

Pr
13.04.2026

URGENT



ଓଡିଶା ସରକାର
ପଞ୍ଚାୟତିରାଜ ଓ ପାନାୟତ୍ତଳ ବିଭାଗ
Government of Odisha
Panchayati Raj & D.W Department

ଓଡିଶା ଲୋକସେବା ଭବନ
ଓଡିଶାପୁର ମାର୍ଗ, ଭୁବନେଶ୍ୱର-୭୫୧୦୦୧
Odisha Lok Seva Bhawan,
Sachibalaya Marg,
Bhubaneswar - 751001
Fax.0674 - 2391413
E-mail-prsec.or@nic.in

15.04.26

No. PR-PADM-OLA-0050-2026 10387

Date: 13.04.2026

From

Shri Surya Narayan Dash, OAS (SS),
Special Secretary to Government.

To

All Collectors.

Sub:- Mandatory deposit of royalty on Minor Minerals by PRIs directly into Government Account – reg.

Madam/Sir,

I am directed to invite your attention to the observations communicated by the Finance Department vide D.O. Letter dated 17.03.2026, based on the findings of the Principal A.G. (A&E), Odisha vide D.O. Letter dated 19.02.2026 (**copy enclosed**), regarding the procedure being followed by PRIs for the deposit of royalty on Minor Minerals.

It has been observed that the royalty deducted from contractors' bills by PRIs is being deposited in the bank accounts of Tehsildars instead of being credited directly to the State Government Account through Cyber Treasury. Further, an amount of Rs. 256.81 crore (from 2023 to 31.12.2025) has reportedly been deposited in such accounts.

As per Rule 7 of the OGFR, 2023, all money received on behalf of Government shall be credited to the Government Account without delay in accordance with the provisions of the Odisha Treasury Code. The above practice is, therefore, irregular and in violation of the prescribed financial rules and procedures.

In view of the above, the following instructions are issued for strict compliance:

- All Gram Panchayats, Panchayat Samitis and Zilla Parishads shall mandatorily deposit royalty on minor minerals and all other Government dues

directly into the Government Account through Cyber Treasury, without routing the same through any intermediary accounts, including bank accounts of Tehsildars.

- The existing practice, if any, of depositing such amounts in Tehsildar bank accounts shall be discontinued forthwith.
- Past transactions, if any, shall be reviewed and reconciled in coordination with concerned authorities to ensure that all such amounts are duly credited to the Government Account.
- Responsibility shall be fixed and appropriate action initiated in cases of deviation/non-compliance.
- A compliance report in this regard shall be furnished to this Department within 15 days of receipt of this letter.

You are, therefore, instructed to ensure strict compliance with the aforesaid instructions by all Panchayati Raj Institutions under your jurisdiction so that all Government dues are duly credited to the Government Account in accordance with the prescribed financial rules, and any deviation shall be viewed seriously.

This may be treated as **MOST URGENT/ TOP PROIRITY**.

Yours faithfully,
MAK
12/04/26
Special Secretary to Government

CC to: For information & necessary action.

1. All CDO-cum-EO, Zilla Parishads.
2. All DPOs.
3. All BDOs.
4. Guard File (**Email- padmpr@gmail.com**).



989

Sanjeeb Kumar Mishra, IAS
Principal Secretary
Finance Department, Govt. of Odisha

D.O. No.: 7047 /PSF.,
FIN-TRY-MISC-0007-2026

Dy-1867/PR&DWs
20/3/26

ସଞ୍ଜୀବ କୁମାର ମିଶ୍ର, ଭ.ପ୍ର.ସେ.
ପ୍ରମୁଖ ଶାସନ ସଚିବ
ଅର୍ଥ ବିଭାଗ, ଓଡ଼ିଶା ସରକାର



FA-CUM-SS

Dear Sir,

Sp. Secy (PADM)
mm16
24/3/26

BDO
PDD
Piped up.
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PADM

Date: March 17, 2026

Sub: Deposit of royalty on Minor Mineral by PRIs and ULBs in the bank account of Tehsildars

Principal A.G (A & E), Odisha vide DO Letter dated 19.02.2026 has intimated that the royalty deducted from contractors' bills is being deposited by PRIs and ULBs in the bank accounts of Tehsildars across the State instead of being deposited in the State Government account through Cyber Treasury (Copy enclosed).

Sp. Secy
PADM
B
JKS
2026

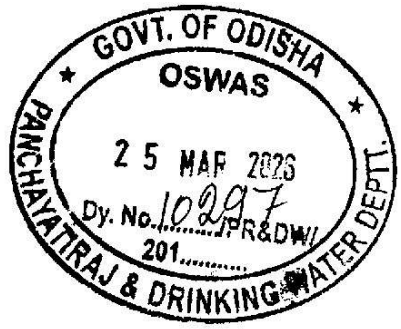
2.As per Rule-7 of OGFR, 2023, "All money received by or on behalf of the Government either as dues of Government or for deposit, remittance or otherwise, shall be brought/credited into Government Account without delay, in accordance with the provisions of Odisha Treasury Code."

3.It is, therefore, requested to issue necessary instructions to all the PRIs to ensure that all Government dues, including royalties, are deposited directly into the Government account without routing the same through the bank accounts of the Tehsildars. The intimation of such deposits if required can be sent to Tehsildars for record.

Yours sincerely,


(Sanjeeb Kumar Mishra, IAS)

✓ Sri Girish S.N, IAS
Commissioner-cum-Secretary to Government
PR&DW Department



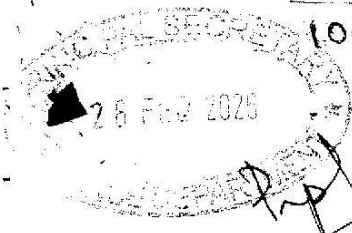
Memo No. 7048 /F,

Date 17.03.2026

Copy forwarded to Principal Accountant General (A&E), Odisha, Bhubaneswar for kind information and necessary action.



Joint Secretary to Government



edNo- 6815/FIN

10.03.2026



Comy/50192510

26/02/2026

प्रधान महालेखाकार
(लेखा एवं हकदारी), ओडिशा,
सचिवालय मार्ग, भुवनेश्वर - 751001

PRINCIPAL ACCOUNTANT GENERAL
(ACCOUNTS AND ENTITLEMENTS), ODISHA
SACHIVALAYA MARG, BHUBANESWAR - 751001

D.Sahu, IAAS

19th February 2026

24-831-P5F
26-02-2026

Confidential

Dear Madamji,

[Handwritten signature]

Chief Secretary
Odisha

SS(S145)
V. Imp observations.
We need to
examine &
act on it fast.

In continuation to my earlier DO letter dated 16.10.2025 wherein we had intimated the fraud committed by a Junior Clerk in the District Hospital Angul for ₹2.79 crore, we would like to inform the following observations for appropriate intervention at your level:

1. Fraudulent Pension Drawal: O/o the Deputy Commissioner, State Excise (North Division, Sambalpur) – ₹3.25 crore

While examining pension expenditure, we came across that the above office has paid excess provisional pension to Shri Achyuta Dehury, Retired Asst Sub-Inspector (ASI) of ₹3.25 crore against his eligibility of ₹25.48 lakh during November 2022 to November 2025. Further, the DDO has also given arrear salary of ₹67.79 lakh to the same retired employee without any valid sanction order or pay fixation order during the same period. In the instant case, the employee retired in January 2014, and the provisional pension has been sanctioned in November 2022 after 8 years of retirement. The detail of the case is enclosed in Annexure-I.

We observed that the DDO has paid pension multiple times in a single month and has also generated multiple sanction orders for multiple pension payments to the same employee. These transactions are also not checked in the Treasury Office of Sambalpur before passing the payments.

Incidentally around 15,000 retired employees are drawing provision pensions and very often the pension payments are being continued beyond the six months stipulated period without submitting pension papers to our office for final payment. The above case clearly indicates that provisional payment of pension has serious risks. We cannot rule out similar aberrations in the remaining cases.

We recommend that the Finance Department should be asked to verify the remaining cases to ascertain whether similar cases are happening. We also request that appropriate action may be initiated to forward pension papers in time to our office.

SS(S145)

2. Deposit of royalty on Minor Mineral by PRIs and ULBs in the bank account of Tehsildars - ₹256.81 crore

While examining the Personal Ledger Accounts of the PRIs and ULBs, we have observed that the PRIs and ULBs are depositing the royalty deducted from Contractors bills in the bank account of 315 Tehsildars (out of 317 Tehsildars) across the state instead of depositing the royalty in the state government account online through Cyber Treasury. The PRIs and ULBs have deposited ₹256.81 crore from 2023 till 31

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27/02/2026

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OFFICE OF CHIEF SECRETARY
OSWAS DIARY NUMBER
011732
DATE
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December 2025 in the bank account of Tehsildars. The details are enclosed in Annexure-II.

The above practice is illegal and amounts to embezzlement of government money. Therefore, we request that the bank accounts being operated by the Tehsildars should be frozen by the Finance Department and all money relating to royalty payment should be brought to government account at the earliest. Further, the Finance Department should be asked to investigate to ascertain since when this practice is going and whether any misuse of government money has occurred in these bank accounts.

We recommend that the HoDs of the administrative departments of PRIs and ULBs should be instructed to ensure that all the government dues, including royalties, shall be deposited in the government account directly and punitive action for non-adherence should be undertaken henceforth.

3. **Purchase of Thar Jeeps by PCCF, Wildlife from the State Disaster Response Fund - ₹28.45 crore**

While scrutinizing the transactions pertaining to the utilization of the State Disaster Response Fund (SDRF), it has been observed that the Special Relief Commissioner (SRC) sanctioned ₹28.45 crore in July 2024 in favour of PCCF (Wildlife) for capacity building, specifically for the purchase of Thar Jeeps for forest protection. The said sanction is not in conformity with the SDRF guidelines issued by the Ministry of Home Affairs.

As per the SDRF guidelines, funds available under the “Preparedness and Capacity Building” window shall not be utilized towards establishment-related expenditure, including salaries, office expenses, or other routine administrative costs to be incurred by Disaster Management Authorities or any other entities. The purchase of vehicles for departmental use does not fall within the permissible ambit of expenditure under this window. Total procurement plus modification of the Jeeps was done at the cost of ₹17 crore. What happened to the remaining amount is not known.

Further, the SRC is not the competent authority to accord approval for such expenditure. Any expenditure under the “Preparedness and Capacity Building” component, for items otherwise permissible, is required to be undertaken only upon recommendation of the State Disaster Management Authority (SDMA) and with the approval of the State Executive Committee (SEC) headed by the Chief Secretary, as prescribed under the applicable guidelines. Therefore, you may kindly verify whether there is any deviation in the instant case.

It is also observed that the sanction order issued by the Forest and Environment Department in September 2024 describes the expenditure as **“Central Government Contribution to Reserve Fund,”** which is factually incorrect and misleading. The bill was similarly presented before the Treasury under the same head, resulting in misclassification and distortion of facts. The amount has reportedly been transferred to the HDFC savings bank account of PCCF (Wildlife), which raises serious concerns regarding procedural propriety and compliance. The manner in which the SDRF funds were credited to a departmental savings bank account is not as per extant rules.

Moreover, it is noted that during the same period, the Forest Department surrendered ₹338 crore, which could have been re-appropriated, in accordance with applicable financial rules, for the purchase of vehicles, instead of diverting SDRF funds.

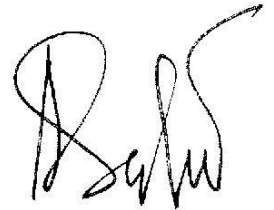
These cases indicate a serious breakdown of internal controls, supervisory failures, and system weaknesses in financial management, which require urgent intervention at the highest level.

I request you to initiate exemplary action against the concerned Office Assistant who processed the provisional pension bills, the Drawing and Disbursing Officer, and the Treasury Officers responsible for enabling and authorizing these irregular draws by exploiting system loopholes.

Appropriate action may also be taken to freeze the bank accounts of the Tehsildars into which such royalty receipts were deposited, and a thorough investigation may be conducted to ascertain any misuse or diversion of Government funds. Further, necessary instructions may be issued to the Panchayati Raj Department and Housing & Urban Development Department to ensure that minor mineral royalty receipts are credited directly to the Government Account, without being routed through the bank accounts of Tehsildars.

With regards,

Yours sincerely,



Encl: Annexure-I & II

**Ms. Anu Garg, IAS
Chief Secretary,
Government of Odisha,
Lok Seva Bhawan,
Bhubaneswar – 751001.**