

PART - 1 INTRODUCTORY

1.1 Introduction

The Treasuries and Sub-Treasuries in the State of Karnataka function under the administrative control of the Director of Treasuries in Karnataka, Bangalore.

1.2 Organisational Setup

There were 32 District Treasuries and 183 Sub-Treasuries and one Stamps Depot in the State as on 31st March 2010. [Details are given vide **Annexure - I**].

All the District and Sub-Treasuries are computerized and work 'online'. The transactions of all the District and Sub-Treasuries are under the control of Treasury Network Management Centre, Bangalore.

1.3 Position of Treasury Staff

The Treasuries including the Directorate of Treasuries have working strength of 2393 against sanctioned strength of 2934. Cadre wise details are given below;

Designation	Sanctioned Strength	Men in Position
Director	1	1
Joint Director	2	2
Deputy Director	8	8
District Treasury Officers	32	21
Assistant Treasury Officers/Sub treasury Officers	300	270
Head Accountants	366	316
First Division Assistants	815	645
Stenographer	1	1
Second Division Assistants	1041	857
Typists	37	35
Drivers	3	2
Group D	328	235
Total	2934	2393

**PART – 2 DEFECTS NOTICED DURING COMPILATION AND
VERIFICATION OF ACCOUNTS**

2.1 Defects noticed during compilation of accounts

In the State of Karnataka, the Treasuries are rendering compiled accounts from April 2004 onwards to the Principal Accountant General [A&E]. Following defects were noticed in the accounts received from the Treasuries during the year 2009-10.

- In respect of Debt, Deposit, Remittance (DDR) transactions, Treasuries are operating unauthorized Heads of Account due to which variations exist in classification adopted by Treasuries and that of Principal Accountant General [A&E]. This has resulted in adverse balances in many DDR heads. The variations in classification adopted by Treasury and the Principal Accountant General [A&E] are shown in **Annexure II**. Director of Treasuries has to initiate corrective action to rectify the variations in classifications adopted by Treasuries, in consultation with Principal Accountant General [A&E].
- Under the directions contained in the list of Major and Minor Heads recovery of overpayments made shall be treated as reduction of expenditure. However, in Treasuries, the un-disbursed Social Security Pension remitted to Government account are accounted as a receipt under the Head of Account 0235-Social Security and Welfare, instead of adjusting it as a reduction of expenditure under the Head of Account 2235-Social Security and Welfare.
- The challans were not received along with the receipt schedules in most of the cases rendering difficulty in verification of correctness of the classification and other details.
- 18 Treasuries accounted recovery of overpayment under minor head 911 on receipt side instead of accounting the same under the expenditure head.
- The treasuries operated the following Heads of Account without budget provision and the same have been rectified in accounts by accounting the transactions under proper head of account in Accountant General's office.

Classification as per Treasuries	Classification adopted in AG's Office
0403-00-102-0-00	0403-00-102-0-02
4425-00-108-0-53	4425-00-108-90-00-364
2235-02-101-020-251 (Non Plan)	2235-02-101-0-20-100 (Non Plan)
2235-60-107-0-01 (Charged)	2235-60-107-0-01 (voted)
2204-00-800-0-12-(Non Plan)	2204-00-800-0-12-(Plan)

2.2 Wanting Vouchers of Railways

Railway pension claims amounting to ₹241.21 lakh from 22 Treasuries were outstanding to the end of March 2010. The details are enclosed vide **Annexure III**. Reminders were issued regularly to Treasuries concerned and respective Railway Authorities for early settlement of the claims. Treasuries are required to take a proactive approach for settlement of these outstanding items through persuasion with Railway Authorities.

2.3 Wanting Vouchers / Schedules from Treasuries

To end of March 2010, 184 vouchers for an amount of ₹2,01.20 lakh relating to period from January 1988 to March 2010 were not received from Treasuries along with accounts of the respective months (**Annexure-IV**). The vouchers for ₹8,19,139 for the month of December 2009 from District Treasury, Haveri, and for ₹61,17,665 for the month of 3/2000 from District Treasury, Uttara Kannada were also not received along with accounts of the respective months. Director of Treasuries has been addressed for issue of necessary instructions to District Treasury Officers to forward the vouchers/certificates of payment in lieu of wanting vouchers.

Certificates of payment in lieu of 12 wanting vouchers for an amount of ₹24.22 lakh¹ were received from four Treasuries and Karnataka Bhavan, New Delhi who renders monthly accounts to Principal Accountant General directly.

An amount of ₹1.53 crore is kept under Objection Book Suspense to the end of March 2010, for want of details from treasuries for final classification of the transactions.

Schedule of Settlement at Treasury from 72 Public Works Divisions were not received for the year 2009-10.

241 Alteration Memos in rectification of misclassifications, adjustments relating to unencashed cheques were received and accepted during 2009-10.

2.4 Classification Check/Reconciliation

Check of classification of expenditure and receipts recorded in Treasury accounts during the year 2009-10 revealed misclassification of transactions of receipts amounting to ₹3.03 crore and of expenditure amounting to ₹18.90 crore and the same was rectified through transfer entries in the accounts.

Similarly, Transfer Entries were proposed to rectify the misclassification of expenditure of ₹4.11 crore and receipts of ₹452.91 crore consequent to reconciliation of figures as booked by Principal Accountant General [A&E] with those of Chief Controlling Officers. The major portion of reconciliation of receipts relates to Taxes on Sales, Trades etc., (₹452.48 crore).

¹ Bangalore- Urban (₹.8,62,429)- 2 vouchers), Belgaum (-₹.10,920-) 1 voucher), Chikkamagalur (₹.37,069)-3 vouchers), Dakshina Kannada (₹.19,05,955-4 vouchers), Karnataka Bhavan New Delhi (₹.4,05,883- 2 vouchers)

2.5 Delay in receipt of Monthly Accounts

Timely rendition of monthly civil accounts to State Government by Principal Accountant General [A&E] depends on the rendition of accounts by the Treasuries on due dates. The monthly accounts from all the Treasuries should reach the Principal Accountant General by 9th and in respect of SHT by 18th of the following month to which the accounts relate. During the year 2009-10, total number of Treasury accounts received and accounted was 384 [32 Treasuries for 12 months]. There was delay in rendering of monthly accounts by the treasuries up to 15 days on 259 occasions, over 15 days and less than one month on 26 occasions and over one month and less than two months on 14 occasions. Some of the treasuries persistently rendering the accounts with delay of more than 15 days are Bangalore(Urban), Bangalore (Rural) and Raichur. Delay in rendering of accounts by the treasuries leads to delay in submission of monthly accounts by the Principal Accountant General to the State Government.

The reasons for delays in submission of accounts were attributed to error messages at the time of generation of accounts and regular printer problems, which necessitated frequent visits by the software personnel.

2.6 Operation of Deposits and Fund accounts in Treasuries

2.6.1 Fund accounts of Panchayat Raj Institutions

2.6.1.1. Non transfer of balances in Fund II account

As per the instructions issued by Government of Karnataka, the fund accounts of Zilla Panchayat and Taluk Panchayats were required to be maintained in 3 parts :

Fund I – Account for all receipts and expenditure of Central Plan and Centrally Sponsored Schemes including State Share, Non-Plan Central Grants and Grants under Recommendation of Finance Commission.

Fund II – Account for all receipts and expenditure in respect of all State Plan Schemes.

Fund III– Account for all receipts and expenditure in respect of other Funds.

The unspent balance in Fund II account of Zilla Panchayats and Taluk Panchayats at the close of each financial year is required to be written back to Government account. However, during 2009-10, the balances under Fund II accounts in respect of Zilla Panchayats and Taluk Panchayats were not written back to Government account.

The transfer of unspent balances to Government account were made under the Head of Account 8448-00-109-6-00 while the transactions are accounted under 8448-00-109-2-00 (Z.P.Fund II) and 8448-00-109-4-00 (T.P.Fund II) resulting in adverse balances in the earlier year's accounts under these heads.

Further, the fund wise accounts of Zilla Panchayat and Taluk Panchayats was not sent to AG by Uttara Kannada District Treasury rendering difficulty to ascertain the balances under each fund account.

2.6.1.2 Adverse Balances under Panchayat Raj Institutes Deposit Accounts

The plus and minus memos of Fund I, II & III accounts in respect of 13 Zilla Panchayats and 20 Taluk Panchayats were not sent separately by the concerned Treasuries during 2009-10 and hence no reconciliation could be carried out.

To end of March 2010 adverse balances existed in the following Heads of Account.

Sl. No.	Head of Account	Amount [₹] [Debit balances]
1.	8448-00-109-0-00 Panchayat Bodies Fund	5,88,467
2.	8448-00-109-1-02-Village Panchayat Fund under Village Panchayat Local Bodies Act 1969	5,84,85,588
3.	8448-00-109-1-00 - Village Panchayat Fund	82,03,219
4.	8448-00-109-3-00- Mandal Panchayat Fund	72,78,18,387
5.	8448-00-109-2-30 -Zilla Panchayat Election Fund	3,80,82,511
6.	8448-00-109-2-00 - Zilla Panchayats	2,13,62,61,727

2.6.2 Personal Deposit Accounts

2.6.2.1 Personal Deposit Account of Deputy Commissioners

The revenue receipts relating to the 'Bhoomi', Premutation Sketch, User Charges etc., were remitted to the Personal Deposit Account of the Deputy Commissioners' account without obtaining the concurrence of Accountant General.

The receipts under 'Podi Collections' are operated through Nationalised Bank accounts with out being credited to Government Account. Thus the entire transaction was kept outside the Government account. The issue has been referred to Finance Department (May 2010).

2.6.2.2 In-Operative Personal Deposit Account

Personal Deposit Accounts of many Administrators remained inoperative for more than three years in almost all treasuries. The list of few such inoperative Personal Deposit accounts is detailed in **Annexure-V**. No action was initiated to close these accounts and to remit the balances to Government Account under relevant Revenue Head.

2.6.2.3 Miscellaneous Issues

- The voucher for Revenue Deposits paid by transfer [KTC Form 50] was not forwarded by the Treasuries alongwith monthly accounts.

- The plus and minus memos in respect of various deposit heads other than those relating to PRIs are not being sent by the Treasuries alongwith monthly accounts.
- DTO Hassan operated the Head of Account 8443-06-106-0-01 in respect of Special Land Acquisition Officer, Bangalore-Hassan Railway Project, as against the authorized head of account 8443-06-106-2-30
- Challans received do not depict full details of the remittance such as purpose of remittance, classification upto detailed head, etc.,

The credits against the debit under the detailed head-51-Receipts awaiting Transfer below the Major Heads 8443-Civil Deposits and 8448-Deposits of Local Bodies are not being received which resulted in adverse balances under this head.

2.7 Issues relating to Loans

2.7.1 Misclassification of Advances

Misclassifications between the Principal amount and Interest amount under Loan Heads of Account is a regular feature in all most all Treasuries.

The credits relating to HDFC were misclassified under 7610 - House Building Advance in Treasury accounts in spite of this being pointed out to the Treasuries regularly. During 2009-10 an amount of ₹8.05 lakh of HDFC credits were misclassified under HBA and transfer entries proposed for rectification.

2.7.2 Unposted Credit Items

An amount of ₹29.05 lakh towards credits received were kept as unposted items (Computer Advance- ₹1.69 lakh and Housing Building Advance- ₹27.36 lakh) for want of receipt schedules from the Treasuries.

2.8 Pension related issues

2.8.1 Non –return of both halves of pension Payment orders

Both halves of Pension Payment Orders of 53 cases of limited Family pension authorized by Principal Accountant General [A&E] were not returned by three Treasuries after final payment (Pension Payment Treasury, Bangalore-39 cases, District Treasury, Bijapur - 12 cases and District Treasury, Shimoga - 2 cases).

2.8.2 Non-recovery of amounts advised by the Accountant General

In 26 cases in six treasuries the recovery of ₹1.89 lakh advised towards various dues by the Principal Accountant General out of DA on pension, DCRG and commuted value of pension payable to the pensioners have not been acted upon by the Treasury Officers concerned.

2.9 General Provident Fund Accounts

2.9.1 Suspected fraudulent drawal of Provident Fund

At District Treasury, Bellary an amount of ₹2.44 lakh was withdrawn on three Partial and Final GPF Bills during May, July 2004 and June 2005 and accounted in the Treasury in the respective months. The Drawing officers in respect of these three bills were shown as District Training Centre for Health, Bellary [2 Bills] and Director of Medical Education, Bellary [1 Bill]. These amounts were kept unposted in GPF Accounts in AG's office for want of vouchers at the first instance. Subsequently, the District Treasury Officer, Bellary has furnished duplicate vouchers for these three drawals. On verification of these duplicate vouchers it was seen that the details in the duplicate vouchers such as Drawing and Disbursing Officer code, name of the subscriber, PF Account No, reference to authorisation stated to have been issued by Principal Accountant General etc., did not tally with the details available in Principal Accountant General office with regard to the withdrawals.

In all the three cases, the Drawing and Disbursing Officer from whom the bills were stated to have been submitted had clearly stated that no persons by names referred by Treasury are working in their institutions.

The paid cheques in respect of these withdrawals were also not received in Accountant General's office along with the accounts of respective months.

Thus the information furnished by the District Treasury were totally incorrect and led to conclude that the amounts were drawn fraudulently in the above said three cases.

The issue has been referred to Government for investigation [April 2010].

2.9.2 Items kept unposted for want of details

23812 items involving ₹9.21 crore being General Provident Fund credits of the subscribers were kept unposted during 2009-10 for want of schedules from 31 Treasuries.

In seven Treasuries², 26 items were received with discrepancies in Schedules/Vouchers as the prescribed checks by the Treasuries were not exercised before sending the same to the Accountant General.

2.10 Treasury Cheques and Bills

The treasury is required to prepare a list of cheques remaining unencashed at the end of each month and forward the same to the Principal Accountant General along with the accounts and the total of the unencashed cheques should agree with the closing balance of plus and minus memo for the month.

² Bijapur, Chamarajanagar, Chitradurga, Davanagere, Mysore, Raichur and Tumkur

However, the monthly statements of time-barred cheques, report on unencashed cheques, alteration memos of un-encashed cheques and Plus and Minus memos were not received from the treasuries every month regularly.

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## **PART – 3. DEFECTS AND IRREGULARITIES NOTICED DURING INSPECTION OF THE DISTRICT TREASURIES AND SUB-TREASURIES**

### **3.1 Introduction**

The Accounts of all the 32 District Treasuries and 183 Sub Treasuries for the year 2008-2009 were inspected during 2009-10 and Inspection Reports issued to the Director of Treasuries and concerned District Treasury Officers for compliance. Copy of the Inspection Reports was also sent to Principal Accountant General [C&CA] for inclusion of merited Paragraphs in the Comptroller and Auditor General's Report [Civil].

### **3.2 Outstanding Inspection Reports and Paras**

To end of 2008-09, 881 paragraphs are outstanding in the inspection reports of 32 treasuries including Stamps Depot for want of final replies, out of which 527 paragraphs relates to the period from 1981-82 to 2007-08 and 354 paragraphs for the year 2008-09 [inspection conducted during 2009-10]. Treasury-wise details are given in **Annexure –VI**.

### **3.3 Pension related issues**

#### **3.3.1 Payment of enhanced Family Pension beyond prescribed period**

Under the provision of KCS [Family Pension] Rules, Family Pension is admissible at double the normal rate or 50% of the last pay drawn which ever is less, for a period of 7 years from the date of death of the Government servant who dies while in service and normal Family Pension thereafter. The date up to which the Family Pension is payable at enhanced rates would be indicated in the Pension Payment Order issued by the Principal Accountant General (A&E). During the test check of payment of Family Pensions made by the Public Sector Banks as indicated in the payment scrolls furnished to the Treasuries by the Banks with reference to the records maintained in Treasuries it was noticed that;

- In 30 Treasuries, in 857 cases Family Pension was paid at enhanced rates by the Public Sector Banks beyond the stipulated date resulting in excess payment of ₹3.18 crore.
- Despite the fact of excess payment being pointed out in earlier reports, the Public Sector Banks continued the payment of Family Pension at enhanced rates resulting in further excess payment of ₹1.10 crores in 285 cases. This implies inadequate action on the part of the treasuries in pursuing with banks concerned, to check the excess payment.  
Treasury wise details of excess payment and continued excess payment of family pension are given in **Annexure-VII**.
- In 27 cases recovery of excess payment was not at all commenced in Bijapur Treasury despite being pointed out as early as in 1995. Besides non-recovery,

there was continued payment at enhanced rate of pension resulting in further increase in over payment.

The issue of excess payments made by banks was discussed in the quarterly meetings of Standing Advisory Committee held at Reserve Bank of India, Bangalore which were attended by the representatives of Public Sector Banks also. However, no effective action was taken to prevent the excess payment.

The State Government has not invoked the provisions of Indemnity Bond executed by the banks to make good the loss incurred by the Government on account of irregular payment of pensionary benefits made by the Banks. The issue has been brought to the notice of the Principal secretary to Government, Finance department.

### **3.3.2 Payment of Excess / Irregular / Inadmissible Pension by Paying Agencies**

The following irregularities were noticed during test check of pension payment records maintained in the treasuries;

- In four cases of the Limited Family Pension at District Treasury, Mysore payment has been made beyond the date of cessation of pension authorized and the PPOs were not returned even after stoppage of pension.
- The benefit of revised pension scales was extended to UGC pensioners who are not eligible for the benefit resulting in excess payment of ₹3.65 lakh (DTO-Karwar).
- In District treasury, Chikkamagalur seven other Government Pensioners (Maharashtra) were paid arrears of pension in one installment instead of in five equal installments resulting in premature payment of arrears to the tune of ₹5.23 lakh.

### **3.3.3 Fraudulent Claims of Family pension**

Smt. Gunabai holder of PPO 823430/F.P was initially drawing Family pension from the State Bank of Mysore, Chikkamagalur upto October 2008. Later the Pension Payment Order was transferred to Syndicate Bank. However, State Bank of Mysore has continued to pay the pension from November 2008 onwards also resulting in excess payment of family pension of ₹78503 up to September 2009.

### **3.3.4 Other Points**

- 19 time barred DCRG authorizations were not returned by sub treasury Arasikere (10) and Channarayapatna (9).
- In three District Treasuries, the un-disbursed authorizations were not returned to the Accountant General. (Belgaum-DCRG, FFWR and GPF, Haveri-Artist pension and Shimoga- Pension authorisation)

- In 15 cases, in two district treasuries, (Raichur-9 cases, Chitrdurga-6 cases) rates of pension was revised and paid before the receipt of authorization from the Principal Accountant General resulting in irregular payment of pension.
- In District Treasury, Chikmagalur, Railway Pension of ₹1.51 lakh paid was misclassified and accounted under State pension head.

### **3.3.5 Social Welfare Pension**

- At sub treasury Shikaripura, Shimoga District, 10 sanctions of physically handicapped pension were not signed by the Tahsildars, but rubber stamps were affixed and the same were accepted in treasury and payments made.
- There were delays ranging from 45 days to 4 years in returning the undisbursed social welfare pensions from the postal authorities in 14 Treasuries<sup>3</sup>. In one instance, there was a delay of 5 years (District Treasury, Mysore).
- The details of remittances such as month to which the remittance relates, name of the pensioner etc., were not noted in the records at Sub-Treasury, Hukkeri (Belgaum district).
- In Khanapur and Bailahongal Sub-Treasuries [Belgaum District] an additional amount of ₹1.31 lakh was spent towards Money Order Commission on account of sending of ₹26.29 lakh of Social Sector pensions to the unavailable/ deceased beneficiaries due to delay in remittance of undisbursed amount of previous months pension by postal authorities.
- Check registers for watching the disbursement of Social Sector pensions were not maintained at District Treasury, Hubli and Chamarajnar. In District Treasury Madikeri and Hukkeri and Mundargi Sub-Treasuries in Belgaum District though the register was maintained the entries were not updated.
- In two Treasuries, in 10 cases [Kodagu-2 cases and Uttara Kannada-8 cases], money orders were sent to the beneficiaries beyond the date upto which the sanction exists resulting in irregular payment.
- Life certificates from the revenue authorities were not obtained in respect of Social Sector pensioners in any of the treasuries. In District Treasury Uttara Kannada, pension payment was continued for more than 35 years in many cases without obtaining Life Certificates. In majority of treasuries, the undisbursed pension cases received back from post offices were marked as suspended in the system and not deleted for want of confirmation from the Revenue Authorities regarding existence or otherwise of the beneficiaries.

<sup>3</sup> DTO- Bijapur, Bidar, Bangalore (Rural), Belgaum, (sub-treasury Hukkeri, Khanapur) ,Chikmagalur, Gulbarga , Hassan, Hubli, Karwar, Mysore, Madikeri, Ramnagara,, Raichur and Tumkur.

### **3.3.6 Improper accounting of undisbursed Social Welfare pensions**

Un-disbursed Old Age/Physically Handicapped/Destitute Widow Pensions refunded were being accounted as receipts under the head of account '0235' – Social Security and Welfare as receipt instead of accounting them as reduction in expenditure under the head '2235' on account of non-provision in the treasury software to account credits towards un-disbursed amounts as minus expenditure under the service head.

### **3.4 General Provident Fund Functions**

The records relating to payment of GPF authorizations were not maintained properly in Treasuries. Register to watch payment of authorizations issued by Principal Accountant General was not maintained in State Huzur Treasury, Bangalore.

In Belgaum (5 cases) and Chitradurga (1 case) Treasuries, the GPF Subscription from the officials were less than the prescribed minimum of 4 percent of mean of minimum and maximum of the time scale.

### **3.5 Accounts related areas**

#### **3.5.1 Non submission of NDC Bills in respect of AC Bills drawn**

As per the procedure prescribed by Government of Karnataka, the Drawing and Disbursing Officers are required to forward the countersigned detailed contingent bills [termed as NDC bills] for the amounts drawn on Abstract Contingent Bills to Principal Principal Accountant General [A&E], through Treasury. Treasury Officers would watch the submission of NDC Bills by the Drawing and Disbursing Officers by not honoring any further AC Bills until the NDC Bills are received in respect of AC Bills drawn during previous months by them. The linking of AC bills and NDC bills is regulated by a programme in the system itself. However, there were 623 outstanding AC Bills involving ₹10.38 crores, in 14 Treasuries (Belgaum- 7 bills for ₹36,87,600, Bidar- 16 bills for ₹54,25,501, Chickmagalur-65 for ₹59,26,492, Koppal- 9 bills for ₹4,06,820, Karwar-2 bills for ₹55,693, Bangalore [Rural]-5 bills for ₹82,000, Gulbarga-77 bills for ₹1,44,72,912, Madkeri-81 bills for ₹15,07,416/-, Davanagere –5 bills for ₹15,79,000, State Huzur Treasury, Bangalore –106 bills for ₹4,89,14,138, Bagalkot-3 bills for ₹1,19,200, Dharwad-57 bills for ₹1,07,40,511, Shimoga-17 bills for ₹27,60,584) as on the date of inspection.

#### **3.5.2 Non-Reconciliation of Expenditure and Receipt by DDOs with Treasury**

As per the instructions issued by Government of Karnataka the Drawing and Disbursing Officers are required to reconcile their expenditure and receipts with those accounted in Treasuries before 5<sup>th</sup> of following month to which the accounts relate. The Treasuries shall not to permit any non-salary drawals by the Drawing and Disbursing Officers from 10<sup>th</sup> of the succeeding month in respect of those who have not carried out reconciliation. However, it was observed that the procedure was not followed and no records were maintained in the Treasuries in support of reconciliation carried out by the Drawing and disbursing Officers as prescribed by Government. The non salary bills of Drawing and Disbursing Officers who have not carried out

reconciliation is being admitted in the Treasuries as a routine issue contrary to the instructions of Government in this regard. Non-reconciliation is fraught with risk of fraud besides preparation of incorrect accounts due to misclassification of transactions.

### **3.5.3 Fraudulent drawal of ₹1.31 crore at Sub-Treasury Tarikere, Chikkamagalur District.**

The Assistant Conservator of Forest, Tarikere, Chikkamagalur has drawn an amount of ₹1.31 crore from Sub-Treasury, Tarikere under the Head of Account 8443-00-109-0-00 towards of refund of deposit made by the parties. The details of the amount drawn are as under.

| Token No. | Date       | Amount  | Voucher No  | Cheque No | Cheque Date | Cheque Amount |
|-----------|------------|---------|-------------|-----------|-------------|---------------|
| 1929056   | 11.08.2008 | 1891634 | 08080000001 | 963641    | 11.08.2008  | 1849320       |
| 1929067   | 15.10.2008 | 1571684 | 08080000003 | 951411    | 15.10.2008  | 1536478       |
| 1929086   | 12.12.2008 | 2793469 | 08100000002 | 948408    | 12.12.2008  | 2730895       |
| 0628813   | 17.02.2009 | 2973690 | 09020000001 | 390001    | 17.02.2009  | 2907079       |
| 0628851   | 12.06.2009 | 3973690 | 09000000001 | 394739    | 12.06.2009  | 3884679       |

It is suspected that these amounts were drawn fraudulently by the staff of Assistant Conservator of Forests, Tarikere using a fictitious name in the refund bills. The original records including cheques have been handed over to Director of Treasuries on request for conducting a departmental enquiry.

## **3.6 Maintenance of Deposits/Fund Accounts**

### **3.6.1 Non-receipt of Acceptance of Balances from the Administrators of Personal Deposit Accounts**

Treasury Officers were required to communicate the balances in the personal deposit accounts to the respective administrators every quarter and obtain the Acceptance of Balances. The Acceptance of Balances was not obtained from 215 Administrators in 14 Treasuries to end of March 2009 (District Treasury, Bagalkot-4, Bangalore[Rural]-7, Belgaum-17, Bellary-83, Chikkamagalur-4, Chitradurga-1, Dharwar-6, Gulbarga-18, Hassan-36, Hubli-3, Karwar-3, Koppal-2, Madikeri-8, Shimoga-7 and Tumkur-16).

### **3.6.2 Non reconciliation of balance in Deposit accounts**

In 26 Treasuries, in 224 cases, there were difference between figures as per the records of Treasury and the figures as per Administrators (including court deposit accounts and ZP/TP funds). However these differences remained un-reconciled at the time of inspection. (District Treasuries – Hubli-3, Haveri-9, Shimoga-5, Bagalkot-7, Dharwad-11, Bellary-16, Gulbarga-7, Chitradurga-22, Bijapur-7, Koppal-2, Bangalore[R]-6, Madikeri-7, Gadag-11, Mysore-6, Mangalore – 13, Bidar-11, Davangere – 6, Bellary-1, Karwar-13, Raichur –2, Udupi- 10, Chikmagalur-4, Mandya-22, Hassan-1, Tumkur-20 and Kolar-2).

At district treasury Gadag, none of the PD Account Administrators have reconciled their balances with those of Treasury.

There were also differences between computer-generated figures and figures in manually maintained registers in 10 Treasuries in respect of 79 PD Accounts (Bangalore(Rural)-5, Bangalore(Urban)-1(LIC),Bidar-1, Bijapur-1(LIC), Chitradurga-1, Dharwar-37, Koppal –1(GP), Mandya-1, Mangalore-29, and Tumkur-2).

### **3.6.3 Issues relating to Zilla Panchayat/Taluk Panchayat Funds**

As per the instructions of Government, the accounts of Zilla Panchayat/Taluk Panchayats are required to be maintained in three categories viz., Fund I, Fund II and Fund III to track funds received from Government of India, Government of Karnataka and own sources respectively. The balance at the end of the financial year in Fund II accounts is required to be remitted back to Government. The following were the points noticed during test check of records;

- In District Treasury, Gadag, Grama Panchayat Fund Accounts were not maintained category wise
- In five District Treasuries (Bangalore [Rural], Bidar, Bijapur, Chitradurga and Karwar) the balances under Zilla Panchayat Fund-II account and in two districts (Bellary and Chitradurga) the balances under Taluk Panchayat Fund-II accounts at the close of the year were not written back to Government.
- In District Treasury Office, Koppal, the Accounts were not maintained category wise.
- Grama Panchayat suspense accounts remained inoperative in all the treasuries and acceptance of balances were also not obtained in a majority of the cases.

### **3.6.4 Other points**

- 41 Grama Panchayat suspense Accounts were closed in District Treasury, Tumkur under the orders of Chief Accounts Officer, Zilla Panchayats without the specific orders of Government.
- In District Treasury, Bangalore (Rural), in 3 accounts, the balance as per ledger differed from the plus and minus memo prepared, (DC PD Accounts-CRF, Miscellaneous Deposit and Library Fund)
- At, District Treasury Gulbarga, two new PD Accounts, in favour of Additional Registrar General, High Court of Karnataka, Gulbarga was opened without authorization from Accountant General.
- There were differences in balances in deposit accounts of 245 administrators and the balances as per the treasury accounts in 24 District Treasuries and three sub-treasuries.

- The HDFC and LIC PD Accounts should show NIL balance at the end of the month and any balance at the end of each month indicates that the amount recovered from the salary of the officials were not transferred to their LIC/HDFC accounts. However in four district Treasuries (Bijapur, Chitradurga, Chamarajanagara and Bellary) there were balances under LIC PD accounts. Similarly in four district treasuries (Bijapur, Tumkur, Bellary and Hubli) there were balances under HDFC PD accounts.
- Under HDFC PD Account there was an adverse balance in District Treasury , Hassan.
- In two District treasuries, (Chitradurga and Tumkur) the cheques amount sent to Director of Treasuries differed from the closing balances available in the account.
- The details of amount recovered and remittance were not made available in District Treasury, Hubli.
- In 3 Treasuries, there were delays upto 43 days in forwardal of cheques to Director of Treasuries.

### **3.7 Cheque related issues**

#### **3.7.1 Unencashed Cheques**

Article 75 of KFC prescribes that the Treasury Officer should prepare a list of cheques outstanding for more than 12 months from the date of issue of the cheques on 15<sup>th</sup> of May each year and simultaneously prepare Alteration Memorandum showing the Heads of Account of debit and credit and send the same to Principal Accountant General to carry out necessary adjustments in the accounts. However, in 17 Treasuries 17558 cheques for an amount of ₹29.71 crores remained unencashed as at the end of March 2009 and necessary alteration memos were not prepared and submitted to the Accountant General. Thus the expenditure shown in the accounts of concerned years were remained overstated. In District Treasury, Mysore the list of unencashed cheques was not prepared.

In District Treasury, Gulbarga large number of cheques issued towards scholarships to Educational Institutions and Chief Engineer (C&B), Bangalore relating to Contractor's Benevolent Fund remained unencashed.

### **3.8 Strong Room Records**

In order to ensure security arrangements in the Treasuries, the officers of the Police, Public Works and Treasury Departments should jointly inspect the strong rooms of the Treasuries annually. However, the joint inspection of Sub-Treasury, Hiriyyur [Chitradurga District] was not conducted since several years.

In District Treasury, Chitradurga the articles were kept in strong room of the Treasury for safe custody beyond the specified date and were neither returned to the concerned nor the period of custody renewed.

In District Treasury, Gadag, Court Cheque books, Forest Cheque Books, and unused Treasury Cheque Books remained in Strong room since many years and no action was initiated for their disposal.

### **3.9 Improper maintenance of Records relating to Tokens**

The bills presented by the Drawing and Disbursing Officer should be accompanied by the tokens issued by the Treasury to the concerned Drawing and Disbursing Officers. The Treasury has to maintain a stock book of Tokens to watch the issue of Token Books to the Drawing and Disbursing Officer and the utilizations of Tokens by the Drawing and Disbursing Officers.

- In 6 District Treasuries (Bangalore (Rural), Belgaum, Chitradurga, Davangere, Koppal and Tumkur,) fresh tokens were issued without ensuring whether the token books issued earlier were fully utilized. The details of the utilization of the tokens were not noted in the registers and the unused tokens were neither cancelled nor any remarks made against them. In District Treasury Koppal, 5 DDOs had not used any tokens issued to them. In District Treasury Shimoga, large number of tokens issued by Treasury was remained unused.
- The stock register of Token books were not properly maintained in Sub-Treasury Shirahatti in Gadag District and Sub-Treasuries Channapatna, Kanakapura and Magadi in Ramanagara District Treasury. There were differences in accounting of tokens between the manually maintained records and corresponding system generated report.

### **3.10. Other issues**

- In District Treasury, Bagalkot remittances relating to more than one Head of Account were being made in one single challan and Treasury has accounted the remittances under one head of account.
- The annual inspection of the District Treasuries by the Director of Treasuries was not conducted in 6 treasuries. (DTO-Gulbarga, SHT Bangalore, Hubli, Dharwad, Bangalore (Urban))

### **3.11 Non Production of Records**

Following records were not made available for inspection;

- Registers relating to Grama Panchayat Funds, Local Funds, and Criminal Court Deposits (District Treasury –Raichur).
- 33 TA Bills for March 2009, 11 DC Bills, and registers relating to Grama Panchayat Funds (District Treasury – Hassan).
- Encashment Register, LPC Book, TA Bill, Telephone Register, Dead Stock Register, Library Register(District Treasury –Tumkur).



- Bill Passing Register, Recovery Register, Establishment Registers, LPC Book. (District Treasury Bellary, and Sub-Treasury Kottur)
- Records relating to Grama Panchayat accounts (District Treasury-Bangalore (U).

### **3.12 Non Maintenance of records**

- Register of officers drawing establishment bills (KTC 19), Register of Tokens (KTC-61) and calendar of returns were not maintained – District Treasury - Madikeri
- Register of officers drawing establishment bills (KTC 19) and Register of Cheques delivered (KTC 66) were not maintained at DTO Hubli.
- At District Treasury Ramanagara and Bangalore (Urban) Calendar of Returns were not maintained.
- The specimen signatures of the authorized officers (Accounts Officers of Accountant General[A&E] and Drawing and Disbursing Officer of the State Government) in the jurisdiction of the Treasury were not maintained in District Treasury, Bangalore [Rural], Bidar and Chitradurga implying bills are being passed without verifying the specimen signatures which may lead to risk of fraudulent drawals.
- In Bangalore [Rural] Treasury , the user IDs of officials transferred were not activated. The First In First Out system of passing of bills was not complied with.
- Register for noting authorizations received from Principal Accountant General (A&E) was not maintained at Sub-Treasury -Kanakapura [District Treasury – Ramanagara].

(P.V.HARI KRISHNA)  
Senior Deputy Accountant General  
(Accounts and VLC)

**ANNEXURE – I****LIST OF TREASURIES / SUB-TREASURIES**

[PART I / PARA 1.2]

| <b>Sl. No.</b> | <b>District Treasury</b>            | <b>Sub-Treasuries</b>                                                                                                                                        |
|----------------|-------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.             | State Huzur Treasury, Bangalore     | NIL                                                                                                                                                          |
| 2.             | Pension Payment Treasury, Bangalore | NIL                                                                                                                                                          |
| 3.             | Bangalore [Urban]                   | Anekal<br>Bangalore North<br>K R Puram                                                                                                                       |
| 4.             | Bangalore [Rural]                   | Devanahalli<br>Hoskote<br>Doddaballapura<br>Nelamangala                                                                                                      |
| 5.             | Bagalkote                           | Badami<br>Bilagi<br>Banahatti<br>Guledagudda<br>Hungund<br>Ilkal<br>Jamakhandi<br>Mudhol                                                                     |
| 6.             | Bellary                             | Hospet<br>Huvianhadagali<br>Hagari Bommanahalli<br>Kudligi<br>Kurugodu<br>Kottur<br>Siraguppa<br>Sandur                                                      |
| 7.             | Belgaum                             | Athani<br>Bailhongal<br>Chikodi<br>Gokak<br>Hukkeri<br>Kagawada<br>Kittur<br>Khanapur<br>Mudalgi<br>Nippani<br>Ramadurga<br>Raibag<br>Soundatti<br>Sankeswar |
| 8.             | Bijapur                             | Almatti<br>Basavanbagewadi<br>Chadachana Indi<br>Muddebihal<br>Nidagundi<br>Sindgi<br>Talikota                                                               |

| Sl. No. | District Treasury | Sub-Treasuries                                                                                                                                              |
|---------|-------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 9.      | Bidar             | Aurad<br>Bhalki<br>Basavakalyana<br>Humnabad                                                                                                                |
| 10.     | Chamarajanagar    | Gundlupet<br>Kollegal<br>Yelandur                                                                                                                           |
| 11.     | Chikkaballapur    | Bagepalli<br>Chintamani<br>Gowribidanur<br>Gudibande<br>Shidlaghatta                                                                                        |
| 12.     | Chitradurga       | Challakere<br>Hiriyur<br>Holalkere<br>Hosadurga<br>Molakalmuru                                                                                              |
| 13.     | Chikkamagalur     | Kadur<br>Koppa<br>Mudigere<br>N R Pura<br>Sringeri<br>Tarikere                                                                                              |
| 14.     | Davanagere        | Channagiri<br>Harapana Halli<br>Harihara<br>Honnali<br>Jagalur<br>Mayakonda                                                                                 |
| 15.     | Dharwad           | Kalghatgi<br>Navalgund<br>Kundgol                                                                                                                           |
| 16.     | Gadag             | Lakshmeshwara<br>Mundargi<br>Naragund<br>Ron<br>Shirahatti                                                                                                  |
| 17.     | Gulbarga          | Aland<br>Afzalpur<br>Chittapur<br>Chincholi<br>Gurmitkal<br>Hunsagi<br>Jewargi<br>Kalagi<br>Kembhavi<br>Shahabad<br>Shahapur<br>Sedam<br>Shorapur<br>Yadgir |

| Sl. No. | District Treasury                    | Sub-Treasuries                                                                               |
|---------|--------------------------------------|----------------------------------------------------------------------------------------------|
| 18.     | Haveri                               | Byadagi<br>Hanagal<br>Hirekerur<br>Ranebennur<br>Savanur<br>Shiggaon                         |
| 19.     | Hubli                                | NIL                                                                                          |
| 20.     | Hassan                               | Alur<br>Arasikere<br>Arkalgud<br>Belur<br>Channarayapatna<br>Holenarasipur<br>Sakleshpur     |
| 21.     | Kodagu District -Madikeri            | Ponnampet<br>Somwarpet<br>Virajpet<br>Napoklu<br>Kushal Nagar                                |
| 22.     | Kolar                                | Bangarpet<br>Malur<br>Mulbagal<br>Robertsonpet<br>Srinivasapura                              |
| 23.     | Koppal                               | Kushtagi<br>Yelaburga<br>Gangavathi                                                          |
| 24.     | Mysore                               | Hunsur<br>Heggadadevanakote<br>Krishnarajanagar<br>Nanjanagud<br>Periyapatna<br>T Narasipura |
| 25.     | Mandya                               | Krishnarajapet<br>Maddur<br>Malavally<br>Nagamangala<br>Pandavapura<br>Srirangapatna         |
| 26.     | Dakshina Kannada District –Mangalore | Belthangadi<br>Bantwal<br>Puttur<br>Sullia<br>Vittala<br>Mulky<br>Mudabidre                  |
| 27.     | Raichur                              | Devadurga<br>Lingasugur<br>Manvi<br>Sindhanur<br>Mudgal                                      |

| Sl. No. | District Treasury                 | Sub-Treasuries                                                                                                                 |
|---------|-----------------------------------|--------------------------------------------------------------------------------------------------------------------------------|
| 28.     | Ramanagara                        | Channapatna<br>Kanakapura<br>Magadi                                                                                            |
| 29.     | Shimoga                           | Bhadravathy<br>Hosanagara<br>Sagara<br>Shikaripura<br>Soraba<br>Thirthahally<br>Shiralkoppa                                    |
| 30.     | Tumkur                            | Chikkanayakanahally<br>Gubbi<br>Kunigal<br>Kortagere<br>Madhurgiri<br>Pavagada<br>Sira<br>Tiptur<br>Turvekere                  |
| 31.     | Udupi                             | Brahmavar<br>Kundapur<br>Karkala<br>Shankaranarayana<br>Byndur<br>Hebri                                                        |
| 32.     | Uttara Kannada District -Karwar   | Ankola<br>Bhatkal<br>Dandeli<br>Honnavar<br>Haliyal<br>Kumta<br>Mundgod<br>Sirsi<br>Siddapura<br>Joida<br>Yellapura<br>Gokarna |
| 33.     | Government Stamp Depot, Bangalore | NIL                                                                                                                            |

## ANNEXURE - II

**VARIATION IN CLASSIFICATION**

[PART II / PARA 2.1]

| Sl. No.                                                                                                         | Head of Account                                     | Classification as per the Treasury | Classification as per A.G's Office             |
|-----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|------------------------------------|------------------------------------------------|
|                                                                                                                 | 1                                                   | 2                                  | 3                                              |
| <b>8443-Civil Deposits</b>                                                                                      |                                                     |                                    |                                                |
| 1                                                                                                               | PD Account of Money Lenders and Pawn Brokers        | 8443-00-116-0-05                   | 8443-00-106-0-26                               |
| 2                                                                                                               | PD Account of HDFC                                  | 8443-00-106-0-23                   | 8443-00-106-0-10                               |
| 3                                                                                                               | PD Account of Deputy Commissioners                  | 8443-00-106-0-24                   | 8443-00-106-0-21                               |
| 4                                                                                                               | PD Account of Labour Officer                        | 8443-00-106-0-15                   | 8443-00-106-0-16                               |
| 5                                                                                                               | PD Account [General]                                | 8443-00-206-0-01                   |                                                |
| 6                                                                                                               | Village Land under Attachment                       | 8443-00-106                        | 8443-00-106-0-23                               |
| <b>8448 - Deposits of Local Funds</b>                                                                           |                                                     |                                    |                                                |
| 7                                                                                                               | Village Panchayat Funds                             | 8448-00-109-1-01                   | 8448-00-109-1-02                               |
| <b>8658 – Suspense Accounts</b>                                                                                 |                                                     |                                    |                                                |
| 8                                                                                                               | Banking Cash Transaction Tax                        | 8658-00-102-4-13                   | 8658-00-102-4-22                               |
| 9                                                                                                               | DACR New Delhi                                      | 8658-00-110-0-01                   | 8658-00-101-01-112                             |
| <b>8782 –Cash Remittances and Adjustments between Officers rendering accounts to the same Accounts Officers</b> |                                                     |                                    |                                                |
| 10                                                                                                              | Public Works Cheques                                | 8782-00-102-0-00                   | 8782-00-102-2-22                               |
| 11                                                                                                              | Public Works Remittances                            | 8782-00-102-0-00                   | 8782-00-102-100                                |
| 12                                                                                                              | Forest Cheques                                      | 8782-00-103-0-00                   | 8782-00-103-2-00                               |
| 13                                                                                                              | Forest Remittance                                   | 8782-00-103-1-00                   | 8782-00-103-1-01<br>8782-00-103-1-01           |
| 14                                                                                                              | Government Commercial Undertakings                  | 8782-00-104-0-00                   | 8782-00-104-1-01 [cr]<br>8782-00-104-1-02 [dr] |
| <b>8793-Inter State Suspense Account</b>                                                                        |                                                     |                                    |                                                |
| 15                                                                                                              | Director of Accounts, Goa                           | 8793-00-101-0-23                   | 8793-00-101-30                                 |
| 16                                                                                                              | Karnataka, Pondicherry                              | 8793-00-101-0-21                   | 8658-00-101-6-423                              |
| 17                                                                                                              | Karnataka, Jammu & Kashmir                          | 8793-00-101-0-22                   | 8658-00-134-0-00                               |
| <b>8009-State Provident Funds</b>                                                                               |                                                     |                                    |                                                |
| 18                                                                                                              | Karnataka Handloom Weavers Thrift Fund              | 8009-60-103-0-04                   | 8009-60-103-0-05                               |
| 19                                                                                                              | Thrift Fund for Karnataka Handloom Development      | 8009-60-103-0-06                   |                                                |
| <b>8011 – Insurance and Pension Funds</b>                                                                       |                                                     |                                    |                                                |
| 20                                                                                                              | Karnataka State Life Insurance Fund Official Branch | 8011-00-105-0-01                   | 8011-00-105-1-01                               |
| 21                                                                                                              | Karnataka Government Employees Family Benefit Fund  | 8011-00-105-4-00                   | 8011-00-102-0-02                               |
| 22                                                                                                              | Karnataka Municipal employees Family Benefit Fund   | 8011-00-105-5-00                   | 8011-00-102-0-03                               |

**ANNEXURE – III****WANTING VOUCHERS OF RAILWAYS**

[PART II / PARA 2.2]

| Sl. No. | Treasury          | South Western Railway | South Central Railway | Central Railways | Southern Railways | Western Railway | Integral Coach Factory | Northern Railway | South Eastern Railway | Norh Eastern Frontier | TOTAL           |
|---------|-------------------|-----------------------|-----------------------|------------------|-------------------|-----------------|------------------------|------------------|-----------------------|-----------------------|-----------------|
| 1.      | Bagalkot          | 1904746               | 1014375               | 26661            |                   |                 |                        |                  |                       |                       | 2945782         |
| 2.      | Bangalore [Rural] | 567746                | 197184                |                  | 1031587           |                 |                        |                  |                       |                       | 1796517         |
| 3.      | Belgaum           |                       | 1286929               | 19125            | 245655            | 9207            |                        |                  |                       |                       | 1560916         |
| 4.      | Bijapur           | 211182                | 1131361               |                  |                   |                 |                        |                  |                       |                       | 1342543         |
| 5.      | Chikkaballapur    | 531178                |                       |                  |                   |                 |                        |                  |                       |                       | 531178          |
| 6.      | Chikmagalur       | 2333895               | 546723                |                  | 951316            |                 |                        |                  |                       |                       | 3831934         |
| 7.      | Chitrdurga        | 245271                | 6110                  |                  |                   |                 |                        |                  |                       |                       | 251381          |
| 8.      | Kodagu            | 9048                  |                       |                  | 117963            |                 |                        |                  |                       |                       | 127011          |
| 9.      | Dharwad           | 87711                 | 1084182               |                  |                   | 13095           |                        |                  |                       |                       | 1184988         |
| 10.     | Gadag             | 1032106               | 1617961               | 52898            |                   |                 |                        |                  |                       |                       | 2702965         |
| 11.     | Gulbarga          | 412099                |                       | 264485           |                   | 3112            |                        |                  |                       |                       | 679696          |
| 12.     | Hassan            | 12226                 | 18571                 |                  | 187444            |                 |                        |                  |                       |                       | 218241          |
| 13.     | Haveri            | 671073                | 623512                | 23044            | 354744            |                 |                        |                  |                       |                       | 1672373         |
| 14.     | Hubli             |                       |                       |                  |                   |                 |                        |                  |                       |                       | 0               |
| 15.     | Karwar            | 156474                | 394174                |                  |                   |                 |                        |                  |                       |                       | 550648          |
| 16.     | Kolar             | 206396                | 118900                | 34081            |                   |                 | 45193                  |                  |                       |                       | 404570          |
| 17.     | Koppal            |                       | 58592                 | 18204            | 26779             |                 |                        |                  |                       |                       | 103575          |
| 18.     | Mandya            | 266971                | 18358                 |                  | 134438            |                 |                        |                  |                       |                       | 419767          |
| 19.     | Mysore            | 817674                |                       |                  | 468567            |                 |                        |                  |                       | 8914                  | 1295155         |
| 20.     | PPT               | 29590                 | 327859                | 27012            | 87935             | 24890           |                        | 167756           | 42447                 |                       | 707489          |
| 21.     | Raichur           | 309402                | 76194                 | 202768           |                   |                 |                        |                  |                       |                       | 588364          |
| 22.     | Shimoga           | 71308                 | 31969                 |                  | 942751            |                 |                        |                  |                       |                       | 1046028         |
| 23.     | Tumkur            | 44716                 |                       |                  | 114713            |                 |                        |                  |                       |                       | 159429          |
|         | <b>TOTAL</b>      | <b>9920812</b>        | <b>8552954</b>        | <b>668278</b>    | <b>4663892</b>    | <b>50304</b>    | <b>45193</b>           | <b>167756</b>    | <b>42447</b>          | <b>8914</b>           | <b>24120550</b> |

**ANNEXURE - IV****WANTING VOUCHERS**

[PART II/ PARA 2.3]

| <b>District</b>   | <b>Voucher Number</b> | <b>Month/ Year</b> | <b>Major Head of Account</b> | <b>Amount [₹]</b> |
|-------------------|-----------------------|--------------------|------------------------------|-------------------|
| Bagalkot          | 244                   | 3/02               | 2053                         | 5240              |
|                   | 113                   | 3/02               | 2055                         | 8310              |
|                   | 4                     | 2/02               | 2853                         | 550               |
|                   | 14                    | 10/01              | 2202-80                      | 1010000           |
| Bangalore (Rural) | G9002                 | 4/98               | 2053                         | 99125             |
|                   | 297                   | 3/02               | 2053                         | 85000             |
|                   | 462                   | 1/01               | 2851                         | 70860             |
|                   | 733                   | 6/02               | 2851                         | 17480             |
|                   |                       | 3/03               | 2851                         | 4887              |
|                   | 194                   | 3/93               | 2402                         | 10000             |
|                   | 396                   | 3/93               | 2402                         | 627               |
|                   | 13                    | 4/99               | 2210                         | 12984             |
|                   | 1                     | 4/99               | 2210                         | 10675             |
|                   | 10                    | 3/03               | 2202-03                      | 281479            |
|                   | 30                    | 3/01               | 2202-05                      | 600               |
|                   | 40                    | 3/01               | 2202-05                      | 300               |
|                   |                       | 3/97               | 2225                         | 5994              |
|                   |                       | 3/03               | 2015                         | 20252             |
|                   | 91                    | 10/09              | 2401                         | 2000000           |
| Bangalore(Urban)  | 5                     | 2/99               | 2401                         | 50000             |
|                   | 33                    | 2/99               | 2401                         | 96573             |
|                   | 11A                   | 2/96               | 2235                         | 500               |
|                   | 653                   | 3/96               | 2235                         | 500000            |
|                   | 1                     | 5/96               | 2235                         | 3274              |
|                   | 2                     | 5/96               | 2235                         | 3274              |
|                   | 22                    | 3/98               | 2225                         | 6000              |
|                   | 1                     | 10/98              | 2425                         | 11884             |
| Belgaum           | 61                    | 6/02               | 2039                         | 75628             |
|                   | 62                    | 6/02               | 2039                         | 5324              |
|                   | 63                    | 6/02               | 2039                         | 54215             |
|                   | 98                    | 6/2000             | 2235                         | 500               |
|                   | 3G                    | 6/2000             | 2235                         | 22731             |
|                   | 222                   | 1/95               | 2851                         | 9000              |
|                   | 922                   | 3/96               | 2851                         | 995               |
|                   | 324                   | 6/97               | 2851                         | 2845              |
|                   | 29                    | 7/98               | 2851                         | 1700              |
|                   | 25                    | 5/96               | 2202-02                      | 4001              |
|                   | 30                    | 3/2K               | 2202-05                      | 77006             |
|                   |                       | 12/02              | 2070                         | 1616              |
|                   |                       | 3/03               | 2070                         | 123034            |
|                   | 2                     | 11/02              | 2015                         | 7749              |
| Bidar             | 24                    | 3/98               | 3604                         | 50000             |
| Bijapur           | G22                   | 4/97               | 2202-80                      | 7592              |



| District         | Voucher Number | Month/Year | Major Head of Account | Amount [₹] |
|------------------|----------------|------------|-----------------------|------------|
| Chamarajanagar   | 8              | 4/03       | 2053                  | 4032       |
|                  | 26             | 3/03       | 2851                  | 200        |
|                  | 64             | 3/97       | 2506                  | 26436      |
|                  | 11812          | 10/99      | 2506                  | 2520       |
|                  | 52             | 8/98       | 2851                  | 5500       |
|                  | 1              | 11/98      | 2851                  | 21350      |
|                  | 34             | 2/03       | 2851                  | 750        |
|                  | 21             | 10/99      | 2210                  | 15506      |
|                  | 32             | 4/96       | 2202-02               | 1000       |
|                  | G11            | 4/97       | 2202-80               | 8905       |
| Chikkamagalur    | 5              | 3/2K       | 2202-80               | 11000      |
|                  |                | 9/02       | 2851                  | 458        |
| Dakshina Kannada | 1              | 6/98       | 2041                  | 8203       |
|                  | 182A           | 3/95       | 2235                  | 18500      |
|                  | 19             | 10/94      | 2851                  | 3600       |
|                  | 17             | 9/90       | 2852                  | 8146       |
|                  | 52             | 7/94       | 2202-02               | 53511      |
|                  |                | 7/94       | 2202-02               | 17976      |
|                  | 185A           | 7/94       | 2202-02               | 1240       |
|                  | 13             | 7/94       | 2202-02               | 14964      |
| Dharawad         | 21             | 3/2K       | 2202-03               | 13126      |
|                  | 42             | 08/09      | 2401                  | 1384000    |
| Gadag            | 24             | 3/2K       | 3604                  | 100000     |
|                  |                | 3/03       | 2070                  | 389105     |
| Gulbarga         | 109            | 4/94       | 2202-02               | 3772       |
|                  | 89             | 6/94       | 2202-02               | 4440       |
|                  |                | 3/03       | 2070                  | 18675      |
|                  | 2              | 8/99       | 2015                  | 10100      |
| Hassan           | 47             | 2/03       | 2851                  | 433        |
| Haveri           | -              | 11/02      | 2039                  | 8100       |
| Kodagu           | 34             | 1/03       | 2851                  | 6750       |
|                  | 50             | 3/99       | 2851                  | 500        |
|                  | 54             | 3/99       | 2851                  | 500        |
|                  | 80             | 3/99       | 2851                  | 160        |
|                  | 86             | 3/99       | 2851                  | 465        |
|                  | 1              | 4/96       | 2202-02               | 9202       |
|                  | 2              | 4/96       | 2202-02               | 36613      |
|                  | G11            | 4/96       | 2202-02               | 9335       |
|                  | 33             | 6/94       | 2202-02               | 37500      |
|                  | 34             | 6/94       | 2202-02               | 1000       |
|                  | 2              | 12/96      | 2202-80               | 2200       |
|                  | 8              | 12/96      | 2202-80               | 6050       |
|                  |                | 12/03      | 2011                  | 1432       |
| Kolar            | 138A           | 1/1/92     | 2053                  | 40360      |
|                  | 1              | 3/03       | 2039                  | 870        |
|                  | 96             | 3/98       | 2041                  | 24934      |
|                  | 5              | 9/03       | 2041                  | 546        |
|                  | 12             | 4/04       | 2041                  | 3903       |

| District     | Voucher Number | Month/Year | Major Head of Account | Amount [₹] |       |
|--------------|----------------|------------|-----------------------|------------|-------|
| Kolar        | 1              | 12/98      | 2215                  | 344250     |       |
|              | 53             | 9/03       | 2235                  | 500        |       |
|              | 78A            | 9/03       | 2235                  | 420        |       |
|              | 78B            | 9/03       | 2235                  | 417        |       |
|              | 659            | 3/96       | 2235                  | 350        |       |
|              | 656            | 3/96       | 2235                  | 2050       |       |
|              | 214            | 11/94      | 2851                  | 2550       |       |
|              | 250            | 2/98       | 2851                  | 7914       |       |
|              | 251            | 2/98       | 2851                  | 600        |       |
|              | 57             | 2/98       | 2851                  | 28811      |       |
|              | 362            | 9/98       | 2851                  | 3250       |       |
|              | 362            | 9/98       | 2851                  | 4420       |       |
|              | 106A           | 9/93       | 2851                  | 10000      |       |
|              | 5              | 1/03       | 2851                  | 4655       |       |
|              | 16             | 8/02       | 2402                  | 1792       |       |
|              | 1              | 1/03       | 2402                  | 33679      |       |
|              | 1              | 5/99       | 2852                  | 78000      |       |
|              | 2              | 5/99       | 2852                  | 78000      |       |
|              | 50             | 3/2K       | 2202-03               | 15829      |       |
|              |                |            | 3/01                  | 2070       | 22777 |
|              |                |            | 1/02                  | 2070       | 4997  |
|              |                |            | 11/02                 | 2070       | 14566 |
|              |                |            | 3/03                  | 2070       | 16394 |
|              |                | 271A       | 3/98                  | 2425       | 20000 |
|              |                | 272A       | 3/98                  | 2425       | 21000 |
|              |                | 154        | 3/98                  | 2225       | 1200  |
|              | 155            | 3/98       | 2225                  | 3000       |       |
| Koppal       | 56A            | 7/99       | 2039                  | 28750      |       |
|              | 4A             | 7/99       | 2039                  | 28750      |       |
|              | 34             | 3/03       | 2506                  | 41922      |       |
|              | 15             | 3/02       | 2402                  | 420        |       |
|              |                | 4/03       | 2070                  | 4000       |       |
| Mandya       | 69             | 10/97      | 2230                  | 50000      |       |
|              | 5              | 4/04       | 2041                  | 48         |       |
|              |                | 3/97       | 2225                  | 21764      |       |
|              | 1              | 3/03       | 3604                  | 832500     |       |
| Mysore       | 55             | 3/97       | 2506                  | 26516      |       |
|              | 485486487      | 10/97      | 2851                  | 70000      |       |
|              | 139            | 2/03       | 2851                  | 3150       |       |
|              | 1              | 3/03       | 2075                  | 394208     |       |
| North Kanara | 7              | 12/02      | 2202-01               | 688566     |       |
| Raichur      | 1              | 2/03       | 2402                  | 28126      |       |
|              | 1A             | 2/03       | 2402                  | 4475       |       |
|              | 2              | 5/03       | 2075                  | 213735     |       |
|              | 9              | 2/04       | 2225                  | 200000     |       |
|              | 13             | 7/04       | 2225                  | 1584000    |       |
|              | 1              | 10/04      | 2225                  | 5752000    |       |
|              | 1              | 1/1/95     | 2801                  | 24883      |       |

| District             | Voucher Number | Month/Year | Major Head of Account | Amount [₹]         |
|----------------------|----------------|------------|-----------------------|--------------------|
| Raichur              | 1              | Jul-09     | 2408                  | 9783               |
|                      | 2              | Jul-09     | 2408                  | 135                |
|                      | 3              | Jul-09     | 2408                  | 126242             |
|                      | 4              | Jul-09     | 2408                  | 100075             |
|                      | 5              | Jul-09     | 2408                  | 60581              |
|                      | 6              | Jul-09     | 2408                  | 630                |
|                      | 7              | Jul-09     | 2408                  | 25728              |
|                      | 8              | Jul-09     | 2408                  | 25728              |
|                      | 9              | Jul-09     | 2408                  | 225                |
|                      | 10             | Jul-09     | 2408                  | 45502              |
|                      | 11             | Jul-09     | 2408                  | 12587              |
|                      | 1              | Jul-09     | 2217                  | 1551               |
|                      | 9              | Jul-09     | 2217                  | 21571              |
|                      | 10             | Jul-09     | 2217                  | 32957              |
|                      | 11             | Jul-09     | 2217                  | 20431              |
| 12                   | Jul-09         | 2217       | 8524                  |                    |
| 13                   | Jul-09         | 2217       | 1850                  |                    |
| 14                   | Jul-09         | 2217       | 1361                  |                    |
| 15                   | Jul-09         | 2217       | 11436                 |                    |
| Ramanagara           | 98             | 03/10      | 2014                  | 6104               |
| Shimoga              | 51             | 5/94       | 2202-02               | 3905               |
|                      | 52             | 5/94       | 2202-02               | 3905               |
|                      | 53             | 5/94       | 2202-02               | 9560               |
|                      | 54             | 5/94       | 2202-02               | 3905               |
|                      | 8              | 9/01       | 2202-03               | 5958               |
|                      |                | 11/02      | 2070                  | 22448              |
| State Huzur Treasury | 2              | 2/07       | 2014                  | 1128121            |
|                      | 3146           | 3/96       | 2851                  | 150000             |
| Tumkur               | 24A            | 5/94       | 2235                  | 500                |
|                      | G.6            | 8/90       | 2402                  | 1717.25            |
|                      | 37             | 8/94       | 2202-02               | 30499              |
|                      | 38             | 8/94       | 2202-02               | 28721              |
|                      | 39             | 8/94       | 2202-02               | 10132              |
|                      | 40             | 8/94       | 2202-02               | 52963              |
|                      | 41             | 8/94       | 2202-02               | 6000               |
|                      | 42             | 8/94       | 2202-02               | 3730               |
|                      | 43             | 8/94       | 2202-02               | 28380              |
|                      | 44             | 8/94       | 2202-02               | 6700               |
|                      | 49             | 8/94       | 2202-02               | 19148              |
|                      | 46             | 8/94       | 2202-02               | 40304              |
|                      |                |            | 4/06                  | 2408               |
|                      |                | 5/94       | 2070                  | 482                |
| Uttara Kannada       | 1              | 6/99       | 2853                  | 5664               |
|                      | LOP            | 7/03       | 2408                  | 168581             |
|                      |                |            | <b>TOTAL</b>          | <b>20119978.25</b> |

## ANNEXURE - V

## LIST OF PD ACCOUNTS NOT IN OPERATION FOR MORE THAN 3 YEARS

[Part III / Para 2.6.2.2]

| Head of Account  | Nomenclature                                                            | Balance<br>Amount in ₹     | Inoperative since |
|------------------|-------------------------------------------------------------------------|----------------------------|-------------------|
| 8443-00-106-0-06 | National Loan Scholarship Scheme                                        | 3457519.63                 | Prior to 2000     |
| 8443-00-106-0-45 | Asst Registrar of Co-op Society, Shimoga                                | 87,725.60                  | Prior to 2000     |
| 8443-00-106-0-04 | Cash Order Deposits                                                     | 13,645.81                  | Prior to 2000     |
| 8443-00-106-0-05 | Deposit of Sugar Surcharge (Dy Comm of Food & Civil Supplies)           | 714048.55                  | Prior to 1993-94  |
| 8443-00-106-0-31 | Deposit of Department of Small Savings & lotteries                      | 32301370.00                | Prior to 2004-05  |
| 8443-00-106-0-34 | Deposit of Karnataka Money lenders (Asst. Registrar of Co-op Societies) | 10318287.51                | 1989-90           |
| 8443-00-106-0-37 | Deposit of permanent and temporary advances                             | 2827258.86                 | 1989-90           |
| 8443-00-106-0-43 | Bagalkot Town Development Authority                                     | 12753684.93                |                   |
| 8443-00-106-0-46 | Asst.Registrar of Co-op Society Bijapur (P.D.A/c of Gram Panchayat)     | 311485.00                  | 2005              |
| 8443-00-106-0-53 | Special Land Acquisition Officer, SCR Project                           | 27696190.00                | 2005              |
| 8443-00-106-0-15 | Special D.C                                                             | 491708828.90               | 2006              |
| 8443-00-106-0-19 | Industrial Corporation                                                  | 10850.40                   | 1994-95           |
| 8443-00-106-0-22 | D.R.C.S, Mandya (Deputy Registrar of Co-op Societies, Mandya            | 441956.07                  | 1994-95           |
| 8443-00-106-0-24 | Watershed Development                                                   | 3372759.00                 | 2001-02           |
| 8443-00-106-0-27 | Member Secretary                                                        | 171042.11                  | 2004-05           |
| 8443-00-106-0-28 | Director, Industries & Commerce                                         | 4066006.37                 | 1995-96           |
| 8443-00-106-0-38 | Ramkumar Jalal Memorial Fund                                            | 195.00                     | 1994-95           |
| 8443-00-106-0-42 | Ration Shop Depot                                                       | 49936.00                   | 1994-95           |
| 8443-00-106-0-13 | Scholarship Account of Backward Classes & Minorities                    | 2292390.30                 |                   |
| 8443-00-106-0-30 | Sugar Price Equalisation Fund                                           | 139636693.90               |                   |
| 8443-00-106-0-17 | Deposits of PWD Officers                                                | 1001430.00<br>642752088.00 |                   |
| 8443-00-106-0-35 | Deposit of Private Estate under commercial Organization                 | 75.00                      | Prior to 2000     |
| 8443-00-106-0-25 | Chief Ministers Drought Relief Fund                                     | 8245390.20                 | Prior to 2000     |
| 8443-00-106-0-09 | Harijan Development Welfare Fund                                        | 508896.71                  |                   |
| 8443-00-106-0-11 | Block Development Officer                                               | 97175307.15                |                   |
| 8443-00-106-0-32 | P.D.Account of Municipal Commissioner, Tumkur                           | 2372940.16                 |                   |
| 8443-00-106-0-33 | P.D.Account of Deputy Registrar of Co-op. Societies, Bidar              | 282.20                     |                   |
| 8443-00-106-0-14 | Principal Maharaja College of Education                                 | 570.00                     | 2008-09           |
| 8443-00-106-0-20 | Industrial Training Institute Principal, I.T.I.                         | 3690833.21                 | 2006-07           |

| Head of Account  | Nomenclature                        | Balance    | Inoperative since |
|------------------|-------------------------------------|------------|-------------------|
| 8443-00-106-0-23 | Village Land under attachment       | 251457.05  | 1994-95           |
| 8443-00-106-0-29 | Asha Kiran                          | 26350.00   | 1994-95           |
| 8443-00-106-0-39 | Gram Panchayat                      | 3400890.55 | 1994-95           |
| 8443-00-106-0-18 | Karnataka Consumer Protection Board | 206554.00  | 2006-07           |
| 8443-00-106-0-48 | Deposits of District Consumer Forum | 124360.00  | 2005              |

## ANNEXURE – VI

**TREASURYWISE DETAILS OF NUMBER OF OUTSTANDING PARAS**

[PART III / PARA 3.2]

| Sl. No. | Treasury          | Up to 2007-08 | 2008-09 | Total |
|---------|-------------------|---------------|---------|-------|
| 1.      | Bagalkot          | 10            | 7       | 17    |
| 2.      | Bangalore [Rural] | 15            | 21      | 36    |
| 3.      | Bangalore [Urban] | 39            | 10      | 49    |
| 4.      | Belgaum           | 15            | 13      | 28    |
| 5.      | Bellary           | 18            | 8       | 26    |
| 6.      | Bidar             | 16            | 9       | 25    |
| 7.      | Bijapur           | 6             | 12      | 18    |
| 8.      | Chamarajanagar    | 19            | 5       | 24    |
| 9.      | Chikkaballapur    | 20            | 14      | 34    |
| 10.     | Chikkamagalur     | 9             | 15      | 24    |
| 11.     | Chitradurga       | 11            | 14      | 25    |
| 12.     | Davanagere        | 9             | 10      | 19    |
| 13.     | Dharwar           | 25            | 10      | 35    |
| 14.     | Gadag             | 9             | 13      | 22    |
| 15.     | Gulbarga          | 18            | 16      | 34    |
| 16.     | Hassan            | 25            | 11      | 36    |
| 17.     | Haveri            | 13            | 5       | 18    |
| 18.     | Hubli             | 13            | 11      | 24    |
| 19.     | Karwar            | 13            | 14      | 27    |
| 20.     | Kolar             | 43            | 20      | 63    |
| 21.     | Koppal            | 4             | 15      | 19    |
| 22.     | Madikeri          | 7             | 16      | 23    |
| 23.     | Mandya            | 13            | 4       | 17    |
| 24.     | Mangalore         | 13            | 14      | 27    |
| 25.     | Mysore            | 15            | 9       | 24    |
| 26.     | PPT, Bangalore    | 21            | 5       | 26    |
| 27.     | Raichur           | 20            | 12      | 32    |
| 28.     | Ramanagaram       | 17            | 8       | 25    |
| 29.     | Shimoga           | 42            | 12      | 54    |
| 30.     | SHT Bangalore     | 4             | 5       | 9     |

|              |        |            |            |            |
|--------------|--------|------------|------------|------------|
| 31.          | Tumkur | 17         | 13         | 30         |
| 32.          | Udupi  | 8          | 3          | 11         |
| <b>TOTAL</b> |        | <b>527</b> | <b>354</b> | <b>881</b> |

## ANNEXURE - VII

**EXCESSS PAYMENT OF FAMILY PENSION**  
**[PART III / PARA 3.3.1]**

| For The Year 2008-09 Pointed Out During 2009-10 |                |          |              | Continued Excess Payment In Respect Of Cases Already Pointed Out In Previous Years |              | Total    |              |
|-------------------------------------------------|----------------|----------|--------------|------------------------------------------------------------------------------------|--------------|----------|--------------|
| Sl.No.                                          | Treasury       | Amount ₹ | No. of Cases | Amount ₹                                                                           | No. of Cases | Amount ₹ | No. of Cases |
| 1                                               | Bagalkot       | 910680   | 20           | 524084                                                                             | 21           | 1434764  | 41           |
| 2                                               | Bangalore [R]  | 192317   | 10           | 0                                                                                  | 0            | 192317   | 10           |
| 3                                               | Belgaum        | 3384392  | 85           | 1532936                                                                            | 23           | 4917328  | 108          |
| 4                                               | Bellary        | 1504989  | 57           | 273512                                                                             | 15           | 1778501  | 72           |
| 5                                               | Bidar          | 132004   | 6            | 0                                                                                  |              | 132004   | 6            |
| 6                                               | Bijapur        | 616288   | 15           | 0                                                                                  | 0            | 616288   | 15           |
| 7                                               | Chamarajanagar | 175558   | 17           | 135774                                                                             | 9            | 311332   | 26           |
| 8                                               | Chikkamagalur  | 1417672  | 35           | 647769                                                                             | 21           | 2065441  | 56           |
| 9                                               | Chitradurga    | 1487162  | 50           | 434478                                                                             | 16           | 1921640  | 66           |
| 10                                              | Chikkaballapur | 659850   | 25           | 424602                                                                             | 8            | 1084452  | 33           |
| 11                                              | Davanagere     | 1676447  | 53           | 194919                                                                             | 7            | 1871366  | 60           |
| 12                                              | Dharwar        | 106090   | 4            | 0                                                                                  | 0            | 106090   | 4            |
| 13                                              | Gadag          | 619705   | 11           | 763163                                                                             | 14           | 1382868  | 25           |
| 14                                              | Gulbarga       | 4709299  | 110          | 1078825                                                                            | 40           | 5788124  | 150          |
| 15                                              | Hassan         | 568202   | 17           | 0                                                                                  | 0            | 568202   | 17           |
| 16                                              | Haveri         | 242302   | 18           | 0                                                                                  | 0            | 242302   | 18           |
| 17                                              | Hubli          | 490398   | 4            | 0                                                                                  | 0            | 490398   | 4            |
| 18                                              | Karwar         | 1538056  | 38           | 359683                                                                             | 14           | 1897739  | 52           |
| 19                                              | Kolar          | 737495   | 19           | 485961                                                                             | 19           | 1223456  | 38           |
| 20                                              | Koppal         | 90119    | 2            | 0                                                                                  | 0            | 90119    | 2            |
| 21                                              | Madikeri       | 346098   | 20           | 185484                                                                             | 9            | 531582   | 29           |
| 22                                              | Mandya         | 549240   | 19           | 0                                                                                  | 0            | 549240   | 19           |
| 23                                              | Mangalore      | 579294   | 11           | 77165                                                                              | 3            | 656459   | 14           |
| 24                                              | Mysore         | 270312   | 14           | 861331                                                                             | 11           | 1131643  | 25           |
| 25                                              | PPT            | 5354243  | 76           | 1473172                                                                            | 14           | 6827415  | 90           |
| 26                                              | Raichur        | 1473999  | 42           | 1107843                                                                            | 25           | 2581842  | 67           |
| 27                                              | Shimoga        | 506229   | 25           | 144990                                                                             | 5            | 651219   | 30           |
| 28                                              | Tumkur         | 1245066  | 38           | 207576                                                                             | 6            | 1452642  | 44           |
| 30                                              | Udupi          | 299634   | 16           | 106477                                                                             | 5            | 406111   | 21           |

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|              |                 |            |                 |            |                 |             |
|--------------|-----------------|------------|-----------------|------------|-----------------|-------------|
| <b>TOTAL</b> | <b>31883140</b> | <b>857</b> | <b>11019744</b> | <b>285</b> | <b>42902884</b> | <b>1142</b> |
|--------------|-----------------|------------|-----------------|------------|-----------------|-------------|