

# **Audit and Inspection report on the Accounts of Himachal Pradesh Computerization of the Police Society (HIMCOPS), Khallini, Shimla-2(H.P.)**

**Period 1-04-2011 to 31-03-2013**

## **(1) Preliminary**

**(a)** The Himachal Pradesh Computerization of Police Society (HIMCOPS) was established/registered under the State Societies Registration Act, 2006. The objective of the Himachal Pradesh Computerization of Police Society (HIMCOPS) is to administer the implementation of programmes/projects involving deploying of information and communication technology and E-Governance in the Police Stations as a tool across the administrative structure and to improve the internal efficiency and thus improving the quality of services to the general public. The whole Himachal Pradesh is the area of operation of the society. The capital cost and corpus fund for the smooth functioning of the Society is being contributed by the Govt. of India in shape of Grant-in-Aid. The Society is functioning under the Chairmanship of the Chief Secretary to the Govt. of Himachal Pradesh.

**(b) During the audit period the charge of the office of the Member**

**Secretary- cum- D.D.O was held by the following officers.**

<b>Name &amp; Designation of Officer</b>	<b>Date from</b>	<b>Date to</b>
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Sh, Prithivi Raj, IPS ADGP/AP&T	1.4.11	29.1.13
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Sh. S.R Mardi, IPS ADGP/CID	30.1.13	31.3.13
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**(c) The latest position of Paras of the previous audit report is as under:-**

**(Audit and Inspection note for the period 15.09.2009 to 31-03-2011)**

<b>Sr. No.</b>	<b>Para No.</b>	<b>Settled/ Unsettled</b>	<b>Remarks if any</b>
1	3	Settled	The audit fee deposited vide letter no. 10684 dated 18.8.11 through Cheque no. 690215 dated 09.5.2011.
2	4(i)	Unsettled	
3	4(ii)	Unsettled	
4			
5			
6.	5(i)(ii)	Settled	Latest position of Grant in aid given in present audit report
7	6	Settled	The payment has been made through Cheque No. 690194 dated 06.4.2011& 690195 dated 07.4.11 amounting to Rs 5,70,513/- & Rs 49000/- respectively.
8	7	Unsettled	
9	8	unsettled	

**(2) Present Audit:-**

The audit and inspection of accounts of Himachal Pradesh computerization of police society (HIMCOPS), Khallini, Shimla-02 for the period 1-04-2011 to 31-03-2013 was conducted by Sh. Anil Kumar, Section Officer, w.e.f. 1-04-13 to 18.04.13. The accounts for the month of 4/11 and 4/12 were selected for detail checking of income and accounts for the months of 4/11, 3/13 were selected for detail checking of expenditure of the Society.

This report has been prepared on the basis of records and information supplied by the controlling officer of the Society. The Local Audit Department disclaims any responsibility for any misinformation or non- submission of information on the part of the auditee.

**(3) Audit Fee:-**

The audit fee for conducting the audit of accounts of Himachal Pradesh Computerization of Police Society for the period from 1.4.11 to 31.3.13 is worked out for Rs. 7200/- only. The Member Secretary, HIMCOPS, Khallini was requested vide letter No. 02 dated 27.4.13 to remit the above mentioned audit fee in favour of Director, Local Audit Department, Himachal Pradesh, Shimla-09.

**(4) Financial Position:-**

The financial position of the accounts of society for the period from 1.04.11 to 31-03-13 was as under the detail of where as also given in Annexure-"A"

<b>Receipt</b>	<b>Amount in Rs.</b>	<b>Payments</b>	<b>Amount in Rs.</b>
<b>Opening Balance</b>	<b>26086290</b>	<b>1. Computers &amp; other Peripherals (Annexure "C")</b>	<b>1659021</b>
<b>1. Grant in Aid "Annexure `B`"</b>	<b>37370000</b>	<b>2. LCD (Annexure "C")</b>	<b>49875</b>
<b>2. Interest Receipt.</b>	<b>3091979</b>	<b>3. Printers (Annexure `C`</b>	<b>125390</b>
<b>3. Income from Sale of Tenders</b>	<b>220000</b>	<b>4. Air Conditions (Annexure "C")</b>	<b>433332</b>
		<b>5. Stabilizers (Annexure "C")</b>	<b>41055</b>
		<b>6. Vaccum Cleaners (Annexure "C")</b>	<b>89600</b>
		<b>7. Hard Disks (Annexure "C")</b>	<b>8290</b>
		<b>8. Elect fixture &amp; fitting (Annexure "C")</b>	<b>233909</b>
		<b>9. Almirahs (Annexure "D")</b>	<b>84943</b>
		<b>10. Clocks (Annexure "D")</b>	<b>10335</b>
		<b>11. Anti Versus (Annexure "C")</b>	<b>117360</b>
		<b>12. Installation charges (Annexure "C")</b>	<b>28696</b>
		<b>13. Toner charges (Annexure `C`</b>	<b>4100</b>
		<b>14. Training Programmes (Annexure "C")</b>	<b>234944</b>
		<b>15. Adv. Charges</b>	<b>17152</b>
		<b>16. Repair &amp; Maintenance of Training Centre</b>	<b>205423</b>
		<b>17. Furniture &amp; Fixture (Annexure "D")</b>	<b>52920</b>
		<b>18. Printing &amp; Stationery</b>	<b>10103</b>
		<b>19. Payments to Sundry Creditors</b>	<b>619513</b>
		<b>20. Bank Charges</b>	<b>238</b>
		<b>21. Mobilization Advance paid to</b>	<b>3309127</b>

<b>TCIL</b>	
<b>22.Payment to BSNL</b>	<b>3833800</b>
<b>23.Payment to TCIL 1st Quarter</b>	<b>1378804</b>
<b>24. Payments to 3 (I) InfoTech</b>	<b>1601287</b>
<b>25. Labour charges</b>	<b>15783</b>
<b>26. P/F Ear thing charges</b>	<b>4438</b>
<b>27. Audit Fees</b>	<b>7200</b>
<b>28. Closing balance as per Bank A/C</b>	<b>52591631</b>
<b>SBP Shimla East. 65072707331</b>	
<hr/>	<hr/>
<b>66768269</b>	<b>66768269</b>

The following audit observations may be attended to:-

**(i) Non preparation of Income and Expenditure Account & Balance Sheet:-**

While checking the records it has been noticed that the income and expenditure account has not been prepared for the period under audit. Further, balance sheet was not prepared as on 31-03-13. Only receipt & payment Account has been prepared by the Society which is depicted as Annexure –A of this report. The section 11 (1) of the HIMCOPS Rules, 2009, provides that the Society shall keep proper accounts of Receipt and payment, Income and expenditure and of the property i.e. Assets and liability. The Society is therefore, advised to prepare the receipt and payment, income and expenditure for the period under audit along with balance sheet as on 31-03-13 in ensuing period. The compliance thereof may be reported to audit please.

**(ii) Cash Book & Ledger:-**

The cash book of the Society has not been written in proper form and orders. The cash book has been written without Head of Accounts. According to accounting principles, the income and

expenditure should be maintained by giving proper head of accounts according to nature of transactions. Further the narration for the transaction has also not been written in proper way. The objective/purpose should be indicated in all the transactions. In addition to this, Ledger has also not being maintained. The cash book and ledger may be maintained as advised in the previous audit as well as present audit so that the head wise income and expenditure could be ascertained.

**(iii) Property Register:-**

During the course of audit, it has been observed that HIMCOPS has maintained the ordinary register vide which purchases of all type of material were entered. But no moveable and immovable property register were maintained. It is advised to maintain the property register in which immovable and moveable properties may be entered separately.

**(5) Grand- in –Aid:-**

- (i) The opening Balance of Grant-in-Aid as on 1/4/2011 was ₹253.46 lacs. As per Annexure "B", sum of Rs. 251.80 lacs and Rs. 121.90 lacs have been received as grand in aid received from the Ministry of home affairs, Govt. of India during the financial year 2011-12 and 2012-13 respectively, Rs. 135.38 lac has been utilized for the crime and Criminal tracking Network and systems Project and this ₹491.58 lacs remains unutilized as on 31-03-13. All though no time period for utilization of grant –in-aid has been mentioned in the grant-in-aid sanctions but necessary approval from the authorities may be obtained

for utilization of grant-in-aid in the next financial year in order to comply with the provisions of rules for utilization of grand-in-aid.

- (ii) As mentioned in (i) above, a sum of Rs.491.58 lacs remained unutilized out of grand in aid received from MHA to the Govt. of India, and the balance of unutilized Grant in Aid has been increased every month. Therefore, in order to maintain healthy financial management, it is advised to some amount of the unutilized grant-in-aid may be invested in short term fixed deposit so that the society could earn extra interest, which could be used for the activities of the society.
- (iii) The Grand in aid register has not been maintained. The same may be maintained in self explanatory form for ready reference.

(6) **Non utilization of grant-in-aid amounting to ₹34.00lac for setting up of 2(two) District Mobile Forensic Units under Plan Scheme:-**

Ministry of Home affairs, Govt. of India vide letter No.DFS/15(5)/2010Pt. dated March, 2011 has sanctioned Rs. 34.00 lacs as first installment for setting up of two DMFU's in Himachal Pradesh. The competent authority in the Ministry of home affairs has also released a sum of Rs. 34.00 lacs to state designating authority Viz. CCTNS accounts of police Department of H.P, Shimla against which the expenditure was to be incurred in the above scheme during 2010-11. During the perusal of the record, it has been observed that CCTNS has not spent this grant to the scheme actually and thus the grant amounting to Rs.34.00 lacs still lying unutilized till 31-03-13. Non Utilization of grant for setting up of two DMFU within prescribed period mentioned in the sanction letter may be justified

and it is also advised to take immediate necessary steps to utilize this grand for setting up two District Mobile Forensic units in the State and compliance may be intimated to audit.

(7) **Payment of Mobilization Advance/Advance Payment amounting to Rs.3309127/- to TCIL (Telecommunications Consultants India Ltd.)**

As per invoice No. PJ-10812-13/1080 dt 26-12-12 of TCIL (Telecommunication Consultants India Ltd.) sum of Rs. 3309127/- was paid to the as mobilization advance against bank guarantee as per SC clause 10 alongwith ref. number of GC 8.3 of the agreement. The amount was deposited in their A/c No. 00070500880 on dt. 26-03-13 through RTGS. The mobilization advance was paid to the TCIL as per the condition of the agreement which was accepted by both the parties. However, the per clause 2 alongwith appendix “A” “B” “C” of the agreement which describes the “SCOPE OF WORK” it is mentioned that the SPMU will be required to provide assistance to ensure the successful implementation of the CCTNS project and that extensive coordination is required from them with Himachal Pradesh Police as well as the MHA/NCRB. Further, the consultant is also expected to set up proper channels of communication with all stakeholders of the project and provide timely status report as desired. It has also been noticed that as per clause of the agreement, SPMU had to deploy Consultants on the project. However, no record were produced before the audit to ascertain that SPMU has set up proper channels of communication with all stakeholders of the project and deployed sufficient consultants on the project for successful implementation of the Project. It is, therefore, requested that all the



relevant record for communication channel and deployment of sufficient number of consultants setting up for the successful implementation of CCTNS project may be produced before the next audit as huge amount is involve in the agreement.

**(8) Payment of first quarter amounting to Rs. 13,78,804/- to TCIL New Delhi.**

Clause 8.3 and SC 10 of the agreement describes that the payment shall be released only after the final report and final statement, which shall be submitted by the consultant and approved as satisfactory by the employer. It is thus clear that the payment shall be released on acceptance of deliverables by the employer for corresponding phase. The Society has made payment of first quarter 5.11.12 to 4.02.13 vide invoice No. PJ-10812-13/126 dt. 14.02.13 and this payment has been made by HIMCOPS to TCIL through RTGS and deposited in their Bank Account. However, before making above payment it has not been certified by the society that final report & final statement of deliverables of first quarter were submitted by the TCIL, and accepted by the Society before making the payment to TCIL. In the absence of this certificate, the payment of first quarter made to TCIL is not regularized under the clauses of the agreement. It is, therefore, requested all the relevant record in this regard may be put up to next audit so that the payment made to the TCIL could be regularized accordingly.

**(9) Payment to all District Superintendent of Police amounting to Rs. 84943/- for the purchase of almirahs -Receipt thereof:-**

During the perusal of Payment vouchers for the month of 3/13, it has been noticed that the payment amounting to Rs. 84943/- were paid to all the Distt. Superintendents of Police on account of purchase of almirahs under CCTNS project on the bases of bills submitted by them. But receipt thereof have been received from only three Distt. Superintendents of Police i.e. S.P. Kangra, S.P. Nahan and S.P. Bilaspur. The detail of payment made to all the Distt. S.Ps is as under:-

<u>Name of the S.P</u>	<u>Amount</u> (₹)	<u>Remark</u>
S.P Kangra	5828.00	Receipt received
S.P Nahan	5827.00	-do-
S.P. Bilaspur	5828.00	-do-
S.P.Rekong Peo	8765.00	Not received till date of completion of Audit
DIG/PTC Broh	11655.00	-do-
S.P.Baddi	4673.00	-do-
S.P. Solan	4672.00	-do-
S.P. Kullu	6248.00	-do-
S.P. Himarpur	5827.00	-do-
S.P. MandI	4673.00	-do-
S.P. Shimla	4672.00	-do-
S.P. Chamba	5775.00	-do-
S.P. Una	5828.00	-do-
D.S.P. SCRB, Shimla	4672.00	-do-
<b>Total</b>	<b>84943.00</b>	

It is, therefore, requested to procure the receipts from all the remaining Superintendents of Police also and submitted before the next audit for verification.

**(10) Minor objection Statement:-**

All the minor objections have been settled at the spot as such no minor objection Statement was issued separately.

**(11) Conclusion:-**

The maintenance of accounts needs more and closer supervision by the authority.

Sd/-  
Deputy Director,  
Local Audit Department,  
H.P.Shimla-9

Section Officer,  
Local Audit Department,  
H.P. Shimla-9.

Endst. No. Fin (LA)H(2)C(15)(14)272/11-Vol-I Dated 30-7-2013, Shimla-9

Copy is forwarded for information & necessary action to:-

- (1) The Director General of Police-cum-CEO, HIMCOPS, Police Head Quarter Shimla-2
- (2) The Member Secretary HIMCOPS I.G.P.(CID Police Head Quarter Shimla-2
- (3) The Superintendent of Police, Police Comm. & technical services, Police complex- Khalini Shimla-171002

Sd/-  
Deputy Director,  
Local Audit Department,  
H.P.Shimla-9

