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Audit & Inspection Note on the accounts of Special fund for Reconstruction & Rehabilitation of Ex-servicemen of Zila Sainik Board Solan.

Period 7/77 to 3/80

Preliminary:- The Board was created for solan District with effect from 1.2.1977 vide secretary Bajya Sainik Board letter No .1-3/77-RSB dated 17.2.77 and it started functioning from July.1977 it was stated that prior to Feb ,77 no accounts were maintained and since the creation of new Distt of Solan w.e.f. 1.11.72, the Board's office remained a part of D.S.S&A Board ~~office remained a part of D.S.S&A Board~~ since and later on similar District No funds were received from these Boards for this Board of District Solan .

2. **Audit :-** The first test audit and examination of accounts of special fund for Reconstruction and Rehabilitation of Ex- Servicemen was conducted by Shri. B.R.Sharma, senior Auditor from 31.7.80 to 8.8.80 . The results of audit are detailed in the succeeding paragraphs . The accounts for the months of 9/77,3/78,5/78,3/79,5/79 and 3/80 were selected for detailed check. As also mentioned in para 20(c) the accounts of special fund for R&R and Rest house fund were checked upto 31.3.80. The accounts of Armed forces flag day fund were checked upto 31.3.79 .

3. **Audit Fee:-** The fee for audit of Special funds and sainik Rest House for the period 7/77 to /80 and 6/74 to 3/80 respectively worked out to Rs240/- as detailed below . No fee has been charged for the flag day fund as no audit fee is to be charged for the audit of this fund. The secretary, Zila Sainik Board was requested vide senior Auditors requisition No 923/174 dated 8.8.80 to credit the amount to Govt under the head "265-other Administrative services- c- other services. fee for Govt H.P."

Special fund for R&R. Rs 120.00
Sainik Res House Rs 120.--
Total Rs 240/-

4. **Finances :-** The financial position of special fund for R&R is detailed below in a comparative form

	1977-78	1978-79	1979-80
Opening Balance.	-	12320-50	6042-70
Receipts	33207-00	18003-94	24098-25
Total	33207-00	31124.44	30140-95
Expenditure	20886-50	25381-74	8432-76
Closing balance	12320 -50	6042-70	21708-19

5. **Grants :-** Grants were received from the secretary Bajya Sainik Board, since an appendix "A" attached to this audit note for running the vocational training centres and for giving stipends to wards of Ex-servicemen . The grants may be utilized as per the provisions of sanctioning letter and unspent balances be refunded/ utilized accordingly .

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6. Stipend :- The stipends were being paid to the wards of Ex- servicemen but its proper accounting procedure was not followed. The whole amount was being drawn from the Ban and payment was also shown in single entry whereas the locking should be according to the institution / student. This resulted into overdraws / overpayments which were however got deposited at the instance of audit. The discrepancies are detailed in the succeeding sub paragraphs.

(a) Stipend of Rs 638/- drawn on 18.3.78 for the year 1977-78

(i) Mr Yogender singh S/O sgt devender singh was awarded stipend of Rs 180/- during the year 1977-78 and Miss Ajina Kumar D/O Sgt Devender singh was also awarded stipend of Rs 120/- The stipend is payable to one child only at a time. This stipend had been paid irregularly. Recovery of Rs 120/- may therefore be effected now.

(ii) Mr. Gurbachan singh and Mr. Mohinder singh both sons of Hav. Man singh were paid stipend Rs 120/- each when only one ward was eligible for the stipend. Amount of Rs 120/- be claimed back from either of the student and particulars of credit intimated to this department.

(iii) Miss Gurbachan kaur D/O sh Jaimal singh was paid stipend of Rs 120/- but her father's income was Rs 6396/- Thus she was not eligible for stipend. The amount has been paid irregularly. The recovery of the amount may be effected.

(iv) Miss shashikala D/O sh. Manak chand was given stipend of Rs 120/- but her father income was Rs 3688/- Therefore she was not eligible for stipend. The amount of Rs 120/- may please be recovered from her.

(v) Mr. S.S. Pathania S/O sub. P.S. Pathania was given stipend of Rs 360/- But his father's income was Rs 5,000/- P.A. Thus he was not eligible for stipend. The amount may be recovered from him and credited into fund.

(vi) Mr. Gurkirpal singh S/O. Subedar Major piara singh was given stipend of Rs 120/- But the income of sub. Major Piara singh had not been mentioned in the proceedings. The income of sub major must be more than the prescribed limit of Rs 3600/- . Therefore after ascertaining the income necessary steps to effect recovery may be taken.

(b) Stipend of Rs 804/- drawn on 6.3.79 for the year 1978-79

(i) Miss Geeta Devi D/O Sub sand Ram was paid stipend of Rs 360/- But her father's income was Rs 4000/- P.A. Therefore she was not eligible to get stipend. Hence amount of Rs 360/- may be recovered from her.

(ii) Miss Madhu Malotr was paid stipend of Rs 120/- But her father's income who was subedar/ Ambulance Assistant had not been stated in the proceedings. The income may therefore be ascertained and compensation shown at the next audit.

Rs 180/- had been sent to Headmaster Govt High school chail on account of stipend in respect Miss Anita D/O cfn prem chand . But no receipt of the student was forthcoming and there was no evidence whether the amount had been paid to the student or not . The receipt of the student may therefore be obtained or payment justified . Similarly Rs 180/- were sent to Headmaster Govt High school Kasauli on account of stipend of Miss Hem Lata D/O Sh Maya Datt . But receipt of the student was not forthcoming . The same may be obtained immediately .

(c) Rs 120/- were recommended stipend in favour of Miss Kamlesh kumar D/O Havildar Thekur singh and the amount was sent to the Headmaster Govt. Middle school Mangal for further disbursement to Kamlesh kumari . But the Headmaster had disbursed the amount to Miss Anjana Kumari of his own. This is very serious . The Headmaster had acted contrary to the directions of the Board. This was also not checked in office. The amount of Rs 120/- may now be got paid to the proper student after recovering the amount from Anjana Kumari or the amount be recovered from the Headmaster. While making reference copies may also be endorsed to the father of kamlesh kumari so that the chances of sending fictitious receipt could be minimised.

The amount of Rs 8040/- of stipend had been booked as expenditure in single entry of 8.3.79 which is irregular . The booking of expenditure should be institutionwise (to whom the amount of stipend is to be sent . This will facilitate to us watch the arrival of receipt and return of unpaid amount . The correct procedure as explained on the spot may be meticulously followed in future .

7. Payments:- There was no proper linking of payment vouchers and its actual payees receipts nor were the stock entries of material purchased being pointed out on the bills/ cash memos. Instances of such type of omission are details below:-

(a) Rs 80/- were drawn and paid to Smt Kuldip kaur, tailoring instructor . The payment was made on 4.3.80. The details of payment were not supplied . The needful may be done now and compliance shown at the next audit .

(b) Rs 5,600/- were returned on 23.3.78 to the secretary, Rajya sainik board on account of refund of grant for war memorial school subathu. Its receipt had not been obtained which may be obtained now .

(c) Rs 560/- were remitted vide draft No. E.2380-23dt 26.5.78 to the S.D.M. Walagarh on account of pay for 4/78 in respect of savy Smt. Raw Dulari Amarjast kaur & kuldip kaur but there was no evidence whether these employees had got their pay or not . The needful may be done now and actual payees receipts may be obtained and put up at the next audit .

(d) Rs 70/- were paid to Smt. Lajya Devi as arrears of incentive in lieu of annual increment. Necessary clarification from the Secretary Rajya sainik Board may be obtained with regard to maximum incentive money which can be paid as the decision of the Governing body is not clear on this point. The clarification so received may be put up at the next audit or the payment of Rs 70/- be justified.

(e) On 14.5.79 Rs 680/- were drawn from the Bank on account of pay of the vocational training centre. But receipts of Rs 335/- in respect of Smt. Bhagwati Devi and Smt. Kuldip Kaur were not forthcoming. These may be obtained now and put up at the next audit.

8- Grant of Rs 5600/- to war memorial school subathu.

A sum of Rs 5,600/- was remitted by cheque No-C-182837 dated 15.5.78 to the commandant 14 G.R.T.C subathu on account of pay of coal (Retd) O.P. Rajpal and Shri N.S. Gill for the period Sept. 77 to March 78. These two officers were stated to be teachers of war memorial preparatory school for entrance into Military sainik schools/ NDA. The payment it was stated was made on the instructions issued by the Secretary Rajya sainik Board, Simla vide their letter No 12.14/777-RSB. (Vol-II) dated 17.4.78. The audit may be intimated whether this school has been approved by the state managing committee/ Governing body to be aided by the state/District sainik Board or not. Whether the state/District Board has appointed the teachers, if so their appointment orders and terms of appointment may be put up. The number of students trained and number of students selected in the schools NDA may be intimated and ascertained from the commandant 14 GRTC. Whether the beneficiaries were the wards of Ex-Servicemen/ serving soldiers and so their number be intimated or in the absence of all this information, the payment of Rs 56,000/- be justified. The receipt of the amount may also be obtained from the 14 G.R.T.C authorities.

9. Cash book. The cash book had not been properly maintained and had not been got counter-signed from the resident after 4/78 and no reconciliation statement was being prepared at the end of each month. The needful may be done immediately;

10. Rest House :- The sainik Rest House was initially started in June, 1974 in a rented building @ Rs 90/- per month. The amount of Rs 921/- was collected from public in the month of June, 1974 to run the sainik Rest House. This arrangement remained upto August, 1975 till the present building which was known as sehgal lodge was purchased for Rs 1,75,000/- which is now housing the sainik Rest house and office of zila sainik Board in the first floor. The ground floor has been rented out to the Distt Employment office @ Rs 2183/- plus Rs 125/- municipal taxes per annum rental basis as per XEN P.O.D

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assessment No. 8D/M-25/77-2921-25 dated 9.3.77
The out house known as sehgal nest has been occupied
by the chowkidar of the Res House and the upper
storey by Sh Mohinder singh sachdev at a monthly rent
of Rs 40/-

The audit of Rest House accounts for the
period from 6/74 to 3/80 was conducted on 4.8.80
to 6.8.80. The months of 6/74, 3/75, 6/75, 12/75, 9/76,
3/77, 9/77, 3/78, 5/78, 3/79, 5/79, & 3/80 were selected
for detailed check.

11. Payments:- The payments were being made to
various dealers in single entry in payments side
of the cash book. Every bill of different suppliers
should depict a distinct entry in the cash book and
its actual payees receipts and stock entries etc
should be linked properly and a separate voucher file
for each fund be kept so that the different accounts
records are not mixed up. The following shortcomings
were noticed in payments which may be remedied now
and compliance shown at the next audit.

(a) on 15.3.77 payment of Rs 320/- was drawn and
shown disbursed in single payment entry as paid to
various dealers. This was not proper. Each suppli-
-ers payment should be distinctly shown in the cash
book.

(b) (i) Rs 64/- were paid on 15.3.77 to Shri Tulsī
Ram mason on account of wages for 4 days @ Rs 16/-
p.d. But as per rates fixed by the D.C he should have
been paid Rs 44/- The excess payment of Rs 20/- may be
made good from the official responsible for over
payment or the person concerned.

(ii) Rs 17/- were paid to Sh. Prem singh carpenter
on account of wages for 14.3.77. had been paid
to 6/- excess. The excess payment may be made good
and compliance shown at the next audit.

(iii) Rs 104/- were shown spent on 11.3.78 on
account of repair charges on water tank Rs 22/- Rs 32/-
and Rs 16/- were shown spent for purchase of cement
, grit and sand respectively but the bills/ cash
memos from whom these articles were purchased
were not forthcoming. The payment may therefore be
justified Rs 22/- had been paid as mason's one day's
wages. But the rate of mason was Rs 11/- p.d. The
payment of Rs 9/- made in excess may be made good
from the defaulter responsible for over payment. The
President (D.C) had also not authorised this payment.
This irregularity may also be accounted for.

(c) (i) Rs 40-45 were paid to the Distt Employment
officer, solan vide cheque No 638837 dt. 11.5.78.
But the bill/ A/R and details on what account the
payment was made were not forthcoming. The details
alongwith payee's receipt may be put up at the
next audit.

(ii) on 4.4.78 Rs 307-88 and Rs 70/- were shown
deposited into the Bank. But the particular such
as from whom this amount had been received its

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cash receipt entry had not been pointed out. Since there was a cash in hand of Rs 236-88 it is not understood from where the amount of Rs 377-88 was deposited into the Bank. The omission may be explained.

(iii) During 5/78 after reconciling the balances of cash book and that of bank pass book there was a not difference of Rs 38-71 which may be reconciled and compliance shown at the next audit ..

(iv) Rs 19.87 were shown paid to Anank cloth House, Solan but neither the bill nor receipt of the supplier was forthcoming. The same may be put up at the next audit.

12. Income:- Out of the total accommodation of 9 Room and from and Rear verandahs in the ground floor and 11 rooms including glazed verandahs in the first floor, 5 suites (officer's JCOs) and two Dormitories were being utilized for the Rest House. This position may be confirmed and it may also be ensured that the maximum accommodation is made available to the visitors and the rest house is not rented on seasonal rest basis which is quite less than the daily rates being realised from the visitors. It may be also be ensured that no accommodation is misutilized and total income realised is accounted for properly.

(a) Short realisations :- The cases of short realisations are details below the dues may be realised now from the defaulters and credit particulars shown at the next audit.

(b) Sh. Jagir Singh stayed in SRH from 10.6.75 to 12.6.75 and he occupied one officer's room and one JCO's room and rent of Rs 32/- @ Rs 16/- per day should have been realised from him whereas Rs 12/- were realised, The balance amount of Rs 20/- may be made good from the defaulter.

(ii) Rs 11/- were realised from Sh. B. Ram Kumar who stayed from 3.6.75 to 4.6.75 but due to overwriting the amount was changed to Rs 3/- and thus Rs 8/- were misappropriated which amount may be made good from the chowkidar immediately.

(iii) There was an income of Rs 57/- in the months of 8/75 but Rs 33/- had been accounted for in the cash book. The recovery of Rs 24/- short accounted for may be made good from the defaulter and compliance shown at the next audit.

(iv) The income of Rs 8/- for 10/75 had not been accounted for in the cash book which may be accounted for now and compliance shown at the next audit.

(v) Shri S.S. Jaswal (Dio) Solan stayed in officer's room from 1.3.77 to 25.3.77. Therefore Rs 150/- ought to have been realised from him as rent and electricity consumption charges @ Rs 6/- per day but

Rs 68/- were realised from him. The balance of Rs 82/- may be realised from him now and compliance reported to this department.

(vi) Dr. N. L. Bhaik stayed from 10.3.77 to 31.3.77 in room No 3 and Rs 50/- were recoverable from him. But no amount had been recovered from him. The amount of Rs 50/- may either be recovered from Dr. Bhaik or from the defaulter and credit particulars intimated to this department.

(vii) Ex- Havildar Lal Singh of D.C office Solan stayed in SRH- from 1.5.77 to 31.5.77 and Rs 15/- were realised from him on account of rent. But he should have been charged Rs 60/- @ 2/- p.d. The short realisation of Rs 45/- may be made good now.

(viii) As per note of the secretary dated 10.3.77 in the visitors book, three employees on election duty had stayed in the mess house but there was no entry in this behalf in the book and no amount had been charged from them. The amount may therefore be made good from the defaulter.

(ix) Shri Dinesh Prasad stayed in Dormitory from 1.9.77 to 30.9.77 and a rent of Rs 3/- only had been charged from him, whereas Rs 75/- should have been charged from him. The short realisation of Rs 45/- may be made good now and compliance shown at the next audit.

(x) Shri G.D. Negi DSP anti corruption unit stayed in the sainik rest house on 12.3.79, 16.3.79 to 17.3.79, 19.3.79 to 20.3.79, 23.3.79, 26.3.79, 29.3.79 and 3.5.79 to 4.5.79 and rent of the room Rs 3/- per day amounting to Rs 27/- was charged from him whereas he should have been charged Rs 5/- per day and total amount of Rs 45/- for his entire stay. Therefore recovery of balance amount of Rs 18/- may be effected from him or from the defaulter.

The short recoveries as detailed above may be made good and the entire amount got deposited and this department be informed accordingly.

(b) The rules for class II SRH notified vide secretary Rajya Sainik Board letter No. 7-5/74 SSAB dated 23.1.76 were not being followed meticulously. The daily rates are for 24 hours of part thereof. The aspect of part thereof had not been kept in view in so many cases. Needless may be done. The officers' rooms Jee's rooms Nos may be distinctly be specified to remove doubt while realising dues from Ex- Servicemen or from civilians.

12. Mis-appropriation of sainik Rest House fund
During the course of audit of sainik Rest house funds under the zila sainik Board Solan, a case of mis-appropriation of 1234/- (Rupees One thousand two hundred thirty four only) was detected. It was noticed that the income of the Rest house was not being accounted for daily in the cash book and instead monthly income was being

worked out from visitor book and a single entry was being made in the cash book. But there were variations in figures between the income of the visitor's book and the amount accounted for in the cash book. The total income as per visitor's book was thus not found accounted for in full in so many cases and the difference of amount has been mis-appropriated in the month of June, 78.

An amount of Rs 791/- was received from Shri J.L. Chauhan labour officer vide receipt No. 410 dated 7.6.78 and its entry was made in the visitors book in the month of May, 78 but since the receipt was in fact issued in the month of June, its income should have come in this month. The income was neither taken into account in the month of May, 1978 nor in the month of June, 1978. Besides, Rs 791/- there was another income of Rs 321-50 during June, 1978. Thus there was a total income of Rs 1112-50 during this month but a sum of Rs 251/- was found accounted for in the cash book resulting in mis-appropriation of Rs 861-50 in one month only. The total amount mis-appropriated has been worked out as under :-

Name of Month	Income	Amount accounted for in the cash book.	Difference.
4/77	470-50	35-50	
3/78	209-00	194-50	105-00
5/78	324-50	218-00	14.50
6/78	1112-50	251-00	106-50
7/78	319-00	257-00	861-50
3/79	456-00	36-50	61-50
5/79	690-50	654-50	80-50
11/79	900-50	895-00	36-00
1/80	279-00	273-50	5-00
3/80	555-00	617-00	6-00
	5,327-00	4093-00	1286-00

52/- excess deposit.

Net amount Rs 1234/- (Rupees one thousand two hundred thirty four only -
The matter may therefore, be enquired into and the amount of Rs 1234/- (Rupees one thousand two hundred thirty four only) may please be got deposited into the Red House funds under intimated to this department. In future a system be evolved to issue receipt and get the whole amount accounted for as daily income in the cash book and the whole amount credited into the bank/post office as the case may be. The visitor's book which also shows the income particulars was not being signed by the secretary at the end of month which should be also be signed by him so that any short credit etc is detected in time.

14. Rent Dues :- A sum of Rs 4622-20 was outstanding on account of recovery of rent of rest house premises which had been rented out on seasonal basis and to the Distt. Employment officer for office accommodation Besides effecting recovery the renting out of the premises on seasonal basis

X An amount
Rs 261/50 has
misappropriated

ALL
1580-51

rent-fixed. The and to the Distt Employment office
-r for office accommodation besides effecting
recovery the renting out of the premises on
seasonal the renting out the premises on seasonal
basis may be discontinued justified so as more
revenue is likely to be earned from the visits.

No. Name	Rental period	Amount recoverable	Recover ed-	Balance dues
Sh. P. S. Parmar	1.8.78 to 21.7.80	1918.00	nil	1918.00
Sh. J. L. Chauchan	26.7.77 to 12.3.80	2474.00	2099.00	375.00
la our officer.				
Sh Jagjeet kumar	uty 3/76	412.00	135.00	277.00
Sh. Rupinder	4/77 to 6/77	201.00	- 201.00	201.00
Sh. Dinesh	4/77 to 6/77	78.50	-	78.50
Sh. B. D. Singha				
Secy.	As per note at page 1.	39.00	-	39.00
Sh. Distt Smp. officer	1.8.75 to 31.7.80	11540.00 15562.00	9806.30 12040.30	1733.70 4522.20

Shri P. S. Parmar was staying in the rest house since 20.9.76 and since 1.8.78 he had locked the Rest House room and he was neither paying any rent nor had vacated the premises. He was being charged rent @ 959/- p.a. on seasonal basis rent fixed. The whole amount of outstanding rent of 4622.20 may be recovered. It may also be ensured that the amount due is recovered before the occupant leaves the premises.

15. Retention of cash in hand :- Huge amounts were being kept in hand and these were deposited quite late in Bank / Post office. The amount should be deposited into Bank as soon as it is received. In future it may be ensured that minimum cash required for immediate need only is kept in hand. The position of retention of cash in hand was as under.

Dates	Amount of cash in hand .	Dates	Amount of cash in hand .
30.4.77	76.74	19.10.77	261.97
31.5.77	1234.74	31.3.78	236.88
1.2.78	257.47	30.11.78	458.00
30.9.78	255.00	31.5.79	1202.12
23.4.78	547.62	30.9.79	757.09
21.7.79	1020.10	31.3.80	1222.00
21.1.79	842.09		

16. Armed forces flag day fund :- As per collection register made available to audit . the collection register were started w.e.f. December, 1975. The register so started was not found signed by the secretary nor it contained a court certificate. In this register monthly closings was not found done and income expenditure columns were also not provided. It was stated that the operation of the fund was - was stated that the was started w.e.f. 12/75 only and no balance etc. was handed over to the zila sainik Board either by the D.C. office or zila sainik Board, Bahar. The accounts of the fund were lying in a mess and grants of special fund or H&R of Ex-servicemen and grant for Rest House furniture

was also found credited into this fund. There was no proper linking of vouchers. The receipts of collections were not entered into cash book serially and the amount of receipts was not shown as cash received nor it was being shown as cash in hand. The amount was deposited directly in Post office where the account had been kept and no reference of receipt Nos. was being given while showing the deposit entry. Thus full amount of collections was not found deposited till next deposit. As has earlier been stated, the account was lying in a mess it took too much time to check the account and accounts could be checked with great difficulty upto 31.3.79. There was also no authenticity with receipts for all collections were being issued to the donors or not. No reliance could be placed on this issue. The administrative authorities were therefore, first ascertain the yearwise collections and initiate to audit the complete details so that effective check could be exercised.

The posting of collections made upto Receipt No. 10062 dated 19.5.77, was not entered in the cash book (Entry made on 20.5.77). Therefore it was found that amount was being received and receipts of donations were issued but its credit entries were not made in the cash book nor cash in hand was shown. Thus besides temporary mis-appropriation of the amounts, it further was not found deposited with regard to issue of receipts for instance if an amount of Rs 500/- was received in a month say from receipt serial No 1 to 10, its corresponding receipt (Cash) entry was not found made in the cash book and after the lapse of some period an amount of say Rs 300/- was being deposited direct into the Post office and shown as "deposited into Bank" and it also did not bear detail or reference to receipt serial Nos. Since the receipt entry of cash received were not being depicted, it was too difficult to ascertain how much amount of cash was remaining in hand out of which Rs 300/- have been deposited direct into the Bank Post office. After the issuance of Receipt No 10062 dt. 19.5.77 the following cash in hand was received upto 31.3.79, and the deposits found in the Post office saving pass book are also detailed below. Besides temporary mis-appropriation of fund, there were still variations between the receipts and amount deposited in Post office. It is also brought to light that the receipts of amounts received by cheque or Bank draft were not being issued and thus the amount of these receipts is also suspected to have been misappropriated.

Amount	Receipts No. & Date	Amount deposited in P.O. and entry of which was only made in the cash book.
53.00	10063 dt. 29.11.77	200.00 23.10.77
52.00	10064 -do-	317.72 24.11.77
55.00	10065 8/12-77	78.62 15.12.77
1.00	10066 dt 14.12.77	163.00 9.2.78
5.00	10067 20.12.77	315.50 10.2.78
15.00	10068 3.1.78	402.00 2.3.78
12	10069 4.1.78	897.00 9-3.78

104

150 10070 dt 13.1.78

5210. ~~2832-00~~

8.8./22.10.77

115.50	10071	13.1.78
50.00	10072	17.1.78
207.00	10073	19.1.78
100.00	10074	3.2.78
100.00	10075	9.2.78
500.00	10076	10.2.78

Balance c. over.

1692-50

16 2-50

8.00

10077 dt 11.2.78

165.00

10078 17.2.78

125.00

10079 24.2.78

372.00

10080 10.3.78

5.00

10081 10.3.78

400.00

10082 14.3.78

222.00

10083 31. .78

3098-50

~~xxxxxxx~~

361-00

10084 4.4.78

5210-84

150.00

10085

1138.00

6.4.78

300.00

10086

550.00

15.5.78

250.00

10087

164-15

510.00

10088

100-50

150.00

10089

54-00

25.00

10090

50.00

16.5.78

194-00

10091

800-00

9.8.78

5.00

10092

55.00

10093

250.00

10094

103.00

10095

707-86

10096

250.00

10097

100.00

10098

800.00

10099

143.00

10100

100-30

10102

800.00

10103

5295-15

3210-65

250.00

10104 29.5.78

100.00

10105 12.12.78

52.00

10106 28.12.78

53

10107 1.2.79

53

10108 1.2.79

10.50

10109 1.2.79

200.00

10110 5.2.79

290.00

1 111 9.2.79

372-00

10112 15.2.79

100.00

10113 9.3.79

838.00

10114 27.3.79

400.00

10115 26.3. 9

300. 0

5.3.79

332.00

27.3.79

100.00

-do-

55.70

-do-

100.00

-do-

70.00

-do-

25.00

-do-

100.00

-do-

160.00

-do-

307-30

-do-

2250-50

Total receipt dt 31.3.79

3098.50

5295.16

2250.50

10644-16

1769-30

Total deposits upto

5210.84

3210.65

1769.30

10190-79

30 accountal for 453-37

From the perusal of above statement it would be seen that a sum of Rs 453-37 had been short deposited upto 21.1.79 out of amount of donations received in cash. The amount of cheques /drafts which might have been received and the receipts of which were not being given from the receipt book may be added in this short accountal for. This difference is after taking into account. the amount of Rs 232/- deposited on 8.8./28.10.77 the details of which were also not forthcoming. The information with regard to receipt of donations by cheques/drafts may be collected and its income / credit into Bank /post office may also be got deposited besides recovering the amount of Rs 453-37 from the defaulters suitable disciplinary action may also be taken against the defaulters under intimation to this department.

17. Suspected Mis-appropriation (a) An amount of Rs 3,600/- received on account of grant for I.T.I students is suspected to have been mis-appropriated. The amount was received from the secretary Rajya sainik Board, Simla vide draft No- K-554809 dated 8.3.77 under his letter No. 12-22/74-SSAB dated 8.3.77 (p-3 of file No. 1-15/76 of ZSB solan) and entry to this effect was made in the cash book in Bank column at p. 40. But since the draft was made payable to president (DC) Zila sainik Board solan, the draft was subject to encashment from the bank as the Boards (Flag day) accounts were kept in Head post office solan. Therefore an endorsement vide N.11 of file No. 1-15/76 was added for encashment of Bank draft and the file was submitted to the President (DC) for signing the endorsement. The GA to D.C vide N.12 of the file submitted the case to D.C with the remarks that "Secretary ZSB will get the amount credited into saving Bank account in the post office under his personal supervision." The president (D.C) Shri Hari Singh vide N.13 of the file remarked that "Cheque signed secretary Zila Sainik Board will personally collect the amount and deposit it in post office account." This endorsement was signed on the cheque on 7.7.77. An authority letter was further given to the Bank vide No. 214 of the file on 7.7.77 authorising Sh. B.D. Singha, Secretary, Zila sainik Board to collect the payment. The payment was thus received from the Bank by the secretary but the credit of this amount of Rs 3600/- (Rupees Three thousand six hundred only) was not found in post office cash book (Account No 64716 of Flag day fund of Zila sainik Board solan on 7.7.77 or on any other date upto the concluding day of audit. The amount is therefore suspected to have been misappropriated suitable action may please be taken to recover this amount from the defaulters and amount credited into Flag day fund of the Board. Suitable disciplinary action may also be taken against the defaulter under intimation to this department.

(b) A sum of Rs 242/- (Rupees Two hundred and forty only) was remitted to Govt college, Malasana on

a count of scholarship (stipend) of shri prem chand a student of B. Part- I But the principal of the college vide letter No. OCA (2)77-52 dated 8.7.77 indicated that the student was in receipt of other scholarship and he has therefore not accepted the amount and thus he returned the amount by draft. The draft was taken in receipt side in Bank column on 1.11.77 But its credit was not afforded in the Post office pass book as the draft was to be first encashed and then after deposited in the post office. Since there was no credit of Rs 240/- in the post office pass book of flag day fund it is suspected that the amount of Rs 240/- has been mis-appropriated. The matter may please be fully inquired and the amount is got deposited into the fund. Suitable disciplinary action may also be taken against the defaulters under intimation to this department.

18. Income of other funds (-) The amount of Rs 5,000/- on account of Rast House grant received in 1975, Rs 4041/- on account of stipend and Rs 3600/- on account of I. I stipend were also found entered in this fund (the credit of Rs 3600/- was however not found in the post office). These amounts should have been accounted for in the respective cash book of the funds.

An amount of Rs 2057-26 (Rs 732-50 flag day and Rs 1324-76 for furniture) was found credited in the post office pass book and cash book also. The complete details of the amount of Rs 1324-76 viz from where received and for which purpose received and communication of sending authority were not forthcoming. complete details may be ascertained and compliance shown at the time of next audit.

19. Payment (a) An amount of Rs 2120-80 was received to the secretary Rajya sainik Board similar amount of central state share of flag day income. But its receipt had not been obtained which may be obtained now and compliance shown at the next audit.

(b) (i) Rs 57/- were emitted by P.O on 7.4.77 to Headmaster Govt High school Gullerwala and Rs 96/- to the principal Govt Hr. Sec. school subahlu on account of stipends. But the amount of Rs 96/- was to be remitted to the former and Rs 57/- to the latter vide letter No. SM-28-1-15/77-771-72 dt. 13.7.77 the two institutions were directed to exchange the amounts. But the Headmaster G.H.S Gullerwala does not seem to have sent the amount to subahlu as no A.Rs were received since it is an old case the amount of Rs 480/- (Rs 576/-96) may be claimed back immediately from the Headmaster. The compliance may be shown at the next audit.

(ii) Rs 336/- were sent as under to the Headmaster Govt High school solan on account of stipend on 7.4.77 but its receipts had not been obtained which may be obtained now and compliance shown at the next audit.

Mr. Arvinder Kumar P. 144-20
"Lpkar" P. 96-00

Miss Narinder Kaur .

Rs 9/-

(c) Rs 709/- & Rs 28/- were paid vide cheque No. 075202 & 203 dt 7.4.77 to the Himachal Furniture Industries solan. But bill of the supplier, quotations and its stock entries were not forthcoming. These may be traced and put up at the next audit. The authority under which this payment could be made out of flag day fund may be also be intimated.

(d) Rs 615-40 were paid to Mrs Neelan furniture Industry solan vide P.O. cheque No. A.O 75218dt 11.5.77. But the bill, quotations and stock entries of this payment were not forthcoming. Complete details of payment alongwith stock entry of articles so purchased may be intimated and authority of payment out of this fund may be also be intimated.

(e) Rs 77.72 were paid on 19.5.77 to typewriter co. But the bills its APR, and description of the payment was not forthcoming. The payment of typewriter is not a fit charge on this fund. The amount may therefore be recouped to this fund or else justified. Similarly Rs 80/- were also paid on 25.5.77 on account of typewriter hire charges. But its bill and APR was also not forthcoming. This was also not a fit charge on the fund. The amount paid may now be recouped to the fund or its payment justified.

(f) Out of payment of Rs 700/- made on 24.12.77 actual payees' receipt from Shri Nanak chand for Rs 100/- had not been received. This may be obtained from him now and compliance shown at the next audit.

(g) Out of the amount of Rs 2,600/- drawn on 5.3.79 for giving financial assistance to the poor ex-servicemen an amount of Rs 1000/- was remitted to the SDM Malagarh and the amount Rs 200/- each was to be paid to Sarvshri Hari Ram, Kartar Singh and SaravSmt. Indro Devi, Bhajar Kaur and surjit kaur. But their APRs had not been received from the SDM Malagarh. The correctness of these payments may be ascertained and the APRs shown at the next audit.

20 Deposits /cash book (a) An amount of Rs 382/- was found deposited into the post office as per post office pass book on 15.3.78. But its details were not forthcoming and receipt entry to this effect had also not been made. Its complete details may be intimated and shown at the next audit.

(b) The cash book after 1.1.78 was not found signed by any officer. This is very irregular. The cash book may be signed now and reasons for not doing so earlier may also be intimated. There was a balance of Rs 10815-68 plus Rs 28.49 (Cash in hand) as per cash book but as per post office pass book there was a balance of Rs 11337-83 resulting into a difference of Rs 522-15 i.e. the cash book showed a less balance of Rs 522-15. This discrepancy may be reconciled. Reconciliation of balances of

cash book and post office was not being done at the end of each month nor the certificate of verification of cash balances in the cash book was being recorded by the secretary at the end of each month. The reconciliation may now be done at the end of each month and certificate of physical verification of cash in hand may also be recorded at the end of each month and compliance shown at the next audit.

21. Objection statement :- It has been forwarded in advance to this audit note for disposal. Miscellaneous :- The bills and payment vouchers were not kept in separate files of each fund. Amount of one fund was found credited into the cash book of other fund. Huge amounts of cash in hand were kept. Under these circumstances, it took too much time for auditing the accounts. The accounts of special fund for R&R and Rest House fund were checked upto 31.3.80 and accounts of Armed Forces flag day fund could be checked upto 31.3.79 as the accounts were in a mess. There was no certainty whether the receipts were being issued to all the donors. The positing of all receipts issued was not being made in the receipt side of cash book. The cash in hand was also not being shown in the case of flag day fund. The amount deposited on account of collections in post office was being entered as "deposited into P.O." with ~~no~~ ~~so~~ ~~to~~ ~~so~~ and so, If all the collections are counted upto a date on which the amount was found deposited into P.O. still huge amounts remained unaccounted for. Therefore the full years' collections and the amount deposited into P.O. had to be calculated as detailed in para 16 to arrive at the net result which also shows a short credit. The accounts may therefore be maintained properly as explained in detail on every point on the spot and compliance intimated. The amount of special fund for R&R construction and Rehabilitation of EX-servicemen had been kept in post office in saving account, but as per the decision of state Governing Body, the funds are to be kept in any of the scheduled Banks. Not relaxation from this provision of decision had been obtained. This aspect may be explained paragraphs

22. Conclusion:- paragraphs 13, 16 and 17 are specifically brought to the notice of authorities for immediate action. The accounts require considerable improvement. As these had been maintained very badly, the deficiencies pointed out in para 20 (c) should also be supplied / rectified immediately.

Sd/-
Assistant Examiner /-
Local Fund Accounts, J.I.
Sl-2.

No reference to receipt
Sr.No from demand

XX31. objection statement
has been forwarded
in advance to this audit
for disposal.

copy forwarded for information and necessary action:-

1. The Secretary, Zila Sainik Board , Solan Distt Solan H.P. with these request that an annotated copy showing the action taken on the Audit Note may please be sent to this department at an early date .
2. The Secretary Rajya sainik Board H.P.Sole
3. The Deputy commissioner Solan Distt Solan
4. Sh. S.R sharma Senior Auditor C/C.

Assistant Engineer,
Local fund Accounts,
H.P. Sirala- 2.

W

Appendix 'A' referred to para 5 of the Audit & Inspection Report for the period from 1977-78, 78-79 State of grant received to the Zila Sainik Board and 1979-80

Sanction of letter No.	Authority sanctioning the grant.	Amount of grant.	Date of credit into account.	Purpose of grant.	A. short on the purpose.	Balance of grant.	Bal - on - ce at the close of the year.	Remarks.
12-14/75/RAB III of June R.C. Board	Managing committee	10000/-	19.7.77	V.T.C	23964.50	12242.50		Balance carried forward to the next year.

12-14/75-1-AD
12-77 vol. II

12-14/75/RAB
II

2-24/74- CSAB of
77

2-14/74- RAB
II

19.78 -do-

2/59/77 RAB
1.79

2-14/74 RAB. 27.12.79
Solan

2-23-2-35 /AG/77-1487 dated 26.11.80

Forwarded to the Senior Auditor Zila Sainik Board
Certified that I have personally checked the statement of grants and found to be correct.

Secretary
Zila Sainik Board Solan.