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प्रधान महालेखाकार (आर्थिक एवं राजस्व क्षेत्र लेखापरीक्षा) का कार्यालय  
ओडिशा :: भुवनेश्वर - 751001

पत्र सं० - आ० क्षे०-1(पु०-1)/31/2019-20/99  
सेवा में,

दिनांक- 23.08.2019

प्रधानाचार्य,  
राजकीय पॉलिटेक्निक,  
बालेश्वर

A. G.  
Ankit K. K.

विषय: निरीक्षण रिपोर्ट सं० 31/2019-20 निर्गत करने के सम्बन्ध में।

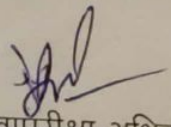
महोदय/महोदया,

उपरोक्त विषय पर इस कार्यालय का अंग्रेजी पत्र सं० ई० एस० 1/ वेट-1 - 31/2019-20/99

दिनांक - 23.08.2019 सूचनार्थ एवं आवश्यक कार्रवाई हेतु भेजा जा रहा है।

संलग्न: यथोपरि।

भवदीय,

  
वरिष्ठ लेखापरीक्षा अधिकारी  
(ई० एस०-1/वेटिंग-1)

प्रधान महालेखाकार का कार्यालय (आर्थिक और राजस्व क्षेत्र लेखापरीक्षा) ओडिशा भुवनेश्वर-751001  
OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (E&RSA)  
ODISHA::BHUBANESWAR

No. ES-I(V)/IR No. 31/2019-20/99

दिनांक/Date 23.08.2019

To

The Principal  
Govt. Polytechnic,  
Bhubaneswar

Sir,

I am to forward herewith the Inspection Report No. 31/2019-20 relating to Transaction audit of Your establishment for the year 2013-14. Reply to the Inspection Report is required to be furnished within four weeks of its receipt in terms of Regulation 197 on Audit and Account, as notified by the Government of India. The reply may also be forwarded to Government (Administrative Department) for their comments.

The following paras of the previous Inspection Report may be treated settled:

Sl. No.	IR No./Year	Part II-A Para	Part IIB Para	Remarks

Kindly acknowledge the receipt of the Inspection Report.

Sr. Audit Officer/ES-I (V)

Memo No. ES-I(V)/IR No. ....

दिनांक/Date:

Copy alongwith copy of Inspection Report forwarded to the ..... for information and necessary action. Special attention is invited to the irregularities pointed out in Para No. .... for necessary action. In terms of Regulation 202 on Audit and Accounts, as notified by Government of India, the Government (Administrative Department) shall establish and implement systems and procedures that ensure adequate, constructive and timely action on observations contained in Inspection Reports.

Reply to the Inspection Report, when received may be forwarded to this Office with your comments thereon.

Sr. Audit Officer/ES-I(V)

Memo No. ES-I(V)/IR No. ....

दिनांक/Date:

Copy alongwith copy of Inspection Report forwarded to the ..... for information and necessary action. Special attention is drawn to the irregularities pointed out in Para No. .... for necessary action.

Sr. Audit Officer/ES-I (V)



## INSPECTION REPORT No.31/2019-20

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**PRINCIPAL ACCOUNTANT GENERAL (E&RSA), ODISHA, BHUBANESWAR.**

**INSPECTION REPORT No. 31/2/19-20/3(T&C)/13-19/07-19**

Name of the Accounts audited	Inspection Report on Expenditure accounts of The Principal, Government Polytechnics, Dist-Balasore. Mob No-9437569481
Address in detail	At-Bidyadharpur, PO-Remuna, Dist-Balasore.
Period of Account audited	Expenditure Audit-2013-14 to 06/2019
Time taken for Audit	19.07.2019 to 25.07.2019 (06 working days)
Name of the officer in charge of the Accounts	1. Er. N.R.Pattnaik, (from 01.11.2012 to 15.08.2013) 2. Sri A.K. Rath, (from 16.08.2013 to 14.05.2014) 3. Er. M.P. Panigrahi, (from 14.05.2014 to 11.08.2016) 4. Er. A.P. Patra, (from 12.08.2016 to 27.10.2016) 5. Er. M.P. Panigrahi, (from 27.10.2016 to 30.11.2016) 6. Er. A.P. Patra, (from 01.12.2016 to 26.07.2017) 7. Er. A.K. Mallik, (27.07.2017 to date of audit)
Name of the officer in charge of the Office	Sri A.K. Mallik, Principal
Designation of next higher authority	Directorate of Technical Education & Training, Odisha, Cutack
Name of the officers conducted Audit	Shri Bijaya Kumar Behera, AAO Shri Yashobanta Narayan Das, AAO
Name of the Reviewing Officer	Shri Bhaskar Chandra Roul, Audit Officer
Scope of Audit	A test check and general examination of accounts/records pertaining to the period covered under audit.

**PART-I**

**1.1 Introductory:** Government Polytechnics, Balasore established in 2013, to meet the growing technical man power need in the State. The institution is recognized by All India Council for Technical Education, New Delhi and affiliated to State Council for Technical Education & Vocational Training, Bhubaneswar, Odisha. The institute is under control of the Directorate of Technical Education & Training, Odisha, Cuttack with Apex Body of the Skill Development & Technical Education (SD&TE) Department, Government of Odisha. It has evolved as one of the most cherished destination for the candidates aspiring to have a growing career in technological arena. It offers an excellent infrastructure and the best learning in Engineering and Technology. Government Polytechnics, Balasore is a residential institute with nearly 46 faculties<sup>1</sup>, 935 students<sup>2</sup> and 20 establishment & administrative supporting staff<sup>3</sup>. It has established itself as a premier centre for technical education in the State. The Mission of the institutes is to generate on a sustainable basis quality technical human resources commensurate with the dynamic global scenario.

<sup>1</sup> Principal-01; Teaching Regular\_15; Teaching Regular Deployed-2; Part Time Guest Faculties-14; Laboratory Assistants- Regular-04, Deployed-01 & Part Time Guest Lab Assistant-09;

<sup>2</sup> Civil-358; Electrical-231; E&TC- 116; and Mechanical-230;

<sup>3</sup> Regular-02; Regular Deployed-01; Out sourcing staff(through Vendor)- 17



**1.2 Scope of audit:** A test check and general examination of accounts records relating to Expenditure and Receipt & Refund Accounts for the period covered under audit under Section 13 (a) and Section 16 of C&AG's DPC Act-1971.

**Audit Objective –**

The Objectives of this audit were to assess whether:-

- (i) Collection and utilisation of fund under different scheme & activities are carried out in efficient, economic and effective manner for attainment of organizational objectives;
- (ii) The financial management as well as training programmes were implemented effectively to achieve the mandate/objectives of the department.
- (iii) The Internal control mechanism is sufficient to check the theft, fraud and corruption;
- (iv) Pupil-teacher ratio, result and placement are adequate;
- (v) The aspect of financial propriety was being followed or not;.

**1.3 Audit Criteria:**

The audit criteria adopted for assessing the achievement of the audit objectives were:

- (i) The Orissa Technical Education and Training Service Rules 1985;
- (ii) Norms & Guideline of Scheme of community development through polytechnics;
- (iii) Sanction order, circular, Notification of Government in respect of Government Polytechnics;
- (iv) Norms and standards set by State Government and other standard setting authorities in respect of Internal Control System;
- (v) Provision of Odisha General Financial Rules, Odisha Treasury Code, Delegation of financial Rule, Public Procurement Guidelines 2012 and Government notification etc.

**1.4 Audit Methodology**

The audit methodology adopted for achieving the audit objective with reference to audit criteria were:

- (i) Review of Budget Estimates vis-à-vis Expenditure;
- (ii) Examination of records relating to procurement of goods and services
- (iii) Examination of records relating to Operation of different scheme and its implementation scheme files;
- (iv) Checking of files relating to revenue collection;
- (v) Joint physical inspection of the asset/projects created;
- (vi) Issue of POMs and discussion of audit findings with Head of the Office along with reply

**1.5 Schedule of persistent irregularities: Nil**

**1.6 Revenue Collection:** The revenue towards fees of Transfer certificates, Electric & seat rent of hostel admission fees and etc collected and deposited in treasury during the last three years was given in table below:

Year	Collection	(Amount of ₹ in lakhs)	
		Amount Deposited in treasury	Balance Amount not Deposited in Treasury
2016-17	19.76	19.76	0
2017-18	21.19	21.19	0
2018-19	19.95	19.95	0
<b>Total</b>	<b>60.89</b>	<b>60.89</b>	<b>0</b>

### 1.7 Financial profile

During the period of last three years (2016-17 to 2018-19, funds for ₹7.16 crore allotted out of which ₹6.86 crore were expended and ₹0.30 crore (4 per cent) were surrendered as detailed below:

Year	Allotment	Expenditure	Surrender	(Amount in Lakh.)	
				% of surrender	
2016-17	143.30	142.93	0.37	0	
2017-18	369.62	348.19	21.42	6	
2018-19	203.78	195.29	8.49	4	
<b>Total</b>	<b>716.69</b>	<b>686.41</b>	<b>30.28</b>	<b>4</b>	

### 1.8 Human resources

As against the sanctioned strength of 35, the men in position was 27 (77 per cent) under different categories posts of the office of the Principal, Government Polytechnics, Balasore as on 30<sup>th</sup> June 2019 with 08 number shortage of man power which was 23 per cent shortage of man power. Shortage of manpower at various levels may affect the service delivery as well as the academic activities of the Government Polytechnics. Hence, necessary steps may be taken to fill up the vacant posts so as to provide effective service delivery and to achieve the main functions and activities of the Government Polytechnics.



## Section A (Expenditure Audit)

### Part-IIA

Nil

### Part-IIB

#### 2: Idle expenditure of ₹0.69 crore towards construction of Skill Development Training Extension Centre (SDTEC).

For setting up of Skill Development Training Extension Centres under Odisha State Employment Mission Society (OSEMS)<sup>4</sup> at the premises of Government Industrial Trainings Institutes (ITIs), SDCs and Polytechnics. The Director of Employment, Odisha sanctioned (18<sup>th</sup> November 2013) funds @ ₹75 lakh per centre and the funds has been released by the Directorate of Technical Education and Training, Odisha, Cuttack to in favour of Principals of Polytechnics concerned. The objectives of the SDTEC are for implementation of Placement Linked Training Programme.

Audit noticed that administrative approval accorded (10<sup>th</sup> June 2014) for ₹73.79 lakh towards the construction of Skill Development Centre at Govt. Polytechnics, Balasore by the Directorate of Technical Education & Training, Odisha, Cuttack and communicated to the Principal, GP, Balasore. The work would be executed by the Chief General Manager (Civil), IDCO, Bhubaneswar. For this purpose, funds for ₹74.99 lakh was sanctioned and placed to CGM (Civil), IDCO, Bhubaneswar. The Skill Development Training Extension Centre was started on 14<sup>th</sup> November 2014 and completed on 05<sup>th</sup> May 2015 with cost of work ₹69.38 lakhs. The SDC centre<sup>5</sup> was handed over (20<sup>th</sup> September 2017) by IDCO to Principal, Government Polytechnics, Balasore and finally the Building was handed over (13<sup>th</sup> November 2017) by the Principal, Government Polytechnics, Balasore to the District Employment Officer, Balasore.

Audit noticed that though the building completed on 15<sup>th</sup> May 2015, the building was handed over to the DEO, Balasore on 13<sup>th</sup> November 2017 i.e. after lapses of more than four years. Further, no training was conducted after completion/ handed over the

<sup>4</sup> The Odisha State Employment Mission Society (OSEMS) will promote training in agriculture and allied sectors.  
<sup>5</sup> Renamed as "Biju Dakhyata Vikash Kendra" / Biju Skill Development Centre on 19<sup>th</sup> July 2017 by the Govt. Skill Development & Technical Education Department.





building ranged from more than 20 months to 50 months till date of audit( 23<sup>rd</sup> July 2019). Further, a joint physical inspection of the said training institute was conducted by the Principal, in presence of audit party on 24<sup>th</sup> July 2019 and found that the SDEC building was then locked and the Building was not put to use i.e. no training is conducted in this building till date of report. Further, audit noticed that no monitoring regarding non-operation of the Training programme in the said building was conducted by any authority of the Department or Directorate during this period. Audit noticed that the requirement of the Building was not made by the Principal, but the proposal was made by the DTE&T, Odisha, Cuttack. Also, there was no demand of SDC centre at the campus of GP, Balasore, as the Principal communicated (09<sup>th</sup> March 2017) to the EE, R&B Division, Balasore for fixation of rent of the Building to different PIAs, but the same was awaited till date of audit. Only reason that there was another two SDCs building in Balasore District and it may not be needed for third SDC Building. As a result, the very purpose of the construction of building for implementation of Placement Linked Training Programme was not achieved and no revenue was generated towards rents from this Building. So, the funds utilized for construction of the SDTEC for ₹69.38 lakh remained idled. Also, due to non-use of the Building for long time, the Building may be deteriorated and the expenditure became wasteful.

In reply, the Principal, Government Polytechnics, Balasore stated (24<sup>th</sup> July 2019) that facts and figures were confirmed and reasons would be intimated later as the building was handed over to the District Employment Officer, Balasore. The reply is not tenable to audit the funds has been released by the Directorate of Technical Education and Training, Odisha, Cuttack in favour of Principals of Polytechnics concerned and also initially the Building was handed over to the Principal. Also, the Building was in the campus of the GP, Balasore and the Principal communicated (March 2017) to the Executive Engineer, (R&B) Division, Balasore, to be rented the Building.

**3: Non-refund of unspent balance of ₹5.61 lakh with loss to Government of ₹1.71 lakh towards interest.**

From the Order (Order No16054 dated 17<sup>th</sup> July 2015) of Directorate of Technical Education and Training, Odisha, Cuttack, it envisaged that the funds will be utilized as per the terms and conditions laid down in the sanction order of the Director of Employment & State Employment Mission, Odisha. The Principal of the implementing Polytechnics would expedite construction of the SDEC with the construction agencies and to collect Utilization Certificate from the Construction agency & submit the same to this Directorate by 31<sup>st</sup> August



2015. Also, it stipulates that the funds sanctioned shall not be utilized for any other purpose without prior approval of the competent authority.

Generally, as per guidelines of the schemes and instructions contained in the sanctions by the Government, the unspent balance of closed and non-operational schemes/ programmes were to be refunded to the funding agency/Government.

Scrutiny of Skill Development Training Extension Centre (SDEC) file and cash book at Government Polytechnics, Balasore, it was noticed that for establishment of one SDEC in Government Polytechnics, Balasore funds for ₹75 lakhs sanctioned, out of which ₹74.99 lakhs released in three instalments<sup>6</sup>. The said amounts were placed to CGM (Civil), Orissa Industrial Infrastructure Development Corporation (IDCO), Bhubaneswar for construction of the SDEC Building. The SDEC building was completed on 05<sup>th</sup> May 2015 with cost of work ₹69.38 lakhs and finally the building was handed over (13<sup>th</sup> November 2017) by the Principal, Government Polytechnics, Balasore to the District Employment Officer, Balasore. It was noticed that though the building was completed on 05<sup>th</sup> May 2015 with cost of building ₹69.38 lakhs, the balance amount of released funds of ₹5.61 lakhs<sup>7</sup> was not refunded by IDCO to the Principal for onward refunds to the Directorate/Government. Further, as against ₹74.99 lakh, IDCO sent UC for ₹37.22 lakhs with remaining UC to be submitted was ₹37.76 lakhs for onward transmission to the Directorate.

As a result, there was non-refund of funds ₹5.61 lakhs with loss of ₹1.71 lakhs<sup>8</sup> towards interest to be earned as calculated @7.25 per annum of SBI rate for 1539 days from 15<sup>th</sup> May 2015 to 22<sup>nd</sup> May 2019.

In reply, the Principal, Government Polytechnics, Balasore stated (24<sup>th</sup> July 2019) that facts and figures were confirmed and in respect of unspent balance, action would be taken to refund the unspent balance from the IDCO authorities with required interest and to intimate audit.

#### 4: Blockage of funds of ₹0.29 crore.

The Skill Development & Technical Education Department (SD & TE Deptt), Government of Odisha sanctioned funds under Central Assistance to Central Sponsoring Scheme (CA to

<sup>6</sup> 1<sup>st</sup> Instalment-Rs24.10 lakhs; 2<sup>nd</sup> Instalment-Rs32.14 lakhs and 3<sup>rd</sup> Instalments-Rs18.75 lakhs  
<sup>7</sup> Released Amount ₹74.99 lakhs Minus Cost of building ₹69.38 lakhs.  
<sup>8</sup> ₹5.61 lakh\*7.25%\*1539/365=₹171493.00



CSS) for State Plan of Rashtriya Uchatara Siksha Abhiyan (RUSA) sanctioned (16<sup>th</sup> October 2015) funds for establishment of New Polytechnics during 2015-16. The fund sanctioned is for the purpose towards procurement of tools, equipment, machineries, books, furniture etc. of Diploma programme. Also, in this letter, the Additional Director, DTE&T, Odisha, Cuttack intimated to the Principal of all new Government Polytechnics that to utilize the funds towards procurement of tools, equipment, machineries, books, furniture, software etc. required for their institution and purchase orders placed by the Directorate. The Principals are required to submit expenditure month wise and utilization certificate to that Directorate as instructed earlier. Accordingly, the Directorate distributed funds for ₹1.30 crore to Government Polytechnics, Balasore.

Scrutiny of RUSA file, PL Cash Book & DTET Cash book, passbook and UC file, it was noticed that the requirement of tools, equipment, machineries, books, furniture etc. of Diploma programme were not furnished by the Principal of the GP, Balasore and in absence of requirement, various items such as equipments, machineries in respect of Diploma programme were purchased by the Directorate level and the same items were supplied to the GP, Balasore through the Suppliers. But, after lapse of more than three years from sanctioned funds of ₹1.30 crore, an expenditure of ₹1.01 crore (78 per cent) was incurred leaving balance of ₹0.29 crore. As a result, there was blockage of funds of ₹0.29 crore more than three years from sanctioned with deprival of students of Diploma programme. Audit could not verify whether the procurement of articles are still required or not, due to non-availability of original requirement of the GP, Balasore.

Hence, necessary steps may please be taken either to procure the required articles for Diploma programme or to refund the scheme funds after consultation with the Directorate and necessary UC may please be furnished to the Directorate under intimation to audit.

In reply, the Principal, Government Polytechnics, Balasore stated (24<sup>th</sup> July 2019) that steps would be taken to procure the required articles for Diploma programme with due consultation to the Director of Technical Education and Training. Also, the Principal stated that UC would be submitted in due course under intimation to the audit.



5: Non-submission of Utilization Certificates of ₹1.00 crore.

Odisha General Financial Rules<sup>9</sup> (OGFR) provide that for the grants in which conditions are attached to the utilization of the grants, utilisation certificates (UCs) should be furnished by the grantee institutions in duplicate (in form OGFR-7A) countersigned by the disbursing authorities so as to reach the Administrative Department by 1<sup>st</sup> June of the succeeding year. One copy of the certificate was to be retained in the Administrative Department and another copy was to be sent to the office of the Principal Accountant General (A&E), Odisha, by 30<sup>th</sup> June of that year.

The Principal Secretary in SD&TE Department, Government of Odisha instructs the Directorate of Technical Education and Training, Odisha to ensure 100% utilization of funds and to submit the utilization certificate in the prescribed format to Government as early as possible.

Scrutiny of UC file and sanctioned files made available to audit, it was noticed that as against funds sanctioned ₹1.39 crore to the Principal, Government Polytechnics, Balasore during the year from 2015-16 to 2018-19, UCs for ₹0.77 crore was furnished to the Directorate by the Principal, GP, Balasore leaving non-submission of UCs of ₹0.62 crore as detailed below in Table-1. Again, an amount of ₹74.99 lakh funds placed to IDCO, Odisha, Bhubaneswar during the period from 2014-15 to 2015-16 by the GP, Balasore for which UCs for ₹37.76 lakh<sup>10</sup> was not furnished to the Directorate being the UCs not received from the IDCO, Bhubaneswar. As a result, there was non-submission of UCs of ₹1.00 crore to the Directorate for onward transmission to the Department/government.

Table-1

Statement showing non-submission of Utilization Certificates for the period from 2014-15 to 2018-19 by GP, Balasore. (in Rupees)					
Sl No	Financial Year	Particulars of funds sanctioned	Amount of fund sanctioned	Amount of Utilization Certificate furnished	Amounts for non-submission of Ucs
1	2015-16	Internet and GIS	600000.00	0.00	600000.00
2	2015-16	Rashtriya Uchatara Sikshya Abhiyan (RUSA)	13000000.00	7482637.00	5517363.00
3	2017-18	4 MBPS ILL Internet Connection	300000.00	266384.00	33316.00

<sup>9</sup> Rule 173 of OGFR

<sup>10</sup> Fund sanctioned ₹74.99 lakh Minus UC submitted ₹37.23 lakhs



4	2018-19	Promote TEVT	20000.00	0.00	20000.00
5	Total		13920000.00	7749021.00	6170679.00

In reply, the Principal, Government Polytechnics, Balasore stated (24<sup>th</sup> July 2019) that the facts and figures were confirmed and action would be taken to submit UC under intimation to the audit.

**6: Un-disbursement of Caution Money and non-utilization of money collected for procurement of Magazines: ₹7.45 lakhs.**

The Principal Govt. Polytechnics, Balasore maintains a PL account in which money collected from the students at the time of admission and readmission is kept for different purposes for future activities like social, cultural and welfare activities.

During the scrutiny of records following deficiencies were noticed:

**(A) Un-disbursement of Caution Money ₹6.25 lakhs.**

As per the guidelines issued by Government of Odisha, E&TE&T Department vide No3520 dated 22 June 2013, students are to be paid ₹ 500/- as caution Money (one time refundable) at the time of admission. It is supposed to be returned to the students after completion of the final course / left the institution.

Scrutiny of records, Audit noticed that students left the institution and the required caution money was not disbursed to the students by the College authority. As a result, there was un-disbursement of caution money amounted to ₹6.25 lakhs as of 30<sup>th</sup> June 2019.

**(B) Non-utilization of money collected for procurement of Magazines: ₹1.20 lakhs.**

As per provision ₹50/- is collected from each student at the time of admission and re-admission, to provide Magazine for enhance of their knowledge.

Scrutiny of records, audit noticed that a sum of ₹1.20 lakh kept in PL Cash Book was not utilized towards procurement of Magazines for enhance of knowledge of the intended students.

In reply, the Principal, Government Polytechnics, Balasore stated (24<sup>th</sup> July 2019) that steps were being taken for disbursement of caution money and steps would be taken to utilize the funds towards procurement of magazines.

**7: Cash Book and Management of Cash.**

The Principal, Govt. Polytechnics, Balasore was maintaining the following cash books for day to day transactions. The cash books were closed with the following balances as on 31.03.2019 and 30.06.2019.



(Amount in ₹)

Sl. No.	Name of the Cash Book	C.B as on 31.03.2019	C.B as on 30.06.2019	C.B as per Bank Pass Book as on 30.06.2019
1	General Cash Book	1000.00	1000.00	1000.00
2	PL Cash Book	4729611.50	4650008.00	4511116.00
3	S.C.E.T Cash Book	968106.50	587434.08	582544.08
4	DTET Cash Book	4648296.00	4290996.00	4290978.00
5	I.R.G Cash Book	202309.45	204074.79	204074.79
6	Hostel Cash Book	385228.95	327886.95	327886.95
7	D.E.T Cash Book	1368.00	38513.00	32913.00

The mode of retention of C.B as on 31.03.2019 and 30.06.2019

(Amount in ₹)

Details of Closing balance as on 31.03.2019				
Name of the Cash Book	Balance at Bank	Cash in hand	Paid voucher	Advance
General Cash Book	1000.00	Nil	Nil	Nil
PL Cash Book	4647824.00	22218.00	19581.00	39988.00
S.C.E.T Cash Book	967506.50	600.00	Nil	Nil
DTET Cash Book	4648296.00	Nil	Nil	Nil
I.R.G Cash Book	202309.45	Nil	Nil	Nil
Hostel Cash Book	371396.95	13832.00	Nil	Nil
D.E.T Cash Book	1368.00	Nil	Nil	Nil

Details of Closing balance as on 30.06.2019					
Name of the Cash Book	Balance at Bank	Cash in hand	Paid voucher	Advance	Loan Amount (To DET)
General Cash Book	1000.00	Nil	Nil	Nil	
PL Cash Book	4429974.00	Nil	187019.00	Nil	50000.00
S.C.E.T Cash Book	582544.08	4890.00	Nil	Nil	



D.T.E.T Cash Book	4290996.00	Nil	Nil	Nil	
I.R.G Cash Book	204074.79	Nil	Nil	Nil	
Hostel Cash Book	327886.95	02.00	Nil	Nil	
D.E.T Cash Book	32913.00	5600.00	Nil	Nil	

On general review of cash books the following observations were made for compliance.

**(a) PL Cash Book:**

Funds collected from the students for different purposes viz. magazine, cultural, athletic/game, examination, caution money etc. amounting to ₹8,63,554/- were retained in PL account as on 30.06.2019. Effective steps may be taken to utilize the funds for the benefit of the students.

**(b) Non-reconciliation of Bank account figure with Cash Book**

Scrutiny of Closing Balance of Cash Books with their corresponding closing Balance of Pass Books it was noticed that in PL Bank Pass Book ₹1,38,892/- was shown excess than closing Balance of the Cash Book as on 30.06.2019. The discrepancy amount may be reconciled.

**(c) Retention of paid voucher**

As per provision under SR 241 of OTC Vol-1 all charges actually incurred must be paid and drawn at once. Under no circumstances they may be stand over to be paid from the grant of another year.

On scrutiny of Cash books it was noticed that an amount of ₹1,87,019/- retained as paid voucher as on 19.07.2019 which is irregular as per the above provision.

**(d) Non-review of Bill Register.**

As per note-4 below Rule SR-235 of OTC Vol-I, the Bill Register should be reviewed by a Gazetted Officer at the end of each month to watch the bills presented, encashed during the month and pending at the end of each month. But it was seen that, no such review of Bill Register was conducted.

(e) As per SR 37 (iii) of OTC Volume-I, totalling of Cash Book is required to be checked by a person other than the writer of the Cash Book and initial it as correct. However, the Cash Book was not signed by the cashier and other than the cashier in any month during the period under audit.

In reply, the Principal, Government Polytechnics, Balasore stated (24<sup>th</sup> July 2019) that steps would be taken regarding the audit observations and also noted for further guidance.

## Section B (Receipt Audit)

### Part-IIA



NIL

**Part-IIB**

NIL

**Part-III**

**Follow up on findings outstanding from previous reports**

It is the First Audit since inception i.e. from Academic year 2013-14.

**Part-IV**

**Best practices**

-Nil-

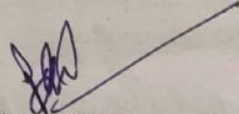
**Part-V**

**Acknowledgement**

The co-operation extended by the office in all matters including production of records, information called for in audit during the course of field audit for smooth conduct of audit are deeply acknowledged.

**DISCLAIMER**

"Certified that the audit observations contained in this Inspection Report are based on the facts & figures obtained by examination of records/information provided by the Audited entity. The Audited Entity may examine these observations independently and satisfy themselves as to whether any Re-assessment is required, and if so, Demand/Show Cause Notice may be issued without referring to such Audit observations."

  
Sr. Audit Officer/ES-I(V-I)