

Office of the Principal Accountant General (G&SSA)
Tamil Nadu and Puducherry
Lekha Pariksha Bhavan, 361, Anna Saiai, Teynampet, Chennai 600 018

Lr.No.Pr.AG(G&SSA)/C5/1/S21-021/10-11/ 150

08/10/2014

To

20 OCT 2014

19

✓ PRINCIPAL NEHRU MEMORIAL COLLEGE
COLLEGIATE EDUCATION DEPT.
PUTHANAMPATTI
TRICHY DIST. -

[Handwritten signature]
24/10/14

Sir,

Sub: Inspection Report on the Accounts of your office - Report No.S21-021/10-11

Ref.: Local audit party

The replies furnished in your letter cited in respect of the above Inspection Report were examined in detail and action taken thereon is furnished below.

The replies furnished in respect of Part II B paragraphs 01 , 02 , 04 are accepted and the paragraphs are treated as settled.

Part II B paragraph 03 could not be dropped as the reply furnished is interim in nature.

Yours faithfully,

[Handwritten signature]

Sr.Audit Officer/C5



OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (G&SSA),
TAMILNADU & PONDICHERRY "LEKHA PARIKSHA BHAVAN",
361, ANNA SALAI, TEYNAMPET, CHENNAI -600 018

Form - 2

(To be replied within 30 days)

No.PrI. AG(G&SSA)/SSI/Civil-5/U-1/14-15/ C12-026)144B Dt.16.10.2014

To

The Principal,
Nehru Memorial College (Autonomous),
Puthanampatti,
Tiruchirappalli-621 007

16 OCT 2014

[Handwritten signature]
18/10/14

Sir,

I forward herewith the Inspection Report on the accounts of O/o the
Principal, Nehru Memorial College (Autonomous), Puthanampatti,
Tiruchirappalli-621007

A copy of the report has been forwarded to your Head of the department.
You may kindly arrange to send reply indicating the action taken through him

1. **PART I B:** of the report indicates the paragraphs of the previous Inspection Report still remaining unsettled. The settlement of these outstanding paragraphs required expeditious action.

2. **PART I C:** of the report brings out persistence of defects, omission and irregularities pointed out in the previous Inspection Report, but not rectified. These require investigation into the contained existence of the defects etc., and immediate remedial measures.

3. **PART IIB:** of the report deals with important defects and irregularities for which action has to be indicated at the level of the Government through dept.

4. **PART III:** of the report deals with important defects and irregularities for which action has to be indicated at the level of the department

5. The receipt of the Inspection Report may kindly be acknowledged.

Yours faithfully,

[Handwritten signature]
76/10/14
For Deputy Accountant General /SS I



1

**INSPECTION REPORT ON THE AUDIT OF ACCOUNTS OF OFFICE
OF THE PRINCIPAL, NEHRU MEMORIAL COLLEGE
(AUTONOMOUS), PUTHANAMPATTI, TIRUCHIRAPPALLI FOR THE
PERIOD FROM 2010-2011 TO 2012-13 UNDER SECTION 14 OF
CAG(DPC) ACT 1971**

DATES OF AUDIT: 15.09.2014 TO 19.09.2014

PART – 1A: INTRODUCTORY

The following officers held charge of the post of the Principal, Nehru Memorial College (Autonomous), Puthanampatti, Tiruchirappalli District, during the period covered by audit:

Sl. No.	Name of Officer & Designation	Period	
		From	To
01.	Dr. K. RAMASAMI, Principal	01.06.2009	31.05.2013
02.	Dr. S. KUMARARAMAN, Principal (i/c)	01.06.2013	11.06.2013
03.	Dr. T. JAYAPRAKASAM, Principal	12.06.2013	Till date

The Local audit was conducted by the following Officials/Officers.

Sl. No.	Name of Officer	Designation
1	K. HARIDASAN	Senior Audit Officer
2	K. PRAKASH	Assistant Audit Officer
3	G.S. RAJAN	Senior Auditor
4	J. SANTHANARAJ	Senior Auditor


PART – IB : Outstanding paras of previous inspection report : Enclosed
PART – IC : Persistent Irregularities : Nil
PART – ID : Summary of objections : Enclosed
PART – II A : : Nil
PART – IIB : : Enclosed

PART – IB : Outstanding paras of previous inspection report

IR S21-021/2010-11

B03 Non remittance of Sales Tax and recovery from the contractor to the Government account – Rs, 2.74 lakh

PART - ID : SUMMARY OF OBJECTIONS**PART - II B**

1. IN CORRECT ISSUE OF FREE LAPTOP TO STUDENTS OF SELF FINANCED COURSES 
2. NON REFUND OF INTEREST AMOUNT ALONG WITH REFUND OF UNSPENT GRANTS.
3. i). NON INCLUSION OF INTEREST IN THE UTILIZATION CERTIFICATE FOR PROJECT "ISOLATION, CHARACTERIZATION AND EVALUATION OF ANTIDIABETIC COMPOUNDS OF TRADITIONALLY USED HERBAL PLANTS IN STZ INDUCED DIABETIC ALBINS".

ii). SUBMISSION ON INCORRECT UTILIZATION CERTIFICATE FOR PROJECT - "EVALUATION OF ANTIDIABETIC EFFECT OF BOUGANVILLEA GLABRA FLOWER EXTRACT AND Mg DOPED ZnS NANO PARTICLE IN DIFFERENT LINES" -
4. SUBMISSION ON INCORRECT UTILIZATION CERTIFICATE FOR PROJECT -"BIODEGRADATION OF POLYCYCLIC AROMATIC HYDROCARBONS (PHAs) BY MIXED CULTURES OF WILD BASIDIOMYCETES FUNGI AND BACTERIAL ISOLATED FROM PETROLEUM CONTAMINATED SOIL: AN IN VIVO IN SILICO COMPARATIVE APPROACH". -
5. SERVICE REGISTER - DEFECTS NOTICED
6. NON CONDUCT OF INTERNAL AUDIT

PART – IIB

1. In correct issue of free Laptop to Students of Self Financed Courses

According to G.O. Ms. No.1 Special Programme Implementation Department, dated 03.06.2011, the Government have decided to implement the scheme of Free distribution of laptop computers to the students studying in Government and Government Aided Schools and Colleges in the State to facilitate them in acquiring computer skills.

A scrutiny of records relating to Nehru Memorial College (Autonomous), Puthanampatti, Tiruchirappalli District, revealed that during 2011-12 and 2012-13, Free Laptops were issued to students belonging to Aided Courses and Self Financing Courses as detailed below.

FREE LAPTOP ISSUED TO STUDENTS OF SELF FINANCING STREAM			
2011-2012	2011-2012	2012-2013	TOTAL
505	391	419	1315

In this connection, it is brought to notice that as per the Government Order quoted, free Laptops are to be issued to students Government/Government Aided Schools/Colleges only. Hence, issue of free Laptops to Self-Financing Colleges/Course is not in line with Government Order.

In reply it has been stated that free laptops were distributed to the students as per instructions received from collector and RJDCE Trichy.

2. Non refund of Interest amount along with refund of Unspent Grants.

As per Guidelines issued by the UGC, "The Grantee Institution shall ensure the utilization of Grants-in-Aid for which it is being sanctioned/paid". In case of Non-utilization/part utilization thereof, simple interest @10% per annum as amended from time to time on the un-utilized amount from the date of drawl to the date of refund as per the provisions contained in General Financial Rules of Govt. of India, will be charged.

The UGC released Grants to the tune of Rs.7,97,500/- (Rupees Seven Lakhs ninety seven thousand five hundred only) to Nehru Memorial College, (Autonomous) Puthanampatti, for XI Plan merged scheme (14 schemes) in January 2010.

The College, after completion of the schemes, refunded the unspent amount of Rs.2,56,500/- (Rupees Two lakhs fifty six thousand five hundred only) in May 2013. However, the institution has not refunded the interest amount as per the guidelines issued by UGC.

Hence, necessary action may be taken to remit the interest amount to the UGC and compliance reported to Audit.

In reply it has been stated that necessary steps will be taken to repay the interest amount @10% for the unspent balance amount to UGC under intimation to audit.

3. 1). Non inclusion of Interest in the Utilization Certificate for project "Isolation, Characterization and evaluation of antidiabetic compounds of traditionally used herbal plants in STZ Induced Diabetic Albins".

The University Grants Commission, in Ir. No. FNC.41-132/2012(SR) dt.10.07.2012 while granting funds for the above project, the interest earned on the funds should have been incorporated in the Utilization Certificate. However, it was seen from the Utilization Certificate that Rs. 8,149.52 earned and credited to Bank Account No.63632200095334 was not incorporated in it.

Revised Utilization Certificate incorporating the interest portion may be submitted to University Grants Commission under intimation to Audit.

In reply it has been stated that the interest amount of Rs.8,149.52 received on 31.03.2013 will be taken into account while submitting UC for the next year.

ii). Submission on incorrect Utilization Certificate for Project - "Evaluation of antidiabetic effect of Bouganvillea Glabra Flower extract and Mg doped Zns nano particle in different lines" -

Science & Engineering Research Board (SERB), New Delhi, has accorded sanction for the above mentioned Research Project, a sum of Rs.21,46,000/- . A sum of Rs.8,00,000/- was sanctioned as 1st Installment for the above project.

A scrutiny of the Utilization Certificate submitted in June 2013 revealed that Rs.2,53,385/- (Rs.2,43,599 Unutilized and Rs.9,786/- interest earned) was lying with the College in Bank Account No.63632200091525 as on 31.03.2013. A scrutiny of Bank Statement, however, revealed that the Utilization Certificate submitted did not reflect an amount of Rs.5,295.48 credited as interest on 30.09.2012. A revised Utilization Certificate may be submitted showing the actual interest amount realized.

This is brought to the notice for information and a compliance report may be submitted to Audit.

In reply it has been stated that the interest amount will be taken into account while sending UC for the subsequent year.

**4. Submission on incorrect Utilization Certificate for Project -
"Biodegradation of Polycyclic aromatic hydrocarbons (PHAs) by mixed
cultures of wild basidiomycetes fungi and bacterial isolated from petroleum
contaminated Soil: An in vivo in silico comparative approach". -**

For the purpose of conducting Research work on the above mentioned Project, University Grants Commission, New Delhi, released a sum of Rs.6,15,000/- out of Rs.10,29,800/- being the 1st Installment, which was deposited in S.B. Account No.63632200095320. Even though, an amount of Rs.4,42,989/- was shown in the Statement of Expenditure as spent as on 31.12.2013, Utilization Certificate was submitted for the whole amount of Rs.6,15,800/-.

Further in the Statement of Expenditure under B1 Project Fellow Salary, under the Grant released Rs.2,64,000/-, an amount of Rs.2,20,840/- was shown as spent with Rs.29,160/- as unspent, which also shows a wrong figure. [The actual unspent amount should be Rs.43,160/-].

Further, as per condition 9 of the Grants, the interest earned shall be treated as additional grants and may be shown in the Utilization Certificate/ Statement of Expenditure to be furnished by the Grantee Institution. It is brought to notice that an amount of Rs.7,513.30 credited as interest on 31.03.2013, was neither mentioned in the Utilization Certificate nor in the Statement of Expenditure.

Revised Utilization Certificate incorporating the interest received and rectifying the other flaws made may be submitted to University Grants Commission and compliance report be submitted to Audit.

In reply it has been stated revised UC will be sent to UGC. Necessary corrections will be made in the statement of Expenditure in respect of 'B' project fellow salary grant. Interest amount received on 31.03.2013 will be taken into account while submitting UC for next year.

5. Service Register – Defects Noticed

During scrutiny of Service Registers maintained at the O/o Principal, Nehru Memorial College (Autonomous), Puthanampatti, Tiruchirappalli District, it was noticed that latest nominations and recent passport size photograph were not pasted to S.M.

The following defects which were observed are brought to notice for immediate action.

- 1) Revised/Latest nominations were not obtained in the Service Register.
- 2) Passport size photographs were not affixed
- 3) CPS/GPF No. were not written on the first page of service registers & not attested.
- 4) The details of family members were not furnished.

In reply it has been stated that the defects pointed out in SR will be attended to.

6. Non conduct of Internal Audit

As per G.O. Ms. No.598 Finance Department date 3.8.1992, Internal Audit should be conducted by the Head of the Department every year and it should be preceded by the statutory audit of the Accountant General.

On a scrutiny of relevant records, it was noticed that the internal audit has not been conducted since 2008-09 by the Regional Director of Collegiate Education, Tiruchirappalli. The competent authority may be addressed for conduct of Internal Audit.

In reply it has been stated that Internal Audit has been carried out by RJDCE, Trichy upto 2007-08 steps will be taken with RJDE, Trichy to complete audit for the balance period.

Prandika
16/10/14

For DEPUTY ACCOUNTANT GENERAL/SS-I