Haryana State SAS-I (OB) Examination 2024
Paper: Audit and Accounts (With Books)

Time Allowed: 3 Hours **Max. Marks: 150**

Note: **1.** Question number **1,2,3 and 10** are compulsory. Attempt **<u>any four</u>** of the remaining.
2. Please quote reference to rules/articles, wherever necessary.
3. ***<u>All parts of the question should be attempted together</u>***.

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Q. No. 1

Mr. Jacob is holding the post Executive Engineer in B&R Division of Public Works Department, Chandigarh in the Pay Matrix Level 11 and drawing pay of Rs 76200 as on 30.06.2023. Date of his next increment is 1st July. Go through the following details of his pay and allowances, deductions, other declared income etc., relating to the financial year 2023-24:

i. Progressive stages in Cell 4, 5, 6 and 7 of the Pay Matrix Level 11 are Rs. 74000, Rs. 76200, Rs. 78500 and Rs. 80900 respectively.
ii. DA @ 42% from 01.01.2023 and @ 46% from 01.07.2023.
iii. Transport Allowance Rs. 1,600 p.m. plus DA thereon.
iv. House Rent Allowance @ 20% of Basic Pay
v. Fixed Medical Allowance @ Rs. 1,000 p.m.
vi. Rent paid/payable by Mr Jacob for residential accommodation @ Rs 18,000 p.m. from 01.01.2023 and increased by Rs. 2,000 p.m. from 01.10.2023
vii. Health Insurance premium paid for his father who is a senior citizen: Rs. 55,000.
viii. Donation to the Prime Minister National Relief Fund: Rs 5,000 (Digital Payment).
ix. Income from other sources (including interest on saving Account: Rs. 7,600), as declared by Mr. Jacob: Rs.1,80,000
x. Repayment of House Building Advance: Rs. 84000, recovered/recoverable from salary bills in 2023-24.
xi. GIS: Rs 120 per month
xii. His pay for the month of Feb 2023 was not drawn for want of regularisation of leave, but taken as accrued income for calculating income tax for the financial year 2022-23. The same was actually drawn in April 2023.
xiii. GPF subscription @ Rs. 8000 p.m. and recovery of GPF Advance @ Rs. 4000 p.m.
xiv. TDS recovered upto salary of August, 2023 @ Rs. 15,000 p.m. plus Education Cess thereon.

Required:

(a) Calculate his annual salary income for the purpose of T.D.S. for the Assessment Year 2024-25. (10 marks)

(b) Calculate the amount of income tax payable for the Assessment Year 2024-25 after allowing exemption/deductions under various sections of Income Tax Act, as per default option of new tax regime under Section 115BAC of Income Tax Act. What will be impact on the tax liability of Mr. Jacob, if he opts for calculation of tax under the old regime? (10 marks)

(c) Prepare his Pay Bill for the month of September 2023. (10 marks)

(d) Write the classification of charges and deductions shown in the Pay Bill. Also record the Pay Order. (10 marks)

Q. No. 2

(a) Mrs. Savitri, a Group 'B' employee of Govt. of Haryana, was drawing Basic Pay of Rs. 70,000 p.m. w.e.f. July, 2022. She applied for Motor Car Advance along with the dealer's proforma invoice. The price of the motor car was Rs. 7,05,882 including Registration and Insurance charges of Rs. 25,882. Calculate the amount of motor car advance admissible as per eligibility of the employee.

(**5 marks**)

(b) Mrs. Savitri was granted the motor car advance on 01.01.2023 as per eligibility under (a) above with the rate of interest 8 % per annum. The advance was recoverable in 100 equal instalments. No recovery of the advance was made from her salary of March, 2023 due to her being on Extra Ordinary Leave. She repaid the lump sum amount, including interest, after recovery of 10 instalments. Calculate the amount of interest and total amount paid by her in one lump sum.

(**10 marks**)

Q. No. 3 Classify <u>any ten</u> of the following upto minor head level:

i. Sale proceeds of government surplus land developed at the cost of state revenue for construction of a residential colony.
ii. Licence Fee for driving licence collected under Motor Vehicle Act.
iii. Discount to agents for sale of lottery tickets.
iv. Grant received from University Grant Commission for Government College.
v. Expenditure relating to Municipal Administration or other Urban Development Authority concerned.
vi. Government of Haryana invested in Haryana financial Corporation.
vii. Tools and Plant acquired by P.W.D. exclusively for construction of non-residential Building
viii. Loans for Rural Water Supply Programmes.
ix. Loans to contractors for purchase of machinery not debited to work.
x. Deduction under Defined Contributory Pension Scheme of government employees.
xi. Expenditure on relief to persons affected by riots.
xii. Initial booking of subscriptions towards market loan floated by the Government of Haryana.

(**20 marks: 10X2**)

Q. No. 4 (a) What is Super Imposed Audit?

(b) What are the circumstances under which Super Imposed Audit is conducted?

(c) Describe audit as an aid to Government.

(**15 marks: 3X5**)

Q. No. 5 Audit against propriety is an essential and inherent function of Audit. Explain along with principles recognised as standards of financial propriety.

(**15 marks**)

Q. No. 6 Write short notes on the following with reference to realisation and reporting of fines:

i. Duties of Courts or authority having powers to impose fines.
ii. Reporting of demand, collection and balance of fines to the Districts Judge or District magistrate.
iii. Treatment of Compensation fines, fines realised by the Revenue Officer and fine realised in one district on account of another

(15 marks: 3X5)

Q. No. 7 What are Personal Deposit accounts? What is the procedure for opening of Personal Deposit Accounts?

(**15 marks)**

Q. No. 8 Describe the criteria for writing off the balances from Debt, Deposit, Suspense and Remittances Heads closed to balance and classification thereof in accounts.

(15 marks)

Q. No. 9 (a) How is the cost of Survey of India and other scientific parties accompanying a military expedition is adjusted?

(8 marks)

(b) What are the rules regulating the incidence of the cost of protecting railway bridges?

(7 marks)

Q. No. 10 Comment **<u>on any five</u>** of the following:

i. Credit must follow, and not precede, actual realisation.
ii. A petty claim of Rs.475 was returned by DD0 with the remarks that it was two years old and hence, time barred and could be presented with the authority of the Head of Department.
iii. Accounts Office returned a voucher to a departmental officer on his telephonic request.
iv. A loan was granted by the Government of Haryana to a third party on 10.05.2022. The audit office demanded the Utilisation Certificate by 09.05.2023 i.e., within 12 months of the date of grant of loan.
v. The sale proceeds of unserviceable furniture of the official residence of the Governor of Haryana were credited to the grant for the maintenance and repairs of furniture in government houses.
vi. A government servant draws an advance on 01.10.2022 for purchase of motor conveyance. Despite the written assurance from the dealer, the conveyance was not supplied by the dealer in time and the condition of purchase within one month could not be fulfilled. He applies for extension of time on 05.11.2022. The extension was granted by the competent authority.

(15 marks: 5X3)