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Government of Jammu & Kashmir
Directorate General of Audit & Inspections, Finance Department, J&K

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Ph.No.(o): 0191-2598555

The Director Colleges,
Higher Education Deptt.,
J&K, Srinagar.

No: DDALJ/Audit/6971/ 6380-83
Dated: 5-08-2020

Subject: - Snap Audit & Inspection Report on the accounts of the Principal, Govt. College of Engineering and Technology Jammu for the period 2019-20.

The Snap Audit on the Accounts of Principal, Govt. College of Engineering and Technology Jammu for the period 2019-20 was conducted by Audit & Inspection Party No. 01 headed by Sh. Suresh Gandotra, Accounts Officer deputed by this Directorate from 02.7.2020 to 08.07.2020. A soft copy of the report has been sent via e-mail. The main observations pointed out in the report regarding violation of codal formalities has been framed on the basis of record available and the audit party disclaims any responsibility for any misinformation/non-information either partly or wholly". Main observations as pointed out in the Report regarding irregularities and violation of codal formalities are summed up as under for immediate remedial measures: -

1. Creation of liability on account of Electricity charges amounting to Rs.67.00 lac ending 2019-20.
2. Accumulation of huge closing balances under various local funds amounting to Rs.5.30 crores ending 03/2020-Justification thereof.
3. Awaited adjustment account against advances made to faculty members out of local fund to the tune of Rs.0.81 lacs ending 3/2020.
4. Irregular expenditure of Rs.2.23 lac (Test instances) incurred on purchase of different items from open market during 2019-20.
5. Awaited detailed accounts/utilisation certificates against funds advanced other department (JKPCC) to the tune of Rs.100.00 lacs ending 3/2020.
6. Payment of electricity charges on flat rate basis to the tune of Rs.24.00 lacs during the year 2019-20.
7. Surrender of funds amounting to Rs.10.10 crores during 2019-20- Reasons thereof.

It is, as such, requested to kindly impress upon the concerned officer to furnish parawise reply of the report within a period of 15 days from the date of receipt of the Report.

Your comments on the reply of Audit & Inspection Report and action taken on the Audit observations shall also be awaited at this end.

Issued with approval of the Competent Authority.

Yours faithfully,

(ARSHAD)
Deputy Director,
Audit & Inspections,
Jammu

Copy to the: -

1. Financial Commissioner Finance Department, J&K Civil Sectt. for favour of information.
2. Financial Commissioner /Principal Secretary /Commissioner Sectt.to Govt. Higher Education Department, J&K Civil Sectt. for favour of information. A soft copy of the report has been sent via e-mail.
3. Director General, Audit & Inspections, J&K Jammu for information.
4. Principal, Govt. College of Engineering and Technology Jammu with a copy of the Audit & Inspection Report including Annexure for information. The reply to the audit & Inspection Report should be submitted to this office within prescribed period indicated above. (Encl:- Audit Report 19 lvs).

For me

23/10/20

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PARA- 5 :- Awaited detailed accounts/Utilization certificates against funds advanced other department (JKPCC) to the tune of Rs.100.00 Lacs ending 3/2020.

PARA -6 :- Outstanding Library Books amounting to Rs 0.23 lacs.

PARA -7 :- Payment of electricity charges on flat rate basis to the tune of Rs.24.00 lacs during the year 2019-20.

PARA-8:- Surrender of funds amounting to Rs.10.10 crores during 2019-20- Reason thereof.

PARA- 9:- Non-disposal of unserviceable store/stock article-Reason thereof.

PART-C

PARA -1 :- Non affixation of Revenue stamps worth Rs.2728.00—Loss to state exchequer.

PARA-2:- Non-maintenance of leave accounts of the employees-reasons thereof.

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Snap/Establishment Audit & Inspection Report on the accounts of the Principal Govt college of Engineering and Technology Jammu for the period 2019-20

INTRODUCTORY

The snap/establishment audit on the accounts of the Principal Govt college of Engineering and Technology Jammu for the period 2019-20 was taken up on 02.07.2020 in compliance to the Deputy Director, Audit and -Inspections, Jammu's Order NO.261-DDAIJ of 2020 Dated:-30.06.2020 and concluded on 08.07.2020.

The charge of the college for the period under audit and thereafter was held by the below mentioned officers:

S. No.	Name of the Officer	Designation	Period
1	Dr. Sumeru Sharma	Principal	22.5.2013 to till date

The drawing and disbursing powers are vested with the Accounts officer deputed by the Finance Department, who operated upon the funds with Additional Treasury Talab Tillo Jammu through the Manager J& K bank Mishriwala.

The Principal of the college was assisted by the college committees along with following officials in financial matters during the period of audit.

S. No.	Name of the Official	Designation	Period of Audit
1	Sh. Raghbir Lal Gupta	Accounts Officer	2019-20
2	Sh R.D.Sharma	Assistant Accounts Officer	2019-20
2	Sh Sunil Singh Jamwal	Cashier	2019-20

Location of College with Telephone No.

The Govt college of Engineering and Technology Jammu is located in Chak Bhalwal Jammu. The official telephone No. of college is 01912623087 and e-mail Id is gct194@gmail.com

Aims and Objectives:-

The primary aim and objective of the college is to impart quality technically education to the students in different streams to make quality technocrats.

Highlights of Snap/Establishment Audit and Inspection report on the accounts of the Principal Govt college of Engineering and Technology Jammu for the period 2019-20

PART-A

- PARA 1 :- Non-conducting of Administrative Inspection for the Year 2019-20.**
- PARA 2 :- Non-Conducting of the Physical verification of store/stock for the 2019-20.**
- PARA 3 :- Non-conducting of Bank Reconciliation on monthly basis during the year 2019-20.**
- PARA 4 :- Non-clearance of O.B items amounting to Rs.5.26 lacs ending 03/2020.**

PART-B

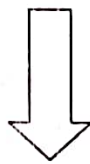
- PARA -1:- Creation of liability on account of Electricity charges amounting to Rs 67.00 lac ending 2019-20.**
- PARA-2:- Accumulation of huge closing balances under various local funds amounting to Rs.5.30 crores ending 03/2020-Justification thereof.**
- PARA -3:- Awaited adjustment account against advances made to faculty members out of local fund to the tune of Rs 0.81lacs ending 3/2020.**
- PARA-4:- Irregular expenditure of Rs. 2.22lac (Test instances) incurred on Purchase of different items from open market during 2019-20.**

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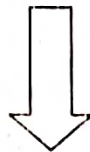
Organizational Set Up:-

The organizational set up of the Government Degree College is as under:-

Commissioner/Secretary to J&K Govt., Higher Education Department



Director Colleges, Higher Education Department, J&K



Principal Govt. college of Engineering and Technology Jammu

Source of funding

The funds are placed at the disposal of the Principal Govt. college of Engineering and Technology Jammu by the Commissioner/ Secretary to Govt., Higher Education Department under Plan/Non plan schemes. The Copy of excess and surrender statement is enclosed as Annexure "A" with the report.

[Handwritten marks]

Mode of payments

The Drawing and Disbursing powers of the College under the period of audit were exercised by the Accounts officer (Finance Department) who operates upon Addl. Treasury, Talab Tillo Jammu by presenting Pay bills, TA bills, GPF bills and WDC bills and crediting the same to his official Account No. CD-420 maintained at J&K Bank ,Mishriwala Jammu. The salary of the employees is being disbursed through Bank credit advices. The payments to the firms, suppliers during the period of audit was made through Bank advices.

Review of Audit and Inspection Report of Accountant General (Audit) J&K

The Accountant General (Audit) J&K, Jammu has conducted the audit of the college for the period 12/2016 to 03/2019 in the month of 04/2019 and report issued vide No:- SS/AIR/ 2019-20/113-115 Dated:- 20.05.2019. The Principal Govt college of Engineering and Technology Jammu has not furnished the reply of audit report till date.

Review of Audit and Inspection Report of Directorate of Audit & Inspections (J&K):-

The Directorate of Audit and Inspections Department, J&K had conducted the audit of the college for the period 2016-17 and report issued vide No:- DDAIJ/Audit/5874/3069-72 Dated:- 20-12-2017

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PART-A

PARA (I):- Non-conducting of Administrative Inspection for the Year 2019-20.

The Administrative Inspection of an office should be conducted, at least, once in a year by the Administrative Department/Head of the Deptt. /Controlling officer as the case may be. It can prove to be an effective tool for improving efficiency in the working of the office/Division.

Despite of the circular instructions issued by Commissioner Secretary to Govt., ARI Training, J&K Govt. Vide No .ARI-INSP/255/82 Dated: 27-11-98, the administrative inspection of the college for the year 2019-20 has not been conducted till date.

The Principal Govt college of Engineering and Technology Jammu is advised to get the Administrative Inspection conducted in accordance with the above mentioned instructions of its office and furnish the copy of the report to this Directorate accordingly.

PARA (II): - Non-Conducting of the Physical verification of store/stock for the 2019-20.

As required under rule 8.27 to 8.31 of J&K Financial Code Volume-I, the physical verification of all stores/stocks and dead stock articles has to be conducted by a responsible Government servant or a Committee appointed for the purpose once in every year to ensure proper maintenance of the store accounts. In addition to working out excess/shortage of stores, the unserviceable articles are also required to be identified.

During the course of audit it was reported that the physical verification of the stores/stocks has not been conducted for the year 2019-20 till date. The Principal Govt college of Engineering and Technology Jammu is advised to get the physical verification of stores/stocks conducted at an earliest and intimate the excesses and shortages, if any, to the Directorate of Audit and Inspections, Jammu.

PARA (III):- Non-conducting of Bank Reconciliation on monthly basis during the year 2019-20.

In order to keep a constant vigil over the transactions carried out during each month of a particular financial year, a Drawing and Disbursing Officer of any PWD or Civil office has to conduct reconciliation with the bank at the close of each month of that particular year. The main aim of bank reconciliation is to bring out any error (miss debits or miss credits) that may have been committed either in cash book or at bank. Any fraud committed is also brought to light.

However, during the course of audit it has been noticed that the Principal Govt. college of Engineering and Technology Jammu has operated upon different bank accounts for different schemes during the year 2019-20. The detail of bank accounts is as under:-

S.NO.	Bank Account Number	Name of the Bank	Title of Account
1	1250010200000420	J&K Bank Mishriwala	Govt. Cash
2	1250040100002780	J&K Bank Mishriwala	Local fund
3	1250040100002781	J&K Bank Mishriwala	Edu./Financial Assistance
4	1250040100000008	J&K Bank Mishriwala	AICTE Modrol
5	1250040500000006	J&K Bank Mishriwala	Boys hostel
6	1250040500000037	J&K Bank Mishriwala	Hostel Mess Boys
7	1250040500000036	J&K Bank Mishriwala	Transport
8	1250040500000039	J&K Bank Mishriwala	Lateral entry
9	1250040500000033	J&K Bank Mishriwala	AICTE SC/ST Hostel

During the course of audit it has been found that the Principal Govt college of Engineering and Technology has not^{been} conducted reconciliation of the bank account with bank for the year 2019-20. Without having reconciled bank accounts it is not possible to ascertain the actual balances in bank accounts and cash books.

The Principal Govt college of Engineering and Technology, Jammu is advised to obtain a statement from the concerned bank and get the reconciliation completed at the close of each month and bring out the differences, if any. The action taken in this regard shall remain awaited in the audit.

PARA (IV):- Non-clearance of O.B items amounting to Rs.5.26 lacs ending 03/2020.

During test check of the records of the Principal Govt. college of Engineering and Technology Jammu, it has been noticed that an amount of Rs. 526485.00 has been lying outstanding/ unsettled in the Objection Book (OB) of Accountant General J&K, Jammu, which indicates that the payment has been released without fulfilment of codal provisions. Annexure " B"

The Principal Govt college of Engineering and Technology Jammu, is advised to depute a special messenger of his office to the Accountant General J&K, Jammu along with proper justification/relevant documents /reply for the objection raised by the AG office and ensure clearance of outstanding unsettled amount of OB items from the Objection Book of Accountant General J&K, Jammu at an earliest.

The clearance certificate of the same issued by the concern quarters shall remain awaited in the audit. Besides, the Principal Govt college of Engineering and Technology Jammu is also advised that efforts may be made to avoid further rise/increase of OB items so that accumulation of amounts under OB items is discouraged.

PART-B

Para 1:- Creation of liability on account of Electricity charges amounting to Rs 67.00 lac.

Provision 12.5 of Jammu And Kashmir Budget manual envisaged that as a matter of principle, claim against the Government should be settled as and when these arises. Moreover accumulation of liabilities does not reflect a sound financial management in the department. Audit scrutiny of records revealed that the liability of Rs 67,00,958.00 ending on account of electricity charges created by the department in violation of the provisions of the rule needs to be justified to the Audit. Annexure "C"

PARA (2):- Accumulation of huge closing balances under various local funds amounting to Rs.5.30 crores ending 03/2020-Justification thereof.

As per general principle, money relating to the fee of students in Government educational institutions should be expended strictly in accordance with the provisions contained in the rules/ guidelines framed for the purpose of welfare of the students from whom fee was collected and upkeep of the institution.

Test check of the records viz. cash books maintained for different local funds as per Annexure "D" revealed that huge balances amounting to Rs.52,94,83,49.50 are lying under various heads of local funds at the close of financial year 2019-20 and the funds collected are not being utilized for the welfare of the students and other related activities. The details are given as under:-

S.no	Period	Opening balance	Receipt	Expenditure	Balance
1.	4/2019	47285070	86945	630899	46741116.00
2.	5/2019	46741116	33150	1557635	45216631.00
3.	6/2019	45216631	345157	1505760	47165028.00
4.	7/2019	47165028	5818009	2650795	50332242.00
5.	8/2019	50332242	934536	651369	50615409.00
6.	9/2019	50615409	3264361	3197472	50682298.00
7.	10/2019	50682298	510694	862920	50330072.00
8.	11/2019	50330072	85075	2396587	48018560.00
9.	12/2019	48018560	180037	707066	47491531.00
10.	01/2020	47491531	4495691	1346555	50640667.00
11.	02/2020	50640667	2441912	1265706.90	51816872.10
12.	03/2020	51816872.10	3146339	2014861.60	52948349.50 52948349.50

52948349.50

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The non-utilization of funds (as detailed above) for the purpose for which they were collected has deprived the students from the intended benefits and has also defeated the purpose of creation of these funds.

The Principal Govt.college of Engineering and Technology Jammu shall assign reasons for non-utilization of funds and retention of huge closing balances ending March 2020 to Directorate of Audit and Inspections.

PARA (3):- Awaited adjustment account against advances made to faculty members out of local fund to the tune of Rs 0.81lacs.

Local funds are created in Educational Institutions for the welfare of the student community. However, test check of the record as per Annexure" E" revealed that an amount of Rs.81210.00 had been advanced to various staff members from time to time out of local funds to organize the programmes /activities in the college and the detailed account/ adjustment account was required to be obtained within one month but the same was still awaited for which no reasons were found on record.

The detail of awaited adjustment accounts against advances is as under:-

S. No.	Name of Officer/Official	Designation	Amount of Advance (In Rs.)
1	Surinder Kumar	W/S Attendant	500.00
2	Sewa Singh	I/C Estates	5000.00
3	Dr. Anita Brar	Associate Professor	20000.00
4	Sandeep kumar	I/C Store	5710.00
5	Dr.Ajay Abrol	Associate Professor	20000.00
6	Rajat Sharma	Associate Professor	30000.00
	Total		81210.00

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The Principal Govt college of Engineering and Technology Jammu shall assign reasons for non-adjustment of accounts against advance payments to audit. Besides, the Principal is advised to adjust the advances by way of making recovery in lump sum or by obtaining the detailed/adjustment accounts from the concerned at an earliest under an intimation to audit.

PARA-4:- Irregular expenditure of Rs. 2.22 lac (Test instances) incurred on Purchase of different items from open market during 2018-19.

Rule 2.16 of J&K Financial Code Vol-I envisages that every Govt. servant incurring any expenditure from the Govt. exchequer should be guided by the high standards of Financial Propriety and he is thus expected to exercise the same vigilance in respect of the expenditure incurred from public money (Govt exchequer) as if a person of ordinary prudence would exercise in respect of the expenditure incurred out of his own pocket.

Scrutiny of records of the Principal Govt. college of Engineering and Technology Jammu revealed that expenditure to the tune of Rs. 2.22 lac have been incurred on account of purchase of different types of items from open market without fulfilling the codal provisions like invitation of tenders to ascertain the reasonability / competitiveness of rates. Some of the test instances are detailed below:-

S.No	Tv No. & Date	Agency	Amount Paid (In Rs)	REMARKS
1	14/2203 dt:-6/3/2020	SS&S computer technology Pvt. Ltd. Railway Road Nanak Nagar	46470.00	Purchase of toners
2	22/2203 dt:-17/2/2020	SS&S computer technology Pvt. Ltd. Railway Road Nanak Nagar	14160.00	Purchase of toners
3	32/2203 dt:- 23/12/2019	Flash Automation Gandhi Nagar	22982.00	Purchase of toners
4	18/2203 dt:- 25/11/2019	SS&S computer technology Pvt. Ltd. Railway Road Nanak Nagar	31701.00	Purchase of toners

5	15/2203 dt:- 17/7/2019	SS&S computer technology Pvt. Ltd. Railway Road Nanak Nagar	17460.00	Purchase of toners
6	31/2203 dt:- 27/6/2019	Flash Automation Gandhi Nagar	9388.00	Stationery Items
7	22/2203 dt:- 13/6/2019	Flash Automation Gandhi Nagar	22592.00	Purchase of toners
8	13/2203 dt:- 6/3/2019	Green city Nursery Channi Himmat	5820.00	Flowers
9	35/2203 dt:- 18/2/2020	CM Enterprises Kunjwani	12,625 / (18760.00)	Wall Stand Drain Pipe
10	33/2203 dt:- 26/12/2019	Laxmi Traders Channi Himmat	5120.00	Wood primer
11	27/2203 dt:- 20/12/2019	Nayyar Traders Peloura	13972.00	Lab Items
12	30/2203 dt:- 20/12/2019	Virdi Industries Channi Himmat	13800.00	Voltage Stabilizer
Total			222225.00	

The following observations may be replied to the audit:-

1. What were the codal provisions followed before getting the job executed from the open market?
2. How the reasonability of rates were ascertained?

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PARA 5 :- Awaited detailed accounts/Utilization certificates against funds advanced other department (JKPCC) to the tune of Rs.100.00 lacs.

Under rules all advance payments made to the different departments/ agencies shall be followed by detailed accounts /Utilization certificates so as to ensure that the funds advanced had been utilized for the intended purpose.

A test check of the work Statement of the office revealed that the Department, had made advance payments to JKPCC Department for execution of various works like as detailed given below:-

S. No.	Name of the agency	Year	Try.Vr No and Dated	Amount (In Lacs)	Remarks
1	JKPCC Ltd. Srinagar/Jammu	2019-20	06/4202 Dt:-23/12/19	50.00	Construction of Electric block GCET Complex Phase II
2	JKPCC Ltd. Srinagar/Jammu	2019-20	45/4202 Dt:-30/3/20	25.00	Construction of Electric block GCET Complex Phase II
3	JKPCC Ltd. Srinagar/Jammu	2019-20	06/4202 Dt:-23/12/19	25.00	Construction of Electric block GCET Complex Phase II
	Total			100.00	

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Further scrutiny of the record revealed that the Utilization Certificates/detailed work done Accounts are still awaited from the concerned quarters against the advance payments of Rs.100.00 lacs made during 2019-20 .In absence of Utilization Certificates/ Detailed Work Done Accounts, the amount advanced could not be vouched safe in audit. The DDO is advised to take concrete steps for obtaining Utilization certificates/Detailed Work done statement from the executing agencies.

PARA 6 :- Outstanding Library Books amounting to Rs 0.23 lacs.

As per the guidelines of Higher Education Department the faculty members after obtaining books from the library must return books within one month from the date of issuance of books and after one month shall be applicable for fine per day per book. However last check of the library record revealed that number of books are lying with the Staff members of the college from three years to ,more than 10 years ,a few instances outstanding books ending 2019-20 are annexed at Annexure " F ".

Further record revealed that book amounting to Rs 23351.89 are still lying with the Permanent and Adhoc lecturers since long , most of the Adhoc Lectures had left the college being contractual Faculty and college authorities could not recover the books or the cost of the books from the Erring officers.

The College authorities need to take effective steps to get the books back or recover the cost of the books under an intimation to the audit office .

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PARA 7:- Payment of electricity charges on flat rate basis to the tune of Rs.24.00 lacs during the year 2019-20.

The Director Budget Finance Department has issued instructions vide Government Order No:-ED/VIII/2006/ (57)2000 Dated:-08-12-2004 for installation of electric meters on Government Offices/Institutions to avoid over/excess payments on flat rates instead of actual reading.

During test check of records Annexure "G" of the Principal Govt. college of Engineering and Technology Jammu, it was noticed that the payments on account of electricity consumption had been made by the department on flat rate basis without getting installed electric meter to access actual consumption of Electricity to the tune of Rs.24.00 lac during the year 2019-20 to Executive Engineer, EM&RE Division-III, Rehari, Jammu as per the detail given below:-

S. No.	Treasury Voucher No.	Date	Amount (In Lacs)
1	38/2203 Non-Plan	19.03.2020	2250000.00
2	38/2203 Non-Plan	19.03.2020	150000.00
Total			2400000.00

The Principal Govt college of Engineering and Technology Jammu, is advised to assign reasons for not getting the Electric Consumption Meter/Energy meter installed in the college building premises. Besides, necessary steps may be please taken up with the Executive Engineer, EM&RE Division-III Rehari, Jammu to get the Electric Meter installed so that the electric charges could be paid on actual consumption basis instead of flat rates or to avoid extra payment of energy charges.

**.PARA-8:-Surrender of funds amounting to Rs.10.10 crores during 2019-20-
Reason thereof.**

The scrutiny of records viz Final Excess & Surrender for the month of 03/2020 of The Principal Govt. college of Engineering and Technology Jammu as per Annexure "H" revealed that Funds allotted to the Department under different Object Heads have not been utilized to the extent of what were allotted to the Department i.e Rs 10.10 crores surrendered during the year 2019-20 as detailed below :-

S.No	Major Head	Amount (lac)
1	2203-Technical Head (Non Plan)	938.74802
2	2071- Pension and Other Retirement Benefits	12.02584
3	4202-Capital Outlay (Plan)	60.09000
	Total	1010.9000

The Department should be in know-how of the facts that the Govt. of J&K undergoes huge losses by way of payment of interest on overdraft while arranging for resources to meet the requirement of expenditure under various units of appropriation which clearly indicated that the Budget estimates were prepared in unrealistic manner. Had the Budget estimates were prepared in realistic way the funds were utilized and could not be surrendered.

The factual position that led to the wrong estimation and thereby surrendering the funds under above heads may be intimated to the Directorate of Audit and Inspections, J&K, Jammu.

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PARA 9:-Non-disposal of unserviceable store/stock article-Reason thereof.

As per rule 8.31 of J&K Financial Code Volume-I, all the store articles declared as lying obsolete or unserviceable in the stores/stock should be written off or auctioned as soon as possible after observing all codal formalities. Besides, each order declaring stores as unserviceable should record the full reasons for condemning them and how the condemned stores are to be disposed of i.e. whether by sale or public auction or otherwise. The head of the office should record full particulars regarding all condemned stores in suitable lists from which their disposal can be watched.

During scrutiny of records and information made available to the audit on spot revealed that huge number of unserviceable store/stock articles as detailed in the Annexure "I" to this report are lying in unserviceable condition and occupying space only. These items needs to be disposed of by way of writing off or auction as early as possible after observing all the codal provisions/formalities and sale proceeds received thereof by way of auction be deposited/remitted into Govt. treasury as Revenue Miscellaneous of the Government, as with the passage of time these items may deteriorate further and will fetch less value/revenue resulting into eventual loss to the Govt. Exchequer..

The Principal Govt. college of Engineering and Technology Jammu is advised to take concrete steps for early disposal of the unserviceable articles lying in the store. The progress achieved in this behalf shall remain awaited in the audit.

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PART-C

PARA 1 :- Non affixation of Revenue stamps worth Rs.2728.00—Loss to state exchequer.

As per Rule 2.32 of the J&K financial Code Volume-I and Revenue Stamps Duty Act-2005 and a circular No: DIP/J-148/06 dated 03/04/2006 issued by the Commissioner Stamps where under any person receiving any money or payment of Rs.40/- and above is to give a receipt duly stamped for Rs.2/-(revenue stamp) is also applicable to Govt. employees who receiving money through banks unless same was exempted by the Commissioner Stamps duly

During the test check of the Pay acquaintance roll, T.A register, payees receipt and other allied records it was noticed that the various payments on account of salary, T.E and other contingencies were made and against each payment revenue stamps were required to be affixed as per rule 2.32 of the J&K financial Code Volume-I and above mentioned instructions. But contrary to this, the estimated cost of the Revenue Stamps which were to be affixed during the financial year 2019-20 on the Pay Acquaintance Roll, TA Acquaintance Roll is Rs.2728.00.

Non affixation of Revenue Stamps on the relevant registers has resulted into loss to the State exchequer.

The Principal Govt college of Engineering and Technology Jammu is advised to get the revenue stamps affixed on the relevant records against the payment made. Compliance report on this account shall remain awaited in the audit.

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PARA- 2:- Non-maintenance of leave accounts of the employees-reasons thereof.

Rule 16 of the J&K Civil Services (Leave) Rule 1979 envisages that a Leave account should be maintained in Form 2 for each Govt. servant by the Head of Office or the DDO, as the case may be.

However, the audit on spot observed that leave account of the employee of the Office of the Principal Govt college of Engineering and Technology Jammu have not been maintained / appended in their respective Service Books. Whereas the maintenance of the same is mandatory to ascertain the quantum of leave due / stand at the credit of individual employees.

Reasons for non-maintenance of the leave accounts of the employees working in the Office be assigned to audit.

The Principal Govt college of Engineering and Technology Jammu was advised for future to maintain the leave accounts of all the employees working in the Office especially those who are going to be retired within the next three years.

The Audit and Inspection report has been prepared on the basis of information furnished and made available by the Principal Govt college of Engineering and Technology Jammu for the year 2019-20. The office of Dy. Director Audit and Inspection, Jammu disclaims any responsibility for any misinformation/non information on the part of auditee.


Suresh Gandotra
Accounts Officer
Audit and Inspections
Party-1st
Jammu

Established: 1994



GOVERNMENT COLLEGE OF ENGINEERING AND TECHNOLOGY
CHAK BHALWAL, JAMMU-181122

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www.gcetjammu.o.

No: GCET/21/Adm/1044

Date: 16.11.2021

The Secretary to Government,
Higher Education Department,
Civil Secretariat, Jammu.

Sub: Conducting of Administrative inspection for the year 2019-20 in GCET,
Jammu.

- Ref. 1. DDAIJ/Audit/6971/6380-83 dated 05.08.2020.
2. DDAIJ/Audit/6971/1147-48 dated 12.08.2020.
3. GCET/21/Adm/61-62, dated:21.01.2021.

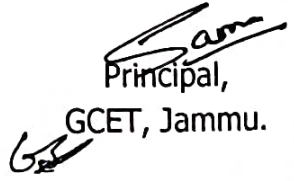
Madam,

Kindly refer to the above mentioned references regarding the subject cited above. In this regard, it is to inform your goodself that the Audit Party has raised observation in Para-1 (Part-A) regarding non-conduct of Administrative Inspection for the year 2019-20 in GCET, Jammu. Copy enclosed as annexure A, B & C for your kind reference.

As requested, kindly depute a team for conduct of Administrative inspection of GCET, Jammu for the year 2019-20, so that the report be submitted to the Director General, Audit & Inspection, Jammu, J&K for the drop of audit para.

Yours Faithfully,

Encl: 6 Leaves


Principal,
GCET, Jammu.

O/1
Archd Section

GOVERNMENT COLLEGE OF ENGINEERING AND TECHNOLOGY, CHAK

BHALWAL, JAMMU

To

The Director Colleges,
Higher Education Department,
Jammu.

No : GCET/Acctts/2021-22/320

Dated : 30/9/2021

Sub:- Snap Audit on the Accounts of the GCET Jammu for the period 2019-20, Audit conducted during the year 2020-21.

Madam,

With reference to the subject cited above, it is to intimate that Snap Audit on the accounts of this office was conducted by the Audit Party headed by Sh. Suresh Gandotra, Accounts Officer of the office of Director Audit & Inspections, Jammu during the year 2020-21. An audit report containing 15 Nos. Audit Paras was sent to this office by Deputy Director, Audit and Inspections Jammu.

Accordingly, parawise reply to the Audit Report was submitted by this office vide No. GCET/Acctts/2020-21/606 Dt: 02.02.2021. In response Deputy Director Audit and Inspections vide Letter No: DDAIJ/Audit/6971/47-48 Dt: 12.08.2021 informed this office that four out of 15 Audit Paras have been dropped (copy enclosed).

Yours Sincerely,


Principal,

GCET, Jammu

GOVERNMENT COLLEGE OF ENGINEERING AND TECHNOLOGY,
CHAK BHALWAL, JAMMU

To

The Deputy Director,
Audit and Inspections,
Jammu.

No : GCET/Accts/2021-22/452

Dated : 17/11/2021

Sub:- Snap Audit Report on the accounts of Principal, Government College of Engineering and Technology, Chak Bhalwal, Jammu for the period 2019-20, Outstanding paras thereof.

Sir,

With reference to your office letter No. DDAIJ/Audit/6971/1147-48 Dated 12.08.2021, the parawise reply to the outstanding audit observations is as under:-

Part-A

Para (i):- Non-conducting of Administrative Inspection for the year 2019-20.

The matter has been taken up with Administrative Department vide this office Letter No. GCET/21/Adm/61-62 dated: 21.01.2021 and subsequent No: GCET/21/Adm/1044 Dated 16.11.2021 (copy enclosed for reference). As and when the inspection is conducted, it will be intimated accordingly.

Para (ii):- Non-conducting of the Physical verification of Store/stock for the year 2019-20.

A Committee for conducting of physical verification of store/stock and for declaration of unserviceable items has been formed vide this office No. GCET/21/Adm/63 dated 21.01.2021 (copy enclosed for reference) and also Director Finance, Higher Education Department, Civil Secretariat, Jammu has been requested to

depute atleast two officials for conducting physical verification of Store/stock vide No: GCET/21/Admn/1043 dated: 16.01.2021 (copy enclosed) at an earliest to this office. As and when the inspection is conducted, it will be intimated accordingly.

Para (iii):- Non-clearance of O.B. items amounting to Rs. 5.26 lacs ending 03/2020.

A Departmental representative has been deputed to A.G. Office with sufficient documentary evidence for clearance of O.B. Items. Copy of the clearance Certificate as and when received shall be forwarded to your office.

Part-B

Para-1:- Creation of liability on account of Electricity charges amounting to Rs.67.00 lacs.

As per the record of this office, an amount of Rs. 25.00 lakhs was paid to the JKPDC during the financial year 2020-2021, which was not adjusted by their department. The matter was taken up with the concerned department for rectification of the amount in electricity bills paid by this Office. Accordingly, JKPDC Jammu after rectifying the error and as per the CT/FT meter reading issued the revised bill for an amount of Rs. (-)353059/- only instead of Rs.67.00 lakhs (copy of latest bill is enclosed for your kind reference).

Para-2:- Accumulation of huge closing balances under various local funds amounting to Rs.5.30 crores ending 03/2020-Justification thereof.

In order to improve quality of technical education, TEQIP-III (Technical Education Quality Improvement Programme) scheme was launched by the Govt. of India in collaboration with World Bank w.e.f. 2017. An amount of Rs.10.00 Crores for the years w.e.f. August, 2017-March 2021 have been sanctioned in favour of this Institution upto 31.03.2021.

Expenditure incurred by this College for procurement of equipments, upgradation of Infra structure, improvement of capacity/performance has been mainly met from the

funds provided under the said project. This has resulted in accumulation of funds under various local funds. The funds so accumulated shall be utilized in future for procurement of equipments/software and for funding various ongoing /upcoming activities of this College.

Para-3:- Awaited adjustment account against advances made to faculty members out of local fund to the tune of 0.81 lacs.

The detailed accounts for Rs.0.81 lacs advanced to various faculty members from time to time have already been obtained from them and have been fully adjusted.

Para-4:- Irregular expenditure of Rs. 2.22 lacs (Test instances) incurred on Purchase of different items for open market during 2018-19.

The expenditure incurred was of petty and urgent nature for smooth functioning of this College and has been incurred for purchases from Authorized Dealers and where authorized dealers were not available dasti quotations were invited (Copies of supply orders are enclosed for kind perusal). The expenditure incurred was well within in the competence of Principal, GCET, Jammu.

Para-5:- Awaited detailed accounts/Utilization certificates against funds advanced and other department (JKPCC) to the tune of Rs.100.00 lacs .

The amount was transferred to the executing agency on account of Electric Block in this Institution. Utilization Certificate to the tune of Rs.86.00 lacs has already been received (copy of Utilization Certificate is enclosed). Due to strict instructions from Finance Department for execution of works only after accord of Administrative Approval and Technical Sanction, the execution of work was stopped due to lack of the same. However, the Administrative Approval has now been accorded by Administrative Department vide No. *351-JK(HR) of 2020 dated 27.10.2020* and Technical Sanction has been accorded by Chief Engineer, PW (R&B), Department, Jammu vide order No. 280 of August, 2021 Dated 20.08.2021. As communicated by the Executing agency official, that e-tenders has been floated for e-tender for construction of

Electrical Block and the said work shall be started very shortly. As and when the UC for remaining amount is received the same shall be forwarded to your office.

Para-6:- Outstanding Library Books amounting to Rs. 0.23 lacs.

Regarding the outstanding library books against permanent/adhoc lecturers, books amounting to Rs. 4.040/- have already been recovered and the process of recovery of books worth Rs. 19221/- from erring officer's/official's has been initiated.

Para-7:- Payment of electricity charges on flat rate basis to the tune of Rs.24.00 lacs during the year 2019-20.

The CT/PT has been installed by the JKPD, Jammu and the electricity charges/bills are being raised as per CT/PT (Meter) readings (Copy of the latest bill is enclosed for your kind reference).

Para-8:- Non-disposal of unserviceable store/stock article-Reason thereof.

The process for conducting of physical verification of Store/Stock and for declaration of unserviceable items has been initiated. As and when the process is completed the same shall be intimated.

Keeping in view the justification and documentary evidence given above, it is requested that the outstanding Audit Paras may kindly be dropped.

Yours sincerely,

Principal,

GCET, Jammu

Copy to the:-

1. Director Finance, Higher Education Department, Civil Secretariat, Jammu for information.
2. Deputy Director, Audit and Inspection, Jammu with the request to drop the Audit Paras in light of the reply furnished by this office.
3. Office File.

GOVERNMENT COLLEGE OF ENGINEERING AND TECHNOLOGY, JAMMU

To

The Deputy Director,
Audit & Inspections,
Jammu.

No:- GCET/Accts/2020-21/506

Dated: 02-02-2021

Sub:- Reply to the Snap Audit Report on the accounts of Principal, Govt. College of Engineering and Technology, Jammu for the period 2019-20.

Sir,

With reference to your Audit Report on the accounts of this Office for the period 201-20 issued under No:-DDAJ/Audit/6971/6380-83 Dated: 05.08.2020, the parawise reply to the observations is produced as under:-

Part -A

Para (i) :- Non-conducting of Administrative Inspection for the year 2019-20.

The matter has been taken up with Administrative Department vide this Office letter No. GCET/21/Adm/61-62 dated 21.01.2021 (Copy enclosed for reference). As and when the inspection will be conducted, it will be intimated accordingly.

Para (ii):- Non-conducting of the Physical verification of store/stock for the year 2019-20.

A Committee for conducting of physical verification of store/stock and for declaration of unserviceable items has been formed vide this Office Order No. GCET/21/Adm/63 dated 21.01.2021 (copy enclosed for reference).

Para (iii):- Non conduct of Bank Reconciliation on monthly basis during the year 2019-20.

As pointed out, a routine conduct of Bank Reconciliation of various accounts operated by the Institution has already been initiated and result shall be shown to audit party visiting next.

Para (iv):- Non-clearance of O.B Items amounting to Rs.5.26 lacs ending 03/2020.

A departmental representative has been deputed to A.G. Office with sufficient documentary evidence for clearance of O.B. Items. Copy of the clearance Certificate as and when received shall be forwarded to your office.

Part -B

Para 1 :- Creation of liability on account of Electricity charges amounting to Rs. 67.00 lac.

As per the records of this office total liability of Rs.45,75,9588/- instead of Rs.67.00 lacs stands against this ending 2019-20. An amount of Rs. 25.00 lacs was paid to the Jammu and Kashmir, Power Development Department during the financial Year 2019-20, which was not adjusted by the Jammu and Kashmir, Power Development Department at that time. Details of the payment are as follows:-

S. No.	Challan No. and Date	Amount
1.	10/2203 Dt: 28.08.2019	10,00,0000/-
2.	40/2203 Dt:26.12.2019	7,50,000/-
3.	18/2203 Dt:23.01.2020	3,75,000/-
4.	18/2203 Dt:11.03.2020	2,25,000/-
5.	38/2203 Dt:19.03.2020	1,50,000/-

In addition to above, an amount of Rs.27.00 lacs has been paid to Jammu and Kashmir, Power Development Department during the current financial year. Pending liability amounting to Rs.18.75958 lacs has accumulated due to the non availability of funds under the detailed head 008-Electricity Charges. As and when the funds for the purpose be released by the Administrative Department, the liability shall be redeemed.

Para 2:- Accumulation of huge closing balances under various local funds amounting to Rs.5.30 crores ending 03/2020-Justification thereof.

In order to improve quality of technical education an initiative in the form of Project TEQIP-III (Technical Education Quality Improvement Programme) has been launched by the Govt. of India in collaboration with World Bank, since 2017. An amount of Rs.10.00 Crores for the years w.e.f. August 2017-March 2021 have been sanctioned in favour of this Institution upto 31.03.2020 .

Expenditure incurred by this College for procurement of equipments, upgradation of Infra structure, improvement of capacity/performance has been mainly met from the funds provided under the said project. This has resulted in accumulation of funds under various local funds. The funds so accumulated shall be utilized in future for procurement of equipments and for funding various ongoing/upcoming activities of this College.

Para 3:- Awaited adjustment account against advances made to faculty members out of local fund to the tune of Rs.0.81 lacs.

Out of total amount of 0.81 lacs an amount of Rs.0.61 lacs has already been adjusted. Regarding balance amount, the official concerned has been impressed upon to submit the necessary documents for adjustment.

Para 4:- Irregular expenditure of Rs.2.22 lac (Test instances) incurred on Purchase of different items for open market during 2018-19.

The expenditure incurred was of petty and urgent nature for smooth functioning of this College and has been incurred for purchases from Authorized Dealers and where authorized dealers were not available dasti quotations were invited (Copies of supply orders are enclosed for kind perusal). The expenditure incurred was well within in the competence of Principal, GCET, Jammu.

Para 5:- Awaited detailed accounts/Utilization certificates against funds advanced other department (JKPCC) to the tune of Rs.100.00 lacs.

The amount was transferred to the executing agency on account of construction of Electrical Block in this Institution. Utilization Certificate to the tune of Rs.86.00 lacs has already been received (copy of the Utilization Certificate enclosed). Regarding the Utilization Certificate of balance amount, the matter has been taken up with the officials of JKPCC from time to time. As and when the UC is received the same shall be forwarded to your office.

ii). Para 6:- Outstanding Library Books amounting to Rs.0.23 lacs.

Regarding the outstanding library books against permanent/adhoc lecturers, books amounting to Rs.4040/- have already been recovered and the process of recovery of books of Rs.19221/- has been initiated.

Para 7:- Payment of electricity charges on flat rate basis to the tune of Rs.24.00 lacs during the year 2019-20.

The CT/PT installed in this Institution was damaged during the year 2017. For replacement of CT/PT an amount of Rs.1.45 lakh has been paid to electric maintenance and RE division-III, Jammu vide Tr. No. 104/0801 dated 29.03.2017 but due to mismatch of A/C head the same has been adjusted as per charges in reference to letter No. MD-III/5782-83 dated 22.11.2017 and after that detailed correspondence has been

made with the concerned department i.e. JKPDD to settle the issue. Now, we have paid on amount of Rs.1.50 lakh to JKPDD as an abstract cost for replacement of damaged CT/PT unit along with meter which the JKPDD has procured. Moreover, JKPDD will provide us revised power charges for previous years on the basis of CT/PT readings after the installation of the same as per verbal discussion with PDD Officials.

Para 8:- Surrender of funds amounting to Rs.10.10 crores during the year 2019-20 Reason thereof.

- Duff*
- (a) An amount of Rs.938.74802 lacs was surrendered under detailed head-Salary. The provision was kept in the budget estimates against vacant posts. As the vacant posts were not fulfilled during the year 2019-20, the funds had to be surrendered.
 - (b) Funds amounting to Rs.12.02584 lacs on account of cash-in-lieu of earned leave had to be surrendered as the concerned employees for whom the provision was projected in Budget Estimates, were transferred from this College before their retirement.
 - (c) Funds under Capital Outlay (Plan) to the tune of Rs.40.00 lacs released by Administrative Department for construction of School of Architecture were surrendered due to non accord of Administrative Approval and Technical Sanctions.

An Amount of approximately Rs.20.00 lacs under Machinery Equipment and other units of appropriation were surrendered as the expenditure for said purpose was mainly incurred from TEQIP-III (Centrally Sponsored Scheme).

Para 9:- Non-disposal of unserviceable store/stock article-Reason thereof.

A Committee for conducting of physical verification of store/stock and for declaration of unserviceable items has been formed vide this Office Order No. GCET/21/Adm/63 dated 21.01.2021 (copy enclosed for reference).

Part -C

Para 1 :- Non affixation of Revenue Stamps worth Rs.2728.00- Loss to state
D. exhequer.

Regarding the affixation of Revenue Stamps worth Rs. 2728/- the needful has been done. As such para may kindly be dropped.

Para 2 :- Non-maintenance of leave accounts of the employees-reasons
D. thereof.

Regarding the maintenance of leave accounts of employees, the needful has been done.

In view of the above, justification and documentary evidence, it is requested that the Audit Paras may kindly be dropped.

Encl. 32


Principal,
GCET, Jammu.

Office of the Dy. Director, Audit & Inspections Muthi- Jammu

Email: ddajammu@gmail.com
Ph.No.(o): 0191-259855

Principal
Govt. Degree College of Engg.
& Technology, Jammu.

(REJOINDER)

No: DDAL/Audit/601/4483-84

Dated: - 06-01-2022

Subject: - Exit conference for Settlement of pending Audit para existing in AIR's for the period 2019-20 (conducted in 2020-21).

Sir,
In pursuance to replies of Audit and Inspection Report submitted vide your letter No. GCEI/Acct/2020/606 dated 02-02-2021 has been examined/discussed during exit conference meeting held on 22-11-2021 between officers of Audit Directorate and HODs/DDOs /Representative of P.G. Govt. Degree College of Engg & Technology, Jammu and accordingly update position of audit paras is as under:

Total No. of Outstanding Paras	Paras dropped	Remaining Intact Paras
11	PART - A: Para : 4 PART-B: Para : 1, 2, 3, 4, 5, 7 PART-C: Para : Nil	PART - A: Para : 1, 2 PART-B: Para : 6, 9 PART-C: Para : Nil

You are advised to furnish a justified/detailed reply along with the documentary evidence/probation support of the remaining intact paras.

Yours faithfully,

S.S. Pandita
(S.S. Pandita) 04/01/2022
Accounts Officer,
Audit & Inspections,
Jammu

Copy to/for
1. Dy. Director, Audit & Inspections, Jammu
2. Dy. Director, Accounts, Jammu
3. Dy. Director, Administration, Jammu
4. Dy. Director, Legal, Jammu
5. Dy. Director, Information & Public Relations, Jammu
6. Dy. Director, Training, Jammu
7. Dy. Director, Welfare, Jammu
8. Dy. Director, Health, Jammu
9. Dy. Director, Transport, Jammu
10. Dy. Director, Stores, Jammu
11. Dy. Director, Security, Jammu
12. Dy. Director, Fire, Jammu
13. Dy. Director, Civil Defence, Jammu
14. Dy. Director, Disaster Management, Jammu
15. Dy. Director, Environment, Jammu
16. Dy. Director, Forest, Jammu
17. Dy. Director, Wildlife, Jammu
18. Dy. Director, Fisheries, Jammu
19. Dy. Director, Poultry, Jammu
20. Dy. Director, Beekeeping, Jammu
21. Dy. Director, Sericulture, Jammu
22. Dy. Director, Horticulture, Jammu
23. Dy. Director, Animal Husbandry, Jammu
24. Dy. Director, Veterinary, Jammu
25. Dy. Director, Dairying, Jammu
26. Dy. Director, Fisheries, Jammu
27. Dy. Director, Poultry, Jammu
28. Dy. Director, Beekeeping, Jammu
29. Dy. Director, Sericulture, Jammu
30. Dy. Director, Horticulture, Jammu
31. Dy. Director, Animal Husbandry, Jammu
32. Dy. Director, Veterinary, Jammu
33. Dy. Director, Dairying, Jammu

Audit & Inspections, J&K, Srinagar/ Jammu for information. This is in
Dy. Director, Accounts, Jammu dt. 23-12-2021.
He is requested to kindly impress upon the concerned officer to furnish the reply of the rejoinder within the stipulated period.