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Audit and Inspection Note on the accounts of Government
Degree College Solan, District Solan, (H.P.)

Period : 4/83 to 3/85

Part-I

1. Audit Note for the period from 4/76 to 3/85 :-

No efforts were made to settle the old outstanding audit paragraphs. This sorry state of affairs is brought to the notice of Director of Education for taking necessary action in the matter. Action taken on the last audit note, however, calls for the following further comments :-

Audit Note for the period from 4/76 to 3/83 :

- | | |
|--|--|
| (i) Para 2 | Settled. |
| (ii) Para 3(a) | Settled. |
| (iii) Para 3(b) | Unsettled. |
| (iv) Para 4 & 5 | Settled. |
| (v) Para 6 to 15 | Unsettled. |
| (vi) Para 16(a) | Settled. |
| (vii) Para 16(b) | Unsettled. |
| (viii) Para 16(c) | Rs.133-58 from Sr. Nos 2 to 5 remained
and outstanding. |
| (ix) Paras 16(d), (e),
16(f) &
16(g) | Unsettled. |
| (x). Paras 16(g), (h),
(i), (e) & (k) | Settled. |
| (xi) Paras 17 & 19. | Settled. |
| (xii) Paras 18, 20 & 21. | Unsettled. |

Part-II

2. Present Audit : The present test audit and examination of accounts for the period from 4/83 to 3/85, the results of which are detailed in the succeeding paragraphs, was conducted by Shri Vinod Raj Gupta, Senior Auditor w.e.f. 2.7.85 to 2.9.85. The accounts for the months 5/83, 12/83, 7/84 and 12/84 were subjected to detailed check.

3. Audit Fee : The fee due for conducting the audit of funds' accounts for the period from 4/83 to 3/85 worked out to Rs.1110/- as detailed below :-

- | | |
|-------------------------------|--|
| (i) Amalgamated fund. | |
| (ii) Building Fund | |
| (iii) House Examination Fund. | |

R.P.
200.00
70.00
70.00

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	- 2 -	70.00
(iv).	Hostel Fund	70.00
(v).	Health Fund.	70.00
(vi).	Magazine Fund	70.00
(vii).	Identity card Fund	70.00
(viii).	Physics Fund	70.00
(ix).	Chemistry Fund.	70.00
(x).	Biology Fund	70.00
(xi).	Student aid Fund	70.00
(xii).	Geography Fund	70.00
(xiii).	N.C.C. Fund	70.00
(xiv).	Absence Fine Fund.	70.00

Total :- Rs. 1110.00

The Principal of the College was requested to credit the amount in to Govt. Treasury under head, "065-Other Administrative Services, C-Other, Services, Fee for Govt. Audit, H.P." under intimation to this department.

4. Investments :- The following amounts were placed in fixed deposits in different banks out of the Amalgamated Fund :-

Name of Bank	No. of FDR	Amount invested.	Date of investment	Date of Maturity	Value on Maturity
State Bank of Patiala.	679042	Rs. 1,25,000/-	29.8.80	28.11.85	Rs. 1,90,600-00
Union Bank of India.	965644	Rs. 43,500/-	29.8.82	29.11.85	Rs. 59,964-75
do.	965643	Rs. 25,000/-	19.8.82	19.11.85	Rs. 34,462-50

Since the amounts were invested from joint account of all the funds, the entire amount on maturity should be credited to the funds concerned.

Pages 5 & 6: 'X' on Page (2 B)

7. Payment of T.A. & D.A. to the Principal :- Rs. 285-20 P were paid as T.A. & D.A. to the Principal of the college as under :-

Vr. No.	Month	Amount paid	Purpose of journey
30/83	4/83	Rs. 52.10	To attend University meeting etc.
31/83	4/83	Rs. 52.10	
400/83	8/83	Rs. 127.00	
403/83	8/83	Rs. 15.00	
615/83	12/83	Rs. 39.00	
Total		Rs. 285-20	

Out of which only 90.50 were admissible & Rs. 36.50 paid in excess.

Contd. page. 3/-

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5. Short credit of Rs. 497/- Rs. 3956-50 P were realised as pupils funds from the students vide R.N. 287369 to 287413, dated 10.8.83, but only Rs. 3459.50P were accounted for in the daily cash book by the clerk, which resulted in to short credit of Rs. 497/- However, the amount was ~~not~~ recovered from the official concerned on 21.8.85, vide R.N. 298759, at the instance of audit. Superintendent and Bursar are advised to keep the proper check on the accounts in future and suitable action may be taken against the defaulter in this particular case.

6. U.G.C. Grant :- A grant of Rs. 13000/- as 1st instalment of approved grant of Rs. 39100/- was sanctioned by the N. e. E. R. T. vide U.G.C. letter No. F(1)-3(9)/82(C-2) dated 17.1.83, out of which Rs. 13000/- were paid as remuneration to Sh. G. A. Kathia, the then ~~librarian~~ ^{librarian} of the college, vide Vr. No. 706/83, dated 12.3.84. The amount was stated to have been paid as 10% of the grant received as provided in condition No. B(6) of the aforesaid letter which is reproduced below :-

"The amount upto 10% of grant approved for books and ^{journe}ls could be used by the college on meeting expenditure on the appointment of temporary professional staff needed for accession, procession and ^{Cataloguing} ~~labeling~~ of books and for stocking purpose".

Since Sh. G. A. Kathia was regular librarian of the college the 10% amount paid to him for this work may be justified, as ^{this} ~~their~~ amount had to be spent for the appointment of temporary professional staff and was not payable to regular employee of the college. Hence the amount paid to Sh. G. A. Kathia should be recovered or the matter may be got clarified from the grant sanctioning authority and action in the matter may be taken accordingly.

Moreover, 1/3rd share of remuneration ^{earned} ~~received~~ by the official was also not credited in to Govt. Treasury ~~as~~ required under S.R. 14. The omission should be accounted for.

Para 7: on P-2/100.

Contd. page.

According to rule 135(15)(2), of H.P. Education code, the payment of T.A. & D.A. to the staff out of funds was not admissible, whereas the Principal had been claiming T.A.&D.A. out of the funds irregularly. The T.A. bills were not even got countersigned from the controlling officer of the Principal. The irregular payment of T.A. & D.A. may be recovered from the claimant.

8. Excessive and wasteful expenditure on Refreshments:-

It was noticed during the course of audit that the excessive and wasteful expenditure had been incurred to provide refreshments on the different occasions, such as annual sports day, Hindi Pasishad day and annual prize distribution function etc. For instance, a sum of Rs.928.50 was spent on refreshments served on the Annual sports day vide voucher No.583/83, for 350 cups of Tea and 150 pieces of patties. According to Rule 135(4) of H.P. Education code, the Expenditure of not more than one rupee can be incurred on such occasions for each student and guest. The cost of petties and tea was more than Rs.2/- per head. The excess expenditure incurred on the occasion may be worked out with reference to the exact number of guests who attended the function, as this information was not mentioned on the vouchers and in other office records. The excess amount paid may be worked out departmentally and made good from the official at fault.

9. Exorbitant expenditure on the occasion of Declaration context.

The expenditure to the tune of Rs.4342/- was incurred on the occasion of Dr. Y. S. Parmar declamation contest for serving meals and refreshments etc., as detailed below :-

<u>Vr.No.</u>	<u>Date/Month</u>	<u>Amount spent</u>	<u>Details of Expenditure</u>
590/83	7.12.83	Rs.510-00	For meals to 70 persons.
604/83	12/83	Rs.500.00	Refreshments
593/83	-do-	Rs.554.00	For prizes.
605/83	-do-	Rs.278.00	For cards.
681/83	-do-	Rs.2500.00	for tents.
Total :-		Rs.4342.00	Contd.page..4/-

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The expenditure was huge, excessive and wasteful on this occasion, which should be justified.

10. Excessive expenditure on refreshments :-

A sum of Rs.1200/- was spent vide voucher No.316/82, dated 10.3.83, for the purchase of 400 pices of Kala-jamuns, patties etc, on the occasion of Annual prize distribution function. As the number of guests / students, who attended the function was not recorded, the correctness of expenditure on the refreshments could not be verified in audit. Moreover, not more than one Rupee per head could be spent for providing refreshment to the guests. As such the excess amount spent on this occasion may be worked out departmentally and refunded into the fund, under intimation to this office.

Again, vide voucher No.595/84 dated 26.3.85, out of advance of Rs.800/- drawn, a sum of Rs.727.50 was spent for providing refreshment on the occasion of Annual prize distribution function, as detailed below :-

i) Kala-Jamun	300 pieces @ Rs.1/-	Rs.300.00
ii) Samosa	300 pieces @ 0.50 paise	Rs.150.00
iii) Tea	300 cups @ 0.50 P.	Rs.150.00
		Rs. 37.50
iv) Biscuits.		Rs. 90.00
Total :-		Rs.727-50

As, there was no record regarding number of guests/ participants, the excess amount spent for providing refreshments on the occasion could not be worked out. The refreshment at the rate of Rs.1/- was admissible. The excessive amount spent per head may be worked out departmentally and made good to the fund.

11. Expenditure on Refreshment and daily allowance paid to the players :-

It was noticed that the refreshment and daily allowance were given to the students at higher rates. The D.A. was given @ Rs.9/- per day and refreshment was given @ Rs.1.25 per game whereas this should have been given @ Rs.6/- per day and Rs.1.00 per player. This resulted in to excess payment of Rs.216/-, as detailed below :-

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Vr.No.	Date/ Month	Amount paid for D.A.	Rate allowed	Prescribed Rate	Amount payable	Excess payment.
583/83	6.12.83	Rs.450.00 For 10 students for 5 days.	@ Rs.9.00	@ Rs.6.00 per day.	Rs.300.00	Rs.150/-
508/83 & 509/83	12/84	Rs.330.00	Rs.1.25	Rs.1.00 per player.	Rs.264.00	Rs.66/-

Total excess payment Rs.216/-

The excess payment of Rs.216/- should be recovered from the official at fault.

12. Payment of T.A. & D.A. to the Staff:

Irregular payment of T.A. and D.A. was ^{allowed} attended to the staff who participated in the games. According to Rule 135(13)(2) of H.P. Education, code, no payment of T.A. & D.A. is admissible out of the funds, to the staff members. The irregular payments should be recovered from the staff vide details given below :-

Vr.No.	Date	Name	Amount Paid.
583/83	6.12.83	Sh. Budhi Ram	154.65
507/84	12.12.84	Sh. Dhayan Singh	127.90
-do-	-do-	Smt. Meenakashi Mahajan.	127.90
-do-	-do-	Sh. Sham Lal	127.90
280	27.8.84	Sh. D.C. Sharma	211.45
381	10/84	Sh. D.C. Sharma	171.70
279	27.8.84	Sh. D.C. Sharma	352.40
			<u>1273.90</u>

13. Payments for works :- (a) A sum of Rs.1841-50 was paid to Sh. S.V. Bhardwaj, contractor, vide vouchers Nos. 342 to 344 dated 24.3.83. The amount was paid as final payment for the construction of four additional rooms in the college. Prior to this, Rs.8000/- were also paid as advance payment to the contractor vide voucher No.368/81 and 423/81. The total amount spent on the work was thus Rs.9841.50, which calls for the following further remarks :-

(i). The approval of building fund committee, as required under rule 7(d)(vi) of Govt. of H.P. Building Fund utilisation Rule, 1968 for execution of the work was not obtained.

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- (ii) No estimate of the work was prepared.
- (iii). No Administrative approval and technical sanction for execution of the work were obtained from the competent authority.
- (iv). No tenders were invited before executing the work.
- (v). The final payment was made on the basis of bill submitted by the contractor, who recorded the measurements, himself. The measurements should have been got recorded from the proper technical authority.
- (vi). Completion certificate of the work was also not forthcoming.

In view of the above serious irregularities, the possibility of misutilisation of funds could not be ruled out. The higher authorities are ~~xxxxx~~ requested to investigate the matter thoroughly and action taken be reported to this department.

(b). Rs.25,000/- were paid to the Executive Engineer, B & R Division, Solan on 10.8.83, for the repair of college Building, but it was not clear whether the amount was paid for deposit work, as no adjustment amount and completion certificate of the work were obtained from the P.W.D. authorities. Neither the approval of the Building Fund committee nor the Administrative approval of the competent authority was obtained. This was irregular and the payment of Rs.25,000/- needed to be justified.

14. Irregularities in payments :-

(a) Vide voucher No.532/83 dated 7.11.83, a sum of Rs.4000/- was paid for the purchase of Duplicating machine. According to the Bill submitted by the company, the cost of duplicating machine was Rs.3979/- As such the excess payment of Rs.21/- had been made to the company. The ~~same~~ ^{same} may be recovered and credited into the fund.

(b) Rs.76/- were spent for the purchase of Pen stand vide voucher No.632/83 of 12/83 and was shown as issued to the Lecturer of the Physics department. The purchase of pen stand from the fund did not constitute a valid charge thereon. The amount may, therefore, be refunded into the fund.

Contd. 37/-

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(c). Vide voucher No.425/84 dated 22-10-84, a sum of Rs.1406/- was paid to Durga Furniture House, solan for the purchase of easy chairs. The purchase of easy chairs out of the funds was not a fit charge thereon. Moreover, the purchase was also not made from the firm having rate contract. This was irregular. Either the purchase may be justified or the amount may be recovered from the official at fault.

(d). Vide voucher No.423/84 Rs.537-50 ~~xxx~~ were paid for some article required to conduct the university examination. As there articles were required ^{to be} purchased by the university itself, Rs.537.50 should be made good ^{either} ~~either~~ ~~xxx~~ from the University or from the official at fault.

(e). Vide Vr.No.579/84, dated 12.3.85, Books worth Rs.3227-25 P were shown to have been distributed among the students, but the details of the students to whom ~~These~~ books were given were not forthcoming. The requisite details should be put up at the time of next audit alongwith the purpose for which these Books were given to the students. In the absence of any justification, Rs.3227.25 will have to be refunded into the fund.

(f). Vide Vr. No.492/84, dated 7.12.84, An advance of Rs.1600/- was given to Sh. D.C. Sharma out of which Rs.166.15p were paid to Regional Manager Transport, Barwanoo, as fare of the ~~students~~, students, but the teams could not go for some reason. The refund of Rs.166-15 P was still awaited. The amount should be got refunded from the concerned authorities into the fund.

Mr.

(g). Vide Vr. Nos 682 and 683, Science articles worth Rs.1575-60 P were purchased from M/S Durga Instrumental Corporation, Ambala. The articles were supplied on 26.10.83, but surprisingly the quotations were shown as having been opened by the purchase Committee on 31.10.83, This meant that the supply was already made on 26.10.83, whereas the quotations were yet to be opened. The authorities may look into the matter and necessary action be taken against the official at fault for committing such a serious irregularity.

(h). Vr.No.315/82 & 317/82, dated 26.3.84 :

An advance of Rs.3700/- was ~~conceded~~ given to Sh. K.R. Dharwala. The advance was recouped after one year. Out of this advance of Rs.3700/- T.A. of Sh. K.R. Dharwala and Shri Suresh Sharma was also adjusted. The claim of T.A. was put up to the office after the expiry of one year, which was irregular as the claim of T.A. after one year had become time ~~barred~~. The amount should be made good to the fund, immediately.

Similarly, Sh. D Chaturvedi was advanced Rs.300/- for T.A. and D.A. on 10.3.83, vide Vr. No.317/82. But the T.A. bill was not submitted by the claimant till the date of audit. Shri D. Chaturvedi may be asked to refund the amount of advance forthwith.

(i). Vr. No.569/84, dated 2.1.85. An advance of Rs.1622.35P were given to Sh.K.K. Dhar, out of which account of Rs.1400/- was rendered by him. The rest of the amount of Rs.222.35 P was still to be recovered from him. The amount may be made good immediately.

15. Hostel Fund :- (a) It was noticed that the superintendents of both the Hostels were consuming the electricity from the common meters provided for the students. However, the payment of Rs.5/- P.M. was made by the Superintendent of Boys' Hostel which was also not based on any norms. It was also ~~found~~ that during the months when the Hostel remained closed due to vacations, the payment of huge amounts had been made out of the funds, as detailed below :-

<u>Boys' Hostel</u>		<u>Girls' Hostel</u>	
<u>Month</u>	<u>Amount Paid.</u>	<u>Month</u>	<u>Amount Paid.</u>
6/83	Rs.363.20	2/84	Rs.25.55
2/84	Rs.1394.70	6/84	Rs.11.00
6/84	Rs.1256.90	2/85	Rs.176.00
2/85	Rs.562.00		

The payments of the electricity bills out of the funds during the months when only Hostel superintendents occupied the premises may be justified, as it was the entire responsibility of the superintendents to meet the electricity bills during the period when there was ^{one} no ~~one~~ in the Hostel.

Contd Page..9/-

Separate electric meters should have been provided to the premises occupied by the Hostel Superintendents. Failure to do so should be justified :-

(b) Two Television sets were purchased for the Hostels on the following dates. The Televisions 'WESTON CLASSIC' were purchased from M/S Telu Ram & sons, Solan which called for the following further remarks :-

(i) The original bill of the firm M/S Telu Ram & Sons was not put up. The bill received on paid as proforma advice was not proper. It was also suspected that M/S Telu Ram & sons might have charged more price and evaded the payment of excise Duty and Taxes by not supplying original bill. Original bill showing sales tax number should be collected from the firm now.

(ii). Separate cost of T.V. , ^{Antennas} Antennas & Booster must be got indicated on the bill to ascertain the correct price of each article.

(iii). The Television sets were not purchased from Govt. ~~Tele~~ Television factory, Chambaghat. The matter may be booked in to by higher authorities and purchase be justified.

<u>Vr. No.</u>	<u>Amount paid</u>	<u>Date of purchase.</u>
106/83	Rs.3850.00	15.11.83
130/83	Rs.3850.00	14.12.83

(c).. Vide Vr. No.16/84, dated 15.9.84, Rs.450/- were given as advance to Sh. V.S.Chauhan, Superintendent, Boys' Hostel but the adjustment account thereof was not rendered by him till the date of audit. Sh. V.S. Chauhan may be ~~xxxx~~ asked to render the account of advance of Rs.450/- without delay or The amount may be immediately recovered from him.

(d). On 9.7.83, vide cheque No.939348, Rs.800/- were advanced to Sh. Subash Chander. The advance was given to Sh. Subash chander to meet ~~but~~ expenses of private welfare party. The advance was recouped on 14.11.83, after 4 months. The payments of advance to organise private party should be justified.

(e). Vide Vr. No.125, dated 8.12.83, Rs.700/- were shown as spent for the purchase of prizes. But, the distribution account of the prizes was not forthcoming. Contd.p.10/-

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stock entries of there articles were also not made. The Payment should either be justified or made good to the fund.

(f). Electric goods worth Rs.249-52P, were purchased vide vr. No.177/84 of 17.9.84. But the articles were shown to have been consumed in stock register. No regulations were in record showing as to when these articles were supplied or where these articles were actually used. In the absence of any reliable record of consumption, the amount involved needed to be made good to the fund.

16. Stock Registers :- (a) The stock registers were in a mess in so far-as the articles of non-consumable nature were not entered properly. All such articles marked by the audit on the stock register should be checked up and entered on separate pages as advised during the course of audit.

(b). On page 29 of stock register of electric goods, articles were shown as ~~consumed~~ consumed, but the consumption was not verified by the Principal. No requisition was obtained showing bywhom the tube, rod etc. were used. The consumption of all such articles worth Rs.617/ on page 29 should be verified by the Principal.

(c). Stock Register of Girls Hostel :- Stock Registers of the Girls Hostel were also found in a mess. The articles, as detailed below, were shown as consumed, without any requisition or signatures showing as to when it was issued. The consumption of electric goods may be justified or their cost made good.

(i) Page 17 On page 17, 12 Nos of Bulbs for Rs.60/- were entered but these were shown as consumed in one lump. In the absence of any requisition for the issue of bulbs and the information about the point at which these were fixed, the consumption of bulbs was not justified. The amount may be made good.

(ii). Pages 18 & 19: Again, bulbs for Rs.125/- approximately were purchased from 9/83 to 9/84. These were shown as issued to chokidar but no signatures of the chokidar were on the record. The amount may therefore, be made good forth with.

(iii) Page 19 :- Television set, Booster, and Transformer were entered in the stock register of consumable articles whereas these should have entered in the stock register of non-consumable articles.

(iv). Page 53 :- Medicines worth Rs.192/- were shown as consumed, but no details of consumption were forthcoming. Needful should be done at the time of next audit ~~on~~ the amount be made good.

(v) Page 83:- Pipes worth Rs.404-75 Paise were shown as fitted in the hostel, but it was not verified by the Principal. Needful should be done now or the amount be made good to the fund.

17. Non realisation of Funds :- It was ~~found~~ that some students did not pay the IIIrd instalment of their dues, but their Roll Numbers were cleared / issued by the Principal for their University examination. It was not clear as to why these students were allowed to ~~set~~ in the examinations without the payment of their dues. The following cases were detected in test check and the possibility of more such cases could not be ~~x~~ ruled out. All such cases should be traced out departmentally and short recoveries be made good.

R.No.	Name	Year	R.N. vide which appeared in University.	Amount due.
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1:- 2:- 3:- 4:- 5:-

397	Chanderkant	83-84	11686	Rs.56.00
1163	Dinesh Kumar	-do-	70045	Rs.56.00
1554	Sunder Singh	-do-	84921	Rs.79.00
2469	Leo-nard Grover.	-do-	33390	Rs.94.00
3044	Sunita	-do-	52482	Rs.64.00
3109	Rameshwar	-do-	52593	Rs.64.00
3168	Hemant Kumar	-do-	52543	Rs.64.00

Part-III

18. Grants :- The accounts of the grants received from the U.G.C. could not be checked, as the relevant record

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was not put up. The record of grants received during the period from 4/76 to 3/83 was also not put up as pointed out vide para No.21, of the audit note for the period from 4/76 to 3/83. The Principal had supplied the utilization certificate to the U.G.C. without getting it verified from the audit. The matter may be looked into by the higher authorities.

19. Objection Statement :- All the objections of minor nature were settled at the spot. Hence, ~~no~~ no objection statement was issued, separately.

20. Conclusion :- The maintenance of accounts was far from satisfactory and required considerable improvement and closer supervision.

Sd/-
Assistant Examiner,
Local Fund Accounts,
Himachal Pradesh, Shimla-2.

Endst. No.Fin(LA)H(2)-C(15)xi(iv)33/78-Vol.II Dated, Shimla-171002 **5 JUL 1986**

Copy forwarded for information and necessary action to :-

1. The Principal, Government Degree College, Solan, District Solan (Himachal Pradesh), with the request that annotated copy showing the action taken on the Audit and Inspection Note may please be sent to this department, at an early date.
2. The Director of Education, Himachal Pradesh, Shimla-1.
3. The Secretary, Education to the Government of Himachal Pradesh.
4. Shri Vinod Raj, Gupta, Senior Auditor, C/O.....

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

LEKH RAM

(OFFICE COPY)