA,W/O(LATE) RAMACHANDRA, ANGADIPADAVU, SHANTHINAGAR	2,00,000	1,40,000	60,000
11	Smt.MARIYAMMA MISIRIYA,W/O ABDULLA, MADEENAMANZIL, GUDDEKERI	2,00,000	1,40,000	60,000
12	Smt.NAFEESA,W/OFIROZNAWAB,PAPILA,BADAJE	2,00,000	1,40,000	60,000
13	Smt.VINAYA,W/O VASANTHA, NEAR.OLD POST OFFICE, MANJESHWAR	2,00,000	20,000	1,80,000
14	Smt.SUMANA,W/O RAVEENDRA.M, GUDDEKERI	2,00,000	1,40,000	60,000
15	Smt.SAKUNTHALA,W/OAITHAPPA ACHARYA, ANGADIPADAVU	2,00,000	80,000	1,20,000
16	Smt.HEMAVATHI,W/OGOPAL-KRISHNA NAVADA, NEAR.PANCHAYATHGROUND,MANJESHWAR	2,00,000	20,000	1,80,000
17	Smt.NABEESA, W/O (LATE) UMMERKUTTY, POYYAKANDA	2,00,000	1,40,000	60,000
18	Smt.KAMALA,W/O.ITHAPPA,KUCHIKKAD,KUNJATHUR	2,00,000	80,000	1,20,000
19	Smt.KHADEEJA,W/O ABDUL BASHEER, BAPAN (H), UDYAWAR.	2,00,000	1,40,000	60,000
20	Smt.RAISA,W/OMOHAMMED,NEAR.RAFA HALL, UDYAWAR.	2,00,000	20,000	1,80,000
21	Smt.AYSHA,W/OMOIDEENKUNHI,NEAR.GHS SCHOOL,KUNJATHUR	2,00,000	80,000	1,20,000
22	Smt.BEEFATHIMA,W/O ABDUL AZIZ, THUMINADU,KUNJATHUR	2,00,000	1,40,000	60,000
23	Smt.IQBALP.K,S/O.AHAMMED.P.K, JALAL MANZIL, BALLANGOD,UDYAWAR	2,00,000	1,40,000	60,000
E.M.S. Bhavanapadhathi				
24	Smt.JANAKI BENGERA,W/OBHOOJA PUTHRAN, POYYAKANDA (H), MANJESHWAR	75,000	52,500	22,500
25	Smt.PUSHPA,D/O.SOMAPPAMOOLYA, ANGADIPADAVU, KANWATHEERTHA, MANJESHWAR	75,000	62,500	12,500
26	Smt.VANAJAKSHI,W/O MOHANA, AYYARKATTE, MANJESHWAR	75,000	52,500	22,500
27	Smt.KHADEEJAMMA,W/O (LATE) ABBAS, CAMCO COMPOUND, KUNJATHUR	75,000	60,000	1,40,000
28	Smt.ZOURA,W/O.ABOOBACKER, ANGADIPADAVU,HOSANGADY	75,000	22,500	1,77,500
29	Smt.ABDULKHADER,K.M,S/O.MOIDEENKUNHI, NADUHITHILU, HILLTOPNAGAR, KUNJATHUR	75,000	1,80,000	20,000
30	Smt.BEEFATHIMA,W/O M.P.ISMAIL,GUDDE(H), NEAR.GOV.T.HOSPITAL,UDYAWARA,MANJESHWAR	75,000	97,500	1,02,500
31	Smt.BEEFATHUMMSri.A,W/O BASHEER, ARAFI QUARTERS, UDYAWAR	75,000	1,30,000	70,000
32	Smt.ALEEMA,W/O BASHEER M.A, MOULANA ROAD,KUNJATHUR	75,000	22,500	1,77,500
33	Smt.JAYANAIAK,S/O MUKUNDANAIAK, NEAR POLICE QUARTERS,HOSABETTU	75,000	1,30,000	70,000
34	Smt.KHADEEJA,W/O ASHRAF, NEAR.BADARIYA MASJID,KUNJATHUR	75,000	22,500	1,77,500
N.P.R.P.D. Project No- 4/2016(9)				
35	Sri.Harish,s/o. Rama,Poyyekanda House	2,00,000	80,000	1,20,000
36	Sri.Hameed,s/o. P.K.Ahamad	2,00,000	1,80,000	20,000
37	vAbdul Hakeem,s/o. Abdul Musliyar	2,00,000	20,000	1,80,000

38	Sri.Sundara,s/o. kariya	2,00,000	80,000	1,20,000
39	Sri.Abdul Rahiman,s/o. Mohammed	2,00,000	1,80,000	20,000
40	Sri.Kunhali,Acharimoole,Hosangadi	2,00,000	20,000	1,20,000
41	Sri.Ameer,s/o. (L) Abdul Rahiman	2,00,000	1,40,000	60,000

### **3-10 S.S.A. Panchayat Share- Details of utilisation not produced**

As per the project of S.S.A. panchayat share during 2016-17(project No.SO.32/17), a sum of 20,00,000 (Treasury bill No.1/10-01-2017 -Development fund) have been given to the Project Director, S.S.A,Kasaragod. But the utilisation certificate of the same is not produced for verification. The cost as per the utilisation certificate produced are given below

S.S.A. – Financial Out lay	340% share of out lay	G.P.Share given	U.C asper expenditure statement	40% of total expenditure	Exess amount given
<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>3-5</u>
74,84,000	29,94,000	20,00,000	40,74,000	16,29,600	3,70,400

The annual budget of the education programme in Grama panchayats are to be pre-prepared, and a 40% of the total outlay of the project is to be included as panchayat share and is to be handed over to the Project Director, S.S.A, Kasaragod. The utilisation certificate of the amount,which was handed over as described above, during the financial year is not produced yet. Therefore, the amount of 3,70,400/- transferred to S.S.A.is objected in the audit.

## **ഭാഗം-4**

### **പൊതു വിവരങ്ങളും ഓഡിറ്റ് പ്രത്യുവലോകനവും**

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

NIL.

#### **4-2 Deposits made with other agencies/L.S.G.I.s.**

Expenditure made for deposit works are shown below.

Implementing Agency.	Name of work.	Voucher No./ Cheque No.	Amount deposited.	Amount expended.	Unspent balance.
K.S.E.B.	Street light line extension (Project No. 151/17)	Ch. No. 450176 dt:07.11.2016	16,650	-	16,650
K.S.E.B.	Anganavady Electrification (Project No.149/17)	Ch. No. 450176 dt:08.11.2016	62,830	-	62,830
K.S.E.B.	Electrification Post shifting (ProjectNo.148/17)	Bill.No.15 dt:23.01.2017	28,464	-	28,464
K.S.E.B.	Street light Line Extension (Project No 04/17)	Ch. No. 258271 dt:10.03.2017	3,44,985	-	3,44,985

		Ch. No. 129520 dt:09.02.2017	1,290	-	1,290
K.S.E.B.	Street light Line Extension (Project No. 211/17)	Ch.No.1006563 dt:01.03.2017	1,49,000	-	1,49,000
K.S.E.B.	Street light Line Extension (Project No. 277/17)	Ch.No.129540 dt:25.03.2017	1,47,570	-	1,47,570
K.S.E.B.	Total Electrifi cation share (Project No. 283/17)	Ch.No.133807 dt:31.03.2017	3,00,000	-	3,00,000

### 4-3 Details of mobilization advances made.

NIL.

### 4-4 Loan/Loan Repayment

There is no receipt and repayment on account of loan during the year. The loan amount outstanding as on 31.03.2016 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 31.03.2016
				Principal	Interest	
E.M.S. House (100Nos) project)	G.O.(M.S.)No.90/13/ L.S.G.D. Dated- 14.03.2013	1,78,80,000	1,49,60,000 + (Rs- 9,20,000 Received- during2016-17) = 1,58,80,000	20,00,000	15,62,105	1,38,80,000

### 4-5 Investments/Fixed deposits.

NIL.

### 4-6 Audit Recovery.

An amount of ₹ 4,630 /- is 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. and date.
2014-15	3.1(3)	4,630	Bharathi, Convenor	11614111593 dtd. 27.03.2017

### 4-7 Details of audit objections included in the consolidated audit report

Year of Audit	of Para No.	Year of C.A.R.	of Para No.	Subject	Present position
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1999-2000	21	2007-08	3.66.3	Maithri Bhavana Padhathi-Kerala State House Construction Board-7,50,000/- distributed to beneficiaries U.C. and distributed details not produced.	Objection Continues
1999-2000	22	2007-08	3.66.3	Deposit Work-Pipe Line Extension KWA-U/C not produced.	Objection Continues

## 4-8 Review of audit

### A- Concise Details:

Total Receipts for the year 2016-17	7,24,07,849
Total Payments for the year 2016-17	6,63,39,858
Loss in receipts	3,63,348
Loss in expenditure/ amount disallowed in audit	1,45,769
Amount objected in audit	17,94,688

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

Para No.	Amount of Loss		Name of the officer responsible for the loss
	Chargeable	Surcharge able	
2(3)(a)	1,66,357	-	Sri.M.Dananjayan Secretary
2(3)(b)	95,915	-	Sri.M.Dananjayan Secretary
2(5)(a)	54,635	-	Sri.Sri.M.Dananjayan Secretary
2(5)(b)	12,291	-	Sri.M.Dananjayan Secretary
2(6)	21,650	-	Sri.M.Dananjayan Secretary
2(7)	12,500	-	Sri.M.Dananjayan Secretary
3(1)	-	1,45,769	Sri.Jobby.K.Assistant Engineer
Total	3,63,348	1,45,769	

### Details of amount objected in Audit:

Para No.	Amount.	Name and designation of the officer responsible.
3(2)	12,78,788	Sri.Jobby, Assistant Engineer
3(6)	1,45,500	Sri.M.Dhananjayan,Secretary
3(10)	3,70,400	Sri.Bhaskara Shettigar Hedmaster
Total	17,94,688	

### 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 and Designation	Official Address	Permanent Address
3(1)	Sri.Jobby.K.Assistant Engineer	Manjeshwara Block Panchayat	Thundil, Puthanveedu,Ambipoika, Kundara,Kollam,691501
2(3)(a) 2(3)(b) 2(5)	Sri.M.Dhananjayan, Secretary	Retired	Meledath House, Near Thavuriyad Temple, Ramanthali, P.O, Kannur Dist.670308

#### **4-9 Details of Audit Report Pending Settlement**

Year	No. and Date of latest reference from this office	No. of objections pending settlement
1992-93 & 1993-94	LF.KSD8/372/08 Dated 01.06.2011	15
1994-95 & 1995-96	LF.KSD8/372/08 Dated 01.06.2011	4
1997-98 (Plan)	LF.KSD6/143/04 Dated 16.12.2008	4
1998-99 (Plan)	LF.KSD6/144/04 Dated 02.12.2015	7
1999-2000 (Plan)	LF.KSD6/145/04 Dated 06.01.2006(P)	15
2000-2001(Plan)	LF.KSD6/146/04 Dated 17.01.2006(P)	6
2001-02 (plan)	LF.KSD6/147/04 Dated 11.01.2006(P)	7
1997-98(F)	LF.KSD4/503/07 Dated 28.02.2007	14
1998-99(F)	LF.KSD4/504/07 Dated 29.02.2008	8
1999-00(F)	LF.KSD4/505/07 Dated 28.02.2008	6
2000-01(F)	LF.KSD4/505B/07 Dated 29.04.2008	4
2001-02(F)	LF.KSD4/506/07 Dated 28.04.2008	5
2002-03(F)	LF.KSD4/507/07 Dated 14.08.2012	5
2003-04	LF.KSD4/20/2012 Dated 25.01.2011	13
2004-05	LF.KSD4/20/2012 Dated 14.08.2012	7
2005-06	LF.KSD4/20/2012 Dated 12.09.2012	9
2006-07	LF.KSD4/136B/10 Dated 21.05.2011	7
2007-08	LF.KSD4/20/2012 Dated 07.08.2012	12

2008-09	LF.KSD4/20/2012 Dated 14.08.2012	8
2009-10	LF.KSD4/236/12 Dated 01.01.2013	13
2010-11	LF.KSD4/248/12 Dated 02.11.2012	9
2011-12	LF.KSD4/1027/13 Dated 06.06.2014	12
2012-13 & 2013-14	LF.KSD9/933/14 Dated 01.04.2014	16
2014-15	LF.KSD5/745/16 Dated 23.07.2016	7
2015-16	LF.KSD5/1212/16 Dated 02.12.2016	20

Deputy Director,  
District Audit Office, Kasaragod.

**Annexure-1****AUDIT CERTIFICATE**

No. KSA-KSD/5/999/2017

Kerala State Audit Department,  
 District Audit Office, Kasaragod – 671 123.  
 E-mail:- doksd.ksad@kerala.gov.in  
 Phone: 04994-256690  
 Dated:18-09-2017.

Certified that, I have audited the Annual Financial Statement of Manjeshwar Grama Panchayat in Kasaragod District for the year ended on 31.03.2017 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 Manjeshwar Grama Panchayat for the year 2016-17, except the observations pointed out in my Audit Report, properly presents the picture of income and expenditure.

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

**ഓഡിറ്റ് സർട്ടിഫിക്കറ്റ്**

കെ.എസ്.എ-കെ.എസ്.ഡി /5/999/2017

കേരള സംസ്ഥാന ഓഡിറ്റ് വകുപ്പ്,  
 ജില്ലാ ഓഡിറ്റ് കാര്യാലയം കാസറഗോഡ്.  
 E-mail:- doksd.ksad@kerala.gov.in  
 Phone: 04994-256690  
 തീയതി. 18.09.2017



1994ലെ കേരള ലോക്കൽ ഫണ്ട് ഓഡിറ്റ് നിയമത്തിന്റെ 4-ാം വകുപ്പ് 1994 ലെ കേരള പഞ്ചായത്ത് രാജ് നിയമത്തിന്റെ 215-ാം വകുപ്പ്, ഇവ അനുസരിച്ചും പഞ്ചായത്ത് രാജ് സ്ഥാപനങ്ങളുടെ ഓഡിറ്റിന് വേണ്ടി കമ്പ്ട്രോളർ ആന്റ് ഓഡിറ്റർ ജനറൽ നിർദ്ദേശിച്ച ഓഡിറ്റിംഗ് സ്റ്റാന്റേർഡുകൾ അവലംബിച്ചും കാസറഗോഡ് ജില്ലയിലെ മഞ്ചേശ്വര ഗ്രാമ പഞ്ചായത്തിന്റെ 2016-17 വർഷത്തെ വാർഷിക ധനകാര്യ സ്റ്റേറ്റ്മെന്റ് പരിശോധിച്ചതായി ഞാൻ സാക്ഷ്യപ്പെടുത്തുന്നു.

എന്റെ റിപ്പോർട്ടിൽ ഖണ്ഡിക 1-(3), ൽ ചൂണ്ടിക്കാണിച്ചിരിക്കുന്ന പരാമർശങ്ങൾ ഒഴികെ, എന്റെ അഭിപ്രായത്തിൽ, മഞ്ചേശ്വര ഗ്രാമ പഞ്ചായത്തിന്റെ 2016-17-ലെ വാർഷിക ധനകാര്യ പത്രിക, വരവ്- ചെലവ് കണക്കുകളെ ശരിയായ രീതിയിൽ അവതരിപ്പിക്കുന്നു എന്ന് ഞാൻ സാക്ഷ്യപ്പെടുത്തുന്നു.

ഡെപ്യൂട്ടി ഡയറക്ടർ  
കേരള സംസ്ഥാന ഓഡിറ്റ് വകുപ്പ്,  
ജില്ലാ ഓഡിറ്റ് കാര്യാലയം, കാസറഗോഡ്.