



**GOVERNMENT OF JAMMU & KASHMIR,
FINANCE DEPARTMENT.**

Subject:- Duties and functions of Director, Local Fund Audit & Pensions, and Examiner/CAO, Local Fund Audit & Pensions.

**Government Order No. 220 -F of 2012,
D a t e d : 07-10-2012.**

Consequent upon the creation of the Directorate of Local Fund Audit & Pensions, J&K, vide Government Order No. 70-F of 2012, dated 20.03.2012, the duties and functions, as indicated in the Annexures 'A' and 'B', are assigned to the Director, Local Fund Audit & Pensions, and the Examiner/CAO, Local Fund Audit & Pensions, Kashmir/Jammu, respectively.

By Order of the Government of Jammu and Kashmir.

Sd/-
(Iqbal Khandey),
Principal Secretary to Government,
Finance Department.

No. DGAT/PS/DR/ 7/19
Dated: 01-10-2012.

Copy to the:-

1. Accountant General (A&E) J&K, Srinagar.
2. Commissioner/Secretary to Government, Housing & Urban Development Department /Rural Development Department.
3. Secretary to Government, General Administration Department.
4. Commissioner, Srinagar Municipal Corporation/Jammu Municipal Corporation.
5. Director, Local Bodies Kashmir/Jammu/Rural Development Kashmir/Jammu.
6. Director, Local Fund Audit & Pensions, J&K.
7. OSD to Hon'ble Minister for Finance & Ladakh Affairs for information of the Hon'ble Minister.
8. Examiner, Local Fund Audit & Pensions, Jammu/Kashmir.
9. Government Order file (w2sc)

Ravi Magotra
(Ravi Magotra),
Director General,
Accounts & Treasuries,
Finance Department.

Subject:- Duties & Functions of the Directorate of Local Fund Audit & Pensions, J&K.

The following shall be the duties and functions assigned to the Directorate of Local Fund Audit & Pensions, J&K created vide Government Order No. 70-F of 2012 dated 20-03-2012:-

1. To control and coordinate the activities of Local Fund Audit & Pensions Organization.
2. Consolidation of Quarterly Abstract of Accounts of Municipal Corporations and other Local Body Institutions including Panchayati Raj Institutions (PRIs) and control thereon at the state level.
3. Examination of quarterly abstracts of receipts and expenditure of the Municipal Corporations, other Local Body Institutions and PRIs.
4. Consolidation of Half Yearly Abstracts of Municipal Accounts and PRIs Accounts in prescribed form for their publication in the Government Gazette.
5. Periodical Monitoring of Audit of the Municipal Corporations, other Local Body Institutions and PRIs with special reference to:
 - a) Efficiency of Budgetary control.
 - b) Maintenance of Accounts and Control registers.
 - c) Reconciliation of Accounts.
 - d) Settlement of Audit Paras and Audit objections.
 - e) Recovery of receipts and regularity of expenditure.
 - f) Compliance with various established cannons of financial propriety.
6. Hold discussions with Heads of the Departments and the DDOs on the preliminary Annual Draft Audit Report as prepared by concerned Examiner & CAO, Local Fund Audit & Pensions, before issue.
7. Preparation of Annual Reports of Audit of Municipal Corporations, other Local Body Institutions and PRIs for their publication in Government Gazette.
8. To conduct, with previous sanction of the Government, audit of accounts of certain authorities, bodies, institutions or funds.
9. Monitoring of the settlement of Pension cases by the Examiners & CAOs, Local Fund Audit & Pensions, Kashmir / Jammu in their respective jurisdictions.
10. Consolidation of pension payments by various treasuries of the state as per the statements provided by the Examiners & CAOs, Local Fund Audit & Pension Kashmir / Jammu and liaising with the Housing & Urban Development Department for release of necessary funds as per requirement.

... and clarification as it may consider necessary and call f

12. To take into its custody against proper receipt, any record which may be considered necessary for its further investigation.

13. For non-cooperation / non-submission of information / monthly accounts or in cases of serious financial irregularities / misappropriation / embezzlement of public money, the Directorate may with the prior approval of Director General, Accounts & Treasuries, withhold the DDO powers / stop Bank operation, as the case may be, in respect of concerned Municipal Corporation / other Local Body Institution(s)/PRI(s).

14. To conduct monthly meetings with the Examiners & CAOs, Local Fund Audit & Pensions Kashmir / Jammu for reviewing the performance with regard to the duties / functions assigned to them.

15. To conduct Annual Administrative Inspection / Physical Verification of the Stores and Stocks of the offices of the Examiners & CAOs, Local Fund Audit & Pensions Kashmir / Jammu.

16. Any other assignment that may be entrusted to the Directorate by the Government from time to time.

The Directorate of Local Fund Audit & Pensions shall, however, work under the overall administrative control of Director General, Accounts & Treasuries.

Ravi Mehta
Director General,
Accounts & Treasuries,
Finance Department.

Subject:- Duties & Functions of Examiner & CAO, Local Fund Audit & Pensions.

With the creation of offices of Examiner & CAO, Local Fund Audit & Pensions at the provincial level, the following shall be the duties and functions assigned to both these offices:-

1. To receive the monthly accounts from all the Municipal Corporations, other Local Body Institutions, Panchayati Raj Institutions (PRIs) and the pension paying Treasuries.
2. To compile and post all accounts received under function (1) above.
3. To prepare the half yearly abstract of Receipts and Expenditure / yearly account of Receipt and Expenditure of all Municipal Corporations, other Local Body Institutions and PRIs, from the Accounts thus compiled for their submission to the Director, Local Fund Audit & Pensions.
4. To examine the monthly accounts of Municipal Corporations, other Local Body Institutions and PRIs with reference to the codal procedures/established cannons of financial propriety and to convey the observations to the respective offices for appropriate remedial measures. The clearance of such observation book (O.B.) items shall be effected after thorough examination / verification of the replies rendered / documents furnished by the respective Municipal Corporations, other Local Body Institutions and PRIs.
5. To conduct the audit of Municipal Corporations and other Local Body Institutions and PRIs in their respective jurisdictions and to issue the Audit Reports thereof.
6. Authorization of pension to the retirees of Municipal Corporations and other Local Body Institutions and their periodical revision necessitated due to pay revision or otherwise, and the maintenance of records/ accounts thereof.
7. Consolidation of the payments made by the concerned treasuries from the Pension Pool Fund and its submission to the Directorate of Local Fund Audit & Pensions on quarterly basis.
8. Monitoring of receipt of Pension Pool Fund from Housing & Urban Development Department (in the shape of Hundies) and its further allotment to the concerned treasuries in the shape of Hundies.
9. Conduct of audit of stores, stocks, cash and other assets of Municipal Corporations, other Local Body Institutions and PRIs including random physical check of cash/stock etc.
10. To conduct random check of deployment of vehicles, machinery and equipment from the propriety point of view.
11. To examine the replies furnished by the concerned Municipal Corporations, other Local Body Institutions and PRIs to the Audit Reports and issue rejoinders to the concerned offices regarding dropping of paras with detailed remarks as to what further action is required in respect of outstanding Paras.
12. At the close of financial year, the Examiner & CAO shall prepare a preliminary Annual Draft Audit Report for discussion with the respective Heads of the Departments and the DDOs. All such discussions shall be held in the presence of the Director, Local Fund Audit & Pensions.

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13. After completing the process of discussion with the Heads of the Departments and the concerned DDOs, the Examiner & CAO shall prepare the Annual Audit Report regarding outstanding paras. The final report shall be submitted by the Examiner & CAO to the office of Director Local Fund Audit & Pensions for compilation of the two Annual Reports of Audit of Municipal Accounts, Audit of other Local Body Institutions and PRIs in respect of the two Examiners & CAOs.

14. Any other duty that may be entrusted by the Government from time to time.

Rani Map
o/fio

Director General,
Accounts & Treasuries,
Finance Department.



**GOVERNMENT OF JAMMU & KASHMIR,
FINANCE DEPARTMENT.**

Subject:- Entrustment of Technical Guidance & Supervision of PRIs & ULBs to C&AG pursuant to 13th Finance Commission Report.

Government Order No.2/9 -F of 2012,

D a t e d : 01-10-2012.

In terms of Section 20 (1) of the Comptroller and Auditor General (Duties, Powers and Conditions of Service) Act, 1971, sanction is hereby accorded to the entrustment of the audit of the accounts of all the three tiers of Panchayat Raj Institutions (PRIs) and all categories of ULBs constituted in the state under Part-IX of the Constitution of India, to the C&AG of India.

2. The terms and conditions for conducting the audit of the accounts of the said PRIs/ ULBs will be as follows:

i) In addition to audit to be conducted by the statutory Auditor of PRIs/ULBs, the C&AG of India will have the right to conduct such test check of the accounts and to comment on and supplement the report of the statutory auditor, as he may deem fit.

ii) The C&AG of India or any person appointed by him in connection with the audit, shall have the same rights, privilege and authority as the C&AG has in connection with the audit of Government accounts.

iii) The results of audit may be communicated by C&AG or any person appointed by him to the PRIs/ULBs. The C&AG may also forward a copy of the report direct to the Government.

iv) The scope, extent and manner of conducting audit shall be as decided by the C&AG.

v) The C&AG or his representative will have the right to report to State Legislature, the results of audit at his discretion.

vi) The above terms and conditions will not affect, in any way, the C&AG's right to access the accounts and records of the PRIs/ULBs under other sections of the Comptroller and Auditor General (Duties, Powers and Conditions of Services) Act, 1971, and under other due statutory process.

Ravi Mahajan

3. C&AG may provide suitable Technical Guidance & Supervision (TG &S) to primary external auditors of PRIs/ULBs, viz. Director, Local Fund Audit & Pensions, J&K, or any other such designated statutory agency, for the purpose of strengthening Public Finance Management and Accountability in PRIs/ULBs. The parameters of such TG&S would be as illustrated in Sections 152 to 154 of Audit Regulations 2007 issued by C&AG u/s 23 of C&AG's (DPC) Act, 1971.

By Order of the Government of Jammu and Kashmir.

Sd/-

(Iqbal Khandey),
Principal Secretary to Government,
Finance Department,

No: DGAT/PS/DR/712

Dated:-01-10-2012

Copy to the:

1. Principal Accountant General (Audit), J&K, Srinagar.
2. Principal Secretary to Government, Housing & Urban Development Deptt.
3. Commissioner/Secretary to Government, Rural Development Department.
4. Commissioner, Jammu Municipal Corporation/Srinagar Municipal Corporation.
5. Director, Rural Development Kashmir/Jammu.
6. Director, Local Bodies Kashmir/Jammu.
7. Director, Local Fund Audit & Pensions, J&K, Srinagar.
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