

AUDIT AND INSPECTION NOTE ON THE ACCOUNTS OF URBAN
DEPARTMENT AUTHORITY H.P., SHIMLA-171009

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PERIOD - 4/92 to 3/93

1. Last Audit Reports :- Audit paras specially pertaining to serious irregularities were not attended inspite of repeated request by this department. No action was initiated against the officials/officers responsible for the lapses. The delay in initiating action will certainly dilute the gravity of offence. Once again the Authorities are requested to take immediate action on all the pending audit paras, so that the losses could be recovered and guilty person be dealt with according to the provisions under rules and law. The detail of paras outstanding and paras settled during the audit is given as under:-

A. OUTSTANDING AUDIT PARAS

1) Audit Report for the year 1988-89

| | |
|------|-----------|
| Para | 10 |
| Para | 11(27(7)) |
| Para | 12(7) |
| Para | 12(8) |
| Para | 12(3) |
| Para | 18 |

Contd.....E.

11) Audit Report for the year 1989-90

| | |
|------|----------------------------|
| Para | 6 |
| Para | 8 (अ) |
| Para | 10 |
| Para | 12 (अ) |
| Para | 12 (ब) |
| Para | 13 (ग से ड) |
| Para | 14 (क) |
| Para | 17 (अ) (ब) (ग) |
| Para | 19 (ग) (ब) (अ) (क) (ज) (म) |
| Para | 23 (ग) (ब) (ड) |
| Para | 24 to 27 |

111) Audit Report for the period 1990-91

| | |
|------|----------|
| Para | 5 to 11 |
| Para | 13 to 18 |
| Para | 20 |
| Para | 27 |
| Para | 29 to 32 |
| Para | 37 |
| Para | 42 to 44 |
| Para | 46 to 48 |
| Para | 53 (b) |
| Para | 54 to 56 |
| Para | 58 to 61 |
| Para | 62 to 67 |
| Para | 70 to 71 |
| Para | 75 to 76 |

iv) Audit report for the period 1991-92

Para 5 to 11

B. Settled paras :i) Audit report for the period 1986-87

Para 13(7) and 14(A)

ii) Audit report for the period 1987-88

Para 6(K) and 9(4) and 11

iii) Audit report for the period 1988-89Para 6, 8, 11(a), 12(क)(ख)(घ),
14(ख), 15(इ) and 17 (क)iv) Audit report for the period 1989-90Para 7(क) to 7(ड), 8 क to 8(घ)
and 9

Para 12(क), 12 (ग)

Para 16(क)(ख), 17(क)(ग)(घ)(ज)

Para 20 to 22

Para 23(क) and 23(ख)

Para 23

v) Audit report for the period 1990-91

Para 12, 19, 21 and 22

Para 24(Amount recovered vide
H.B. No. 348 page 83)

Para 25 to 26

Para 26(recovery effected vide
H.B. No. 222 page 8)Para 32 to 35-Report sent separately
vide A.C.(Audit) letter No. nil
dated 16.10.95

Para-36 : (Deleted as reproduce in para No.48)

Para-38 : (Amount recovered vide M.B. No. 41
page 64)

Para- 39 to 41, 43(b), 45 xx

Para- 47 to 49, 52, 53, 57

Para- 68, 69, 72, 74, 77, 78

vi) Audit report for the period 1991-92.

Para 1 to 3

Para 4 settled as audit fee credited
vide cheque No. 204026 dated
3.8.95

PART- II

2. Present Audit : The present test audit and examination of accounts for the period 4/92 to 3/95 was conducted by Shri Vinod Raj Gupta, Assistant Controller(Audit) w.e.f. 20.2.95 to 10.8.95. The accounts for the months of 6/92 & 3/93 were put to detailed check.

3. Audit Fee : The fee for the audit worked out to Rs. 14615.00 which may please be credited into Government treasury under the Head pointed out in the Audit Requisition under intimation to : is Office.

Contd.5.

4. Final Accounts : Final accounts, Balance Sheet & income-expenditure statement as on 31.3.1993 have been checked in audit. The following irregularities were noticed.

a) Balance Sheet

Balance sheet does not depict the true picture of the organisation. Mainly the position of surplus shown is not correct. The authorities made efforts to minimise the surplus for which vague entries have been made. The amounts required to be shown as assets were capitalized which put adverse effect on the Balance Sheet. The detailed comments are as under :-

- b) Grant-in-aid : Upto 31.3.93, Rs. 3,55,00,000/- have been received as grant in aid from Himachal Pradesh Government. Since this amount was received from the H.P. Government as grant in aid which is not repayable back, then why this amount have been shown as liability ? It must have placed in Assets or Income-expenditure account. It was also stated that this amount is granted by the Govt. for maintaining a revolving fund for the acquisition of land. If it is so then the approval of the Government may be obtained and thereafter the revolving fund be used for the acquisition of land only.

- c) Surplus :- The surplus on 31.3.93 have been shown as Rs. 12,65,030.76Rs. But ^{during} the year 1992-93 it was actually worked out to Rs. 92001.91Rs. only. It is evident from the entry made under suspense account where the provision for repair and maintenance have been made with the intention to minimise the surplus. The provision under this head reached to Rs. 2,82,00,000/- upto last year and further during this year the provision of Rs. 1,00,30535.45 have again made , where as this amount was never required for the purpose as mentioned. This provision have deliberately been made to decrease the surplus.

Therefore, the true balance of the surplus should be considered as 3,94,95,616.21 Rs. and not 12,65,030.76Rs. as appears in the Balance Sheet.

- d) Reserves : Rs. 7,71,536.93 Rs. have shown as reserves. Since this was the income from the store, it should have been taken as income in the Income-expenditure account. Showing this as liability was wrong.

- e) H. . Government Loan : Rs. 31,80,000/- still stand unpaid to the Government. As per condition, this loan had to be refunded in Ten Annual instalments to the Government. This needs to be done early under intimation to this office.

- f) Stock : The position of stock has shown as follows:

| | |
|-----------------------------|---------------------|
| Ag per last balance sheet : | 18,20,490.72 |
| Less during the year | (-) 42,61,820.00 |
| | <u>24,41,329.28</u> |
| | (-) 24,41,329.28 |
| | <u>0.00</u> |

Stock balance have been worked out in minus, whereas as per certified stock balances (copy enclosed at Annexure 'B') the real balances of stock worked out to Rs. 7,07,423/- This position of stock in balance sheet appears to be imaginary and not based on the record. Minus position of stock not only reflect the wrong picture of the account but also effect the surplus amount.

g) Deposit for preference allotment : Upto 31.3.93

the total deposit have reached to Rs. 30,13,560/- This amount is placed on the liability side, whereas it being a revenue receipt should have taken as income. The wrong placing has decreased the surplus. The entry may be justified.

5. Un-necessary raising of overdraft resulted in extra payment of interest amounting to Rs. 9,00,733/-

The position of over draft was as under :-

| | |
|---|---------------------|
| During the year 1991-92 : | 1,76,53,168.33 |
| During the year 1992-93 : | 1,53,55,610.49 |
| Interest paid on overdraft: | 24,51,616.00 |
| (Not brought in balance sheet but actually charged) | 5,21,323.00 |
| Total : | <u>29,72,939.00</u> |

Subsequently, the Pradhikaran has a fixed deposit as under:-

| | |
|--|----------------|
| Fixed deposit | 3,80,04,365.00 |
| Intt. received on deposit | 44,61,003.42 |
| The interest received on the amount of Rs. 1,76,53,168/- of overdraft) | 20,72,151.00 |
| Excess interest paid by raising over draft | 9,00,738.00 |

The above figure made it evident that the Pradhikaran had to pay extra interest of Rs. 9,00,738/- by raising over draft. The extra interest paid @ 5% above than the Pradhikaran received on fixed deposit on the same amount.

When there was sufficient amount with the Organization then there was no wisdom to raise overdraft. The faulty decision has ^{resulted} ~~resulted~~ in net loss of Rs. 9,00,738/- which may be looked into seriously by the Government and the authorities of the Pradhikaran.

6. Fixed Deposit : An amount of Rs. 3,80,04,365/- have shown as fixed deposit which could not be certified as no such record made available to the Audit. The necessary verification may be got done during next audit.

7. Less Debit of interest paid on overdraft

In the balance sheet, the amount of Rs. 24,51616/- have ~~shown~~ shown paid towards the interest on overdraft whereas the amount of Rs. 5,21,323/- have also charged by the Punjab National Bank as interest on overdraft i.e. total amount of interest on overdraft worked out Rs. 29,72,939/- Now account of this amount has given wrong picture of the Balance Sheet. Such mistake does not depict the true and fair picture of the affairs of the Pradhikaran.

8. Irregular deduction of Rs. 7,07,560/- by HUDCO out of loan to the Organisation

The perusal of adjustment Vr. No. 16, for the year 1992-93 reveals that the HUDCO granted a loan of Rs. 2,34,13,000/- while making the payment, the HUDCO made the following deduction :-

| | |
|--|--------------|
| 1) Fee | 4,22,370.00 |
| 2) M.S. Flat fund | 7,07,560.00 |
| 3) Commission charges | 6000.00 |
| 4) Intt. accrued on a/c of scheme from L.I.C. to M.I.C. etc. | 24,864.00 |
| 5) Interest tax | 745.00 |
| | |
| Total: | 11,61,539.00 |
| | |

But it has been observed that the deduction of

Rs. 7,07,560/- on account of B.W.S. float fund is not in order in view of the condition as per Agreement. The authorities should have taken notice of this irregular deduction by the HUDCO. The irregular deduction made by HUDCO may be recovered at the earliest.

DIVISION NO. I

9. Excess/illegal payment to the Contractor, negligence and undue favour has resulted in losses to the tune of Rs. ~~5,53,497/-~~ 4,65,802/-

Vide Agreement No. SDA, 4/1991-92, the work for the execution of water supply scheme has been awarded to Sh. Sarad Vohra. The work was commenced on 21.5.91 and was to be completed by 22.9.91. Having failed to complete the work, the work has to rescind vide letter No. HPNV (M&P-1)-Actt.7/94-1439-92, dated 14.12.94.

The detailed study of this contract reveals that the contractor has pilferage the material issued by the Panchikaran to the tune of Rs. ^{3,31,144=00} ~~3,93,742/-~~. The Contractor appeared to have misappropriated material with the help of concerned Engineers. Had the Engineers acted under the provision of the rules, the pilferage could have been avoided. Under rules, the site Engineers are duly bound to keep the material in safe custody. But in this case the Engineers exercise no control and the material was misappropriated.

This Liberty given to contractor by the Engineer may be due to an act of negligancy or by having vested interest caused heavy losses to the Pradhikaran to the tune of Rs. 3,31,144/-

Suspected role of site Engineer required to be investigated & losses ~~to~~^{so} resulted needs to be recovered from the person/s at fault.

The details of losses which appeared in M.B.No. 353 Page 96 ~~xx~~ are as under :-

| | | |
|----|--|------------------------|
| 1. | The balance of 573 cement bags not returned to store and found mis-appropriated. The cost at the penal rate worked out to | Rs. 93,972.00 |
| 2. | Total quantity of Steel measuring 10.824 M.T. have also found mis-appropriated. The cost of it @ 18000/- PMT worked out to | Rs. 1,94,832.00 |
| 3. | 0.277 M.T of C.G.I. sheet have also found misappropriated which cost @ Rs. 3600/- PMT | Rs. 32,368.00 |
| | | ----- |
| | Total : | <u>Rs. 3,31,144.00</u> |

Beside this the following amount also required to be recovered from the contractor :-

| | | |
|----|--|-----------------|
| 1. | Non recovery of penalty imposed upon him under clause-2 of the Agreement | 93,698.00 |
| 2. | Non-adjustment of security which was to be justified. | 35,960.00 |
| | | ----- |
| | Total : (a+b) : | Rs. 4,65,802.00 |
| | | ----- |

10. a) Excess payment of Rs. 1415/- to Contractor M/S. Ashok Madan.

Voucher No. 45 dated 24.3.93

Name of work - C/o the Commercial complex at Kuzh Shimala

Vide this bill the payment for item No. 3/5 providing & laying cement concrete 1:6:12 was made for 504.80 cum. Whereas total measurement of item executed worked out to 501.97 cum only.

Wrong calculation has remitted in excess payment for 2.83 cu.m³ which worked out to Rs. 1415/- The amount may be recovered now.

i) Non-Accountal of Stone.

It has been observed that while executing the work of earth cutting specially where jumper work is done, the available stone/buldaⁿ not accounted for. Non accountal of this material have thus causes losses to the Organization. As per rules atleast 1/3 of portion of earth cutting should have collected and accounted for in the M.A.S.

For example in the following cases the stone could have accounted for

| Vr. No. | Name of work | Quantity of earth work |
|----------------|------------------|------------------------|
| 36 dt. 17.3.93 | C/o Kuzh Shimala | 305.10 m ³ |
| 41 dt. 24.3.93 | -do- | 265.40 m ³ |
| 43 dt. 24.3.93 | -do- | 1164.06 m ³ |

The authority may assess the minimum quantity of stones to be accounted for and the recovery be effected accordingly.

ii) Master-roll No. 50 for 3/93

Rs. 7196/- were paid vide Master Roll No. 50 for 3/93. The wages paid to one ^{morte} ~~master~~-mate & ten Belder but the work done by them. Belder and progress of work done not worked out as required under rules. The progress of work done may be pointed out to justify the payment.

iii) Misappropriation of Material:

The following material was purchased but the stock entries there of was not pointed out in audit. Therefore, it is suspected that the material have been misappropriated. The matter may be enquired into and in case the misappropriation is confirmed, appropriate action may be taken to effect the recovery under intimation to this officer:-

| <u>Vr.No. & date</u> | <u>Particular</u> | <u>Cost</u> |
|--------------------------------|------------------------|-------------|
| Vr. No. 10dt. 4.3.93 | 35 Hl. of fire wood | 5380.00 |
| Vr.No. 63 dt. 3/93 Sub Vr.5 | 2 kg. copper | 702.00 |
| Sub Vr. 6 of above | 2 kg. Tin Povar | 1404.00 |

b) Voucher No. 18 dated 4.3.93 for Rs. 2131/-

Voucher No. 19 dated 4.3.93 for Rs. 4758/-

Vide above mentioned Vouchers electrical material have been purchased from M/S Central Traders, The Mall, Shimla. Firstly the purchase of this material without calling quotation may be justified.

Secondly these material have not found entered into the stock. So the material appears to be misappropriated. Either the stock entry and consumption of material so purchased be pointed out or recovery of this amount be effected from the persons at fault.

SERIOUS IRREGULARITIES

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11. Irregular and excess payment to M/S. Seemax Construction Pvt. Ltd. amounting to Rs. 50,61,624/-

The work of 25 Nos. Type-A, 21 Nos., Type-B and 8 Nos. Type-C houses was awarded to M/S. Seemax Construction Pvt. Ltd. vide letter No. SDA(D-II) -Acctt-7/89-1105-12, dated 2.11.89 under Agreement No. 13 of 1989-90. As per agreement the time period for the completion of work was 21 months. But as evident from letter No. MPNVP-D-II, Acctt-17-Seemax/94-95-599 dated 13.1.95 from Executive Engineer Division No-II, the Contractor did not execute the work after 9/93. The delay and non-execution of work was not taken seriously. It was only after 2 years

& 8 months on dated 20.3.95 that the work was rescinded vide letter No. HR-H-VP(D-II)-Actt-17/94 (Seeamr)

It has been observed that in this work the Engineers/ Authorities have ~~been~~ acted very carelessly, while making payments to the Contractor. The material issued to the contractor have found misappropriated by the Contractor due to negligence of the concerned authorities. The suspected role of the concerned Engineers have resulted into huge losses to the tune of Rs. 50,61,624/- approximately as under :-

1. Payment of advance amounting to Rs. 8,50,000/- Certificate recorded against this payment appears to be fictitious.
2. Material amounting to Rs. 5,60,747/- against the secured advance misappropriated by the contractor due to negligence of the staff.
3. Neither the recovery of store material amounting to Rs. 15,54,313/- was effected nor the material was received back in the store. As such the material stands misappropriated.
4. Illegal/un-authorized payment of 10 c.c. claim amounting to Rs. 13,82,139/-
5. Non-recovery of penalty amounting to Rs. 9,14,425/- imposed under clause-2.

Grand total: Rs. 50,61,624/-

Detailed comments are as under :-

1. Advance payments of Rs. 8,50,000/- were made to the Contractor as under :-

| <u>Date</u> | <u>M.B. No. & Page</u> | <u>Amount</u> |
|-------------|----------------------------|-----------------|
| 8/93 | 272-P-89-90 | Rs. 2,70,000.00 |
| 10/93 | 272-P-93-94 | Rs. 2,50,000.00 |
| 11/93 | 272-P-97 | Rs. 1,40,000.00 |
| 12/93 | 379-P-1-2 | Rs. 1,60,000.00 |
| 12/93 | 379-P-1-2 | Rs. 30,000.00 |
| | | |
| | | Rs. 8,50,000.00 |
| | | |

The above advance payments have been made on the basis of certificate by the Engineers to the effect that the contractor has actually executed the work to the tune of Rs. 12,00,000/- approx. But from the perusal of letter No. RPNVP-B-II-actt-17-Seenax/94-95-599 dated 13.1.95 it appears that the Contractor has executed the work only upto 8/93. As such the grant of advance after 8/93 is doubtful. Moreover, as per report of Junior Engineer dated 14.9.93, wherein he ~~has~~ reported that the Contractor has lifted the material from the site.

The payment of advance to the Contractor in this situation was indicative of the fact that the contractor was favoured otherwise the recovery could have been made from this next bill. Therefore, the role of the Engineers in this case was suspicious. In case, on the completion of the final bill the work found executed to the tune of Rs. 12 lacs as certified

even then the advance payment should not have been made and the recovery of misappropriated material should have been adjusted by the Contractor.

2. Secured Advance : Secured advance amounting to Rs. 3,60,747/- was given to the contractor . But neither the recovery was effected nor the material was found at the site. As mentioned in previous sub para-I, the Junior Engineer reported to the Assistant Engineer that the contractor has started lifting the material from the site. The authorities did not care to take immediate action and remained silent and negligent. Had the concerned Engineer/authorities taken prompt action, the misappropriation of the material could have been avoided and recovery of secured advance would have been adjusted against the confiscated material.
3. Mis-appropriation of Material : The material worth Rs. 15,54,313/- was issued to the contractor. Since the contractor has left the work in 9/93, neither the recovery of cost of material was made nor the material was received back in the store. The Engineers are duty bound to keep proper watch on the material issued to the contractor but surprisingly even on the report of the Junior Engineer they did not bother to save the material and thus resulted into the mis-appropriation of material which put into net loss of Rs. 15,54,313/- to the Pradhikaran. The responsibility to be fixed on the concerned Engineer for this loss

(Details of material issued, which was not received back is attached in Annexure-0)

4. Irregular payment of 10 c.c. Claim :

Under clause-2 of the Agreement, the Executive Engineer imposed a penalty of Rs. 9,14,425/- vide his letter No. SDA-(P-II)-Actt.-17/89(Spemax) dated 11.10.90. On appeal, the C.B.O.-cum-Chief Engineer reviewed the penalty and a token penalty of Rs. 5,000/- imposed upon the contractor with the condition that the contractor will complete the work upto 16.11.91, failing which the penalty so imposed by the Executive Engineer will remain effective. Finally the Contractor failed to complete the work and the penalty amounting to Rs. 9,14,425/- remained effective.

As per condition of 10 c.c. clause if the penalty is imposed on the contractor under clause-2 of the Agreement, the 10 c.c. claim was not to be paid. As such the payment of 10 c.c. claim after 16.11.91 in the instant case amounting to Rs. 13,82,139/- was in contravention of the provision laid down in the Agreement & thus illegal.

5. Recovery of Penalty : As stated above, the penalty imposed upon the contractor under clause-2 of the Agreement, which amounted out to Rs. 9,14,425/- was still recoverable. The action for the recovery be taken under the provision of law & rules.

12. Analysis of Work :

Name of work : Providing to Kac of Shinla plumping area and Avg. of Shinla 288 (Sh-0/o link road to Pump house stage Ist. Ashwani Khad)

Agreement No. : SDA-16-1990-91

Name of Contractor : M/S. Gurcharan Industries, Sanjauli
Shinla-6

Tendered Amount : 3,18,971/-

Date of written order to commence work : 18.1.1991

Due date of completion of work : 17.3.1991

Actual date of completion of work : 3/93

The above work was checked in detail and the scrutiny of record pertaining to above work reveals as under:

- 1) 1295 bags of Cement were issued vide various indent to the Contractor for execution of the above work. Out of these 1295, 1104 bags were shown consumed upto the completion of the above work. Accountal of balance 191 bags of cement were not shown to audit nor the recovery of 191 bags was made from the contractor. Therefore, the cost of 191 bag Nos. of cement bags at pannel rate i.e. Rs. 164/- per bag total amounting to Rs. 31,324/- may be recovered immediately under intimation to audit

ii) Non-imposition of Penalty for delaying in execution of work.

As per condition of the agreement above work was required to be completed by 17.3.1991. As per clause 2 of the agreement, it was provided that the time allowed for carrying out the work shall be strictly observed by the contractor. In case of non-completion of work by the due date the contractor was liable to pay compensation equal to 1% of the tendered amount or much smaller amount as the Chief Administrator may decide. In the above case neither the contractor had applied for extension nor the period of delay was regularised by granting extension of time. Thus, compensation to the tune of Rs. 3189/- @ 1% of tendered amount to be levied against the contractor. Reasons for not charging the compensation may be intimated and the compensation may be recovered from the Contractor.

iii) Execution of work without technical sanction:

Rules required that a work should not be taken up for execution before it is technically approved, similarly administrative approval and expenditure sanction is required to be accorded by the competent authority before the execution of work is started whereas it was noticed that neither the technical sanction nor administrative approval was accorded by

the competent authority. The required administrative approval and technical sanction may be obtained and shown to audit at the earliest.

Amounts due for each point was quoted as Rs. 100/- each.

Loss of Rs. 67520.55 to the Shimla Development authority

13. The works of construction of link road at R.D.0/00 to 0/633 and 0/00 to 0/635 were awarded to M/S Dinesh Kumar Darshan Kumar of Chandigarh under agreement No. 2 and 3 of 1990-91 vide letter No. SDA-(D-II)-Acctt.-7/90-1860-67 dated 27.9.90 and No. SDA-(D-II)-Acctt.-7/90-1852-59 dated 27.9.90 respectively which called for the following audit observations :-

The tender for the above works were invited and opened on dated 30.4.90 and negotiated on 19.6.90. The scrutiny of the tenders revealed that the items to be executed in both the agreement were same and the tenders were invited opened negotiated and works were awarded on the same date but the rates in both the agreements were different in respect of the items given below. The Authority did not kept the interest to bring at par the rates of similar items. The difference of rates at adjoining sites may be justified or a loss of Rs. 46,871.10 by was of allowing higher rates in one case may be recovered either from the contractor or from the official at fault.

Loss drawn at the time of issue of award letter

| Name of item | Rate as per agreement No. 2 | Rate as per agreement No. 3 | Qty. as per agreement No. 3 | Diff. in rates | excess payment due to allowing higher rates |
|--------------------------|-----------------------------|-----------------------------|-----------------------------|----------------|---|
| Cutting in earth work. | 20.00 | 22.00 | 11175.53 Cums | 2.00 | 22357.05 |
| Excavation and filling | 20.00 | 22.00 | 221.90 cum | 2.00 | 443.80 |
| Concrete work 1:2:4 | 1025.00 | 1050.00 | 313.28 Cum | 25.00 | 7832.00 |
| 1) Foundation & footings | | | | | |
| 2) Walls etc. | 1025.00 | 1050.00 | 649.77 cum | 25.00 | 16244.25 |
| | | | Total:- | | 46871.10 |

Loss at the completion of work.

| | | | | | |
|------------------------|-------|-------|------------------|------|-----------|
| Cutting in earth work. | 20.00 | 22.00 | 24937.70 cum. | 2.00 | 49,875.40 |
| Excavation | 20.00 | 22.00 | 2234.21 cum. | 2.00 | 4,468.40 |

Concrete: 1:2:4

| | | | | | |
|---------------------------|---------|---------|----------------|-------|-----------|
| 1) Foundation & footings. | 1025.00 | 1050.00 | 527.071 cum | 25.00 | 13,176.75 |
|---------------------------|---------|---------|----------------|-------|-----------|

Total:- 67,520.55

Deliberate and un-authorised substitution caused losses to the tune of Rs. 10,816/-

14. Vr.No. 15 of 6/92 for Rs. 53,653.00 (Design)

Name of work: Providing internal electrical installation in 32 Nos. MIG-II.

Name of Contractor: M/S N.R. Electricals .

M.B. No. 107 P-47-53.

a) The test check of the above bill ~~xxxxix~~ revealed that the items provided in the agreement were either not executed or executed in a very small quantity by the Contractor. The reasons were that the Contractor had quoted rates absurdly low in respect of those items and later on substituted by another items of the Contract agreement without prior approval of the competent authority. This was done by the J.E. incharge at the site on his own accord as no site order book was produced in audit. The instances are given below.

a) 128 Nos. light points (long) were to be provided for which the contractor had quoted rate of Rs. 20/- each whereas rate for short point was quoted Rs. 100/- each. While executing, only 64 Nos. of long points were executed and the rest of 64 Nos. points were shown substituted to short points with the intention to give undue benefit of

Rs. 5120/- to the Contractor by this substitution.

Similarly 32 Nos. wiring for 3 pin 15 Amp power sockets extra long-III were to be executed for which the contractor had quoted rate of Rs. 20/- each but in execution these points were not executed and the same were substituted to extra long point-II for which the contractor had quoted Rate of Rs. 198/- each. This substitution was done by the Engineer at site on his own accord because no specific orders of the authority for this substitution were made available in the record. Thus undue benefit of Rs. 5696/- was given to the Contractor. In all Rs. 10816/- (Rs. 5120 + 5696) were paid in excess to the Contractor by way of unauthorised substitution of above items. The substitution made may be got approved from the competent authority and shown to audit failing which excess/ unauthorised payment may be recovered from the contractor or from the official at fault. The study of comparative statement reveals that the following items which were absurdly low were not executed by the Contractor.

| <u>Name of Items</u> | <u>Qty.</u> | <u>Rate</u> |
|---|-------------|-------------|
| 1. Wiring for sub-main 2x6 Sqm. PVC.Sheathed | 128 mtrs. | 10.50 |
| 2. S/F Frosted glass shade of 100 mm. dia 125 m. long. | 224 Nos. | 18.00 |
| 3. Pvdg. and laying earth lead 4.06 mm. dia G.I. Wire. | 160 mtrs. | 1.00 |
| 4. S/F metal box of 300 x 450 x 100 mm | 32 Nos. | 80.00 |

The Executives Engineers should have taken the ~~maxi~~ notice that these items must have executed by the Contractor.

It may be intimated whether these items have been executed through some other agency or not and if so the rates paid may be intimated and responsibility for excess payment if any may be fixed under intimation to the audit. The rate, was quoted on lower side must have got executed for the quanting provided in the D.N. II.

Excess payment of Rs. 5943/- to the Contractor.

Agreement No. 41 of 1991-92

Name of Contractor : M/S N.R. Electricals.

Name of Work : SHS. K.Z.C. (SH. Const. of
56 Nos EWS Flats)

M.B.No. 107 P- 54-59.

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a) The perusal of final bill revealed that as per schedule of quantity 56 Nos. medium light points were to be provided with 1.5 Sqmt. PVC. seathed nut all these medium light points were substituted to long points as evident from M.B.No. 107 Page 55. Similarly, 56 Nos. 3 pin 15 Amp. power socket of medium points were to be provided which were also substituted to long points by the Engineer incharge on his own accord without the approval of the competent authority. However, the deviation statement was approved by the Executive Engineer (D) which was not in order because the Executive Engineer of selection rank was only competent to accord approval in the instant case. As such the Contractor was paid undue benefit to the tune of Rs. 4987/- vide detail given as under which may be recovered from the concerned contractor failing which from the official at fault :-

.....

25-

| Name of item to be executed. | Qty. | Rate of medium point. | Name of item executed long point. | Diff. | Amount |
|-------------------------------|---------|-----------------------|-----------------------------------|-------|---------|
| Light point (medium point) | 56 Nos. | 47.40 | 69.60 | 22.20 | 1243.20 |
| 3 point 15 amp. power socket. | 56 Nos. | 72.90 | 101.30 | 28.40 | 1590.40 |
| Total:- | | | | | 2833.60 |

Premium = 76%

Total excess payment = Rs. 4987/-

b) The item " Supplying and fixing plain pendant with brass holder and P.V.C. sheathed twin core flexible 16/20 mm cable upto one mtr." was to be provided in 56 Nos. BWS flats whereas this item was shown provided in 112 Nos. i.e. twice of the required quantity without any justification. As such payment of 56 Nos. @ Rs. 9.70 each plus 76% premium which worked out to Rs. 956/- was been paid in excess which may be recovered immediately from the Contractor or from the official at fault.

16. Agreement No. : 5 of 1989-90
 Name of Work. Residential complex below BCS
 Name of Contractor. M/S Rajeev Chopra Engineering and Contractors.

16. During the test check, the following irregularities were noticed which may be accounted for and compliance shown at the next audit:-

a) Advance payment of Rs. 1,50,000/- was made to the Contractor on account of work done but not measured as per certificate recorded by the J.E./A.E. at page 1-2 of M.B. No. 213. But the perusal of record revealed that after the payment of 11th running bill and before

the date of advance payment i.e. 4.6.92 no record entry of work done was found in the measurement book. The total approximate value of work done was assessed for Rs. 2,00,000/- but the basis on which this assessment made was not recorded in the measurement book as well as in the certificate. This shows that illegal payment of Rs. 1,50,000/- was made to the Contractor. The matter needs looking into departmentally and if it is found that advance payment of Rs. 1,50,000/- was made without execution of work, suitable action may be taken to effect recovery either from the contractor or ~~from the Contractor~~ or from the official as fault including penal interest.

b) The work of "cutting in earth work" was executed worth 13,867.29 cum. upto 14th running bill but the serviceable material received from the site was not pointed out in the measurement book as well as in the material at site register~~wh~~ whereas under rule upto this stage atleast 1/3rd of the total quantity should have been received as serviceable as such the minimum quantity as per rules i.e. 4466 ^{cum} ~~cum~~ must have accounted for. The cost of boulder stone at the market rate be worked out and recovered ^{be} effected accordingly

c) It was noticed during test audit that the following items were executed over and above the schedule of quantity without prior approval of the competent authority.

| Name of Item | Qty. as per D.N.I.T. | Qty. xxxxxx executed upto 14th running bill. | Qty executed in excess. |
|---------------------------------|-------------------------|---|----------------------------|
| Cutting in earth work. | 2811.93 cum. | 13867.29 cum. | 11055.36 cum. |
| Excavation. | 675.62 cum. | 3828.91 cum. | 3153.29 cum. |
| Cement concrete 1:6:12. | 150.56 " | 244.83 cum. | 94.27 " |
| Form work (Vertical surface) | 5402.285 Sqmt. | 8558.315 Sqmt | 3156.033 Sq |
| Cement concrete <u>1:2:4</u> | | | |
| 1. Foundation & Footing | 299.23 Cum. | 873.65 cum. | 574.42 Cum |
| 2. Walls | 658.11 cum | 1582.76 cum | 924.65 " |

This large variation especially in cutting and excavation warranted special attention of the authorities as there is every likelihood of bringing fictitious entries as the work is of hidden nature.

Secondly the estimates framed were based on the cantour ~~xxxxxxxxxxxxxxxx~~ plans which should not vary to this extent. Such variation can never be accepted. So the complete probe be ~~enquired~~ ~~uptax~~ into the matter.

d) Upto 14th running bill 15845 bags of cement were supplied to the Contractor but neither the receipt of collecting Agent was supplied by the Contractor nor the recovery of empty bags of cement was made from the running bill as required under clause 43 of the Contract which provides that the recovery of empty bags will be effected from each running bill. As such, the recovery of Rs. 14261/- may be made from the official at fault for

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his negligence and compliance shown at the next audit. Uptodate recovery may also be pointed out.

17. Vr.No. 74 of 3/93 for Rs. 3757/-

Name of work : Residential complex 1st Phase
Plot No. 17, 8, 19 & 21.
Work order No. 23 of 1992-93.
M.B.No. 158.

In the following cases, the distance of R.D. was not taken correctly due to which excess payment was made to the Contractor in the execution ^{of} following items.

| Name of item | R.D.No. | Distance paid. | Actual distance. | Diff. | Rate | Excess paid |
|-----------------|-----------------------|----------------|------------------|-----------|--------|-------------|
| | | | | | Rs | Rs |
| Excavation | 164.90 to 167.50 mts. | 3 mtrs. | 2.60 mts. | 0.40 mts. | 34.30 | 13.70 |
| Concrete 1:6:12 | -do- | do | do | 0.40" | 451.45 | 180.60 |
| R.R. Masonary | 160.55 to 164.90 mts. | 4.40 Mts. | 4.35 " | 0.05 " | 493.20 | 24.70 |
| .do. | 164.90 to 167.50 mts. | 3.00 " | 2.60 " | 0.40 " | 493.20 | 197.30 |
| Total:- | | | | | | 416.30 |

The excess payment may be recovered from the Contractor or from the official at fault.

18. Vr. No. 260/- 6/92 for Rs. 1,77,137/-

Name of Work : Residential complex below BCS
Job No. 1
Agr.No. 6 of 1989-90
M.B.No. 61

The following observations may please be attended to:

a) Item No. 8 (extra item) of 13th Running bill

" Demolition below ground level upto 1.5 mtrs. including stacking of serviceable material and disposal of unserviceable material upto ~~xxxxx~~ lead of 20 mtrs. including cutting and necessary re-inforcement separating from R.C.C./R.B. Work".

The above item was executed to the extent of 15.39 cum. upto 13th running bill but the serviceable material received from the demolition was neither accounted for in the measurement book nor taken in the M.A.S as evident from the certificate recorded at the last of 13th running bill. Since, the nomenclature of the item shows that the rate was paid for stacking and disposal of unserviceable material, the quantity so received was not accounted for. The same may now be pointed out to audit failing which the responsibility may be fixed against the official as fault.

b) According to clause 36 of the agreement, if the contractor do not deploy technical staff at the site of work then he was liable to pay Rs. 2000/- per month to the Pradhikaran. The Contractor was asked vide letter No. SDA(D-II) Acctt.-14 (Gur.Ind.)89-1804-05 dated 20.9.90 to pay the said penalty but neither the amount was paid by the Contractor nor it was deducted from his running bill. So the recovery of Rs. 98000/- may be made from the Contractor failing which from the officers/official at fault.

c) The perusal of letter No SDA-(D-II) Acctt-14/89-Gur-Ind

1794-95 dated 20.9.90 revealed that the excavated soil was not disposed off as per directions of the site Engineer but it was disposed of in the adjoining plots of another Contractors who also requested the development Authorities to remove the soil from their working site. ~~Tha~~ Since the soil was not disposed of as per direction of the site engineer, the payment at full rate was not to be made to the Contractor whereas he was paid at full rates.

Excess payment which was paid to the Contractor for lifting soil against the direction of site Engineer may be worked out and ^{recovery} ~~vacancy~~ be effected under intimation to audit.

19. Name of Work : C/O Res. Complex Phase-II
Agr.No. : 1 of 1991-92
M.B.No. : 198 P-61-70
.....

~~122~~ a) In the following cases, the distance of R.D's were not taken correctly which resulted into excess payment to the Contractor. The excess payment of Rs. 3221/- made may therefore be recovered from the Contractor and compliance shown to audit.

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| Name of item | Name of R.D. | R.D.Distance | Distance shown in the M.B. | Diff. | Mean area | Qty. | Rate | Amount | Remarks |
|------------------------|------------------|--------------|----------------------------|------------|-----------|-------|--------|---------|------------------|
| ----- | | | | | | | | | |
| Cutting in earth work. | 792.15 to 796.15 | 4.00 mtrs. | Mtrs. 5.00 | Mtrs. 1.00 | 5.85 | 5.85 | 30/- | 175.50 | M.B.No. 198 P.20 |
| -do- | 796.15 to 800.15 | 4.00 | 5.00 | 1.00 | 7.53 | 7.53 | 30/- | 226.00 | -do- |
| -do- | 800.15 to 820.40 | 20.25 | 25.25 | 5.00 | 6.80 | 34.00 | 30/- | 1020.00 | -do- |
| <u>Concrete</u> | | | | | | | | | |
| 1:6:12 | 792.15 to 796.15 | 4.00 | 5.00 | 1.00 | - | 0.42 | 300/- | 126.00 | do-2. 22 |
| -do- | 796.15 to 800.15 | 4.00 | 5.00 | 1.00 | - | 0.42 | 300/- | 126.00 | -do- |
| Form work | 792.15 to 800.15 | 4.00 | 5.00 | 1.00 | - | 0.90 | 12/- | 10.80 | M.B.No. 7 P-90 |
| Concrete | 792.15 to 796.15 | 4.00 | 5.00 | 1.00 | - | 1.28 | 1200/- | 1537/- | -do- |

3221.30

Contd.

b) Upto 4th running bill, the quantity of 4123.27 Cum. of item "Cutting in earth work" was executed but the serviceable material received from site was not taken in M.B. as well as MAS. The serviceable store received from the cutting may be taken now in M.B. and compliance shown at the next audit failing which ^{Cost of} 1/3rd of total quantity be recovered from the J.E. Concerned.

20.

Add. Vr. No. 1 of 1992-93 for Rs. 40,46,777/-

20. a)

The cost of 17.505 Mt. Channels measuring 75x40 mm was adjusted vide G.R.No. 258 of 1992-93 to the tune of Rs. 2,17,608.00 but the bill of the supplier was not shown to audit due to which the rate could not be verified. Even the rate was not mentioned in the G.R. . The adjustment made without supplier's bill/ Authenticity of rates may be justified and the necessary record be produced at the next audit .

b)

20.410 Mt. Steel (16 mm) was received vide G.R.No. 280/92 which was adjusted vide above voucher @ Rs. 12479/- per M.T for Rs. 2,55,758/- whereas the value was worked out to Rs. 2,54,696.39 resulting into excess adjustment of Rs. 1061.61. The omission may be accounted for and compliance shown at the next audit.

21

Ad. voucher No. 2 of 1992-93 for Rs. 71,23,077/-

~~21~~ a)

In the following cases, the value of material was not worked out correctly due to which excess value was adjusted . The omission may be accounted for and compliance shown at the next audit.

| Ind. No. & date | Name of material | Qty. Bags. | Rate | Value adjus- ted Rs. | Adjustable value Rs. | Diff. |
|--------------------------------------|------------------|------------|---------|-------------------------|----------------------|---------|
| 351, 53, 55, 57 of 10/92 | Cement | 3600 | 106.34 | 382817 | 382824 | 7.00 |
| 316, 19, 20, 21 & 22 of 8/92 | -do- | 3240 | -do- | 343369 | 344542 | 1173.00 |
| 323, 24, 25, 34 & 380 + 8, 9 & 12/92 | -do- | 3600 | -do- | 382817 | 382824 | 7.00 |
| 360 & 361 of 10/92 | -do- | 3600 | 106.828 | 384494 | 384581 | 87.00 |

Total:- 1274.00

Ad. Vr. No. 3 of 1992-93 for Rs. 3,58,452.00

b) 2959 bags of cement were transferred from division No. I to II, the detail of which is given below from 19.10.92 to 13.2.93.

| <u>Date</u> | <u>Qty.</u> |
|-------------|---------------|
| 19.10.92 | 1079 bags. |
| 24.10.92 | 180 " |
| 23.11.92 | 360 " |
| 24.11.92 | 540 " |
| 28.11.92 | 300 " |
| 11.2.93 | 300 " |
| 13.2.93 | 200 " |
| | <u>2959 "</u> |

In the ledger account total value of Rs. 358452/- was adjusted @ Rs. 108/- per bag for 3319 bags whereas it should have been adjusted for 2959 bags only. As such Rs. 38880/- were adjusted in excess. The omission may be accounted for.

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c) Ad. Vr. No. 4 of 1992-93 for Rs. 15,48,728/-

In the above adjustment Rs. 962/- the detail of which is given below were adjusted in excess. The ~~excess~~ omission may be accounted for now and compliance shown at the next audit :-

| G.R.NO.& Date | Name of material. | Qty. | Rate | Value | Adjustable | Diff. |
|-----------------|-------------------|-----------|-------|----------------|------------|-------|
| | | | | adjust. value. | | |
| | | | | ed. | | |
| 290 dt. 30.6.92 | Steel | 6.987 Mt. | 12410 | 87127 | 86709 | 418 |
| 293 dt. 25.6.92 | -do- | 3.000 mt. | " | 37410 | 37230 | 180 |
| 302 dt. 6.7.92 | -do- | 3.065 at. | " | 38221 | 38037 | 184 |
| 305 dt. 9.7.92 | -do- | 3.000 mt. | " | 37410 | 37230 | 180 |
| | | | | | Total Rs. | 962/- |

The other adjustment vouchers of stock for the year 1992-93 may be scrutinised departmentally and difference if any be adjusted accordingly.

Store :-

22.

Priced store Ledger :-

a) Paragraph 7.2.32 of C.P.W.A. Code provide that an account shall be maintained in the Accounts Branch of the Divisional office to ~~ex~~ record day to day transaction relating to each item of stock. This account should be maintained in Form 12. The Executive Engineer was requested to produce the above record vide Audit Requisition No. 18 dated 20.4.95 but the requisite record was not made available. The same may be produced at the next audit.

b) Physical Verification - The physical

verification was not conducted at the close of the year. The needful may be done now and compliance shown at the next audit.

c) Steel 10mm dia weighing 4.769 M.T. was issued from the Store against indent No. LNS-251/5/92 dated 13.5.92 but the value was adjusted for 5.000 mt. resulting in excess adjustment of Rs. 2964.00. The omission may be accounted for.

d) Un-authorized issuance of material from store.

In the following cases the material was issued from the store over and above the quantity indicated in the indents. The issuance of material in excess of the indented quantity by the Store-incharge may be justified and in case of default, suitable action as warranted under the rules may be taken against the official at fault and it may also be ensured that such type of lapse may not occur in future.

| Indent No. & date | Name of material | Date of issue. | approv. ed qty. | Qty.issued |
|----------------------------|------------------|----------------|-----------------|------------|
| V.K.4 dt.15.12.92 | Cement | - | 100 bags | 200 bags |
| SDA P-II-DRS/92-64 of 6/92 | Steel | 25.6.92 | 10.000mt. | 10.120 Mt. |
| NL-137/92 dt. 16.7.92 | -do- | 23.7.92 | 2.000mt. | 2.040 mt. |
| Sc-2 dt. 8/92 | -do- | 18.8.92 | 5.000mt. | 5.027 mt. |
| SDA-P-II/DRS/92-76 of 8/92 | -do- | 22.8.92 | 3.000mt. | 3.051 mt. |
| NL-143/92 dt. 7.8.92 | -do- | 25.8.92 | 2.000mt. | 2.045 mt. |
| OPR(A)-92-3 | -do- | 31.10.92 | 5.000 mt. | 5.190 m. |

e) As per charge list, Sh. I.C.Sharma, J.E.(B) handed over 23 nos (3.37 qtl.)(G.I.Sheets to Shri V.S.Panwar, J.E. but the entry in the M.A.s was not painted out. The same may be shown at the next

audit . Besides the total quantity issued to Sh.I.C. Sharma , for the construction of temporary shed may also be pointed out to audit.

Similarly, 2.76 Ctl. M.S. Channel were handed over to Sh. V.S. Panwar J.E by Sh. I.C.Sharma, J.E. The receipt entry in the M.A.S. may be shown at the time of next audit failing which the cost be recovered from the concerned.

Excess payment to the Contractors to the tune of
Rs. 7433.00

Various work orders for the constructions of boundry walls as per detail given in Appendix "H" ^{appended} ~~opened~~ to this report were awarded during the year 1992-93 . It was noticed during audit that rate for item "Random rubble masonry polygonal rubble (uncoursed) brought to course) with hard stone of approved quality in foundation and plinth including levelling up with cement concrete 1:6:12 aggregate 20 mm nominal size in cement mortar 1:6 " was paid @ Rs. 318.30 per cub.mtr. to the Contractors for this item but ~~the~~ perusal of record entries made in the concerned measurement books and nomenclature of the item in the schedule of quantity reveals that levelling up with cement concrete 1:6:12 was not done" and as such the Contractor was to be paid the rate of Rs. 309.30 per ^{m³} ~~m²~~ instead of Rs. 318.30 per m³ . This resulted in excess payment of Rs. 7433.00 which may be recovered immediately .

Gross irregularities of Vehicles:-

It was noticed during audit that the rules" Rules regulating the Use and maintenance of Govt. vehicles

and conditions of service of Drivers in H.P." which were notified by H.P.Govt. GAD Notification No. 6-98/69-GAD-I dated the 8th September, 1975 were not adhered to strictly by the Pradhikaran. Particulars including an inventory of equipment in the form G.V.I. was not ~~was not~~ prepared. Log books in Form G.V.II was not filled properly. The purpose of journey was not recorded in most of the cases. The summary at the close of the month was not prepared in respect of some of the vehicles and the out-turn were also not adjusted for the period under audit as well as earlier period also except vehicle No. HIS-2453 and HP-07-0822. Rule 38 provides that the engine oil will be changed after every 1600 Km. and gear oil after every 16000 Km. but these oils were changed frequently at will and no check was exercised by the controlling officer. Test run for maintaining the average was also not conducted. As such complete departure from existing rules needs to be looking into by the higher authority. Observance of Rules/ Institutions regarding the use and maintenance of Govt. vehicles may be ensured in future please.

a) Non-recovery of private journeys

In the following cases journeys were performed by the officers/officials of the Pradhikaran authority in private capacity but the recovery was not made from these officials. The same may be made now and compliance shown at the next audit.

| Date | Vehicle No. | No. of Km. covered. | Name of officer, official | Rate Rs. | Amt. Rs. |
|----------|-------------|---------------------|----------------------------|-------------|-------------|
| 21.4.92 | HIS-2453 | 38 | Estate officer | 7.00 | 266.00 |
| 12.5.92 | -do- | 16 | S.L.(D) | 7.00 | 112.00 |
| 13.5.92 | -do- | 10 | -do- | 7.00 | 70.00 |
| 28.6.92 | -do- | 20 | Eng. H.K.Anand | 7.00 | 140.00 |
| 4.10.92 | -do- | 44 | -do- | 7.00 | 308.00 |
| 15.10.92 | -do- | 16 | Sh. S.S.Kalra (R.E) (D) | 7.00 | 112.00 |
| -do- | -do- | 20 | Exn. I | 7.00 | 140.00 |
| 16.10.92 | -do- | 28 | A.E. I | 7.00 | 196.00 |
| 10.4.92 | HIS-948 | 5 | Sh. K.K.Mahajan | 7.00 | 35.00 |
| 30.5.92 | -do- | 19 | -do- | 7.00 | 133.00 |
| 31.5.92 | -do- | 38 | -do- | 7.00 | 266.00 |
| 7.6.92 | -do- | 17 | -do- | 7.00 | 119.00 |
| 11.7.92 | -do- | 14 | -do- | 7.00 | 98.00 |
| 13.7.92 | -do- | 14 | -do- | 7.00 | 98.00 |
| 24.7.92 | -do- | 14 | -do- | 7.00 | 98.00 |
| 28.7.92 | -do- | 18 | -do- | 7.00 | 126.00 |
| 16.8.92 | -do- | 110 | -do- | 7.00 | 770.00 |
| 4.10.92 | -do- | 17 | -do- | 7.00 | 119.00 |
| 24.10.92 | -do- | 30 | -do- | 7.00 | 210.00 |
| 11.8.92 | HPS-6405 | 11 | Sh. D.B. Dhardwaj | 7.00 | 77.00 |
| 4.10.92 | -do- | 23 | B.K.II | 7.00 | 161.00 |
| 13.11.92 | -do- | 29 | A.E.I | 7.00 | 203.00 |
| 29.6.92 | HIS-2673 | 14 | A.E.(S) | 7.00 | 98.00 |
| 25.12.92 | -do- | 17 | S.L. | 7.00 | 119.00 |
| 25.10.92 | HIS-948 | 34 | Sh. K.K.Mahajan | 7.00 | 238.00 |

Total:- 4312.00

Journeys performed outside the jurisdiction recovery of Rs. 45,948/-

b) As per office Memorandum No. Fin-I-C(14)2/79 dt. 19.4.79 no officer would take the Govt. vehicle outside his jurisdiction without the prior permission of the competent authority. As regards the jurisdiction of this Authority, it was limited to Shiela only and no where within or outside the state its works were going on. In another office memorandum No. Fin-I-C (14) ^{1/84} dated 29.5.86 it was made clear that any officer who violates these orders should be proceeded against departmentally and the entire journeys so performed should be treated as private journeys and recoveries be effected accordingly. These orders/ instructions were applicable mutatis mutandis to all the Boards, Corporations and autonomous bodies in the state. The journeys so performed have been given in appendix "D" to this report. In some cases, the vehicle were taken for repair purpose at Parwanoo and Chandigarh as shown in the remarks column of the above appendix but the prior approval/sanction were not obtained from the competent authority. The reasons for not undertaken the repair work at Central workshop at Tara Devi and Majitha House may also be intimated. The N.O.C obtained from the above workshops may also be shown to audit. The journeys performed to Kalka, Chandigarh and Parwanoo were neither shown official nor private. The purpose of the journeys was also not recorded. As such these may be treated as private and recovery be made. Total recovery of Rs. 45,948 be made immediately from the officials concerned unless otherwise justified in accordance with rules and instructions.

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(c) Difference in distance-Recovery of Rs. 4848/-

It was noticed during the audit that while recording the distance covered by the vehicle used, by the ~~xxxxxx~~ officers/officials of the Pradhikaran Authority in the log books it was shown much higher than the actual distance as is evident from the cases detailed in Appendix "E" annexed to this report. The excess distance needs to be justified in each case failing which responsibility may be fixed against the officers/officials at fault who verified the entries in the log books for higher distance and recovery be made from them and compliance shown at the next audit.

(d) Performing of journeys on holidays-Recovery of Rs. 11,045/-

It was noticed during audit that the vehicles of the development Authority were used by the various officer-s/officials on holidays as evident from the instances given in Appendix "F" to this report. Even in some cases the journeys were shown performed to other offices on holidays such as D.C. Office, H.P. Sectt. Winter Field, U.S. Club etc. Journeys to different offices on holidays needs to be justified giving purpose of each journeys and how the purpose was served even by ^{visiting} ~~visiting~~ that office on holiday failing which such journeys may be treated as private and recovery effected accordingly.

(e) Fictitious journeys:-

It was noticed during test audit that the officers/officials had shown journeys performed on the same date, time places in different vehicles which is not ~~take~~ possible at all. Any official can not take journey at the same time in two different vehicles. In the following cases such type of fictitious entries had been made by

the officer/official using the vehicle. This clearly shows that the journeys been performed in the private capacity and the places other than recorded in the log book just to show the journeys as " official" . The matter is brought to the notice of higher authorities to look into these cases and suitable action may be taken as required under the rules to record false entries beside making recoveries.

| Name of officer/ officials using the vehicle | Name of Vehicle | Date & time of journey | Dist- ance covered. | Place visited. |
|--|-----------------|------------------------------|---------------------|---|
| Asstt. Eng.II | HPS- 6405 | 5.8.92 11.00 Am to 6.00 Pm. | 49 | Kasumpti to Ashwani Khad. |
| -do- | HIS-2453 | 5.8.92, 1.00 PM to 7.30 PM. | 36 | -do- |
| Asstt.Eng.Store | HIS-2673 | 20.8.92, 10.30 AM to 3.00PM | 18 | Kasumpti Distt. Court & back. |
| -do- | HIS-2453 | 20.8.92 2.00 PM to 4.30 PM. | 16 | Kasumpti to D.C Office & back |
| -do- | HIS-2453 | 22.8.92 9.45 to 11.30 AM. | 12 | Kasumpti to Vikas Nagar Sectt.& back. |
| -do- | HIS-2673 | 22.8.92 10.30 A.Mto 2.00 PM. | 11 | -do- |
| A.E.(E) | HIS-2453 | 7.11.92 10.00 Am to 6.15 PM | 50 | Kasumpti to BCS-Stage-III, II & I & back. |
| -do- | HIS-2673 | 7.11.92 10.30 Am to 3.00 PM | 41 | Kasumpti to Ashwani Khad & back. |
| J.E.(E) | HIS-2673 | 11.2.93 10.30 to 2.30 PM. | 34 | Kasumpti to Ashwani Khad & back. |
| -do- | HPS-6405 | 11.2.93 11.00Am to 2.30 PM. | 24 | Kasumpti to BCS stage II. & back. |
| A.E(s) | HIS-2453 | 9.12.92 9.30 Am to 11.30 PM. | 13 | Office to Sanjauli & back. |
| -do- | HIS-2673 | 9.12.92 11.00 Am to 3.00 PM. | 16 | Kasumpti, Sanjauli & back |

* The Journey shown in Appendix "F" to this report may be justified by giving detailed reasons ~~for~~ of each journey in the Loge Book failing which these journeys may be treated as unauthorised as well as private and recovery from the concerned officers/officials may be made ~~into~~ⁱⁿ tune of Rs. 19593/- immediately.

| | | | | |
|---------|----------|--------------------------------|----|-------------------------------------|
| A.B. II | HIS-2673 | 18.2.93 10 A.M. to 4.00 PM | 36 | Kasumpti to Ashwani Khad & back |
| -do- | HPS-6405 | 18.2.93 2.00 PM to 4.00 PM | 21 | Kasumpti to Kwalag & back. |
| -do- | HIS-2673 | 7.4.92 12.15 Am to 6.00 PM. | 40 | Kasumpti to Ashwani Khad & back. |
| -do- | HIS-2453 | 7.4.92 2.00 PM to 6.00 PM. | 32 | -do- |

25.

Unauthorised journeys- Recovery of Rs. 19593/-

(a) It was noticed during test check that the vehicle No. HIS-2673 was used by various officer/officials at the places where no work of the then Shimla Development Authority were going on. There was no relevance of journey with respect to functioning of Development Authority. The purpose of journey was also not recorded in the log book. The decision conveyed by the H.P. Govt. vide letter No. GAD-(A)(G)3-5/77 dated 8.12.77 made it clear that merely indicating the purpose of journey as "official" is not sufficient reason for treating it as such and the journey so performed may be treated as private and recovery be effected accordingly. *

b) The law Officer performed journey from Garrage to Tara Hall to Kasumpti office to Winterfield to S.D.A. office on 2.10.1992 which does not seem to be correct as the 2nd october was a Public holiday under the Negotiable Instrument Act and all the offices of Central/State/Autonomous bodies were remained closed on this day. The brief Purpose of journey was shown to prepare reply in various court matters but the journey to Tara Hall, Winterfield has not relevance with the purpose. This clearly shows that the journeys were

performed in private capacity and wrongly shown as official. The recovery at out-turn rate @ Rs. 7/- per Km. for 36 Km. be made for Rs. 252/- . Unless otherwise justified

26. Vehicle No. HP-07-0822

The Vehicle(Truck)No. HP-07-0822 was under the control of Division No. II during the period under audit. The following irregularities were noticed during test check which may be attended to and compliance intimated to this office.

a) Difference in distance-Recovery of Rs. 7308;-

In the following cases the distance covered was shown much higher than its actual distance. This shows that the truck was used for private work and the expenditure was wrongly debited to work. The matter needs looking into departmentally and findings be intimated to audit. The responsibility against the official(s) may be fixed and recovery of Rs. 7308/- may be effected immediately.

| Date | Place visited | No. of Km. shown Covered. | Actual distance approx. | Diff. | Rate | Amt. |
|---------|---|---------------------------|-------------------------|-------|------|---------|
| 5.4.92 | BCS to Kasumpti & back . HCS to tank and back. | 60 | 15 | 45 | 14/- | 630.00 |
| 6.4.92 | BCS to Kasumpti to DC Office & back Kasumpti. | 135 | 18 | 177 | do | 1638.00 |
| 9.4.92 | BCS to Barrier & back | 35 | 15 20 | 20 | do | 280.00 |
| 18.4.92 | B.CS To Kasumpti & back | 40 | 7 | 33 | do | 462.00 |
| 20.4.92 | BCS to IPH store Mehal and back (2 trips) | 60 | 32 | 28 | do | 392.00 |
| 21.4.92 | BCS to IPH store Mehal & back (2 trips) | 80 | 32 | 48 | do | 672.00 |

| | | | | | | |
|----------|----------------------------|-----|-----|----|------|---------|
| 22.4.92 | BCS to Mehali store of IPH | 100 | 16 | 84 | 14/- | 1176.00 |
| 28.8.92 | BCS to Dhalli | 35 | 25 | 10 | -do- | 140.00 |
| 7.10.92 | -do- | 60 | 25 | 35 | -do- | 490 |
| 12.10.92 | BCS to tutu & back | 65 | 45 | 20 | -do- | 280.00 |
| 14.10.92 | -do- | 65 | 45 | 20 | -do- | 280.00 |
| 7.5.92 | BCS to Tatta Pani & back. | 136 | 110 | 26 | -do- | 364.00 |
| 24.7.92 | -do- | 136 | 110 | 26 | -do- | 364.00 |
| 25.7.92 | | | | | | |
| 23.9.92 | BCS to Dhalli & back | 35 | 25 | 10 | -do- | 140.00 |

Total:- 7308.00

b) Recording of false entries in the log Book recovery of B. 1596/-

In the following cases , the truck was shown used at BCS for the disposal of excavated earth but the site/work at which the excavated earth was stacked by the departmental labour for disposal was not shown in the log book due to which the correctness of entries could not be verified in audit. Lack of above information clearly shows that the vehicle was used to carry the excavated earth at the site of the construction as the work at BCS was carried out through contractor. The recovery at the out-turn rate be made from the concerned J.E's who were responsible to verify the journeys.

| Date | No. of Km. covered | Rate Rs. | Amount Rs. | Name of official verifying the journey. |
|-----------|--------------------|----------|------------|---|
| 1.10.92 | 7 | 14.00 | 98.00 | Sh.V.S.Panwar J.E. |
| 26.5.92 | 45 | -do- | 630.00 | -do- |
| 27.5.92 | 7 | -do- | 98.00 | -do- |
| 8.9.92 | 15 | -do- | 210.00 | -do- |
| 11.11.92 | 10 | -do- | 140.00 | Sh. M.L.Chauhan J.E. |
| 12.11.92 | 15 | -do- | 210.00 | -do- |
| 13.11.92x | 15 | -do- | 210.00 | -do- |

Total:- 1596.00

c) Non-recovery of private journey amounting to Rs. 9562/-

In the following cases, the recovery was not made from the parties who used the vehicle (Pradhikarn truck) for their private use. The amount may be recovered from the officials concerned failing which the same may be recovered from the officials who were directly responsible for not making the recovery and compliance be shown at the next audit.

| Date | place where the vehicle was used. | No. of Km. covered. | Name of official/ parties using the vehicle. | Rate | Amt. |
|---------|---|---------------------|--|-------|------|
| 7.4.92 | - | 40 | Sh. H.K.Anand, Xen | 14.00 | 560 |
| 23.4.92 | DCS to bus stand to Vikas Nagar to DCS. | 35 | Sh. N.K.Gandotra J.E. | 14.00 | 490 |
| 23.4.92 | -do- | 35 | -do- | -do- | 490 |
| 28.4.92 | Not recorded. | 15 | Sh. V.S.Panwar, J.E. | -do- | 210 |
| 29.4.92 | -do- | 10 | Sh. M.O.Katoch. | -do- | 140 |

| | | | | | |
|----------|---|------|--|-------|--------|
| 7.10.92 | B.C.S. Local | 30 | Sh. Satish Kumar Geel | 14.00 | 420 |
| 8.10.92 | B.C.S To Anna- chale to Kaithu and back | 42 | Sh. P.K. Sharka, J.E. | -do- | 588 |
| 21.2.92 | B.C.S. Local | 10 | Sh. Sharad Court | -do- | 140 |
| 31.10.92 | -do- | 5 | Sh. Satish Geel | -do- | 70/- |
| 22.5.92 | BCS to Snowdon via Sanjauli | 40 | Sh. V.S. Panwar. | -do- | 560/- |
| 17.6.92 | BCS Local | 10 | Sh. R.K. Kapila | -do- | 140/- |
| 18.6.92 | -do- | 10 | -do- | -do- | 140/- |
| 19.6.92 | -do- | 6 | -do- | -do- | 84/- |
| 11.7.92 | BCS to Chandi- garh | 170 | M/S Batlibai | -do- | 2380/- |
| -do- | Chandigarh to BCS Shimla | 150 | -do- | -do- | 2100/- |
| 15.7.92 | BCS Local | 15 | M/S M.R. Associates | -do- | 210/- |
| 16.7.92 | -do- | 15 | -do- | -do- | 210/- |
| 17.7.92 | -do- | 15/- | -do- | -do- | 210/- |
| 20.7.92 | -do- | 15/- | -do- | -do- | 210/- |
| 13.3.92 | -do- | 7/- | Sh. R.K. Kapila | -do- | 98/- |
| do | -do- | 8/- | M/S Scamax ^{Contd.} Court Co. | -do- | 112/- |
| Total:- | | | | | 9562/- |

d) As per entry in the log book of above truck at P- 103 three trips from BCS to Jutegh were shown performed on dated 16.5.92 for carriage of cement but the perusal of Bin cards revealed that there was not receipt of cement on 16.5.92. This show that the journey of 120 Km was fictitious. As such recovery of Rs. 1680/- may therefore be made from the official at fault.

e) As per entry at P- 104 of the above log book the truck was used by Sh. ~~XXXXXX~~ D.S. Sahura, J.E. on 30.5.92 for the procurement of material but the material carried was not pointed out neither in the log book.

in the allied record. The use of truck may be treated as private and recovery. of 60 Km. @ Rs. 14/- per Km. for Rs. 840/- may be made from the said J.E. immediately unless otherwise justified.

f) The truck was used by Sh. R.K. Kapila, Contractor from 17.6.92 to 19.6.92 but the detention charges amounting to Rs. 90/- were not recovered from him. The same may now be recovered from the concerned Contractor, failing which from the official at fault.

27. Non-adjustment of out-turn of vehicles to the tune of Rs. 1,65,466.00

The out-turns of the following vehicles were not prepared and adjusted due to which the amount could not be charged to the respective works for which the journeys were undertaken and as such the Development Authority suffered a loss of Rs. 1,65,466.00. In fact this should be prepared monthly and be adjusted accordingly. It was also noticed during test check that out-turn for earlier period were also not prepared and adjusted though the auditor has been pressing for the same in every report. Due to non adjustment the adverse effect made of costing results -ted into the loss to the Pradhikaran. So responsibility required to be fixed of issuing officers. In case where the costing has been done and out turn had not been adjusted, the responsibility may be fixed against the officers/officials at fault and recovery be made :-

| Vehicle No. | Total No. of Km. Covered during, 92-93. | Out-turn rate Rs. | Amount |
|-------------|---|----------------------|-----------|
| HPB-6405 | 11876 | 7.00 | 83,132 |
| HIS-2673 | 10498 | 7.00 | 73,486.00 |
| HIS-948 | 1264 | 7.00 | 8,848.00 |
| Total:- | | | 65,466.00 |

The Chief Executive officer vide his audit No. SDA-AB(b) Veh./92-8260-62 dated 1.7.92 directed the Executive Engineers to adjust the out-turn of vehicles to their respective Divisions ^{failure which} The official concerned will be held responsible for the negligence.

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29.

Establishment:

a)

Irregular payment of House Rent:

The payment of house rent has been made to all officers/employees without obtaining requisite certificate. As per instructions, the payment of house rent can only be allowed if individual furnish a certificate to the effect that either spouse is Govt., Semi-Government service and not drawing house rent while posted at the same station. Having notice of the fact that number of person posted in this Organisation, whose spouses are in service at Shimla are given house rent. The DDO while making the payment of house rent ignored the condition of obtaining the requisite certificate. The negligence on his part might have resulted in the invalid payment to number of person.

Therefore, requisite certificate may be obtained and recovery if noticed be made for whole the period for which irregular payment was made. In future the house rent be paid after obtaining the requisite certificate

b)

Excess payment of Medical re-imbursment:

As detailed in the Annexure 'I' excess payment of Rs. 442/- have been made towards medical re-imbursment. The accounts wing is not ~~accounting~~ exercising the proper check while ~~OK~~ making the payment. This was the position of only two months checked by the audit. The possibility of excess payment in rest of ten months not checked by the audit can not be ruled out. Internal check needs to be more effective.

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e)

Excess payment of T.A.:

A few T.A. & L.T.O. claims were put to detail check and observed that T.A. claims have been processed very carelessly. The basic rules were found ignored i.e. the complete ban on using taxi and private vehicle were not observed. The case-wise detail is as under :-

1)

L.T.O. claim of Sh. LaPaish Malhotra:

Mr. LaPaish Malhotra, Executive Engineer availed L.T.O. for the block year 1990-93 v.e.f. 5.2.93 to 21.2.93 from Shimla to Goa alongwith his wife and son. For this, he was paid Rs. 6390/- against 1st Class railway fare from Shimla to Goa & back.

But it was noticed that he undertook journey by Private vehicle from Shimla to Chandigarh and on his return from Chandigarh to Shimla. Since, the journey performed in private vehicle is not admissible, the payment of fare for their journey which worked out to Rs. 1603/- may be recovered forthwith.

11)

Taxi- charges :

Voucher No. 72 for Rs. 562/-

Voucher No. 86 for Rs. 1134/-

The above payments have been made to Sh. Swarner Kumar Dixit on account of Taxi charges for undertaking journey to Chandigarh on 6.6.92 and 9.6.92. The payment of Taxi charges was against the economy instructions issued by the Government. The payment be restricted to bus fare and excess payment recovered from the official concerned.

- 4) Non-recovery of local calls beyond the prescribed limit to the tune of Rs. 5879/-

During the test check it was noticed that the instructions/orders regarding the use of telephone installed at the residence were not adhered to H.P. Govt. vide O.A. No.: Fin-1-c(14)-1/81, dated 25.7.85 has fixed the limit of local calls to 8010 in a year. Further vide O.A. No.: Fin-1-C(14)-1/81 dated 17.3.92, Government stressed the need for the recovery of exceeding local calls and informed that in no case it will be waived off.

The telephone No. 3336 was installed at the residence of Chief Engineer and during the year 1992-93, the payment for 15359 number calls were made, but the recovery of the excess calls numbering 7349 was not effected by the Chief Engineer.

Therefore, the recovery of Rs. 5879/- for excess calls @ 80 paise per calls may immediately be made unless otherwise justified

- 5) Over-drawal of pay and allowances of posts of Supt. Gr.-II to the tune of Rs. 6,46,637/-

It was noticed during the course of audit that there were 2 Nos. of sanctioned posts of Supt. Gr.-II in the B.D.A. against which salary for six to seven posts of Supt. Gr.-II was drawn during the period under audit. S/Sh. H.R. Chandil, H.L. Chaudha, S.S. Hira, and Balokh Chand were on deputation with

the S.D.A. w.e.f. 1.8.91. These officials were promoted as Supdt. Gr. II vide letter No. P.M.E.79-I-Supdt.Gr.II -Promotion/90-31-21-255-80 dated 30.8.1991 with the direction to join at their place of postings. The above officials were allowed to continue as Sr. Asstt. in the SDA and the salary was paid for the post of Supdt. Gr.II without the sanctioned posts. Proforma promotion was given to these officials vide Chief Engineer(South) letter No. ^{PWE} ~~12~~ 79-I-Supdt. Gr.II -Promotion/91-45-I-91-26630-50 dated 19.11.91 and their pay was fixed in the higher scale of Rs.2000-3500 with immediate effect and were paid as such by the Development Authority. The deputation period of these officials was expired on 1.8.92 but they were retained by granting extension in contravention of provision of S.A. contained in clause 8.8 of the Appendix 5 regarding Deputation(duty) Allowance below S.A. 9.25 , the said clause laid down that if during the period of deputation on account of proforma promotion in the parent cadre under the next below rule, the employee becomes entitled to a scale of pay higher than the scale of pay attached to the ex-cadre post and he may be allowed to complete the normal period of deputation but no extension of the period of deputation should be allowed in such cases as such the pay and allowances for four to five posts of Supdt. Gr.II were drawn over and above. The sanctioned strength and the following payments were made during the period from 8/92 onwards by ignoring the provisions of fundamental rules. The matter is

also brought to the notice of State Government to take necessary action as it may think fit beside regularising the irregular expenditure :-

| <u>Name of Officials</u> | <u>Period 8/92 onwards</u> | <u>Amount Rs.</u> |
|--------------------------|--------------------------------|-----------------------|
| Sh. L.S. Hira, Suptt. | 8/92 to 2/95 | 1,69,190.00 |
| Sh. M.L. Chadha, -do- | 8/92 to 2/95 | 1,72,341.00 |
| Sh. H.R. Shandil -do- | 8/92 to 7.5.94 | 1,14,402.00 |
| Sh. Sulekh Chand -do- | 8/92 to 2/95 | 1,75,992.00 |
| Sh. H.L. Bist | 8/92 to 10/92 | 14,712.00 |
| Total : | | 6,46,637.00 |

f) Irregular Payments

Voucher No. 94 dated 17.3.93 for Rs. 16,595.00

60 quintal steam coal and 10 quintal of fire-wood worth Rs. 16,595/- were purchased vide above voucher from M/S. V.P. Coal Traders, Khalini, Shimla-2. The steam coal and firewood was required to be purchased from the Government approved sources but these items were purchased from the open market without observing local formalities, which may be justified. As per Govt. instruction, no such item should be purchased from the open market without observing local formalities. The purchase from open market may be justified/irregularity may be regularised with sanction of the competent authority and compliance shown to audit next time.

g) Voucher No. 96 dated 17.3.93 for Rs. 1005/-

One Electrical Room Heater double rod and two room heater single rod were purchased from M/s. Kumar Enterprises, Lower Bazar, Shimla for Rs. 1005/- but the stock entry thereof was not pointed out in the stock register, requisite stock entry may be shown at the next audit failing which the amount spent may be made good.

h) Voucher No. 95 dated 17.3.93 for Rs. 2000/-

A sum of Rs. 2000/- were paid to the Secretary-cum-Treasurer for full page advertisement in the ^{Souvenir} ~~Souvenir~~ of State Level Lavi Kela, Rampur. But the relevant printed ^{Souvenir} ~~Souvenir~~ was not shown to audit. So, it could not be verified that the advertisement given by the Urban Development Authority was printed in the said magazine or not. Actual payee receipt in support of this payment was also not on the record. which may be obtained now and shown at the next audit along with copy of proof of advertisement.

i) Voucher No. 115 dated 19.3.93 for Rs. 2850/-

Voucher No. 116 dated 19.3.93 for Rs. 3150/-

Vide Voucher No. 115 and 116 dated 19.3.93 electrical material for Rs. 2850/- was purchased from M/s. R.D. Electricals, Sanjauli, Shimla-6 and electrical material for Rs. 3150/- from M/s. HOL Electrical, Sanjauli these item were purchased from the open

market without observing proper cedal formalities as these items were required to be purchased on the basis of Govt. approved rate contract. Irregularity may be accounted for. These electrical items were not entered in stock register. Neither the consumption of these item was shown to audit, which is irregular. The purchase without calling quotations may be regularised with the approval of appropriate authority. Stock entry and disposal of material purchased may also be pointed out failing which the amount spent be recovered from the officials at fault.

29. Stationery Register:

From the perusal of the stationery register, it was observed that the following stationery article were shown issued during the month of 6/92 but the date wise issue entries were not mentioned in the stationery register. It was not clearly mentioned as to whom these items were issued. Signature of the official who received the item was not obtained. Date-wise issue entries of each items may be shown in the stationery register and signature of the receiving officer/official may be obtained failing which the cost of these items may be recovered from the officials at fault.

| | |
|---------------------------------|----------|
| 1. Azenia Roll | 35 Nos. |
| 2. Tracing cloth | 2 Nos. |
| 3. Drawing pencils | 161 Nos. |
| 4. Wrapping sheets/crafts paper | 3 grs. |
| 5. Drawing sheet | 25 Nos. |
| 6. Colour pencil | 24 Nos. |
| |56. |

| | |
|-----------------------------|---------|
| 7. Stamp pad | 3 Nos. |
| 8. Ink Chilpark | 8 Nos. |
| 9. Refills | 26 Nos. |
| 10. Cash book | 1 Nos |
| 11. Envelope different size | 950 |
| 12. Stepler Pin | 1 No. |
| 13. Assistant Diary | 25 Nos. |

30. Excess payment of Rs. 742.50Ps.

Adjustment Vr. No. 14

Mr. O.P. Sharma, L.O. paid Rs. 990/- to M/S. B.K. Barua, A-685, Sector-19, Noida for Electrostat of 3 paper books of 165 pages each @ 0.50 Rs, per page as evident from cash memo No. 6522 dated 9.8.1992.

It is noticed that Mr. Sharma has made excess payment as under :-

| | |
|---------------------------|----------------|
| No. of books electrostate | 3 Nos. |
| No. of page in each book | 165 |
| Total pages | 495 |
| Rate of electrostate | Rs.0.50 per pa |
| Total amount payable | 247.50 |
| Amount paid | 990.00 |
| Excess payment | 742.50 |

The excess payment may be recovered or made good

31. Non-Accountal of stocks

The following store items i.e. Cement and steel were transferred from one work to another but the transfer entries of the material were not made properly. The

perusal of the indent enclosed with the transfer entries voucher, it was observed that neither the date and signature of the issuing authority appears on the enclosed indent.- nor the signature of the receiving officer was forthcoming on the indent. The details of transfer entries and proper reference was not recorded. Even the Contractor ledger was not maintained. With the result that the transfer of stock as mentioned below could not be verified in audit. There is likelihood of misappropriation of these store items. So the material shown as adjusted may be got verified at the next audit or the cost of the material may be recovered from the official at fault.

| Material which was shown transferred | Quantity | Value | Particulars |
|--|-------------------------------|----------|---|
| Cement bags | 11 Nos. @ 92/-per bags. | 1012.00 | Vide transfer entries No. 7 it was shown that material were transferred from the work C/o Pump house Stage-II but it was not clearly mentioned on the indent that for which work this material was issued. |
| C.G.I. Sheets | 1.09 M.T. @20190/ M.T | 22007.00 | |
| Cement 31 bags @ 92/- per bag | 2852 No.s @ 92/- | | Vide transfer entries No. 21 it was shown that material were transferred C/o Work Ist, 2nd IIIrd stage was clean tank but was not clearly men- tioned that |

for which work that material was issued.

Cement 22 bags 1804.00
@ 84/-

Vide transfer entry

No. 22 it was shown that material were transferred for the work c/o Link Road Pump house to O/F Sheel Sports at pump house at Stage-I but the account was not shown to audit.

Cement 57 bags 5244
Steel 8 mm .706
12 mm 1.797 39975.75
16 mm .736
@ 12,342/-

Vide transferred entry No. 25 it was shown that material were transferred from c/o Work c/o Kamhli stage III Construction of tank but it was not clearly mentioned that for which work these materials were issued.

Cement 26 bags 2312/-
@ 92/-

Vide transfer entry No. 34 work c/o approach Road to Pump house Stage-I Ashwani Khad to c/o Staff quarter type-4 Nos. at Stage-I Ashwani Khad but relevant accountal was not printed out.

Cement 28 bags 2576/-
@ 92/- per bag
3K.g. steel
@ 12.34 Per K.g. 37.00

Vide transfer entry No. 7 it was shown that material were transferred from the work c/o Changer Zer velocity value R.D. 1543, but it was not clearly mentioned that for which work these materials were issued.

....59...

For Steel 23
10 m.m. @ 123⁴/₋

283.82 Vide transfer entry No. 12 it was shown that the material was transferred from the work c/o Stage II water supply but it was ^{not} clearly mentioned that for which work this material was issued.

Cement 40 bags 3680/-
@ 92/-

Steel .086 M.T. 1061.41
10 mm 12342/- ^{PMT}

Vide transfer entry No.16 it was shown that material was transferred from the work c/o Zero velocity value R.D. 1862 Stage-III but it was ^{not} clearly mentioned that for which work this material was issued.

Cement 100 bags 9200/-
@ 92/-

Vide transfer entry No.16 It was stated the material shown issued to R.D. 3300 Retaining wall cum spot to c/o work Staff Quarter Ashwani Khad Stage-I

-87053.98--

32. Minor Objection Statement :
It was not issued separately.

33. Conclusion :

Test check reveals that the accounts are not mentioned properly. Specially, the Balance Sheet does not reflect the true picture of accounts. The working division are not functioning well as these accounts needs closer supervision, so that losses and excess payment could be avoided.

SL
Examiner,
Local Fund Accounts,
H.P., SHIMLA-171002.
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पृष्ठान्त संख्या: विन/एल/ए/सी/१७१३/१७७-१

8 DEC 1995

प्रतिष्ठिति निम्न को सूचनार्थ एवं आवश्यक कार्रवाई हेतु

दस्तावे

1. मुख्य प्रशासक, नगर विकास प्राधिकरण कमुन्वटो शिमला-१
को इस आशय के साथ प्रेषित की जाती है कि वह इस संकेत
प्रतिवेदन पर की गई कार्रवाई का संतोषपूर्ण उत्तर इस विभाग
को अतिशीघ्र भेजें।
2. कित्तापुस्तक एवं सविद्युटी.सी.पो.॥ हि०प्र० सरकार, शिमला-२
3. श्री विनोद राज गुप्ता, सहायक निमन्त्रक, लेखा परीक्षा.....

2091
ता. 11/12/95

संयुक्त निदेशक,

स्थानोप लेखा परीक्षा विभाग,
हिमाचल प्रदेश, शिमला-171002.

S/COA

61 Revised Report - 4 (a)

SHIMLA DEVELOPMENT AUTHORITY, KASUMPTI, SHIMLA-171 009.

* B A L A N C E - S H E E T *

(AS ON 31st. MARCH, 1993 (PROVISIONAL)).

| Year | Liabilities. | Amount. | Total | Previous Year | Assets. | Amount. | Total |
|------------------------------|-----------------------------|-----------------------|----------------|----------------|--------------------|-----------------------|----------------|
| (Rs.) | (Rs.) | (Rs.) | (1992-93). | 1991-92. | (Rs.) | (Rs.) | 1992-93. |
| 2. | 3. | 4. | 5. | 6. | 7. | 8. | 9. |
| <u>CAPITAL FUND</u> | | | | | | | |
| | Grant-in-aid from H.F.Govt. | | | | | | |
| 1,000.00 | As per last Balance Sheet | 3,30,00,000.00 | | 7,88,344.20 | As per Annexure-1A | | 7,27,070.10 |
| | Add during the year. | 25,00,000.00 | | | | | |
| | | <u>3,55,00,000.00</u> | 3,55,00,000.00 | 2,06,76,785.75 | | | |
| <u>SURPLUS</u> | | | | | | | |
| 226.85 | As per last Balance Sheet. | 11,73,028.85 | | | | | |
| | Add during the year. | 92,001.91 | | | | | |
| | | <u>12,65,030.76</u> | 12,65,030.76 | 6,58,23,331.62 | | | |
| <u>FIXED ASSETS</u> | | | | | | | |
| <u>WORK IN PROGRESS</u> | | | | | | | |
| <u>C/O SHS AT KZC SHIMLA</u> | | | | | | | |
| | i) Acquisition of land | | | | | | |
| | As per last Balance Sheet. | | | | | 2,06,76,785.75 | |
| | Add during the year. | | | | | 120.00 | |
| | | | | | | <u>2,06,76,905.75</u> | |
| | ii) Expenditure on works. | | | | | | |
| | As per last Balance Sheet. | | | | | 6,58,23,331.62 | |
| | Add during the year. | | | | | 95,89,791.41 | |
| | | | | | | <u>7,54,13,130.02</u> | |
| | Total: | | | | | | |
| | (i) + (ii). | | 8,65,00,117.37 | | | 9,60,90,035.77 | 9,60,90,035.77 |

Contd..P/2/..

Contd ..P/3/...

-63/

C/3

2.

3.

4.

5.

6.

7.

8.

P.N.B. OVER DRAFT

As per last
Balance Sheet. 1,76,53,168.33

Re-paid during (-) 22,97,557.84
the year.

1,53,55,610.49

1,53,55,610.49

2,85,74,701.00

1,01,79,764.37

EARNST MONEY/
DEPOSIT FROM ALLOTTEES.

As per last
Balance Sheet. 19,57,52,125.40

Add during
the year. 5,74,86,185.00

25,32,38,310.40

Refunded during (-) 9,77,698.00
the year.

25,22,60,612.40

25,22,60,612.40

4,09,45,219.92

C/O RESIDENTIAL
COMPLEX BELOW BCS;
PHA SE-II.

i) Acquisition of land
As per last 2,85,74,701.00
Balance Sheet.

ii) Expenditure
on works.

As per last 1,01,79,764.37
Balance Sheet.

Add during
the year. 2,15,04,263.00

3,16,84,027.37

Total:

(i) + (ii) = 6,02,58,728.37

6,02,58,728.33

C/O RESIDENTIAL COMPLEX
BELOW B.C.S., PHA SE-III.

Publication
charges.

As per last
Balance Sheet. -

New expenditure 49,092.00
during the
year.

Total expenditure: 49,092.00

49,092.00

C/O COMMERCIAL COMPLEX IN KZC.

Expenditure on works.

As per last 4,09,45,219.92
Balance Sheet.

Add during
the year. 2,76,04,430.90

Total: 6,85,49,650.82

6,85,49,650.82

Contd....P/4/....

| 2. | 3. | 4. | 5. | 6. | 7. | 8. |
|---|--------------|--------------|--------------|--|------------------|------------------|
| <u>DEPOSIT FOR PREFERENTIAL ALLOTMENT UNDER VARIOUS SCHEMES.</u> | | | | <u>FELLING OF TREES AND CONVERSION INTO SLIPPERS IN COMMERCIAL COMPLEX/ KZC.</u> | | |
| As per last Balance Sheet. | 6,33,591.00 | | | As per last Balance Sheet. | - | 1,244.00 |
| Add during the year. | 24,16,407.00 | | | <u>STOCK.</u> | | |
| Refunded/Adjusted during the year. (-) | 36,438.00 | | | As per last Balance Sheet. | 18,20,490.72 | |
| | 30,13,560.00 | 30,13,560.00 | 18,20,490.72 | Less during the year. (-) | 42,61,820.00 | |
| <u>LIABILITIES AND RECOVERIES.</u> | | | | | (-) 24,41,329.26 | (-) 24,41,329.26 |
| <u>Deposit work.</u> | | | | <u>STATIONARY ARTICLES.</u> | | |
| Town & Country Planning Deptt. H.F.) for carrying out various planning, survey & investigation for preparation of development plan of Shimla. | | 22,549.55 | | As per last Balance Sheet. | 25,327.86 | |
| Providing W.S.S. to Hasumpti Zone Shimla Planning Area and Augmentation of Shimla Water Supply Scheme. | | | | Less during the year. (-) | 3,922.66 | |
| As per last Balance Sheet. | 26,64,860.97 | | | | 21,405.20 | 21,405.20 |
| Less expenditure during the year. (-) | 28,84,427.00 | | | <u>SUNDRY DEBTORS.</u> | | |
| (-) 2,19,566.03 | | | | As per last Balance Sheet. | 60,43,548.73 | |
| | | | | Add during the year. (+) | 2,09,681.00 | |
| | | | | | 62,53,229.73 | 62,53,229.73 |
| | | | | | | |

.....P/5/.....

40

| 2. | 3. | 4. | 5. | 6. | 7. | 8. |
|--|----------------|-------------|--------------|--|--------------|--------------|
| <u>H.P. URBAN DEVELOPMENT PROJECT.</u> | | | | <u>LOANS & ADVANCES.</u> | | |
| S.H. Survey and Planning of KZC; Shimla, Phase-III. | | | 9,520.00 | Warm Clothing Advance. | 5,840.00 | |
| As per last Balance Sheet. | - | 2,33,533.55 | 58,777.89 | Advance with Staff. | 6,750.16 | |
| | | | 7,462.00 | T.A./T.T.A. advance. | 8,454.00 | |
| | | | 6,848.50 | L.T.C. Advance. | - | |
| | | | 5,465.00 | Pay Advance. | 7,000.00 | |
| | | | 88,073.39 | | 28,044.16 | 28,044.16 |
| <u>REPAIR & MAINTENANCE OF SHIMLA WATER SUPPLY SCHEME (FROM ASHWANI KHAD).</u> | | | | <u>PRE-PAID EXPENSES.</u> | | |
| As per last Balance Sheet. | 1,24,93,575.60 | | | <u>For Telephone.</u> | | |
| Less expenditure during the year.(-) | 1,17,40,740.20 | | 41,025.00 | As per last Balance Sheet. | 41,025.00 | |
| | 7,52,835.40 | 7,52,835.40 | | Less during the year. | (-) 2,304.00 | |
| <u>CONTRACTORS ACCOUNT.</u> | | | | | 38,721.00 | 38,721.00 |
| <u>i) Earnest Money/ Security deposit.</u> | | | | <u>SECURITY DEPOSIT.</u> | | |
| As per last Balance Sheet. | 32,72,153.00 | | 13,464.00 | With H.P.S.E.B. | 13,464.00 | |
| Add during the year. | 3,13,566.00 | | 3,000.00 | With P & T Deptt. | 3,000.00 | |
| | 35,85,719.00 | | 700.00 | With M.C. Shimla. | 700.00 | |
| <u>ii) Misc. Deposits.</u> | | | | | 17,164.00 | 17,164.00 |
| As per last Balance Sheet. | 14,147.10 | | 52,96,168.04 | <u>INTEREST RECEIVABLE ON F.D.R's.</u> | | |
| Add during the year. | 1,000.00 | | | As per last Balance Sheet. | 52,96,168.04 | |
| | 15,147.10 | | | Add during the year. | 37,86,995.00 | |
| | | | | Less interest received. (-) | 90,83,163.04 | |
| | | | | | 24,37,382.00 | |
| | | | | | 66,45,781.04 | 66,45,781.04 |

| 1. | 2. | 3. | 4. | 5. | 6. | 7. | 8. |
|-------------|-----------------------------|--------------|--------------|----------------|--------------------------------|----|----------------|
| | | | | | <u>FIXED DEPOSITS.</u> | | |
| | | | | | As per | | |
| | | | | 4,66,66,986.00 | Annexure 'B' | | 3,80,04,365.00 |
| | | | | | <u>CASH AND BANK BALANCES.</u> | | |
| | | | | | As per | | |
| | | | | 12,41,830.21 | Annexure 'C' | | 14,13,606.72 |
| | <u>iii) Income Tax.</u> | | | | | | |
| | As per last | | | | | | |
| 1,07,285.00 | Balance Sheet. | 1,07,285.00 | | | | | |
| | Less during | | | | | | |
| | the year. (-) | 1,17,028.00 | | | | | |
| | | (-) | | | | | |
| | | 5,743.00 | | | | | |
| | <u>iv) Withheld Amount.</u> | | | | | | |
| | As per last | | | | | | |
| 51,875.00 | Balance Sheet. | 1,51,875.00 | | | | | |
| | Grand Total : | | | | | | |
| | (i) to (iv): | 37,42,996.10 | 37,42,998.10 | | | | |
| | <u>EXPENSES PAYABLE.</u> | | | | | | |
| | As per last | | | | | | |
| 46,193.03 | Balance Sheet. | 4,46,193.03 | | | | | |
| | Less liabilities | | | | | | |
| | cleared during | | | | | | |
| | the year. (-) | 1,14,103.00 | | | | | |
| | | 3,34,090.03 | 3,34,090.03 | | | | |
| | <u>INTEREST PAYABLE</u> | | | | | | |
| | <u>TO ALLOTTEES.</u> | | | | | | |
| | As per last | | | | | | |
| 373.00 | Balance Sheet. | | 2,55,373.00 | | | | |
| | <u>RECOVERIES TO</u> | | | | | | |
| | <u>BE REMITTED.</u> | | | | | | |
| | As per last | | | | | | |
| 3,622.00 | Balance Sheet. | 1,23,622.00 | | | | | |
| | Less remitted | | | | | | |
| | during the year. (-) | 1,06,898.00 | | | | | |
| | | 16,724.00 | 16,724.00 | | | | |

| 2. | 3. | 4. | 5. | 6. | 7. | 8. |
|---|----------------|-----------------------|-----------------|----|----|-----------------|
| <u>SUPERSE ACCOUNT.</u> | | | | | | |
| As per last Balance Sheet. | | 1,673.00 | | | | |
| Provision for repair and maintenance of off-site services of various Schemes. | | | | | | |
| As per last Balance Sheet. | 2,82,00,000.00 | | | | | |
| Mod during the year. | | 1,00,30,585.45 | | | | |
| | | <u>3,82,30,585.45</u> | 3,82,30,585.45 | | | |
| <hr/> | | | | | | |
| Grand Total : | - | 38,31,83,246.63 | 38,31,83,246.63 | - | | 38,31,83,246.63 |

Assistant Controller (F&A),
H.P. Nagar Vikas Pradhikaran,
Kasumpti, Shimla - 171 005.

Superintending Engineer (Design),
H.P. Nagar Vikas Pradhikaran,
Kasumpti, Shimla - 171 005.

Chief Administrator,
H.P. Nagar Vikas Pradhikaran,
Kasumpti, Shimla - 171 005.

Attested:
Assistant Controller (F&A),
H.P. Nagar Vikas Pradhikaran.

...
We have audited the above balance sheet of Shimla Development Authority, Shimla - 9, for the year ending 31-3-93 and report that above balance sheet (except as pointed out in our report) exhibits a true and fair picture of state of affairs in the best of our information & explanation given and showing the books of account.

Assistant Auditor (Audit)
Shimla Development Authority

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Expenditure.

| 1991-92. | | 1992-93 (PROVISIONAL) | |
|--|--|-----------------------|-------------------------|
| (Rs.) | Amount. | Total 1992-93. | Previous year, 1991-92. |
| 1. | 2. | 3. | 4. |
| 1. TO ESTABLISHMENT EXPENSES ACCOUNT. | | | |
| 45,23,775.00 | a) Salary. | 45,72,790.00 | |
| 1,02,367.00 | b) Medical Charges. | 1,11,636.00 | |
| 35,569.00 | c) Travelling Expenses. | 64,594.00 | |
| 11,57,021.642. | TOTAL OFFICE EXPENSES. | 51,49,020.00 | |
| 52,21,755.843. | TOTAL ADMINISTRATIVE. | 10,62,426.63 | |
| 1,54,103.604. | TO DEPRECIATION ACCOUNT. | 52,31,446.63 | |
| 10,52,311.805. | INTEREST PAID ON DEBENTURES. | 1,50,900.10 | |
| | INTEREST PAID TO THE ACTIVITIES OF SHS, STP, OFFICE AND GRAFICA, BIA, P. & F. | 24,51,616.00 | |
| 11,566.00 | PROVISION FOR DEPR. AND MAINTENANCE OF OFF SITE SERVICES OF VARIOUS SCHEMES. | 3,48,752.00 | |
| 55,00,000.00 | GRAND TOTAL : | 1,00,30,565.45 | 1,00,30,565.45 |
| 91,076.276. | | 92,001.91 | 92,001.91 |
| 1,00,31,826.41 | | 1,00,90,360.09 | 1,00,90,360.09 |
| 2. TO INTEREST : | | | |
| | a) Interest on F.W.R's. | 6,12,151.24 | |
| | b) Interest accrued but not due. | 37,80,595.00 | |
| | c) Interest on Savings Bank Account. | 51,850.16 | |
| | d) Interest on mobilization advance. | - | |
| | Total : | 44,51,000.40 | 44,51,000.40 |
| 3. TO RECEIPTS : | | | |
| | RECEIPTS : | 5,30,659.17 | 5,30,659.17 |
| | RECEIPTS : | 1,44,96,457.50 | 1,44,96,457.50 |
| | RECEIPTS : | 1,96,50,360.05 | 1,96,50,360.05 |

Assistant Controller (F&A),
H.P. Nagar Vikas Pradhikaran,
Nasrumpet, Orissa - 751 005.

Self
Superintending Engineer (D),
North Nagar Vikes Frachnikaran
Kusumpti, Jamia - 171 005.

Chief Administrator,
H.P. Nagar Vikas Pradnikaran,
Kasumpti, Shimla - 171 005.

... He has audited the above income and expenditure account of Communist Development Authority - Limited - 7 for the year 1992-93 and report that after a careful examination (except mentioned in attached report) there are no material of the state of affairs to the best of my information and explanation given and shown by the books of accounts.

NET BLOCK

Attended to be attended
Assigned to (F & A)
Shimla 2
Shimla 2
Kishanpur

70

* A N N E X U R E * - 10

(16)

SHIMLA DEVELOPMENT AUTHORITY,
SHIMLA-171 001.SCHEDULE OF FIXED DEPOSIT WITH BANK A S ON 31ST. MARCH, 1993.

| S.No. | NAME OF THE BANK. | F.D.No. NUMBER. | AMOUNT OF FIXED DEPOSIT. (IN RUPEES). |
|--------------|--|--------------------|--|
| 1. | UCO BANK H.T. & P.H. AREA. | | 5,00,000.00 |
| 2. | UCO MAIN. | 1 | 1,50,645.00 |
| 3. | H.P. STATE CO-OPERATIVE BANK, SHIMLA-171 001. | 1 | 43,00,000.00 |
| 4. | PUNJAB NATIONAL BANK. | 1 | 15,34,080.00 |
| 5. | -do- | 2 | 2,68,980.00 |
| 6. | -do- | 1 | 4,45,350.00 |
| 7. | -do- | 7 | 20,78,300.00 |
| 8. | -do- | 1 | 4,45,350.00 |
| 9. | -do- | 7 | 22,49,881.00 |
| 10. | -do- | 33 34 | 2,48,11,329.00 |
| 11. | -do- | 1 | 6,72,450.00 |
| 12. | -do- | 6 | 5,40,000.00 |
| Grand Total: | | | 3,80,04,365.00 |

(Rupees Three Crore Eighty Lac Four thousand Three hundred and Sixty-Five) only.

Directed to bank by copy.

Assistant (F & A)
 Shimla Development Authority
 Khabla-Shimla-171 001.
 Knowledge

* NARESH *

SHIMLA DEVELOPMENT AUTHORITY,
KASIMPET, SHIMLA-171 009.

(10)

SCHEDULE OF CASH & BANK BALANCES AS ON 31ST. MARCH, 1993 :

| S.No. | Particulars. | Amount. |
|-------|-------------------------------|--------------------|
| 1. | 2. | 3. |
| 1. | Cash in Hand (Head Office). | 3,02,868.75 |
| 2. | -do- (E.E., C-I). | 6,728.22 |
| 3. | -do- (E.E., C-II). | 1,927.22 |
| 4. | -do- (E.E., D). | - |
| 5. | Postage Stamps (Head Office). | 1,037.25 |
| | | <u>3,12,561.44</u> |

SAVING ACCOUNT WITH :

| | | |
|----|--|-------------|
| 1. | SBP; Shimla (Head Office). | 48,296.10 |
| 2. | UCO Bank Shimla(Head Office). | 360.67 |
| 3. | SBI; Shimla (Head Office). | 2,214.98 |
| 4. | INB; Shimla (Head Office). | 58.25 |
| 5. | H.P.State Co-Op; Bank Shimla(Head Office). | 2,208.55 |
| 6. | UCO Bank Shimla-9 (E.E; C-I). | 2,919.17 |
| 7. | FNB Shimla (E.E; C-I). | 66,970.43 |
| 8. | FNB Shimla (E.E; C-II). | 9,78,017.13 |
| 9. | FNB Shimla(E.E., D). | - |

Total : 11,01,045.28

Grand Total : 14,13,606.72

Attested to be a true copy.

Assistant Comptroller (S & A)
Shimla D. Authority
Kasimpet Shimla - 171 009
Kasimpet

NARESH