

वार्षिक लेखे
तथा

लेखा परीक्षा प्रतिवेदन
2010-2011



हिमाचल प्रदेश आवास एवं शहरी विकास
प्राधिकरण, निगम विहार, शिमला-171002

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BOARD OF DIRECTORS

- | | | |
|-----|--|--------------------|
| 1. | Sh. Mahinder Singh Thakur
Hon'ble Minister for
Transport, Housing &
Town & Country Planning | Minister-in-Charge |
| 2. | Sh. Ganesh Dutt
Rambag Shimla | Vice Chairmen |
| 3. | Sh. Raj Kumar Singla
R. Medan Hotel Kasauli
District Solan | Member |
| 3. | Sh. Surinder Bizla
VPO Dari Distirct Kangra
H.P. | Member |
| 5. | Principal Secretary (Finance)
H.P Government. Shimla-2 | Member |
| 6. | Principal Secretary (Housing)
H.P Government. Shimla-2 | Member |
| 7. | Principal Secretary (UD)
H.P Government. Shimla-2 | Member |
| 8. | Executive Director, HUDCO | Member |
| 9. | Director, UD
H.P. Shimla. | Member |
| 10. | Engineer-in-Chief
(HPPWD) Shimla-2 | Member |
| 11. | Engineer-in-Chief
(I&PH)H.P Shimla-1 | Member |
| 12. | CEO-Cum-Secretary
HIMUDA Shimla-2 | Member Secretary |

NO.Fin(L.A)H(2)C(15)(14)115/87-Vol-12-4493
Govt.of Himachal Pradesh,
Local Audit Department.

From

The Director,
Local Audit Department,
Himachal Pradesh, Shimla-171009

To

The Principal Secretary (Housing)to the,
Government of Himachal Pradesh,
Shimla-171002

Dated,Shimla-171009, the 05 June 2012

Subject:- Audit and inspection report on the final accounts(Balance Sheet ,Profit & Loss Account) of HIMUDA for the period 2010-11.

Sir,

Please find enclosed herewith the Audit and Inspection report on the final accounts(Balance Sheet, Profit & Loss Account) of HIMUDA for the period 2010-11 along with certified balance sheet for taking further necessary action.

Yours faithfully,

Director,
Local Audit Department.
Himachal Pradesh Shimla-171009

Endst. No. As above.

Dated, Shimla-171009, the-----

Copy is forwarded to :-

1. Chief Executive Officer-cum-Secretary, HIMUDA, Nigam Vihar, Shimla-171002 along with a copy of Audit & Inspection report and certified balance sheet for information an necessary action.
2. Sh Padam Singh, Kanwar, deputy Director, C/O-----

Director,
Local Audit Department.
Himachal Pradesh Shimla-171009

**HIMACHAL PRADESH HOUSING & URBAN DEVELOPMENT AUTHORITY,
NIGAM VIHAR, SHIMLA-2.**

BALANCE SHEET AS ON 31.03.2011

Sr No	Liabilities	Schedule	Current Year	Previous Year	Assets	Schedule	Current Year	Previous Year
1	Reserve & Surplus	A	1,27,80,64,715.11	1,27,63,98,239.71	Fixed Assets	D	89,10,711.16	99,17,400.09
2	Secured Loan	B	32,96,41,712.00	70,88,30,712.00	Current Assets	E	3,24,74,74,744.65	3,22,46,09,254.26
3	Current Liabilities	C	1,64,86,79,028.70	1,24,92,97,702.64	P & L Account	F		
	Total		3,25,63,85,455.81	3,23,45,26,654.35			3,25,63,85,455.81	3,23,45,26,654.35

Sd/-
Chief Accounts Officer,
HIMUDA, Shimla-2

Sd/-
CEO-cum-Secretary
HIMUDA, Shimla-2.

Certified that the Final Accounts i.e. Balance Sheet, Profit & Loss Account in respect of HIMUDA for the period 2010-2011 have been checked and verified on the basis of record produced & information/ explanation given to us and to the best of our knowledge & belief. The Final Accounts represents true & fair view of the functioning of the H.P.Housing & Urban Development Authority. Certification is subject to observations contained in annual audit & inspection report for the period 2010-11.

Sd/-
Deputy Director,
Local Audit Deptt.
Himachal Pradesh, Shimla-9.

Sd/-
Director-cum-Examiner,
Local Audit Deptt.,
Himachal Pradesh, Shimla-9.

HIMACHAL RADESH HOUSING & URABAN DEVELOPMENT AUTHORITY

Profit & Loss Account for the year ending 31.03.2011

Dr.			Cr.		
Particulars	Current year	Previous Year	Particulars	Current Year	Previous Year
To Opening Balance of Stock			By Sales		
Finished Goods			Sale of Finished goods		
Establishment Expenses			Misc. Receipts		
Salaries	163,924,241.00	124,438,648.00	Map Approval Fee	2,214,760.00	6,507,827.00
Leave Encashment	10260716.00	23,738,541.00	HPTA/Layout of Maps	247,758.00	342,156.00
Pay of Menials	388,912.00	438,772.00	Application forms	77,100.00	124,300.00
Bonus Expenses	485,666.00	1,675,308.00	Sale of Tender Forms	1,379,820.00	1,008,805.00
CPF Board Share A/c (D/W)	10,684.00	33,098.00			
CPF Employer Share	4,947,491.00	3,987,050.00	Choice Money	2,466,971.00	789,716.00
Ex-gratia & Gratuity	27,400.00	-249,763.00	Miscellaneous Receipts	1,032,970.00	1,190,015.04
LTC Expenses	14,207.00	9,254.00	Hire Charges of Vehicles	46,208.00	43,841.00
Arear of Pension	4,629,559.00	11,222,251.00	Water Charges Receipt A/C	23,482,861.00	17,371,547.00
Travelling Expenses	1,763,055.00	1,429,104.00	Lease Rent	3,652,346.00	
Medical Expenses	2,926,941.00	1,992,051.00	Street Light & Maintenance Charges	0.00	
Interest on CPF D/W			Sewerage Connection Fee	36,150.00	116,020.00
Employer Share of EPF	696,463.00	620,665.00	Water Connection Fee	109,400.00	72,150.00
Group Gratuity Scheme with LIC of India	7,470,863.00		Penal Interest	7,715,413.00	9,529,088.00
			Service Charges	0.00	376,155.00
EPF Recovery waived off			Interest on savings & FDRs	11,953,875.00	16,732,243.00
GIS in lieu of EDLI	140,096.00	57,842.00	Instt. Receipts on loans & Adv.	1,085,053.00	1,026,177.00
Administrative Expenses			Instt. Receipts from colonies	5,656,100.00	6,022,164.00
Printing & Stationery Expenses	1,082,280.95	926,536.15	Watch & Ward Charges	2,853,123.00	2,436,504.00
Hot & cold weather Charges	63,574.00	83,801.00	Transfer Charges A/C	39,445,537.00	44,333,961.00

Revenue Stamps	4,202.00	5,961.00	Finished Goods	0.00	
Rent, Rates and Taxes	454,410.00	268,685.00	Profit on valuation of Stock	0.00	1,145.00
Bank Commission Charges	168,959.67	164,496.12	Profit on sale of vehicle	6,853.77	0.00
Postage & Telegrams	327,815.00	364,501.00	Profit on sale of fixed assets	0.00	1,490,000.00
Telephone Expenses	787,484.00	865,363.00	Levy Charges for Non-construction	2,379,687.00	2,337,828.00
Electricity & Water charges	2,364,491.00	909,989.00	Surplus on sale of colonies	17,339,610.00	19,020,627.00
Display Board on HRTC B/S	396,225.00	132,074.00	Departmental/Admn. Charges	106,139,749.00	119,391,074.00
Legal Expenses	5,001,028.00	505,616.00	Departmental/Admn. Charges		
Advt. Charges	1,269,919.00	45,153.00	Consultancy Fees	16,100.00	230,067.00
Entertainment Charges	59,321.00	232,603.00	Conversion & compounding charges	0.00	44,957.00
Auditor's Remuneration	400,000.00	425,000.00	Receipt under RTI Act	29,123.00	18,975.00
News paper & Periodicals	40,684.00	32,788.00	Rent		
Miscellaneous Expenses	620,684.98	218,813.17	HIMUDA's Houses	192,082.00	111,473.00
Interest Expenditure on Deposit		73,772.00	Guest Houses/Rest Houses	76,074.00	22,150.00
Seminars and Training etc.		7,500.00	Ground Rent	2,634,311.00	4,550,611.00
Stock Storage A/C	-1,001,694.00	1,299,211.69	Other receipts		
FBT Exp.	2,075,000.00	0.00	Enlistment Form A/c/ Renewal Fee	285,805.00	434,830.00
Gratuity Fund	0.00	1,150,661.00	Interest receipt A/C on CPF DW	14,210.00	
Leave Encashment Fund			Conversion Charges	1,020,284.00	1,954,331.00
Depreciation (FA)	1,475,607.70	1,516,261.76	Unearned Increase on Sale		
Depreciation (own buildings)	2,050,010.98	2,147,514.07	Service Charges I&PR Deptt.		214,635.00
Other Expenses charged to P & L A/C	63,059.00		Maintenance Charges	10,879,454.91	12,680,456.70
Damage charges	50,000.00	0.00	Receipt of Rent HIMUDA BUILDING	27,525.00	240,312.00
Pension Contribution	5,000,000.00	45,294,698.00	Other receipts	528.00	113,171.00
Service Charges by HUDDCO			Profit on Sale of Fixed Assets		-66,578.30
CM relief Fund	0.00	1,100,000.00	Licence/Registration/ Processing Fee	2,562,366.00	1,848,975.00

Interest Exp. On Board	788.00	0.00	Commission / Service Charges of Adv.	369,128.00	
Property Tax	7,966.00	44,893.00	Service charges from Cont.	158,365.00	
Repairs & Maintenance of			Reg. Fee of Cont. & Promoters	569,160.00	
Typewriters/ Photostat/ Fax Machine and Computer etc.	887,354.00	626,408.00	Approval Fee of Building Plan	4,771,374.00	
Vehicles	-2,713,710.00	-1,549,665.00	Roof Painting Charges	2,917.00	
Various colonies	13,736,648.00	37,105,256.00			
Own buildings	18,050,607.00	9,038,228.00			
Total :	250,409,009.28	272,428,938.96			
Profit before Tax	2,521,142.40	232,769.48			
IT Payable	756,343.00	69,831.00			
Sur Charge on IT	75,634.00	6,983.00			
Education Cess	22,690.00	2,095.00			
Total	854,667.00	78,909.00			
Less : Advance Income Tax paid during the year	3,000,000.00	5,025,561.00			
TDS on FDR	2,881,110.00				
Total Tax paid	5,881,110.00				
Balance recoverable for IT	5,026,443.00	-4,946,652.00			
Net Profit Transferred to Capital Reserve	1,666,475.40	153,860.48			
Grand Total	252,930,151.68	272,661,708.44		252,930,151.68	272,661,708.44

Sd/-
Chief Accounts Officer,
HIMUDA, Shimla-2

Sd/-
CEO-Cum-Secretary,
HIMUDA, Shimla-2

SCHEDULE - A

HIMACHAL PRADESH HOUSING & UDA

Reserve and Surplus

[FORMING PART OF THE BALANCE SHEET AS ON 31.03.2011]

Sr. No.	Particulars	Previous Year	Current Year	
1	i	Capital Reserve	1,27,08,29,933.77	1,27,09,83,794.25
		Add : Profit transferred from P & L A/C	1,53,860.48	16,66,475.40
		Total:	1,27,09,83,794.25	1,27,26,50,269.65
	ii	Reserve & Surplus(NVP)	4,44,69,084.29	4,44,69,084.29
2		Interest Redemption Account	3,66,16,025.17	3,66,16,025.17
3		Grant-in-aid		
	i	From Industries Deptt. For development of Industrial Township at parwanoo (Augmentation of Water Supply Scheme)	26,32,200.00	26,32,200.00
	ii	From National Building Organisation	4,65,136.00	4,65,136.00
	iii	Grant utilised for development/land acquisition	1,46,50,000.00	1,46,50,000.00
	iv	Grant-in-aid from Ministry of Energy, GOI	23,000.00	23,000.00
	v	Grant-in-aid [NVP]	4,65,59,000.00	4,65,59,000.00
	vi	Repayment of excess on account of valuation of Assets & Liabilities[NVP]	-14,00,00,000.00	-14,00,00,000.00
		Total :	1,27,63,98,239.71	1,27,80,64,715.11

Sd/-
Chief Accounts Officer,
HIMUDA, Shimla-2

Sd/-
CEO-Cum-Secretary,
HIMUDA, Shimla-2

SCHEDULE -B**Secured Loans****[FORMING PART OF THE BALANCE SHEET AS ON 31.03.2011]**

Sr. No.	Particulars	Current Year	Previous Year
1	Loan from HUDCO, New Delhi for HIMUDA's own Scheme	24,61,93,712.00	61,95,34,712.00
2	Loan from HUDCO, New Delhi for Govt. Scheme	0.00	0.00
3	Loan from National Housing Bank	2,42,57,000.00	3,23,05,000.00
4	Loan against FDR's	5,91,91,000.00	5,69,91,000.00
	Total :	32,96,41,712.00	70,88,30,712.00

Sd/-
Chief Accounts Officer,
HIMUDA, Shimla-2

Sd/-
CEO-Cum-Secretary,
HIMUDA, Shimla-2

SCHEDULE - C

HIMACHAL PRADESH HOUSING & URBAN DEVELOPMENT AUTHORITY

(SCHEDULE OF CURRENT LIABILITIES AND PROVISIONS)

[FORMING PART OF THE BALANCE SHEET AS ON 31.03.2011]

Sr. No.	Particulars	Current Year	Previous Year
1	Initial Deposit/Earnest Money	28,27,01,252.00	5,37,37,433.00
2	Preference Money(NVP)		0.00
3	Security Water Meter Connection	17,18,373.90	16,24,873.90
4	Earnest Money/Security Deposit	6,14,14,378.19	4,26,32,509.19
5	Material Purchase A/C	1,51,290.10	1,51,290.10
6	Sundry Creditors	2,37,564.18	2,37,564.18
7	Expenses Payable	8,18,359.00	6,88,432.00
8	Other Liabilities	1,91,28,610.19	3,09,26,594.19
9	Contributory Provident Fund	22,27,10,318.75	19,81,23,212.75
10	Provision for arbitration/ works	6,38,222.02	6,38,222.02
12	Stock adjustment account	2,56,390.17	2,56,390.17
21	Fire Victims Scheme Chamba		0.00
23	Adjustable against HUDCO Loan		0.00
26	Police Rental Housing Scheme	0.00	10,489.75
27	I & PH Department for WSS	17,82,978.81	17,82,978.81
28	Deposit Works (NVP)	46,05,790.41	46,05,790.41
29	Contractor's Deposit (NVP)	57,57,817.10	57,57,817.10
30	Interest payable Account(NVP)		0.00
31	Recoveries to be Remitted to lending Department	1,53,471.00	1,53,471.00
32	Suspense Account(NVP)		0.00
33	R & D Adjustment A/C	3,68,888.00	3,68,888.00
34	Provision for works - SHC Shoghi		0.00
35	Advance payment against Deposit works	95,57,23,449.49	82,19,19,970.14
36	Adjustable against CPF Interest payable to HIMUDA employees	1,96,48,016.83	1,37,76,259.37
37	TDS on interest on FDR adjustable A/C	28,46,251.00	0.00
38	Leave Encashment Fund		0.00
39	Pension Fund		0.00
40	Gratuity Fund		0.00

41	Provisoin for Arrear Payment due to Revision of Pay Scales		0.00
42	Against HUDCO loan for flood relief works		0.00
43	Reset charges payable to Govt.		0.00
44	Provision for approved old work Parwanoo Township		0.00
45	Provision for OD	0.00	16,41,678.00
46	Development Fund under Apartment Act	10,08,196.56	7,54,427.56
47	Interest on loans	6,70,09,411.00	6,95,09,411.00
	Total :	1,64,86,79,028.70	1,24,92,97,702.64

Sd/-
Chief Accounts Officer,
HIMUDA, Shimla-2.

Sd/-
CEO-Cum-Secretary,
HIMUDA, Shimla-2.

Schedule -D

HP HOUSING AND URBAN DEVELOPEMETN AUTHORITY

Schedule of Fixed Assets for the year 2010-11

	Rate of Dep.	Cost as on 31/03/2010	Addition prior to Sep 2010	Addition after Sep 2010	Sale Adjustment	Cost as on 31/03/2011	Dep. Upto 31/03/2010	Adj	Dep. During the year	upto date Dep	Adj	WDA as on 31/03/2011	WDA as on 31/03/2010
Land & Building	10%	1285419.43	0.00	0.00	0.00	1285419.43	2911264.86	0.00	127387.19	3038652.05	0.00	1158032.24	1285419.43
Crockary & Cuttlery A/C	15%	15624.36	0.00	0.00	0.00	15624.36	68761.45	0.00	2343.65	71105.11	0.00	13280.71	15624.36
Office Equipment a/c	15%	279689.09	0.00	189073.00	0.00	468762.09	2162590.50	0.00	41953.36	2204543.86	0.00	426808.72	279689.09
	15%	1185.97	0.00	0.00	0.00	1185.97	5859.03		177.90	6036.93		1008.08	1185.97
Books & Publication A/c	15%	125818.54	0.00	3415.00	0.00	129233.54	290316.99	0.00	18872.78	309189.77	0.00	110360.76	125818.54
Survey & methematical Instrument A/C	15%	454761.97	0.00	0.00	0.00	454761.97	416977.56	0.00	68214.30	485191.86	0.00	386547.67	454761.97
Drawing & Mathematical Instrument A/C	15%	81.33	0.00	0.00	0.00	81.33	31744.60	0.00	12.20	31756.80	0.00	69.13	81.33
Tools & Plant A/c	15%	37701.43	0.00	0.00	0.00	37701.43	539327.47	0.00	5655.21	544982.69	0.00	32046.21	37701.43
Electric Installation A/C	15%	467441.54	0.00	0.00	0.00	467441.54	492419.40	0.00	70116.23	562535.63	0.00	397325.31	467441.54
Road Roller	15%	1164.53	0.00	0.00	0.00	1164.53	588846.01	0.00	174.68	589020.69	0.00	989.85	1164.53
Furniture & fixcture A/c	15%	1012679.39	0.00	174009.00	0.00	1186688.39	2493303.92	0.00	151901.91	2645205.83	0.00	1034786.48	1012679.39
Vehicle A/c NVP	20%	170809.22	0.00	0.00	12146.25	158662.97	1017045.74	261794.76	31732.59	786983.57	0.00	126930.37	170809.22

Jeeps and Gypsy	15%	3778433.60	0.00	65563.00	0.00	3843996.60	2901786.44	0.00	566765.04	3297704.63	0.00	3277231.56	3778433.60
Staff Cars	25%	473122.08	0.00	0.00	0.00	473122.08	1314546.02	0.00	118280.52	1432826.54	395626.90	354841.56	473122.08
Scooter No. 1186	15%	3.24	0.00	0.00	0.00	3.24	5446.60	0.00	0.49	5447.09	0.00	2.75	3.24
		9917400.09	0.00	481065.00	12146.25	10386318.82	18412385.23	261794.76	1475607.70	19455351.32	395626.90	8910711.16	9917400.09

Sd/-
Chief Accounts Officer
HIMUDA, Shimla-2

Sd/-
CEO-cum-Secretary
HIMUDA, Shimla-2

OWN BUILDING
H.P.HOUSING AND URBAN DEVELOPMENT AUTHORITY NIGAM VIHAR SHIMLA 171002

Schedule for fixed assets for the year 2010-11														
Sr. No.	Particular	Rate of Dep	Cost	Addition before Sep 2010	Addition after Sep 2010	Sale Adjustment	Cost as on 31.03.2010	Dep. Upto 31.03.2010	Adjustment	Dep during the year	upto date dep	Adjustment	WDA as on 31.03.2011	WDA as on 31.03.2010
1	Acquisition of Land Victoria Place (Rev Ledg.)		146787.60	0	0	0	146787.60	0	0	0	0	0	146787.60	146787.60
2	Rest House at strawberry Hill	10 %	128051.16	0	0		128051.16	0	0	12805.12	0	0	115246.04	128051.16
3	Office Building at Nigam Vihar	10 %	6848334.01	0.00	0	0.00	6848334.01	7317831.06	0.00	684833.40	8002664.46	0.00	6163500.61	6848334.01
4	Residential Building at Knollswood	10 %	4566595.72	0.00	0	0.00	4566595.72	4981021.50	0.00	456659.57	5437681.08	0.00	4109936.14	4566595.72
5	Divisional Store at Sanjouli	10 %	216900.04	0.00	0	0.00	216900.04	236584.06	0.00	21690.00	258274.06	0.00	195210.03	216900.04
6	Basement at Strawberry Hills	10 %	161049.17	0.00	0	0.00	161049.17	175664.62	0.00	16104.92	191769.54	0.00	144944.25	161049.17
7	Office-cum-Residenc at Mandi	10 %	3379158.28	0.00	0	0.00	3379158.28	2041700.18	0.00	337915.83	2379616.01	0.00	3041242.45	3379158.28
8	Office Building at Parwanoo	10 %	2698871.45	0.00	80086	0.00	2778957.45	2160139.04		269887.14	2430026.19	0.00	2509070.30	2698871.45
9	Office-cum-Store at Solan	10 %	376982.56	0.00	0	0.00	376982.56	411194.33	0.00	37698.26	448892.58	0.00	339284.30	376982.56

10	AE's office and Residence at Baddi	10 %	942334.18	0.00	0	0.00	942334.18	376399.80	0.00	94233.42	470633.22		848100.76	942334.18
11	Office & Rest House Building at D/Sala	10 %	961788.26	0.00	0	0.00	961788.26	1018866.49	0.00	96178.83	1115045.32	0.00	865609.43	961788.26
12	C/o office accomodatio n for Sub-Divi-I at Baddi	10 %	32319.00	0.00	0	0.00	32319.00	0.00	0.00	3231.90	0.00	0.00	29087.10	32319.00
13	Pdg of AE Resi of HIMUDA Baddi Ph-II	10 %	127974.00	0.00	0	0.00	127974.00	0.00	0.00	12797.40	0.00	0.00	115176.60	127974.00
14	C/o Canteen Building for HIMUDA	10 %	59752.00	0.00	314975	0.00	374727.00	0.00	0.00	5975.20	0.00	0.00	368751.80	59752.00
			20646897.42	0.00	395061.00	0.00	21041958.42	18719401.08	0.00	2050010.98	20734602.45	0.00	18991947.44	20646897.42

Sd/-
Chief Accounts Officer,
HIMUDA, Shimla-2.

Sd/-
CEO-Cum-Secretary,
HIMUDA, Shimla-2

SCHEDULE - E

HIMACHAL PRADESH HOUSING & URBAN DEVELOPMENT AUTHORITY
[SCHEDULE OF CURRENT ASSETS, LOANS AND ADVANCES]
[FORMING PART OF THE BALANCE SHEET AS ON 31.03.2011]

Sr. No.	Particulars		Current Year	Previous Year
A	Works in Progress C/O Buildings			
1(i)	Housing Scheme	6,00,11,01,262.74		
	Less : Receipt from Allottees	5,06,71,58,303.71		
	Net		93,39,42,959.03	1,01,00,39,341.33
1(ii)	Expenditure on works(NVP)	1,62,14,48,006.92		
	Less : Receipt from allottees	1,88,61,75,731.37		
	Net		-26,47,27,724.45	-23,32,23,297.45
2	Work in Progress as per % completion Method		96,78,63,550.14	95,05,23,940.14
3	Own Buildings		1,89,91,947.44	2,06,46,897.42
4	Works completed in hand		4,48,08,972.53	4,48,08,972.53
5	Material for works in Stores		2,68,55,315.33	2,82,65,358.33
6	Material for works in Stores(NVP)		39,35,946.68	39,35,946.68
7	Finished Goods			0.00
8	Store Paonta Factory			0.00
9	Stationery in Hand		2,00,524.40	1,39,634.35
10	Store & Spares			0.00
11	Sundry Debtors		85,04,270.87	85,04,270.87
12	Cash and Bank Balance			
i	Cash in hand		22,14,567.64	2,87,540.64
ii	Postage in hand		8,806.00	19,733.00
iii	Cash in Transit		-2,81,71,727.00	1,38,04,616.00
13	Balance with Scheduled Banks			
	In current & savings A/C		17,09,23,250.07	6,20,78,088.51
	In current & savings A/C (CPF)		24,87,387.00	97,71,047.54
	In Fixed Deposit (HIMUDA)		22,25,47,275.95	20,20,47,275.95
	In Fixed Deposit (CPF)		23,46,22,555.00	18,08,87,014.00
	Gratuity Fund A/C		3,37,00,000.00	0.00
	Total (A)		2,37,87,07,876.63	2,30,25,36,379.84

B		Recoverable Amount on account of following Schemes			
	1	Govt. Rental Housing Scheme			
		Expenditure	13,70,83,262.29		
		Less : Receipts	13,26,75,621.00		
				44,07,641.29	44,07,641.29
	2	Police Rental Housing Scheme			
		Expenditure	24,73,30,481.30		
		Less : Receipts	-24,04,34,239.75		
		Net Recoverable		68,96,241.55	68,68,387.30
	3	Other Deptt. Against Deposit Works		39,56,98,834.10	26,50,86,338.75
	4	Deposit works for Navodya vidyalaya		93,79,963.16	93,79,963.16
	5	Security with other Departments		5,82,932.75	5,82,932.75
	6	Security with other Departments (NVP)			
	7	Prepaid Expenses			0.00
	8	Interest Receivable on FDRs		7,98,27,161.00	8,31,07,447.00
	9	Advances to Staff		65,25,481.97	68,99,565.97
	10	Other Misc. Advance		2,61,93,158.55	2,41,54,188.55
	11	Other Misc. Advance(NVP)		2,41,644.37	2,41,644.37
	12	Cash Settlement Suspense Account		57,57,769.47	26,67,301.47
	13	Cost of Sales Receivable		4,38,33,573.78	4,94,59,666.78
	14	Premium receivable		3,760.00	0.00
	15	Recoverable from HP Govt. for GRHS executed by HP PWD		-33,98,200.00	-33,98,200.00
	16	C/O Building Centre at Baddi			0.00
	17	Recoverable of HUCO Loan from HP Govt. for Police Rental Housing Scheme		-21,94,373.00	-21,94,373.00
	18	Recoverable on account of HUDCO Loan from Govt. for Institutional & Functional Buildings		85,60,700.00	15,57,62,700.00
	19	C/O Building Centre at Una			0.00
	20	Maintenance Charges Receivable		2,48,00,715.00	2,14,76,207.00
	21	Water Charges Charges Receivable		43,26,207.00	31,37,317.00
	22	Rent Charges Receivable		1,50,272.00	2,69,978.00
	23	TDS Recoverable from IT Department		43,890.00	43,890.00

24	Income Tax recoverable from IT Department		9,75,69,079.29	6,58,41,532.29
25	Income Tax recoverable from IT Department 2009-10		49,46,652.00	49,46,652.00
26	Income Tax recoverable from IT Department 2010-11		50,26,443.00	
27	Income Tax(TDS) Pensioner A/C		8,602.00	0.00
28	JPAIS insurance premium Prepaid		25,760.00	
29	CPS Subscription A/C		10,844.00	0.00
30	Recoverable from Govt. for WSS Giri River		11,50,79,006.00	18,84,48,755.00
31	Suspense Account		5,76,425.00	5,76,425.00
32	Building Centre at Hamirpur			0.00
33	Advance FBT (2005-06)			6,75,000.00
34	Advance FBT (2009-10)			14,00,000.00
35	TDS Adjustable A/C			0.00
36	Adjustable Amount (JNNURM)		3,10,69,839.74	3,10,69,839.74
37	Rectification		11,63,271.00	11,63,271.00
38	Rectification		4,005.00	4,005.00
39	Rectification		-5,202.00	-5,202.00
40	Rectification		16,54,770.00	0.00
	Total (B)		86,87,66,868.02	92,20,72,874.42
	Total (A) + (B)		3,24,74,74,744.65	3,22,46,09,254.26

Sd/-
Chief Accounts Officer,
HIMUDA, Shimla-2.

Sd/-
CEO-Cum-Secretary,
HIMUDA, Shimla-2.

HIMACHAL PRADESH HOUSING & URBAN DEVELOPMENT AUTHORITY

Notes on Accounts

[FORMING PART OF THE BALANCE SHEET AS ON 31/03/2011]

1. During the year indirect administrative expenditure has been allocated to the works/ scheme @ 10% of the direct expenditure incurred on respective Social Housing and Government / Police Rental Housing Scheme and @ 17% of Self/ Partially Self Financing Schemes. Similarly agency commission has been charged on the deposit works @ 10% of the expenditure incurred during the year or at the such rate as agree to/fixed on specific works which has been included in the figure of departmental charges on schemes/ works.
2. Previous year figures have been regrouped/reclassified, where-ever necessary to make them comparable with the current figures.
3. Pending final adjustments, work-in-progress, housing schemes represent total expenditure incurred on various housing schemes and amounts received from various allottees have been deducted from it. Balances of work in progress includes sundry debtors the information of which is under process. This along with sundry creditors and loans and advances from other parties are subject to the confirmation and reconciliation.
4. Cash Settlement Suspense account of Rs. 57,57,769.47 represents difference in the inter-unit transaction on account of stock transfer etc. Which is subject to reconciliation with inter-unit and final adjustment as on 31.03.2011.
5. A sum of Rs. 151290.10 in material purchase account represent the amount payable to supplier at the close of the year and value of inter-unit stock transfer credited by the receiving unit is adjustable in the books of respective units.
6. In the opinion of Management the value of realization of the current assets, loans and advance, if realized in the ordinary course of business, will not be less than as stated in the balance sheet.
7. Due to the volume of transactions in the Authority being enormous, the possibility of mis-posting/ omission in postings cannot be ruled out despite every care. Since the reconciliation of accounts is a continuous process, the difference, if any, as and when located will be suitable adjusted in the accounts.
8. The mercantile system of accounting was continued, However, Percentage of competition method was adopted in r/o work in progress for claiming of rebate u/s 80 IB (10) of Income Tax 1961. Accordingly, effect is being reflected in the Balance Sheet and adjustment of the work in progress to be made in the future accounts.

Sd/-
Chief Accounts Officer,
 Himuda, Shimla-2.

Sd/-
CEO- Cum-Secretary,
 HIMUDA, Shimla-2

Audit and Inspection Report on the Final Accounts (Balance Sheet, Profit and loss Account) of HP Housing and Urban Development Authority, Nigam Vihar, Shimla-2 for the year 2010-11

1 Preliminary

The audit of final accounts (Balance Sheet, Profit and loss Account) for HP Housing and Urban development Authority, Nigam Vihar, shimla-2 for the year 2010-11 was conducted under the provision of section 28(3)of HP Govt. notification Housing and Urban Development Authority Act,2004 read with the HP Govt. notification NO. HSG-4(D)1-1/92/2 dated 13-09-2004.

1.1 Er S.C.Sood functioned as Chief Executive Officer- Cum-Secretary of the authority during the period 01-04-10 to 31-3-2011.

1.2 The audit of accounts of HP Housing and Urban Development Authority and its divisions were conducted by the audit parties consisting of S/Shri Suresh Gupta,Assistant Controller, Chandresh Handa, H.S Shandil ,Ajit Singh, Anil Sharma, Ravinder Singh, Anil Mehra, Section Officers and Sh Krishan Lal Negi Junior Auditor under the supervision of Shri Padam Singh Kanwar, Deputy Director, Local Audit Department. It is also added that the audit report has been prepared on the basis of records/information furnished and made available by the Controlling Officer of the institution. The Local Audit Department disclaims any responsibility for any misinformation or non submission of information on the part of auditee. The account for the month of 3/2011 was mostly selected for detailed check and the results thereof are embodied in the succeeding paragraphs.

1.3 Audit Fee:-

The Audit fee for the audit of accounts of HIMUDA shall be communicated separately to the Head Office for its remission to the local Audit Department.

1.4 Non Compliance of observations relating to Balance Sheet

None of the observations on the Balance Sheet were either being complied with or no compliance thereof was shown in subsequent audits. The irregularities are being repeated year after year. Compliance of all such observation may be shown at the time of next audit.

2. Balance Sheet:-

The balance sheet for the year 2010-11 was submitted by the HIMUDA Authority to the Director, Local Audit Department vide their letter No.HIMUDA/Accounts-319/BSS/2012 dated 15-3-2012 and thereafter the same was put to examination along with schedules, it was noticed that the self explanatory details/statements in support of items of various schedules, detailed below were not attached with the schedule referred to in balance sheet. The items, which are lying outstanding for the necessary settlement for decades together without any effort to wipe out subsequently, are detailed as follow.

Head of Accounts	Schedule& Item No.	Amount	Dr/ Cr	Remarks
Repayment of excess on account of valuation	A&3(vi)	(-)14,00,00,000.00	Dr	Explanatory details not supplied

of Assets& Liabilities(NVP) (Paid to HP Govt.)				
Provisions for liabilities anticipated work of various Colonies	C&5,6,7,8, 10,12,27,2 9,31, 33,37,47	9,91,49,252,.57	Cr	Explanatory details not supplied
Work in progress as per % Completion Method	E&2	96,78,63,550.14	Dr	Explanatory details not supplied
Works completed in Hand	E&4	4,48,08,972.53	Dr	Explanatory details not supplied
Material for works in Stores	E&5	2,68,55,315.33	Dr	Explanatory details not supplied
Material for works in Stores (NVP)	E&6	39,35,946.68	Dr	Explanatory details not supplied
Sundry Debtors	E&11	85,04,270.87	Dr	Explanatory details not supplied
Cash in Transit	E&12(iii)	(-)2,81,71,727.00	Dr	Explanatory details not supplied
Gratuity Fund A/C	E&13	3,37,00,000.00	Dr	Explanatory details not supplied
Rectification	E&37to40	28,16,844.00	Dr	Explanatory details not supplied
Adjustable Amount (JNNURM)	E&36	3,10,69,839.74	Dr	Explanatory details not supplied
Cost of sale Receivable	E&13	4,38,33,573.78	Dr	Explanatory details not supplied

3 SCHEDULE 'A' RESERVE AND SURPLUS;

Unjustified creation of provision of Rs.3.66 crore on account of interest redemption:-

A sum of Rs,3,66,16,025.17 was shown under the head interest redemption account . The account represents the provisions for interest chargeable to the various Housing Colonies completed in the earlier years and final costing was also done accordingly. Since interest paid on all loans taken for Housing Colonies was charged to the relevant Housing Colonies on annual basis. Hence there appears no justification for creating the provision unless such liability is actually exists. The factual position may be investigated are results thereof may be intimated to audit besides settlement of the provision in accordance with accepted accounting principles.

3.1 Non-adjustment of reserve and surplus of Rs.4.90crore in NVP accounts:-

In schedule 'A' under the head reserve and surplus (NVP) & Grant-in-Aid to NVP a total sum of Rs9.10Crore(Rs4.45+Rs4=65) was pending for adjustment, whereas Rs.14.00 crore were shown paid to HP Government in earlier year vide Sr.NO.3(vi)of the schedule, resulted thereby excess payment of Rs.4.90 crore. The excess payment may be justified with reference to non finalization/adjustment of accounts of housing scheme of

Erstwhile Nagar Vikas Pradhikaran which are pending for final settlement for more than twenty five years.

3.2 Wrong accountal of provisions for allocation of interest of Rs.0.25 Crore under the Head “Grant Utilized for development/land acquisition” (Schedule “A” item No. 3(iii)):-

Rs.1.465 Crore was shown under the Head “Grant Utilized for development/land acquisition” since several years. The figure of Rs 1.465 Crore includes an amount of Rs. 24.78 lac pertaining to the provisions for “allocation of interest” in respect of Housing Colonies at Mandi, Dharamshala and Hamirpur. Whereas the provisions for allocation of interest in respect of Housing Colonies relates to current liabilities, as such, the same should have been shown in schedule “C”. Necessary correction in final accounts may be carried out besides intimating the reasons.

4. SCHEDULE ‘B’ SECURED LOANS:

Non Depiction of HUDCO Loan of Rs. 12.38 crore for Government Schemes in the schedule “B”:-

The Schedule “B” attached to the balance sheet represent the position of secured loan of Rs. 32.96 crore. Which included Rs. 24.62 crore relates to loan from HUDCO for HIMUDA’s own schemes. From the perusal of statement showing the position of the HUDCO Loan for the year 2010-11 it is revealed that loan of Rs. 12.24 crore relates to the HIMUDA’s own schemes and rest of the loan i.e. Rs. 12.38 pertains to Government scheme, Whereas, in the schedule under the head “loan from HUDCO for Government schemes” was shown “Zero”. The reasons for showing the HUDCO loan for Government scheme zero may be intimated besides making necessary correction in the books of accounts.

4.1 Non submission of details of Loan Rs. 5.92 crore taken against FDR’s:-

A sum of Rs. 5,91,91,000.00 was shown under the head Loan against FDR’s. But the detail of same was not produced before the audit for necessary verification. The reasons for not submitting the detail may be intimated besides the preparation of detail.

5. SCHEDULE ‘C’ (CURRENT LIABILITIES AND PROVISIONS)

Non adjustment of Accounts worth Rs.1.10 crore:-

A sum of Rs. 110.08 lac was shown since so many years in Schedule “C” “current liabilities and provisions” under the various heads detailed below. But no efforts were made to settle these accounts from the basic record. Strenuous efforts may be made to find out the basic record pertaining to these items and settle these accounts in accordance with rules regulation and accounting principles in a time bound manner so that these liabilities could be written off and factual position of accounts is ascertained.

Sr. No	Head	Amount Rs. In lac	Remarks
1	Material purchase a/c	1.51	The amount is pending for final settlement since last twenty years
2	Sundry Creditors	2.37	The amount is pending for final settlement since last twelve years
3	Stock Adjustment Account	2.56	The stock adjustment account pertains to Shimla Division-I and Mandi Division is pending for final settlement since last Fifteen years
4	“Contractors	57.58	The account pertains to Erstwhile NVP & is

	Deposit" (NVP)		pending for final settlement since last fifteen years
5	Deposit Wroks (NVP)	46.06	The account is pending for adjustment since last fifteen years.
	Total:	110.08	

5.1 Non Submission of details of Initial Deposit/Earnest Money & Security worth Rs. 34.41 crore:-

In the schedule under the Head "Initial Deposit/earnest Money" & Security account, a liability of Rs. 34.41 Crore (Rs. 28,27,01,252.00 + Rs. 6,14,14,378.19) were shown. From the scrutiny of record relating to the account of initial deposit/earnest money it is revealed that the account should have been a balance of Rs. 53,65,12,674.00 whereas, it has been shown as Rs. 28,27,01,252.00 after adjusting minus figure of Rs. 25,38,11,421.78, which shows the incorrect position of the account and requires certain adjustment. It has also been noticed that self explanatory schedule has not been prepared to justify the figures shown under these heads of account. In absence of such information, the period from which these amounts are lying outstanding for adjustment could not be ascertained. The self explanatory details in support of the liabilities shown under the above heads of accounts may be prepared and shown to the audit.

5.2 Wrong accountal of TDS on Interest receivable from FDR's:-

The schedule of current liabilities and provisions shows a balance of Rs. 28,46,251.00 under the head "TDS on interest on FDR Adjustable Account". From the perusal of record it is revealed that the FDR wise detail of tax deducted at source for the interest accrued during the year was not supplied to the audit for verification. The amount of TDS, although debited to Profit and Loss account but the same was wrongly shown under the schedule of current liabilities whereas on assets side the interest receivable on the FDR's account (Schedule "E") in the balance sheet should have been reduced by the amount of TDS deducted by the bank. The omission may be rectified by deleting the TDS on interest on FDR's adjustable account from the schedule "C" and reducing the amount of interest receivable on FDR In schedule "E" (Current Assets) besides preparation of FDR wise details of TDS.

6 SCHEDULE "E" CURRENT ASSETS", LOANS & ADVANCES NON ADJUSTMENT OF WORK IN PROGRESS ACCOUNT WORTH RS. 762.25 CRORE:-

From the perusal of schedule "E" current assets" it is reveled that Rs. 600.11 Crore against item No. 1 (i) & Rs. 162.14 crore against item No. 1 (ii) totaling Rs. 762.25 crore have been shown under the head "work in progress". Whereas, the most of the colonies had been completed since long and were sold out. On completion of the colony, the cost of colony should have been debited to works completed in hand and the work in progress should have been credited on the other hand. On final costing of the colony the accounts are required to be settled by determining the sale price of the Flat/Plot and thereafter debiting the assets-in-hand and balance amount i.e. deference between sale price and expenditure incurred their against is to be carried over to profit and loss account. But it is very strange that the whole expenditure of the colonies completed so many years back are still lying in "work-in-progress" account. Which is a serious matter, as such the same is brought to the notice of the Principal Secretary (Housing) to the Government of the

Himachal Pradesh for issuing necessary instructions/direction for the finalization of the housing colonies so that the accounts could be settled accordingly.

6.1 Non settlement of receipt from allottee worth Rs. 695.33 crore:-

Rs. 6,95,33,34,035.08 have been shown (in minus) under the head “Receipt from allottee” in schedule “E” whereas, the amount should have been shown in the balance sheet under “current liabilities”. The perusal of record relating to receipt from the allottee it is noticed that the account should have been bifurcated in two heads of accounts i.e., receipt from allottee against the colonies whose accounts were not finalized yet and receipt from allottee pertaining to sale of flat/plot after finalization of account to be adjusted under the head “ Cost of sale receivable “. Necessary settlement of receipt from allottee may be carried out immediately, so that balance sheet may reflect its true and fair view.

6.2 Non adjustment of Acons worth Rs. 1013.75 crore:-

A Sum of Rs. 1013.75 crore was shown in Schedule “E” “Current Assets, Loans and Advances” under the heads detailed below since so many years but no efforts were made to settle these account from the basic record. Strenuous efforts may be made to find out the basic record pertaining to these items and settle the accounts in accordance with rules regulation and accounting principles in a time bound manner, so that the factual position of these accounts is as ascertained.

Sr. No	Head	Amount Rs. In lac	Remarks
1	Works completed in Hand	448.09	The amount is pending for final settlement for last so many years
2	Material for works in store (NVP)	39.36	The amount is pending for final settlement for twelve years
3	Sundry Debtors	85.04	The amount is pending for final settlement for twelve years
4	Deposit Works for Navodya Vidyalā	93.80	The amount is pending for final settlement for twelve years
5	Other miscellaneous advances (NVP)	2.41	The amount is pending for final settlement for twelve years
6	TDS Recoverable from IT department	0.43	The amount is pending for final settlement for several years
7	Suspense account	5.76	The amount is pending for final settlement for last several years
8	Adjustable amount (JNNURM)	310.69	The amount is pending for final settlement since 2007-08
9	Rectification	28.17	The amount is pending for final settlement for last several years
	Total:	1013.75	

6.3 Non adjustment of book value of Rs. 1.15 lac (Rest House at Strawberry Hill):-

In schedule “E” (Current Assets) Rs. 1.90 crore (Rs. 1,89,91,947.44) were shown under the head “Own Buildings”. From the scrutiny of record, it is revealed that Rest House at Strawberry Hill was sold by the HIMUDA some time back in the year 2004-05 but the same is still being shown under the head “Own Buildings”. The adjustment of book value of rest house at the time of sale may be carried out immediately so that the true

and fair view of the balance sheet could be ascertained besides conducting the physical verification of the “own Assets”.

In addition to above, it is also noticed that the amount of own buildings is being shown in current asset schedule where as it should be shown in fixed assets schedule/Major head of account. The necessary correction may be made, as suggested.

6.4 Non adjustment of accumulated Deemed profit of Rs. 96.79 crore:-

A sum of Rs. 96.79 crore (Rs. 96,78,63,550.14) were shown in schedule “E” Current Assets under the head “Work-in-Progress as per percentage completion method”. The above figure represents accumulated deemed profit from various colonies as on 31.03.2011. It is pertinent to mention here that the most of the colonies against whom the deemed profit was worked out and shown under the above head of accounts were completed, the flats/plots have also been sold but no final costing was carried out by the HIMUDA Authority. The final costing of the completed colonies may be carried out immediately and the accumulated deemed profit may be adjusted accordingly.

6.5 Non Adjustment/Clearing of Cash Settlement Suspense Account worth Rs. 0.58 crore:-

In Schedule “E” Current Assets”. A sum of Rs.57.58 lac (Rs. 57,57,769.47) were shown as debit balance under the head CSS account in respect of the different divisions. This head of account represents non-settlement/adjustment of CSSA in respect of various Divisions. The CSSA is increasing year by year where as it should be nil for the previous years. The Year wise break up of the account is given below for information. The scrutiny of the record it is revealed that no information in support of balance figure has been Prepared/Depicted in self explanatory form. It is also not clear from which vouchers/date and years, these figure were brought forward and pending for settlement, which is serious lapse on the part of HIMUDA. Therefore, it is brought to the notice of the higher authorities, so that early settlement of the account is assured.

Years	Balance	Increase
2002-03	4,68,443.00	
2003-04	15,55,799.83,	10,87,356.82
2004-05	10,16,757.73	(-) 5,39,042.10
2005-06	12,16,277.15	1,99,519.42
2006-07	35,96,406.15	23,80,129.00
2007-08	30,07,694.15	6,88,712.00
2008-09	35,48,414.47	5,40,720.32
2009-10	26,67,301.47	(-)8,81,113.00
2010-11	57,57,796.47	30,90,468.00

6.6 Non Reconciliation of FDR Account Worth Rs. 22.25 crore:-

Rs. 22.25 crore (Rs. 22,25,47,275.95) were shown under the head “Fixed Deposit” (HIMUDA) at Sr. No. A-13 of Schedule ‘E’ whereas, in the details the same has been shown Rs. 22,25,66,947.95 resulting a difference of Rs. 19,672/-. This difference is carried over from the previous years but no efforts had been made to reconcile the difference, besides this, the amount shown in the FDR account was not reconciled with all the banks. The necessary reconciliation of FDR account may be carried out immediately besides maintaining the FDR register in self explanatory form.

6.7 Non recovery of Rs. 2.93 Crore on account of “Maintenance, Water Charges & Rent Receivable”:-

Rs. 2.93 Crore (Rs. 2,92,77,194.00) were shown as Maintenance Charges, Water Charges and rent receivable in respect of housing colonies of HIMUDA vide Sr. No. 20, 21 & 22 of the Schedule “E” against the recoverable amount of Rs. 1,72,67,815.00 for the year 2007-08, Rs. 1,93,30,007.00 for the year 2008-09 and Rs. 2,48,83,502.00 for the year 2009-10. The comparative view clearly shows that the recoverable amount is increasing sharply and is a matter of serious concern. Suitable instructions are required to be issued from the Head Office to the divisions for effecting the outstanding recoveries in a time bound manner so that the recoverable amount can be brought to zero.

6.8 Non adjustment of Rs. 0.56 crore “Recoverable from H.P. Govt. on account of GRHS executed by HPPWD” & “Police Rental Housing Scheme”:-

Rs. 55.92 lac (Rs. 33,98,200.00 + Rs. 21,94,373.00) were shown in minus figure under the head “Recoverable from HP Govt. on account of “Government Rental Housing Scheme and Police Rental Housing Scheme” vide Sr. No. 15 and 17 respectively of Schedule ‘E’. The amount should have been shown in current liability in the books of accounts. The liability may be got settled immediately in view of factual position.

6.9 Non settlement of “Cash in Transit” account” Rs. 2.81 crore:-

A sum of (-) Rs. 2.81 crore {(-)Rs. 2,81,71,727.00} were shown under the head “Cash in Transit” vide Sr. No. A-12 (iii) of Schedule ‘E’ but no detail in support of above figure in self explanatory form was prepared and attached with the annual accounts. The account may be reconciled immediately with the accounts maintained at Division level besides intimating the reasons for not getting the account settled even the final accounts are finalized after a period of one year from the closing of accounts.

6.10 Non adjustment of Staff advance of Rs. 3.27 crore:-

In the schedule ‘E’ Rs. 3.27 Crore (Rs. 3,27,18,640.52) was shown under the head Staff Advances and Other Miscellaneous Advances vide Sr. No. 9, 10 & 11. The huge amount was lying outstanding for recovery since long but no details in self explanatory form was prepared and supplied to audit. After the lapse of decade, no serious efforts were made to adjust/recover these old advances. Action may be taken against the defaulters after fixing responsibility for non-adjustment of advances in time and recovery may be ensured in time bound manner.

6.11 Non Reconciliation of “Cost of Sale Receivable” account of Rs. 4.38 crore:-

Vide Sr. No. ‘B’-13 of the Schedule “E”, a sum of Rs. 4.38 crore (Rs. 4,38,33,573.78) were shown as debit balance under the head “Cost of Sale Receivable”. The scrutiny of account revealed that no record/details of this account was prepared and reconciled. Besides above, the closing balance shown in “Cost Receivable” does not tally with the balance shown in the ledgers of HIMUDA. The audit has pointed out this irregularity in the previous reports also but no action was taken by the HIMUDA Authorities. The accounts may be settled immediately so that, true and fair view of the balance sheet can be ascertained.

6.12 The recovery of Rs. 41.64 crore on account of excess expenditure incurred from “Deposit Work” account is pending as on 31.03.2011:-

A sum of Rs. 41.64 crore were shown as debit balance under the head of account “Recoverable against deposit works” vide Sr. No. B-1 to 4 of Schedule “E” on scrutiny of the record, it is noticed that the amount is pending for recovery from the

different department on account of excess expenditure made by the HIMUDA against the amount received for deposits works. In fact no expenditure should be incurred without receipt. Incurring expenditure over and above the amount received against deposit work is a serious irregularity. The Authorities, on one hand facilitating the departments without claiming interest on excess expenditure, and on the other hand, paying interest @ 12% to 14% on borrowed capital for execution of own Schemes/Colonies. The matter is therefore, brought to the notice of the higher authorities to frame clear policy for execution of Deposit Work in future and strenuous efforts are required to be made to recover the outstanding amount.

7. Profit & Loss Account for the year ending 31st March, 2011

The Profit & Loss account of HIMUDA for the year 2010-11 shows an expenditure of Rs. 25,31,22,719.28 against income of Rs. 25,56,43,861.68 resulting excess of income over expenditure by Rs. 25,21,142.40 before deduction of tax. After deduction of income tax of Rs. 8,54,667.00, the net profit of Rs. 16,66,475.40 was transferred to reserve and surplus account. The following observations may be attended to:-

7.1 Incurring Establishment t Expenditure of Rs. 5.78 Crore Over and above the Administrative Charges received:-

An expenditure of Rs. 16.39 crore was incurred on Salary of staff against the Receipt of Departmental/administrative charges of Rs. 10.61 crore. Which clearly indicates that the construction activities are not matched with the administrative expenses i.e. salary etc. There is dire need to increase the construction activities to bridge the huge gap of Rs. 5.78 Crore. Hence the HIMUDA authorities are advised to increase its constructions activities in order to bridge the gap between administrative expenditure and departmental charges received.

7.2 Revenue Loss of Rs. 0.28 crore on Maintenance of Colony

An expenditure of Rs. 1.37 crore was incurred on repair and maintenance of various colonies against the actual receipt Rs. 1.09 crore needs full justification. The HIMUDA authorities are advised to bring the expenditure on maintenance of various colonies at par with the receipt on this account, to avoid the revenue losses in future.

7.3 Wrong debit of Profit & Loss account by Rs. 51 Crore:-

An expenditure of Rs. 1.03 crore (Rs. 1,02,60,716.00) was shown under the head “leave encashment” in profit and loss account. From the scrutiny of record, it is noticed that, the amount includes Rs. 0.51 crore (Rs. 51,47,944.00) invested in HDFC Standard life on account of provision for leave encashment. Hence the actual payment on account of leave encashment was Rs. 51,12,772.00 (Rs. 1,02,60,716.00 – Rs.51,47,944.00). The investment made in HDFC Standard life was not found in the accounts statement i.e. balance sheet. Hence the necessary correction in the accounts statement may be carried out in accordance with accepted accounting principles.

7.4 Excess Debit of construction works by Rs. 0.27 crore:-

In the profit & loss account, repair & maintenance of vehicles was shown in minus Rs. 27,13,710.00, which clearly shows that, revenue is being earned from this account by charging excess expenditure to the running works. Moreover vehicles used for administrative purposes are also being charged to running works irregularly. Overcharging of vehicles expenses on running works may be rectified unless justified.

8 Crediting of Rs. 1.73 crore to wrong head of account:-

Surplus on sale of colonies of Rs. 1.73 crore (Rs. 1,73,39,610.00) was shown in profit and loss account but the amount pertains to yearly profit calculated by HIIMUDA on the basis of percentage completion of works of different colonies, the adjustment of which shall be carried out subsequently on completion and finalization of costing of each colony. Hence the amount stated above should have been shown under the head "Profit on Work in Progress" instead of "surplus on sale of colonies". Necessary correction in the accounts may be carried out unless justified.

9 Non appearance of "Pension Contribution Fund" in the Balance Sheet:-

Rs. 0.50 Crore (Rs 50,00,000.00) was charged to Profit and Loss account on account of "Pension Contribution" during the year. From the scrutiny of record it is noticed that the payment was made to LIC for maintaining the Pension Scheme/Fund, to meet previous and future liability. Hence the expenditure charged to Profit & Loss account may be justified in accordance with accounting principles besides intimating the reasons for not depicting the pension scheme/fund in the balance sheet.

10 Irregular/undue payment of Rs. 0.21 crore on account of FBT:-

The profit and loss account was charged with Rs. 0.21 crore (Rs. 20,75,000.00) on account of FBT. From checking of record it is noticed that the amount was paid as advance fringe benefit tax during the years 2008-09 and 2009-10. But no facility was provided to the officers/official as per the provision of FBT. Hence no such tax was payable. The refund of irregular/undue payment of fringe benefit tax may be claimed unless justified.

11 Non appearance of "Group Gratuity Scheme/Fund" in the Balance Sheet:-

The profit and loss account was debited with Rs. 0.75 crore (Rs.74,70,863.00) on account of payment made to LIC for "Group Gratuity Scheme". From the perusal of ledger, a sum of Rs. 76,61,071.00 were paid to the LIC. The difference of Rs. 1,90,208.00 may be justified besides making necessary adjustment in the accounts. It has further been noticed that the "Group Gratuity Scheme/Fund" was not incorporated in the statement of the accounts i.e., balance sheet. The reasons for not incorporating the group gratuity scheme/fund in the balance sheet may be intimated unless justified.

12 Non incorporation of balance of Rs. 34.39 crore in respect of LIC Policies in the balance sheet:-

The HIMUDA had invested Rs. 34.39 crore (Rs. 27,01,57,303 + Rs. 7,37,26,655) in the LIC policies bearing No. 317921 and 317261 in the previous years by debiting profit and loss account. The investment was made to meet the liabilities on account of pension and gratuity of the employees. The LIC vide letter No. SCAB/G-109/ dated 30.04.2011 and No. nil dated 18.04.2011 intimated the balance of the policies i.e., (Rs. 27,01,57,303 + Rs. 7,37,26,655) but the same was not incorporated in the Balance Sheet. The reasons for this serious lapse may be intimated besides making necessary rectification in the balance sheet.

13 Construction Divisions

The audit of all the Construction divisions for the year 2010-2011 has been completed. The serious irregularities noticed during the audit are exhibited below for taking further necessary action.

13.1 Excess payment of Rs.0.35crore to the various contractors:-

The detail checking of constructions bills it is noticed that Rs.0.35 crore were paid excess to the various contractors due to calculation errors, wrong payments of rates, less recovery of material etc. The division wise detail of excess payment is given below:-

Sr.No	Name of Division	Para No.	Rs.in lac
1	Shimla Division No.I	9,10,11 & 12	2.00
2	Shimla DivisionNo.II	7,8,2,9,10&11	4.61
3	Dharamshala Division	10,11&12	0.71
4	Mandi Division	6,7,9,15&16	23.10
5	Parwanoo Division	5(1to 5).6,8,9&10	3.83
6	Electrical Division Hamirpur	8	0.25
		Total	34.50

13.2 Non recovery of secured advance of Rs0.90crore:-

The scrutiny of records of secured advances paid to the various contractors it is reviled that secured advances of Rs 0.90 crore were pending for recovery as on 31.03.11. As per the provision of contract agreement the secured advances are sanctioned when the material is required for immediate use in the work ,In such situation, the recovery of secured advance is to be effected in the next running bill of the work, whereas, the secured advances were pending for recovery for a long period. Non recovery of secured advance in a time bound manner is a serious irregularity. The HIMUDA may take necessary steps to effect the recovery of secured advances unless the delay is justified. The division wise detail of pending recovery of secured advance is given below:-

Sr.No.	Name of Division	Para No.	Rs, in lac.
1	Shimla Division No.11	5	17.57
2	Electrical Division Shimla	5	23.84
3	Electrical Division Hamirpur	7	48.50
		Total	89.91

13.3 Non utilization of Stock Articles of Rs.0.49 crore:-

The examination of stock record it is reviled that stock articles valuing Rs.48.56 lac were lying unutilized in the stock since long period . the reasons for non utilization of stock articles may be intimated besides utilizing the same. The division wise detail of Rs.48.56 lac is given below:-

Sr.No.	Name of Division	Para No.	Rs.in lac
1	Shimla Division No.1	14	10.97
2	Parwanoo Division	13.2	37.59
		Total	48.56

13.4 Irregular/Excess payment of Salary & T.A. of Rs.1.00 lac:-

While examining the salary & T.A bills of the various divisions. It is noticed that Rs.1.00 lac were paid excess to the various employees due to wrong calculation etc. HIMUDA may take necessary action to regularize the irregular payment of T.A besides effecting the

recovery of excess payment of salary. The division wise detail of excess payment is given below:-

Sr.No	Name of Division	Para No.	Rs.in lac	Remarks
1	Shimla Division No1	16	0.44	Irregular payment of T.A.
2	Shimla Division No.11	13	0.34	Irregular payment of T.A.
3	Electrical Division Hamirpur	4.1	0.22	Excess payment of salary
		Total	1.00	

14 Pending Audit reports/Paras:-

The position of outstanding audit Paras as on 31-03-11, in respect of seven no divisions and Head Office are given below there are 949 audit Paras pending for settlement. The Executive Engineers/Chief Account Officer are responsible for the settlement of audit paras but it is very strange that in spite of best efforts of this department, these paras could not be got settled. Non settlement and increasing trend of audit paras indicates inadequate response to audit finding and observation and thus leads to wearing away of account ability. The CEO-Cum-Secretary HIMUDA may review the compliance/settlement of outstanding audit paras periodically so that the maximum audit paras can be settled.

Name of Division	Outstanding Paras up to 31-03-10	Addition During 04/10 To 03/11	Total	Para Settled During 04/10 To 03/11	Balance As on 31-03-11
Shimla-1	255	29	284	NIL	284
Shimla-11	115	28	143	40	103
Electrical Div. Shimla	47	9	56	14	42
Electrical Div. Hamirpur	33	8	41	23	18
Mandi	103	23	126	NIL	126
Parwanoo	38	13	51	38	13
Dharamshala	125	14	139	50	89
Head Office	228	46	274	NIL	274
Total	944	170	1114	165	949

Sd/-
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