

**Audit and inspection note on the accounts of H.P. Tourism Development Board,  
Shimla-171009 for the period from 01.04.2011 to 31.3.2014**

**Part-I**

**(1) Preliminary:-**

(a) The Himachal Pradesh Tourism Development Board was established vide Himachal Pradesh Tourism Development and Registration Act, 2002 on dated 22.04.2004. The objective of the Board is to formulate policy guidelines for the development and promotion of Tourism Industry in the State and to advise the State Government on matters regarding regulation and licensing in the Tourism Industry.

**(b) The following officers functioned as Member-Secretary and Drawing & Disbursing Officer for the period under audit:-**

Ex-Officio Member-Secretary:-

Sr. No.	Name of officer	Period of posting
1	Dr. Arun Kumar, IAS	03.09.2009 to 11.10.2012
2	Sh. Amitabh Awasthy, HAS	11.10.2012 to 30.10.2012
3	Dr. Arun Kumar, IAS	30.10.2012 to 03.01.2013
4	Sh. Subhasish Panda, IAS	03.01.2013 to 11.11.2013
5	Sh. Mohan Chauhan, IAS	11.11.2013 to till date

Drawing & Disbursing Officer:-

Sr. No.	Name of officer	Period of posting
1	Dr. Manoj Sharma, Additional Director	01.04.2011 to till date

**(c) An overview to the audit and inspection report on the accounts of H.P. Tourism Development Board for the year 2011-12 to 2013-14**

Sr. No.	Brief description	Para No.	Rs. (in lacs)
1	Anticipated loss of interest due to lack of proper financial management	8	7.96
2	Non-receipt of 25% of income by Tourism Development Councils	11	671.69
3	Non-receipt/credit of amount in the account of Tourism Development Board on account of interest on loan given to Mashobra Resort property	13	86.62
4	Recoverable amount from different Tourist Information officers/centres/officials of the H.P. Tourism Department/Tourism Development Corporation	14	15.18
5	Rent recoverable from the Tourism Department	15	3.21
6	Non-forfeiture of Project Development Success Fee	16	2.00
7	Loss of interest on account of delayed receipt of license fees from the Promoter	17	1.60

**(2) Previous Audit and Inspection Notes:-**

The latest position of the audit paras in respect of previous audit and inspection notes was as under:-

<b>(a) Audit note for the period from 01.04.2005 to 31.03.2007</b>		
1	Para No. 7	Settled and updated
<b>(b) Audit note for the period from 01.04.2007 to 31.03.2009</b>		
1	Para No. 5	Outstanding
2	Para No. 6	Outstanding
3	Para No. 8	Settled and updated
4	Para No. 9(b)	Outstanding
5	Para No. 9(c)	Outstanding
6	Para No. 9(d)	Settled (The stock register of receipt books maintained by the Board)
<b>(c) Audit note for the period from 01.04.2009 to 31.03.2010</b>		
1	Para No. 6	Partially Settled (Grants Utilization certificates in respect of remaining grants may be procured from the quarters concerned and shown to next audit)
2	Para No. 8	Partially Settled (In view of annotated reply, the stock register may be kept as per observations/suggestion of the audit)
<b>(d) Audit note for the period from 01.04.2010 to 31.03.2011</b>		
1	Para No. 2	Settled (Audit fee of Rs. 3,000/- for the audit period 04/2010 to 03/2011 deposited vide Cheque No. 757819, dated 7.5.2012)
2	Para No. 3	Settled and updated
2	Para No. 4	Settled and updated
3	Para No. 5	Settled (The receipts of amount received are being issued in maximum cases)
4	Para No. 6	Settled and updated

5	Para No. 7	Settled (The liability of Rs. 1,000/- has been cleared)
6	Para No. 8	Settled and updated
7	Para No. 9	Settled and updated
8	Para No. 10	Settled and updated
9	Para No. 11	Settled and updated

## **Part-II**

### **3. Present Audit:-**

The present audit of the accounts of H.P. Tourism Development Board, Shimla for the period from 01.04.2011 to 31.03.2014 has been conducted by Sh. Manjeet Bhatia, Section Officer of Local Audit Department, H.P., Shimla-171009 from 02.01.2015 to 14.01.2015 in the Headquarters office of Department of Tourism, Shimla-171009.

It is also added that the audit report has been prepared on the basis of record/ information furnished and made available by the Controlling Officer of the Board. The Local Audit Department disclaims any responsibility for any misinformation or non submission of information on the part of auditee.

### **4. Audit Fee:-**

The audit fee for conducting the audit of accounts of the Board for the period from 01.04.2011 to 31.03.2014 worked out to Rs. 10,000/- (Rs. Ten thousand only). The Secretary, H.P. State Tourism Development Board, Shimla-171009 has been requested vide Section Officer's (Local Audit) Audit Requisition No. 09/2015, dated 14.1.2015 to remit the above amount in favour of the Director, Local Audit Department, Shimla-171009 through banker's cheque/draft payable at Shimla.

### **5. Financial Position:-**

The financial position of the H.P. Tourism Development Board has been given in the Balance Sheets for the financial year 2011-12 to 2013-14 which includes Trial Balances, Income & Expenditure Accounts as detailed at **Annexure-“A”, “B” and “C”** respectively of this report.

### **6. Investment in FDR/STDR amounting to Rs. 339.15 lakh as on 31.03.2014:-**

(a) An amount of Rs. 3,39,14,611/- has been shown as invested in FDRs account as on 31.03.2014 as per **Annexure-“D”** of this report. The board has invested in FDRs since the year 2004 but no connected record i.e. FDR certificates (except shown at Sr. No. 1 to 5 of **Annexure-D**), photocopies of FDRs and FDR Register etc. are being kept/prepared. In the absence of such important record, necessary check to verify the correctness could not be exercised. This matter was also highlighted by the audit vide para No. 5 and 11 of the audit and inspection notes for the period from 1.4.07 to 31.3.09 and 1.4.10 to 31.3.11 respectively. But nothing in this regard has been done by the Tourism Development Board. As such this matter is once again brought to the notice of the board's authorities for suitable and prompt action to maintain such an important record since the year 2004 and to put up the same for verification in the next audit.

## **7. Bank Reconciliation Statement:-**

The bank reconciliation statement as on 31.03.2014 is appended at **Annexure-“E”**. On perusal of the statement, the following observations have been noticed:-

### **(a) Cheque book charges amounting to Rs. 63/- not accounted for in cash book:-**

The bank has levied cheque book charges amounting to Rs. 63/- as per pass book on dated 4.1.2012, but this amount has not been accounted for in the cash book of the board. The needful may therefore be done in the cash book and compliance thereof may be shown to audit.

### **(b) Cheque book charges amounting to Rs. 50/- refunded by bank not accounted for in the cash book:-**

The bank has refunded cheque book charges amounting to Rs. 50/- as per pass book on dated 19.1.2012, but this amount has not been accounted for in the cash book. The said amount may therefore be entered in the cash book and compliance may be shown to audit.

### **(c) An amount of Rs. 2,700/- less accounted for in cash book:-**

Cheque No. 757802, dated 2.1.12 amounting to Rs. 9,625/- has been issued on account of Toll free online BSNL bill payment but the same was accounted for in cash book for Rs. 6,925/- only. The balance amount of Rs. 2,700/- less accounted for in cash book may be accounted for now and compliance to this effect may be shown to audit.

### **(d) An amount of Rs. 5,374/- has been deposited in another bank account:-**

Draft No. 216594, dated 8.2.12, Rs. 3,724/-

Draft No. 216788, Dated, 16.2.12, Rs. 1650/-

These bank drafts had been received from Distt. Tourism Development Officer, Chamba on account of sale of literature etc. but wrongly deposited in another bank account No. 65109219201 (SBOP). The above amount has not been transferred and deposited in Board's bank account till 31.3.2014. Hence the needful may be done now under intimation to audit.

**(e) Less accounting of Rs.1,500/- in cash book on receipt side:-**

Draft No. 685402, dated 7.4.2012 amounting to Rs. 8,075/- received from Tourist Information Centre, Chandigarh on account of sale of literature and deposited in bank on dated 29.5.12 but the same was accounted for in the cash book for Rs. 6,575/-. Hence, the balance amount of Rs. 1,500/- less accounted may be entered in the cash book now under intimation to audit.

**(f) Less accounting of Rs. 200/- in the cash book on payment side:-**

Cheque No. 757838, dated 5.11.12 amounting to Rs. 2,444/- has been issued on account of payment of Kangra Forte electricity bill, but the same was accounted for in the cash book for Rs. 2,244/- only. Thus, balance amount of Rs. 200/- less accounted in the cash book may be entered now and compliance of the same may be shown to audit.

**8. Anticipated loss of interest amounting to Rs. 7.96 lakh per annum due to lack of proper financial management:-**

A sum of Rs. 1,66,53,768/- was lying deposited in Tourism Development Board's bank saving account as on 31.03.2014 earning merely interest at the rate of 4%. The expenditure of the Board was slightly more than one lakh per annum during the years 2011-12 to 2013-14. Therefore, there is blockade of such a huge fund in saving account. If an amount of Rs. 1.50 crore out of saving account was invested in fixed deposits, the board could have earned extra interest of Rs. 7.96 lakh per annum as per table given below. But due to lack of proper financial management at Board's level, the loss of extra interest is increasing day by day and no action has been taken by the board in this regard. Hence, it is suggested that after making internal enquiry regarding the necessity of funds for day to day requirements of the board and keeping in view the liquidity of cash/fund flow of the Board, the surplus funds lying deposited in saving account may be invested in fixed deposit so that additional income by way of interest could be derived:-

Saving A/C	Investible	Anticipated	Rate of interest	Anticipated loss of
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balance on 31.3.14	Funds	rate of interest on FDR	on Saving A/C	extra interest (Per annum)
1,66,53,788/-	1,50,00,000/-	9%	4%	7,96,249/-

#### **9. Cash in hand as on 31.03.2014:-**

An amount of Rs. 41,395/- was lying as cash in hand as on 31.03.2014. This unhealthy practice of keeping this much huge amount unnecessarily as cash in hand may be avoided and compliance to this effect may also be reported to the next audit.

#### **10. Receipt of Central Financial Assistance amounting to Rs. 3070.01 lacs on behalf of Tourism Department:-**

An amount of Rs. 30,70,01,200/- has been received as Central Financial Assistance for different tourism development activities/projects from the Government of India, Ministry of Tourism during the financial year 2011-12 to 2013-14 as per details at **Annexure-“F”**. This amount has been released to Tourism Department for different activities/projects of Tourism Department but reflected in the books of Tourism Development Board.

#### **11. Non-receipt of 25% share of income from Tourism Development Councils amounting to Rs. 671.69 lacs:-**

Vide Commissioner, Tourism & Civil Aviation letter No. 11-1/2004-TSM-4997, dated 9.9.2004, 25% of income/receipts of Tourism Development Councils are to be contributed to H.P. Tourism Development Board. In reply to Audit Requisition No. 02/2015, dated 5.1.2015, the Additional Director, Tourism Department informed as per **Annexure-“G”** that there are four Tourism Development Councils in H.P. at Kufri-Naldehra Distt. Shimla, Dalhouse-Khajjiar Distt. Chamba, Dharamshala-Mcleodganj Distt. Kangra and Manali Distt. Kullu but the income generated by above councils were nil as on 31.3.2014 except Tourism Development Council Manali which collected the following income as green tax during the years 2004-05 to 2013-14:-

Year	Income generated	25% of income generated
2004-05	1,13,23,200/-	28,30,800/-
2005-06	2,08,61,700/-	52,15,425/-
2006-07	2,42,31,000/-	60,57,750/-
2007-08	2,50,03,600/-	62,50,900/-

2008-09	2,60,09,100/-	65,02,275/-
2009-10	3,12,94,100/-	78,23,525/-
2010-11	3,20,21,600/-	80,05,400/-
2011-12	3,22,78,600/-	80,69,650/-
2012-13	3,47,17,300/-	86,79,325/-
2013-14	3,09,34,700/-	77,33,675/-
<b>Total</b>	<b>26,86,74,900/-</b>	<b>6,71,68,725/-</b>

However, no amount has been contributed by Tourism Council Manali, whereas 25% amount of Rs. 6,71,68,725/- upto 31.3.2014 as worked out above was required to be deposited with H.P. Tourism Development Board by the Council. It has been brought to the notice of audit during discussion that the Hon'ble High Court has restrained to contribute any money from green tax of Tourism Development Council Barrier Manali. The matter may therefore be taken in the Board for further necessary action.

#### **12. Non-receipt of Rs. 140.00 lacs on account of Annual Grant from State Government:-**

As per copy enclosed with Department of Tourism & Civil Aviation letter No. TSM-A(3)-1/2002, dated 30.9.2005, it was approved in the Board meeting vide item no. (c) that, the Government is to provide Rs. 14.00 lacs per annum as recurring grant for the efficient discharge of the functions of the Board. In addition to this, the annual grant from the State Government also needs to be released well in time for effective functioning of the Board. In this regard, information was sought vide Audit Requisition No. 02/2015, dated 5.1.2015, but no reply has been furnished by the office till conclusion of audit. During discussion, the Additional Director, Tourism & Civil Aviation verbally informed that TDB has not received any such grant till date. Thus, an amount of Rs. 1,40,00,000/- (14.00 lakh x 10 years) towards such grant has not been received for the year 2004-05 to 2013-14. Hence, the reasons for non-receipt of annual grant from State Government may be explained in detail and effective efforts/steps may be taken with the Government to receive the same. The outcome on this account may also be intimated to audit.

#### **13. Non-receipt/credit of Rs. 86.62 lacs in the account of Tourism Development Board on account of interest on loan given to Mashobra Resort property:-**

The Tourism Department has entered in to a „Joint Venture Agreement' with the East India Hotels Limited on 20.10.1995 to set up a Five Star Deluxe Hotel Resort at the

Wild Flower Hall, Chharabra, near Shimla. Beside equity share of Rs. 7.00 crore, the Govt. has also given loan amounting to Rs. 50.00 lacs to the Joint Venture Company as per Schedule-D of the agreement. As per copy enclosed with Department of Tourism & Civil Aviation letter No. TSM-A(3)-1/2002, dated 30.9.2005, it was approved in the Board meeting vide item no. (c) that the interest received from the Mashobra Resort property on loan given to them shall be credited to the TDB fund. But since the Board has come in to existence on dated 22.04.2004, no amount of interest on above loan has been credited in the TDB's account till 31.3.2014. In reply to the Audit Requisition No. 02/2015, dated 5.1.2015, the Additional Director, Tourism & Civil Aviation informed vide **Annexure-"H"** that the interest received against loan to Mashobra Resort property is being deposited in Govt. Major Head 1452-Tourism, 800-Other Receipts, 03-Receipts. Thus, an amount of Rs. 86,62,500/- on account of interest as detailed in above annexure for year 2004-05 to 2013-14 has not been credited in Tourism Development Board account but it is stated that the same has been deposited in the above mentioned "Head of Account", which is against the above said approved proposal. There is also a recurring loss of interest on such non-credited income to the Board. Hence the factual position may be explained in this regard and the above interest income of Rs. 86,62,500/- may be got deposited/credited in TDB's account under intimation to audit.

**14. Recoverable amount of Rs. 15,18,515 from different Tourist Information officers/centres/officials of the H.P. Tourism Department/Tourism Development Corporation:-**

The Himachal Pradesh Tourism Development Board has issued publicity material/literature/books for sale to different officials of the H.P. Tourism Department/Tourism Development Corporation. While scrutiny of the connected record, it is revealed that a sum of Rs. 15,18,515 is still recoverable from different officials as on 31.03.2014 as per details at **Annexure-"I"**. This has also resulted loss in the shape of interest to the Board which otherwise would have been earned in case this amount had been received in time. As such effective efforts may be made to recover the above said amount immediately in order to save the Board from the loss of anticipated interest.

**15 . Rent amounting to Rs. 03.21 lacs recoverable from the Tourism Department:-**

An amount of Rs. 3,21,439 has been shown as rent recoverable from H.P. Tourism Department. This rent was lying outstanding for a Godown which was hired by the Tourism Department at Bilaspur for its activities. Although this irregularity was pointed out in the previous audit notes also since 4/2005 but no action has been taken till

date. Hence, this amount requires immediate recovery from proper source and then the same should be credited to the Board's fund so that the anticipated loss of interest could also be avoided. The compliance of action taken in this matter may also be communicated to audit.

**16. Non-forfeiture of Project Development Success Fee amounting to Rs. 2.00 lacs:-**

Department of Tourism & Civil Aviation (referred to as Concessioneing Authority) has entered in to a "Concession Agreement" with M/S Ropeway and Resort Private Limited, Kolkata (referred to as Concessionaire) on dated 26.03.2012 for development of a passenger ropeway at Neugal (Palampur) H.P. The Clause 4.6 of the Concession Agreement provides that the project will be started within 60 days from the date of issue of Letter of Indent (dated 21.2.1012). Further, Clause 4.7 provides that if Concessionaire fails to fulfill the Agreement and Agreement is terminated by the Concessioneing Authority, the Bid security/Performance security and Project development fee shall be forfeited by the Concessioneing Authority. It is mentioned here that as per copy enclosed with Department of Tourism & Civil Aviation letter No. TSM-A(3)-1/2002, dated 30.9.2005, it was approved in the Board meeting vide item no. (c) that the Project Development Success fee is a receipt of Tourism Development Board. During audit, it has been noticed that the concessionaire has paid project development success fee amounting to Rs. 2,00,000/- by Demand Draft No. 410283, Dated 21.3.2012 as per clause 2.16 of RPF (Request for Proposal) and credited in Board's account. However, scrutiny of records revealed that the concessionaire failed to start the project work within stipulated time and also shown their reluctance to undertake the work vide letter No. P-422/1476, dated 25.9.2013 stating that the project is not financially viable. It is pertinent to mention here that the viability of the project had to be seen by the concessionaire before the submission of the technical and financial bid and not after signing the agreement. Hence, the concessionaire has breached the condition of agreement by not starting the work and the company is also not willing to start the work. Therefore, action for termination of agreement as well as forfeiture of project development success fee amounting to Rs. 2,00,000/- were required to be invoked. However, the Department of Tourism has not initiated any action for termination of agreement as well as forfeiture of above fee. The effective steps may now be taken by the department to explore the possibility of assigning the work to other agency for timely

completion of the project so that the intended benefits of the project could be made available to the tourists.

**17. Loss of interest amounting to Rs. 1.60 lacs on account of delayed receipt of license fees from the “Promoter”:-**

While scrutinizing the record of Tourism Development Board, it is noticed that for „Ariel Ropeway cum Ski-Centre Project’ at Solang Nallah, Manali, an agreement deed was executed on dated 18.1.2003 with M/S Power Himalayas Limited, Solang, Manali called as “Promoter” and Clause 12.1 (a) of the agreement deed provides that, the Promoter shall pay Annual License Fee to the Govt. w.e.f. the operation date **(Schedule given at Annexure-J)**. The Clause 12.1 (b) of the agreement deed also provides that during the first year of operation, the promoter shall pay 50% of the license fees within six months from the operation date and the balance fees shall be paid at the end of first operating year. During the balance authorization period, license fees shall be paid by the Promoter in two half yearly installments on same dates as in the first operating year. In the event of delay in payment of Annual License Fee by the promoter, the promoter shall be required to pay the Government/Board interest at the rate of 12% per annum”. It is noticed that as per copy enclosed with Department of Tourism & Civil Aviation letter No. TSM-A(3)-1/2002, dated 30.9.2005, it was approved in the Board meeting vide item no.(c) that the Annual License Fee is a receipt of Tourism Development Board. But while going through the record in respect of above mentioned case, it has been observed that the below mentioned annual license fee either has not been paid/credited by the promoter by the due dates or credited late in the Board’s account. Resultantly, there is a loss of interest amounting to Rs. 1,60,274/- as per detail given below which is a clear violation of the agreement deed. Hence, the factual position in this regard may be stated and recovery of above interest may be made from the promoter after careful scrutiny of the record. In future, the recovery of interest on delayed receipts of Annual License Fee may also be ensured:-

Sr. No.	Authorization date as per schedule	Due date of payment at the end of six months	Amount as per schedule	Date of payment received in TDB’s A/C	Delay in days	Interest @ 12% not recovered
1	1.2.13	1.8.13	15,00,000/-	20.9.2013	50 days	24,658/-
2	1.8.13	1.2.14	15,00,000/-	3.11.2014	275 days	1,35,616/-

	<b>Total</b>	<b>1,60,274/-</b>
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### **18. Outstanding advance amounting to Rs. 0.25 lacs:-**

An advance of Rs. 25,000/- has been given to Deputy Director, Tourism, Kangra vide Cheque No. 286206, dated 7.8.2013 to meet the expenses of monthly electricity charges of "Kangra Forte". But this advance was pending for adjustment till conclusion of audit. Moreover, the Tourism Board was also unaware of the facts regarding adjustment of above advance. Hence, it is suggested that this pending advance may be got adjusted immediately under compliance to audit.

### **19. Payment of Rs. 0.16 lakh to non-official members of the Board under the Head „Travelling Expenses’:-**

During audit, it has been noticed that a payment of Rs. 16,046/- has been made to non-official members of the Tourism Development Board vide cheque No. 757820, dated 7.5.2012 on account of hotel and diet charges for stay at "Welcome Heritage Grace Hotel, Kotwali Bazar, Dharamshala" to attend the Board meeting on dated 22.12.2011 under the head „Travelling Expenses’ as per detail given below. It is pertinent to mention here that these members have also been paid TA/DA separately for performing journey on tours in connection with the affairs/meetings of the Board. But as per exhaustive guidelines issued vide Principal Secretary (Finance) vide letter No. Fin-(C)B-15-2/2005, dated 24.11.2009 and from time to time regarding various facilities available to non-official members of the Boards/Corporations of the State Government, it is noticed that such hotel and diet charges at the station mentioned above have not been prescribed. Hence, the payment of such charges may either be justified under rule or recovery of the same may be made from the concerned. The compliance may also be shown to audit:-

Sr. No.	Name	Period of stay in Hotel	Bill No./Date	Hotel & diet charges paid
1	Sh. Chander Sen Thakur (From Manali)	21.12.11 to 23.12.11	<u>1525 &amp; 1625</u> 23.12.11	5,226/- (4606+620)
2	Sh. Gajender Thakur (From Manali)	21.12.11 to 23.12.11	<u>1526 &amp; 1626</u> 23.12.11	5,226/- (4606+620)
3	Sh. Uday Negi (From Kinnour)	22.12.11 to 23.12.11	<u>1527 &amp; 1627</u> 23.12.11	2,797/- (2303+494)

4	Sh. Mohit Sood (From Shimla)	22.12.11 to 23.12.11	<u>1528 &amp; 1628</u> 23.12.11	2,797/- (2303+494)
<b>Total</b>				<b>16,046/-</b>

## **20. Miscellaneous:-**

### **(a) Non-maintenance of self explanatory record:-**

On perusal of the Balance Sheets along with Trial Balance and Income & Expenditure Account for the period under audit, it has been noticed that the Board has not maintained self explanatory record in respect of following heads of account. In the absence of maintenance of connected/self explanatory record at one place, the scrutiny of these items of income and expenditure could not be carried out to the entire satisfaction of the audit. Hence, it is suggested that the requisite record of following items may be maintained at one place now and shown to next audit:-

Sr. No.	Head of Account
1	On line Hotel Reservation Commission
2	Heli Skiing Royalty (Solang Nallah)
3	Sale of Tender Documents
4	Destination Himachal Fund
5	Auction of Equipment
6	Earnest Money (Tender)
7	Rent from leased out property
8	Legal Charges
9	Toll Free (BSNL)

### **(b) Amount of Rs. 0.04 lacs payable to Tourism Department:-**

An amount of Rs. 3,704/- has been shown payable to Tourism Department as wrongly booked from few years back. The same may be settled to clear the liability depicted in the balance sheet and compliance thereof may be shown to next audit.

### **(c) Improper maintenance of voucher files:-**

During audit, it has been observed that the payment/receipt vouchers are not being prepared properly and payments are also being made without passing the original bills by the DDO/competent authority. This observation was also raised in the previous

audit notes also but needful has not been done till date. It is also noticed that in majority of cases, the supporting documents/detail of receipts/payments are not being attached with the voucher file. Resultantly, the scrutiny of such receipt/payment vouchers without requisite document/detail could not be carried out to the entire satisfaction of audit. Hence, it may be ensured that all the payment/receipt vouchers should contain the supporting documents/details and duly passed by the DDO/competent authority in the first instance.

**(d) Non-utilization of Board's fund for prescribed objectives:-**

The H.P. Tourism Development Board has been established vide Himachal Pradesh Tourism Development and Registration Act, 2002 on dated 22.04.2004. The objective of the Board is to formulate policy guidelines for the development and promotion of Tourism Industry in the State and to advise the State Government on matters regarding regulation and licensing in the Tourism Industry. But during audit of the accounts of the Board, it has been observed that the Board's has not been utilized the funds towards the objective for which it was established. Hence, it is suggested that the funds of the Board may be utilized for the development and promotion of the tourism industry in the State strictly as per provisions so that its established objectives could be achieved in the large public interest.

**21 . Minor objection statement:-**

No minor objection statement was issued separately.

**22. Conclusion:-**

The accounts need proper upkeep and improvement from time to time.

Sd/-

Deputy Director,  
Local Audit Department,  
Himachal Pradesh, Shimla-09.

Endst. No. Fin(LA)H(2)C(15)(14)254/07-3543  
Shimla-171009.

Dated 19.06.15,

Copy is forwarded for the information & necessary action to:-

1. The Secretary, H.P. State Tourism Development Board, Shimla-171009.
2. The Secretary, (Tourism) to the Govt. of H.P., Shimla-02.
3. Sh. Manjeet Bhatia, Section Officer(LAD) c/o

Sd/-

Deputy Director,  
Local Audit Department,  
Himachal Pradesh, Shimla-09.