HARYANA STATE SAS-I (LAD) 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 any four of the remaining.
2. Please quote reference to rules/articles, wherever necessary.
3. All parts of a question should be attempted together.

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Q. No. 1

Mr. X is holding a Group 'A' post in the Department of Agriculture, Haryana. Go through the following details of his pay and allowances, deductions, other declared income etc., relating to the financial year 2024-25:

i. He is placed in the Pay Matrix Level 11 and drawing pay of Rs 76,200 as on 31.05.2024. His date of annual increment is 1st July raising his pay to 78,500.
ii. Dearness Allowance @ 50% from 01.01.2024 and @ 53% from 01.07.2024.
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. He resides in a rented accommodation and pays rent @ Rs.20,000 p.m. and will claim exemption on HRA as admissible.
vii. He paid Health Insurance premium of Rs. 65,000 on 28.04.2024 towards Mediclaim policy of his mother aged 65 years.
viii. He will pay interest amounting to Rs. 80,000, in 2024-25, on loan taken for the higher education of his son, eligible for deduction under Section 80E of Income Tax Act.
ix. Income from other sources, as declared by Mr. X: Interest on fixed deposits Rs.1,60,000 and interest on bank saving Account: Rs. 11,600.
x. Repayment of House Building Advance: Rs. 78000 recoverable from salary bills in 2024-25.
xi. GIS: Rs 120 per month
xii. GPF subscription @ Rs. 10,000 p.m.
xiii. TDS recovered upto salary of August, 2024 @ Rs. 15,600 p.m. including Education Cess @ 4 %.

Required:

(a) Calculate his annual salary income for the purpose of income tax T.D.S. for the Assessment Year 2025-26. (10 marks)

(b) Calculate the amount of income tax payable for the Assessment Year 2025-26 after allowing exemptions/deductions under various sections of Income Tax Act, if he opts for calculation of tax under the old regime. What will be impact on his tax liability, if he goes with the default option of new tax regime under Section 115BAC of Income Tax Act? (10 marks)

(c) Prepare his Pay Bill for the month of September 2024 showing recovery of TDS as is beneficial between the old regime and the new regime. (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 Haryana Government employee was paid Motorcycle Advance of Rs. 50,000 recoverable in 80 equal instalments. The rate of interest on Motorcycle Advance is 8% per annum. After deduction of 70 regular instalments from salary of the employee, he intends to pay the balance amount in one lumpsum. Calculate the total amount payable by the employee in one lumpsum. (15 marks)

Q. No. 3 Classify any ten of the following up to minor head level:

i. Expenditure on consolidation of holding for development of agriculture
ii. Expenditure on prevention and control of animal diseases
iii. Collections under the Education Cess
iv. Deposit of State Public Service Commission Examination Fees by the candidates
v. Interest on debenture received by the Government of Haryana from Public Sector and other Undertakings
vi. Expenditure on providing subsidised rations to the police personnel in general
vii. Capital outlay on Composite Village and Small Industries Cooperatives
viii. Compensation to Landholders on the abolition of Zamindari system, when it is decided to capitalise the expenditure
ix. Loan received by the Government of Haryana from the Central Government to cover gap in resources of a Centrally Sponsored Schemes
x. Advance paid to a government employee for purchase of a Car from authorised dealer
xi. Saving Fund under State Government Employees' Group Insurance Scheme
xii. Deposits of fees received by Government servants for work done for private bodies

(**20 marks: 10X2**)

Q. No. 4

Write short notes on the following with reference to the process of control over the financial administration:

(a) Legislative Control
(b) Administrative Control
(c) Audit Control

(**15 marks: 3X5**)

Q. No. 5

Briefly explain the guiding principles governing the audit of sanctions issued by the auditee department.

(**15 marks**)

Q. No. 6

What principles are to be followed to classify the departments of a government for the purpose of inter-departmental payments?

(15 marks)

Q. No. 7

Distinguish between:

(a) Charged Expenditure and Voted Expenditure
(b) Major Head of Account and Minor Head of Account
(c) Chief Accounting Authority and Controller General of Accounts

(15 marks: 3X5)

Q. No. 8

(a) What regulations are to be kept in view for the conduct of the Audit of Stores and Stock Accounts, where a priced account is maintained?

(8 marks)

(b) What criteria should be adopted in selecting persons for entrusting physical verification of stores?

(7 marks)

Q. No. 9 (a) Briefly explain the instructions applicable in respect of claims against the Railway for goods lost in transit.

(12 marks)

(b) When government is the consignor for goods despatched by Railway, what are the two main issues where great care should be exercised?

(3 marks)

Q. No. 10

Comment on any five of the following:

i. On retirement of an employee, the Accounts Officer proposed to make recovery of outstanding HBA interest from GPF final payment of the employee without his consent.
ii. A government employee died at 2:30 AM on 17.05.2024. His pay and allowances were drawn up to 16.05.2024, keeping in view the fact that he did not attend office on 17.05.2024.
iii. Difference of Rs. 9,500 under a Debt Head could not be reconciled for the last six years. After satisfying that a dead end has been reached in resolving the difference and after obtaining concurrence of the State Government, it was written off by the Accountant General to Suspense Head
iv. A loan was granted by the Government of Haryana to a third party on 21.05.2023. The audit office demanded the Utilisation Certificate by 20.05.2024 i.e., within 12 months of the date of grant of loan.
v. The Government of Haryana modified a standard form of Treasury Accounts to suit the local requirements of the Government, in consultation with the Accountant General.
vi. A ceiling fan was purchased from the local market in replacement of the old unserviceable fan for supply to the reception of a department, costing Rs. 950.
vii. An employee of the Department of Agriculture applied for grant of Motor Car Advance which has already been purchased and taken possession by him, but the price has not yet been paid. The advance was sanctioned by the department with usual terms and conditions

(15 marks: 5X3)