

## Agartala Tour Report

(11<sup>th</sup> to 19<sup>th</sup> June 2013)

### Objective of the Tour

- A. To discuss the Audit Report given by the Chartered Accountant M/S Sanat & Associates and have it rectified.
- B. Closing the Accounts for the financial year 2012-13 and preparation of schedules for the AG Audit.
- C. To check the SoEs with the books of accounts, Bill of consultants and suppliers from April 2012 to May 2013 to confirm whether the SIPMIU Agartala has been sending the accurate SOE's?
- D. To train the Account Staff for the preparation of SOE's and maintaining the books of accounts.

### Activities Performed

- A. The statement of receipts and payments for the year ended 31.03.12 was discussed and thereafter rectified by the C.A firm M/S Sanat & Associates as the previous Receipt & payment Statement audited by them shows the fund received as the ADB loan & ADB Grant ` 3,52,20,000 and ` 2,15,94,560 respectively whereas the total amount is received from Government of India. Now the audit report has been rectified and foot notes have been added with regard to funds in transit so as to clarity of the receipt and payment statement.
- B. **Closing of Accounts for the year 2012-13, & Audit by AG Tripura:** AG Tripura has been requested to take up the audit of accounts for the Financial Year 2012-13 in respect of SIPMIU accounts. However the Account Reconciliation Statement is yet to be received from the AG (A&E) Tripura. Upon receipt of the reconciliation statement the AG audit will depute the Audit team.

**C. Checking of SOEs with the bills of consultant's suppliers' contractors and books of**

**Accounts:** The SOEs from April 2012 to May 2013 were checked and the following discrepancies were observed.

- ❖ Monthly remuneration is being paid to five persons, as per details given below.

Sr. No.	Name	Amount `
1.	M.L. Sarkar	42960
2.	S.S. Das	24684
3.	C. L. Saha	18911
4.	N.C Gupta	10639
5.	S. Sen Gupta	2000

The above five persons are employed by SIPMIU on contractual basis but no TDS has been deducted from the payment made to above persons so far. The TDS u/s 194J is to be deducted from the payment made to above persons where ever applicable.

- ❖ Date 21.05.12 bill No. 24. M/s Stup consultant submitted the bill for ` 8,21,602-00 for the month of April 2012. In this bill M/s Stup consultant claimed ` 29,749.00 as Air Travel expenses. The Air Travel expenses were passed for ` 27617.00 but while making payment the payment was made for ` 29,749.00. So an amount of ` 2132.00 has been excessively paid. Hence this amount of ` 2132 .00 is to be adjusted against the future payment to M/s Stup Consultants.
- ❖ Payment made to Stup consultant in the month of Sept & Oct 12 as per details given below.

Sr. No.	Names	Month	Bill Amount `	Service Tax `	Total Amount `
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1	M/S Stup Consultants Pvt. Ltd.	September 2012	9,70323	91533	10,61,856
2	M/S Stup Consultants Pvt. Ltd.	October 2012	8,57,477	1,05984	9,63,461
	Total		18,27,800	1,97,517	20,25,317

The total payment of ` 20,25,317-00 has been claimed from ADB. The above payment is inclusive of the Service tax of ` 1,97,517.00 which was also claimed from ADB instead of GOI.

Besides this, the amount of service tax included in telephone & Internet bills have been claimed from ADB instead of GOI.

- ❖ Mobilization advance paid to M/s Stesalit limited ` 5,68,261-00 on 13-08-2012. The amount of labour cess was deducted at ` . 5623.00 but this amount of labour cess was claimed from ADB instead of GOI.
- ❖ SoE 1ST February 2012 to September 2012: Total vehicle hire charges incurred during this period was ` 4,93,191.00. The total VAT deducted during this period was ` 29,591.00. The income tax deduction of ` 2435.00 was added to the VAT amount and the total amount of ` 32026.00 deducted was claimed as VAT from GoI. The income tax amount of ` 2435.00 should have been claimed from ADB.
- ❖ Ductile Iron pipes were purchased from electro steel casting Ltd. for ` 2,17,58,946.00 on 28.11.2012. The breakup of this amount is as under.

Basic Cost	`1,83,45,883
CST	`6,48,894
Inspection charges	`91,168
Fright charges	`26,73,000
<b>Total</b>	<b>`2,17,58,946</b>

The amount of CST, inspection charges and freight charges were claimed from ADB instead of GoI. It means an amount of ` 34,13,063 was reimbursed by ADB instead of GoI.

❖ **SOE April – May 2013 (Tranche-I)**

Total expenses incurred during this period was ` 20,86,311.00. Out of this amount, taxes were claimed at ` 1,95,292.00 but actually the tax amount was ` 1,94,748.00. The VAT deducted ` 544.00 on the purchase of tender box were added twice. In summary sheet the Tax amount was shown as ` 1,81,072.00 against ` 1,94,748. This SOE was rectified at the spot under our guidance.

❖ As pointed out in the previous tour report dated 22.06.2012 M/S Stup Consultant Pvt. Ltd. hired a surveyor M/s Topo Survey Concern for survey work. M/s Topo Survey Concern submitted his bill to M/S Stup Consultant Pvt. Ltd. for survey work, and charged them Service Tax. After receiving the bill of M/s Topo Survey Concern, M/S Stup Consultant Pvt. Ltd. submitted its own bill to SIPMIU Agartala and again charged the Service Tax on the bill amount of M/s Topo Survey Concern. It means that once Service Tax was charged by M/s Topo Survey Concern and again the Service Tax charged by M/S Stup Consultant Pvt. Ltd. on the same invoice and SIPMIU was paying the Service Tax twice. We recommended that the Service Tax which was claimed by Stup Consultant on the survey bill of M/S Topo Survey Concern should be adjusted from the next payment to M/S Stup Consultant Pvt. Ltd. Now the SIPMIU Agartala has adjusted ` 3,19,063 the amount of Service Tax which was wrongly paid earlier.

❖ As per SIPMIU Agartala their SoE for the period Nov. 2010 to Feb. 2011 amounting to ` 39,26,453 and the SoE from April 2011 to June 2011 for ` 93,02,018.00 have not been reimbursed. In addition they have received a payment of ` 78,08,344.00 which they are not able to match with any SoE. This statement of SIPMIU Agartala seems to be doubtful. As the SoE for the period November 2010 to February 2011 was for ` 78,08,344 and not for ` 39,26,453.00. As per MoUD record, it has paid the amount of these SOEs and it is not pending at our end. However this discrepancy needs to be reconciled immediately.

- ❖ Training to Staff: Training was given to Account staff as how to prepare the correct SOEs and SoEs for the period April –May 2012 (Tranche-I) and January to May 2013 (Tr.II) got rectified.

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