

(a) Schedule of persistent irregularities:-

- 1) Closing Balance in the Cash Book has not been analysed showing Bill No. & date.
- ii) Non-adjustment of advances lying outstanding for the years together.
- iii) Annual physical verification of stock and store has not been conducted.

PART-11-A

- Nil -

PART-11-B

2. Avoidable expenditure of Rs.8.14 lakhs towards Consultancy Charges

Scrutiny of relevant records revealed that in order to computerise I & PR Deptt. i.e. 13 field offices along with Head Qrs. through internet and E-Mail facility with WAN (Wide Area Network) and V.Sat. Deputy Director-cum-Deputy Secretary to Govt; I&PR Deptt. requested IDCOL Software Ltd. Bhubaneswar to furnish detailed estimate and staffing pattern for the above purpose vide his letter No.31590/IPR dt.5.12.02. In reply the IDCOL authority submitted an estimate amounting to Rs. 56,52,229.00 to Rs.5,13,839.00. The amount was drawn as detailed below.

| Bill No. & date | Gross amount | Component of I.S.L. Consultancy @ 10% |
|-----------------------------|--------------|---------------------------------------|
| | Rs. | Rs. |
| 1) Bill No.104013 dt.7.3.03 | 8,74,226.00 | 79,475.00 |
| 2) 1038/1 dt.7.3.03 | 23,26,005.00 | 2,11,455.00 |
| 3) 1039/2 dt.7.3.03 | 23,99,769.00 | 2,18,161.00 |
| 4) 1031/12dt.6.3.03 | 52,229.00 | 4,748.00 |
| Total | 56,52,229.00 | 5,13,839.00 |

It was seen that till date (6/03) the materials were not received and the payment to the supplier had not been made. On further scrutiny of the files it was noticed that

- (a) The purchasing authority had violated many rules like (i) diversion of funds from other sources (ii) splitting up of purchase orders etc. which was got concurred from Finance Deptt. at a later date.

Again the authority had not observed the provisions

To an audit query the authority stated that steps are being taken to regularise old pending advance. Action has already been taken to clear up new advances taken after 2000.

The advances may be cleared up early under intimation to audit.

6. Non-utilisation of Central Govt. Fund
- Rs.40.00 lakhs

It was ascertained from Bank Current account - Closing balance as on 30.6.03 is Rs.60,35,404.70 that a sum of Rs.40.00 lakh was received from Central Govt. and deposited in the Current account during June 1998 for incurring expenditure towards observing the Closing ceremony of "50th year of India's Independence". Till date (6/03) no expenditure has been incurred, nor amount refunded to Central Govt.

To an audit query the authority stated that as per approval of the Govt. expenditure has been made for Rs.40.00 lakhs for closing ceremony of 50th year of India's Independence. For opening ceremony of such ~~xxx~~ function some irregularities have been detected for which relevant files were taken by State Vigilance Office for enquiry. As both closing and opening function were dealt in some other linked files the amounts could not be released so far.

Steps are being taken to clear closing function expenditures i.e. money received from Central Govt. and opening function - money kept in Civil Deposits.

Suitable steps may be taken to clear up the expenditure under intimation to audit.

7. Pending D.C. Bills worth Rs.17.26 lakhs.

In terms of SR-261 of OTC Vol-I. Detailed Contingent (D.C) Bills are required to be submitted to A.G(A&E) within one month of drawal of Abstract Contingent (AC) Bills. Scrutiny of records revealed that as of 6/03 D.C. Bills relating to the period from ~~1994-95~~ 1995-96 to 1997-98 amounting to Rs.17,25,909.00 are pending for submission to A.G.(A&E) detailed vide Annexure-'B' enclosed.

To an audit query the authority stated that steps are being taken to regularise the account deposited on A.C. Bills for D.C. Bills.

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The D.C. Bills in favour of the amount drawn on D.C. Bills may be submitted to proper quarters early under intimation to audit.

8. Non-disposal of unserviceable stores
- Rs.60.80 lakhs

Test check of records revealed that a good number of unserviceable articles valued Rs.60,79,914.00 are lying in stock as on 6/03, a few such items are listed vide Annexure-'C'.

As per Rule-121 of O.G.F.R. Vol-I, the authority competent to sanction for purchase of stores, equipment etc. may condemn or dispose of or cause to be disposed of obsolete, surplus or unserviceable stores, equipment, plants etc. by sale or otherwise. As per Rule-113(iii) of O.G.F.R. Vol-I shortage, damaged and unserviceable stores should be reported to the authority competent to write off the loss. These Codal Provisions were not strictly adhered to.

To an audit query the authority stated that action will be taken for disposal of unserviceable equipments and the result intimated to audit.

The same may be done with early and the result thereof intimated to audit.

9. Non-adjustment of L.T.C Adv. - Rs.71,919.00

In terms of G.O.F.D = Cir. No.CS-II-28/94-21730 dt.16.6.94, outward journey should commence within 15 days of drawal of L.T.C. Adv., if not, the entire amount should be recovered in one instalment with interest. Scrutiny of relevant records and information furnished revealed that a sum of Rs.71,919.00 is outstanding against the following staff towards L.T.C. Advance as detailed below.

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In reply the authority stated that action is being taken to clear up those pending Civil Deposits for production of films, purchase of Cameras for production of films, ~~xxxx~~ purchase of cameras etc. and opening function of Golden Jubilee of India's Independence expenditures.

Steps are being taken to surrender these amounts for which bills could not be received in future.

The same may be done with and the factual position of expenditure from Civil Deposits intimated to audit.

11. Shortage of Equipments worth Rs. 13,80,129.00

Scrutiny of Equipment Register Vol-XII latest revealed that Equipments worth Rs. 13,80,129.00 like generator, projector, video projector etc. have been shown/ found shortage during handing over/taking over charges between Sri D. Senapati, Store Officer and Sri Prafulla Kumar, Sr. Store Keeper on 31.12.2002 as detailed vide Annexure-'E' enclosed.

As per Rule 111 and 112 of O.C.F.R Vol-I physical verification of store should be conducted once in a year by the Head of office and the results of verification recorded on the Register. But it was seen that the said codal provisions had not been adhered to since 1992 onwards. This is highly irregular.

To an audit query the authority stated that the matter will be examined and the factual shortage position of equipment will be intimated to audit.

The same may be done with early under intimation to audit.

12. Non-disposal of old Bank drafts
- Rs. 16,775.00

Scrutiny of relevant records revealed that five nos. of Bank drafts valuing Rs. 16,775/- relating to the period ranging from 1965 to 1990 had been retained by the Deptt. without encashment or disposal as detailed vide Annexure-'F' enclosed.

To an audit query the authority stated that hanker's cheques amounting to Rs. 1775.00 were security deposits amounts which were not taken by the depositors since long. Steps are being taken to refund their deposits.

Rs.15,000/- meant for production of film will be returned to concerned organisation after approval. However the old Bank drafts may be utilised/disposed of early under intimation to audit.

13. Outstanding Advance against Film makers - Rs.4.79 lakhs

Scrutiny of relevant records revealed that five film maker were advanced a sum of Rs.479,472.00 detailed vide Annexure-'G' enclosed for making documentary films including one film on Sericulture sponsored by Directorate of Textile though the agreement was signed between 1991-92 to 1998-99 and the stipulated date of completion was within the respective years.

It was seen that none of these films have been completed as yet (6/03) resulting prolonged delay in completion of films and there by blockade of Govt. money to the tune of Rs.4.79 lakhs.

To an audit query the authority stated that (i) the film maker will hand over the film soon (ii) the film maker has been reminded to furnish revised rough cut etc. (iii) File has been submitted for cancellation of agreement and revalidation of advances money etc.

Suitable action may be taken for completion of films/ adjustment of advance under intimation to audit.

14. Irregular expenditure on development of multimedia presentation - Rs.2.50 lakhs

Scrutiny of relevant records revealed that one Private digital media Agency namely M/s Net Guru India Pvt. Ltd. Kolkata met the Hon'ble Minister I&PR and the Commissioner-cum-Secretary to Govt. I&PR Deptt. and requested to develop a multimedia presentation on "Successful completion of 3 years of Crissa Govt. under the guidance of Hon'ble Chief Minister Sri Navin Pattanaik". Thus his proposal for presentation of C.D. Rom for ten minutes was accepted and accordingly the work order was issued vide this Deptt. letter No.5749/I&PR dt.24.2.2003 and the C.D. Rom was to be completed early to be played on 5.3.2003, i.e. on "Panchayatraj Diwas". The Media Agency was paid a sum of Rs.2.50 lakhs drawn vide Bill No.1067 dt.12.3.03.

On further scrutiny it was seen that no tenders/ quotations were called for for such type of work violating the provisions contained in Appendix-6 of CGFR Vol-II.

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On this being pointed out in audit the authority stated as follows:-

"Ordinarily, tenders are invited for such type of works as provided in Appendix-6 of CGPA Vol-II. But as there was no such time factor to follow up all the required procedures as per rule, this was done in accordance with Finance Deptt. O.M. No.Codes-129/75-34135/Y dt. 25.8.75 which stipulates that where it is considered not advisable in public interest to invite tenders the concerned authority shall record the reasons there for. In the instant case, this is a highly technical thing and only a firm of proven worth can deliver the best".

It would be seen that the authority had not admitted that tenders are to be invited, but they have tried to escape under the excuse that they had no time at their hand. This is not acceptable in audit. This is highly irregular. This is brought to the notice of the Govt. in Finance Deptt. for needful direction and action under intimation to audit.

15. Irregular payment of Consultancy Charges
- Rs. 4,417.00

Scrutiny relevant purchase files revealed that quotation was called for purchase of (i) Adobe Premier (Latest Version) - one (ii) Shraclipi Multilingual Software - one. The lowest quotation was Rs. 61,500/- in respect of (i) above in which IDCOL Software Ltd. had not preferred any rate. This lowest price was set aside by the authority and then IDCOL Software Ltd. was given purchase order to supply the above materials and the cost of the material (i) above was Rs. 39,990.00. The cost preferred by IDCOL Ltd. is in the lower side in comparison to the lowest quotation price but taking into account 10% consultancy charges, the price would be on the higher side as detailed below:-

P.M

| | |
|---|----------------------------|
| 1) Cost of Adobe Premier Latest Version - one | Rs. 39,990.00 |
| Addl. ISL Consultancy 10% | <u>Rs. 3,999.00</u> |
| | <u>Total Rs. 43,989.00</u> |

The same is in respect of the material (ii) above. On this being pointed out in audit, the authority stated that the above supply order was placed with IDCOL software Ltd. since it is a Govt. enterprise and the expenditure quoted by ISL was lesser than lowest tender.

It is not correct, if we take into account the 10% Consultancy Charges paid to them vide Bill No.1045/13 dt.11.3.03x amounting to Rs.48,582.00 including 10% ISL consultancy Rs.4417.00. This payment of consultancy charges amounting to Rs.4417.00 to IDCOL authorities is irregular.

Further the authority stated that the amount paid towards consultancy fee was a part of the deal since IDCOL Software Ltd. had to instal the Software.

Installation of ~~Software~~ Software is a part of the deal in respect each and every supplier; IDCOL software Ltd. can not be an exception. Hence it can not be accepted in audit.

16. Non-compliance to Departmental Audit Report on Central Store ; Recovery worth - Rs.1.98 lakhs

scrutiny of the Departmental Audit Report No.8/1999-2000 relating to the period from 24.10.92 to 13.11.98. On the accounts of Central Store revealed that the audit authority (Departmental) had suggested recovery of stores materials worth Rs.1,98,111.16 from different officials due to their non-return/shortage of materials in the Central Store detailed vide Annexure-'H' enclosed. This recovery includes materials worth Rs.76,791.16 to be recovered from (i) Sri D.senapati, Ex- S Store Officer, presently Deputy Director, I&M Deptt., Central Zone, Cuttack, (ii) Rs.33,171.00 to recovered from Sri Bhaskar Sahoo, Ex-Producer, expired (iii) Rs.66,040/- from Sri S.Mohanty, Ex-Cameraman.

Till date (6/03) no recovery has been effected. To an audit query the authority stated that the Report is under scrutiny and action has been initiated by the Deptt. for recovery/realisation of the cost of materials from the person concerned. The Audit Report is kept in the audit section for compliance.

Suitable steps may be taken for recovery of cost of materials under intimation to audit.

17. Avoidable Expenditure of Rs.92,300/- (approx.)
Via. Vehicle (TRUCK) bearing No.OR-02A.1619

Scrutiny of log Book of the vehicle bearing Regd. No.OR-02A-1619 revealed that the vehicle was lying idle since 30.1.02 and no effort was made to repair the vehicle. Rather vehicle (TRUCK) was brought on hire in various occasions like - Adivashi mela, Khandagiri Utsab, Gramyanbice mela etc. organised by the Deptt. For carrying

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