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Audit and Inspection Note on the accounts of Notified  
Area Committee, Arki, District Solan (H.P.)

Period :- 4/83 to 3/85.

Part-I

1. Last Audit Note :- The following paragraphs of the previous audit notes remained outstanding :-

(a) Audit Note for the period from 7/65 to 6/67.

(i)	Para 2 (a) & (b)	Outstanding.
(ii)	Para 5	Outstanding.

(b) Audit Note for the period from 7/67 to 1/70.

Para 2	Outstanding.
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(c) Audit Note for the period from 2/70 to 3/72.

(i)	Paras 3(i), (ii) and (iii)	Outstanding.
(ii)	Para 4	Outstanding.
(iii)	Para 5	-do-
(iv)	Para 7	-do-
(v)	Para 8	-do-
(vi)	Para 9	-do-

(d) Audit Note for the period from 4/72 to 3/77.

(i)	Para 3(ii)	Outstanding.
(ii)	Para 5	-do-
(iii)	Para 6	-do-
(iv)	Para 7(i)	-do-
(v)	Para 9	-do-
(vi)	Para 10	-do-
(vii)	Para 11	-do-
(viii)	Para 12	-do-
(ix)	Para 13	-do-
(x)	Para 14	-do-
(xi)	Para 15	-do-
(xii)	Para 16	-do-
(xiii)	Para 18	-do-
(xiv)	Para 19	Outstanding.
(xv)	Para 20(iv) and (vi)	-do-
(xvi)	Para 20(vii) and (viii)	-do-
(xvii)	Para 21	-do-
(xviii)	Para 22	-do-
(xix)	Para 23	-do-

(e) Audit Note for the period from 4/77 to 3/81.

(i)	Audit Para 3(i)	Settled.
(ii)	Para 5	Outstanding.
(iii)	Para 7	-do-
(iv)	Para 8	-do-
(v)	Para 9	-do-
(vi)	Para 10	-do-
(vii)	Para 11	-do-
(viii)	Para 12	-do-
(ix)	Para 13(a) & (b)	-do-

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(x) Para 13(c)	Settled.
(xi) Para 14	Outstanding.
(xii) Para 15	-do-
(xiii) Para 16	-do-
(xiv) Para 17	-do-
(xv) Para 18	-do-
(xvi) Para 19	-do-
(xvii) Para 20	-do-
(xviii) Para 21	-do-
(xix) Para 22	-do-
(xx) Para 23	-do-
(xxi) Para 24	-do-
(xxii) Para 25	-do-
(xxiii) Para 26	-do-
(xxiv) Para 27	-do-
(xxv) Para 29	-do-

(f) Audit Note for the period from 4/81 to 3/82.

(i) Para 3(a)	Settled.
(ii) Para 4	Settled.
(iii) Para 5	Outstanding.
(iv) Para 6	-do-
(v) Para 7	-do-
(vi) Para 8(a) & (b)	-do-
(vii) Para 8(c)	Settled.
(viii) Para 9	Outstanding.
(ix) Para 10(i)	Settled.
(x) Para 10(ii) to (vi)	Outstanding.
(xi) Para 11(a) and (b)	-do-
(xii) Para 11(c)	-do-
(xiii) Para 12	Outstanding.

(g) Audit Note for the period from 4/82 to 3/83

(i) Para 4	Settled.
(ii) Para 5	Settled.
(iii) Para 6	Outstanding.
(iv) Para 7	-do-
(v) Para 8	-do-
(vi) Para 9(a)	Partially settled as Rs.6.50 Recovered.
(vii) Para 9(b) to (d)	Outstanding.
(viii) Para 10	-do-
(ix) Para 11	-do-

Part-II

2. Present Audit :- The present test audit and examination of accounts for the period from 4/83 to 3/85, the results of which are detailed in the succeeding paragraphs, was conducted by Shri K.K. Dhamani, Senior Auditor, w.e.f. 12.7.85 to 25.7.85. The accounts for the months of 8/83, 12/83, 6/84 and 3/85 were selected for detailed check. The record required in audit was duly put up except that mentioned in the Relevant paragraphs, hereinafter.



3. Finances :- The financial position of the fund is exhibited below :-

1983-84

Opening Balance	Rs. 95,427.95
Income	Rs. 1,30,362.97
Total	Rs. 2,25,790.92
Expenditure	Rs. 99,368.47
Closing Balance	Rs. 1,26,422.45

1984-85

Opening Balance	Rs. 1,26,422.45
Income	Rs. 1,51,476.16
Total	Rs. 2,77,898.61
Expenditure	Rs. 1,12,576.29
Closing Balance	Rs. 1,65,322.32

The financial position of the N.A.C. was not sound. The committee may explore the possibility of imposing House tax, parking fee etc.

4. Audit Fee :- The audit fee due worked out to Rs.450/- (Rupees four hundred fifty only), as detailed in the Appendix 'A' attached to this audit note. The Assistant Treasury Officer, Arki was requested vide Senior Auditor's requisition No.SMR-319(c) dated 5.8.85 to credit the amount under head "065-Other Administrative services-C-other services, Fee for Govt. Audit (H.P.)" by means of book transfer from the personal ledger Account of the Notified Area Committee Arki under intimation to this department.

5. Govt. Grants :- (a) Grants received prior to the present period of audit and which have not been utilised or U.C.Cs Whereof were not sent :-

The grants received prior to present period of audit, which were not utilised upto present period of audit, are detailed in Appendix 'B' attached to this audit note. Under condition No.8 of the sanctioning letter, the work must be commenced within one year of the date of receipt of the grants and executed strictly according to the approved plan and estimate and completed within two years. But from the perusal of statement of grants it would be seen that the grants at Sr.No.3, 7 to 10 had not been utilised as yet. Either the sanction for the extension of period of utilisation of these grants may be obtained or if the committee does not feel any necessity of executing these works, the grants may be refunded to the Government immediately and compliance shown at the time of next audit.

(b) Grants as per details given in Appendix 'C' attached to this audit note were received by the Committee during the period under audit. The committee may ensure that these grants are utilised according



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to the terms and conditions of the sanctioning letters and unspent balances may be refunded to the Govt.

(c) Grants, as per details given in Appendix 'D' attached to this audit note were received by the committee during the period from 4/83 to 3/85 in lieu of abolition of Octroi on account of pay and allowances of the staff and sustaining the other normal activities of notified Area Committee, Arki District Solan.

#### 6. Cattle Pound

There was no income of cattle pound during the year. The main reason was stated to be the non-existence of building. The grant-in-aid for the construction of Cattle pound amounting to Rs. 20,000/- was received by the N.A.C. in March, 1982 and the amount was deposited with the P.W.D. authorities for the construction of building. But the work was stated to have not been completed as yet. The P.W.D. authorities may be impressed upon to complete the work at the earliest, so that the committee could start the functioning of cattle pound and may be in a position to earn the income therefrom.

#### 7. Arrears

An amount of Rs. 460.50 was pending for recovery of water rate bills upto 31.3.85, as per details given below. Earnest efforts may be made to recover the outstanding dues and compliance intimated to this department :-

Sr. No.	Name of consumer	Amount outstanding as on 31.3.1985. Rs. Paise
1.	Sarvshri Bali Ram, Kanshi Ram	6.00
2.	Forest Range Officer, Arki	6.00
3.	Sh. F.R. Gupta, Advocate	22.00
4.	S/Shri Ram Lal Vidya Sagar	32.50
5.	S.D.O. Arki	9.00
6.	S.D.O. P.W.D. Rest House	282.50
7.	S.D.M. Office, Arki	28.50
8.	Sh. Hari Chand	6.00
9.	Shri Madhu Sudan Vaidya	28.50
10.	Shri Puran Chand Gupta	22.00
11.	Shri Shonku Ram	12.50
12.	Shri Krishan Chand Jhilla	6.00
13.	Shri Mathra Dass Sharma	6.00
14.	Shri Jaswanti Gupta	12.50
15.	Shri Jiya Lal Gupta	28.50
16.	Shri Nand Lal S/O Gruga Ram	9.00
17.	Shri Gangu Ram Barbar	22.00
18.	Shri Sant Ram	6.00
19.	Shri Gopal Dass	6.00
20.	Smt. Shankri Devi	6.00
21.	Forest Range Officer Arki	36.00
22.	S.D.O. (Electricity)	6.00



23.	A.E. HPPWD	
24.	Shri Brij Lal	30.00
25.	Shri R.S. Single SDO Irrigation	55.50
26.	Shri Chytnia Kumar	12.00
27.	Shri Ram Lal Sharma	54.00
28.	Shri Shiv Ram	9.50
29.	Civil Hospital	9.00
30.	Medical Officer, ARKI	139.00
31.	Shri Kaka Ram	25.00
32.	Shri Rattan Lal	208.00
33.	Shri Nathu Mal S/O Devi Saren	6.00
34.	Shri Babu Ram, Tailor Master	9.00
35.	Shri Sehaj Ram	12.50
36.	Shri Kuldip Kumar	47.50
37.	Shri Gita Ram Thakur	28.50
38.	Shri Dhani Ram	24.50
39.	Shri Jiva Nand	6.00
40.	Shri Parkash Chand	6.00
41.	Shri Kamal Singh	12.00
42.	Shri Safik	6.00
43.	S.D.O. PWD Office	22.00
44.	Shri Krishan Lal S/O Ganga Dass	35.00
45.	S.D.M. Office	6.00
46.	Shri Gita Ram Thakur	42.50
47.	Shri Sant Ram	12.50
48.	Smt Kalavati	6.00
49.	Shri Lela Ram Teacher	12.50
50.	Shri Ved Parkash Sood	6.00
51.	Shri Mohender Sharma	12.50
		6.00
8.	<u>Payments</u>	Total:- Rs. <u>1,460.50</u>

(a) Vr.Nos 5 to 9 of 4/79 for Rs. 1591.54

A sum of Rs. 345.25 was drawn vide contingent bill on 3.4.1979 for the payment of bill of cost of pipe to A.E. H.P.P.W.D. which was purchased at the time of replacement of pipe line at Bus stand. The payment was not made to the said department and was stated to be lying in the Tehsil Office for the last six year and the same was credited to Municipal fund now vide challan No.4/23 dated 21.3.85. The reasons for keeping the amount for six year in Tehsil Office may be fully justified.

(b) Vr.No.55 of 10/83 for Rs.29.60

Rs.29.60 were paid to Sh.Sant Ram, Fitter on account of T.A.& D.A. who under took Journey from Arki to Kathua and back. He was paid full D.A. for 2.7.83 instead of 70% of the full D.A. The excess payment of Rs.2.55 made to the official may be recovered and credit pointed out at the time of next audit.

(c) Vr.No. 42 of 3/85 for Rs. ~~75.30~~ 75.30.

Following stationery articles were purchased, but the stock entries were made in the stock register at one page continuously instead of allotting single page to each item. The disposal of these articles was also not shown to audit. The omission may be supplied at the time of next audit.



	Rs. P.
2 Ream papers	54.00
Carbon papers	31.10
20 File covers	30.00
2 Nos Ink pots	7.20
2 Quire Registers.	11.00
200 Envelops	12.00
Total :- Rs.	<u>145.30</u>

(d) Vr.No.36 of 7/84 for Rs. 1413/-

Rs. 1413/- were paid to M/S Bhagat Ram and Sons, Arki on account of purchase of electric goods for street light :-

	Rs. Paise
80 Bulbs	448.00
30 Tubes	825.00
5 Chokes	140.00
Total :-Rs.	<u>1413.00</u>

The consumption account of the above material was not maintained properly as the balances were reduced in the stock register to nil. In the absence of any requisition from the Line man who finally cosumed these articles, the consumption shown in an haphazard ~~and~~ manner could not be admitted in audit. The proper procedure was to call for the requisition from the line man showing which material for which point was required by him. The proper procedure may be followed and compliance shown at the next audit.

(e) During the course of audit it was observed that water supply material was being purchased in piece meals vide a few instances given below. The material may be purchased after assessing the annual requirement, at a time and purchases be made after inviting quotations and compliance shown at the time of next audit.

<u>Vr.No.&amp; Month</u>	<u>Amount paid</u>	<u>Particulars of material purchased.</u>
	Rs. Paise	
32 of 7/84	22.00	Nalka Cells.
33 of 7/84	46.00	Union 1 1/2"
34 of 7/84	19.65	Union etc.
35 of 7/84	46.20	Union etc.
38 of 7/84	22.50	Union etc.
39 of 7/84	23.00	Elbow.

(f) Bill No.712 dated 31.1.85 for Rs. 1238.48

Rs. 1238.48 were paid to Vijan Agencies on account of purchase of electric goods, as detailed below.

	Rs. Paise
25 Tubes	567.00
60 Lamps	351.00
15 Starters	47.75
5 chokes	120.00
Total	Rs. <u>1115.75</u> Paise.
	Corrd.p.7/-

S.T. 10% 111.57  
 S.C. 10% 11.16  
 Grand Total Rs. 1238.48 Paise

The above articles were entered in the stock Register at Pages 5, 11, 15 and 18 while checking The consumption account of these articles following articles were in balance. The consumption of which may be shown at the time of next audit.

Page No.	Name of article	Total No.	Issued	Balance	Date.
5 <del>xxxx</del>	Bulbs	60	54	6 As on	22.7.85
11	Tube Rod	25	23	2 As on	11.4.85
18	Chokes	5	4	1 As on	21.2.85.

However, the above articles were merely shown as issued to the Lineman, ~~xxxx~~ but the Requirement put forth by the Lineman was not in writing on the record. The proper procedure may be followed in this regard.

9. Stock Register of Livery Articles

While checking the stock register of livery articles, it was noticed that the articles were shown issued to the officials, but signatures of officials receiving the articles in the following case were not obtained. The omission may be supplied at the time of next audit. :-

Page No. of stock register.	Name of Official	Name of Livery	<del>Quantity</del> Quantity issued.
77	Smt. Laxmi	Shawal	One
-do-	Sh. Bhagat Ram	Khakhi Jean	2 1/2 meter.
-do-	Sh. Sant Ram	-do-	2 1/2 Meter.
78	Sh. Bhagat Ram	Khaki	2 1/2 Meter.
	<del>Sh. Sant Ram</del>	Jali	
	Sh. Sant Ram.	-do-	2 1/2 Meter
77	Sh. Sant Ram	Shoes	One pair.

10. Slaughter House

The total income from the slaughter house ~~xxxx~~ fee for the years 1983-84 and 1984-85 was Rs. 522/- Where as the V.A.S of the veterinary Department was paid Rs. 720/- as allowance for doing this job. This may be justified, being un economical.

11. Works

(a) All the works were being got executed through P.W.D./ H.P.S.E.B. Since all the works being executed against the Grants in aid, these must be commenced within one year and completed within two years. In case there works are not completed within the stipulated period the



sanction for the extension of period of utilisation of these grants may be obtained and compliance shown at the time of next audit.

(b) A sum of Rs. 19720/- was sanctioned as Grant-in-aid vide Govt. letter No. ISG-C(10)-33/80 dated 31.3.80 for the works namely "construction of Kalari Road Retaining wall. The amount was deposited with A.E. H.P.P.W.D. Arki and the total amount spent as per utilisation certificate dated 28.2.84 was Rs. 12,525.82. The unspent balance of Rs. 7,194.18 was utilised in other work of the Grant, namely "Retaining" wall under soil conservation Scheme No. I. The diversion of the amount of Grant to the other work was not permissible under Grants-in-aid Rules. The omission may be accounted for.

## 12. Miscellaneous

(i) Electric goods Public Health articles and Sanitation material were being entered in one combined stock register. This was irregular. Separate stock register for each department may be maintained and compliance shown at the time of next audit.

(ii) Separate pages may be allotted to each type of articles in the stock register and balances be worked out after each issue or receipt.

(iii) Separate stock registers for consumable and non-consumable articles may be maintained.

(iv) Livery articles stock Register was not maintained properly. Separate stock register for this purpose may be maintained and signatures of the official receiving the articles must be obtained at the time of issue of articles to him.

## 13. Objection Statement :-

The objection statement was not issued.

## 14. Conclusion :

Large number of old audit paras remained outstanding. Earnest efforts may be made to settle the outstanding audit paras and compliance intimated to this department.

The accounts stand in need of improvement and closer supervision.

Sd/-  
( B.L. THAPAR )  
Assistant Examiner,  
Local Fund Accounts,  
Himachal Pradesh, Shimla-2.



APPENDIX 'A'

AUDIT FEE

(Referred to in Para 4 of the Audit Note of N.A.C.Arki for the period 4/83 to 3/85)

Date	No. of days	No. of Auditors	Rate per day	Amount.
1.	2.	3.	4.	5.
12.7.85	One	One S.A.	@ Rs.50/-	Rs. 50.00
15.7.85	One	-do-	-do-	50.00
17.7.85	Four	-do-	-do-	200.00
20.7.85		-do-	-do-	100.00
22.7.85	Two	-do-	-do-	50.00
23.7.85		-do-	-do-	
25.7.1985	One	-do-	-do-	

Total :-Rs. 450.00

( K.K. DHARMANI )  
Senior Auditor.