

HIMACHAL PRADESH PUBLIC SERVICE COMMISSION
SAS(OB)(PART-II) EXAMINATION,
July, 2016
GENERAL FINANCIAL MATTERS AND PROCEDURES (PAPER-I)
(WITH BOOKS)

TIME ALLOWED: 3 HOURS

MAXIMUM MARKS: 150

Notes:

1. Attempt any five questions.
2. Marks are indicated against each question.
3. Only Bare Acts/Rules/Approved Reference books are allowed.
4. Quote rule(s) in support of your answer where necessary.

Q.No.1 List out serious common irregularities which are found in public procurement and suggest proactive measures to avoid each of such irregularities in the Department?
(30 Marks)

Q.No.2 List out most common irregularities noticed in the award and execution of works. As a financial expert, suggest measures to avoid each of such irregularities?
(30 Marks)

Q.No.3 a. Differentiate between Guarantee and Warrantee.
b. Discuss the role of Budget as a performance measurement tool giving suitable examples.
(15*2=30 Marks)

Q.No.4 a. A provisions contained in H.P. Financial Rules regarding audit of receipt is re-produced hereunder:

“In the audit of receipts, ordinarily, the general is more important than the particular”.

You are required to explain the rationale and spirit of the provision *ibid*.

b. A provision related to Grant in Aid contained in H.P. Financial Rules is re-produced hereunder:

“ Before a grant is paid to any public body or institution, the sanctioning authority should as far possible insist on obtaining an audited statement of accounts of the body or institution concerned”.

As a financial expert, which aspects would you look in the audited statement of accounts of an educational institution and how?

(15*2=30 Marks)

- Q.No.5 a. What guideline has been prescribed for Treasury Officers for authorising drawal of money in advance for incurring expenditure?**
- b. Discuss the system of classification of transactions in Treasury Accounts.**
(15*2=30 Marks)

Q.No.6 What strategies would you suggest for the formulation and implementation of budget in an autonomous organisation dealing with research and extension in following cases:

a. Revenue receipts of the organisation are far more than the expenditure both of revenue and capital nature.

b. Domestic income of the organisation is less as compared to its committed expenditure.

(30 Marks)

Q.No.7 List out merits and demerits in respect of each of the following:

a. Existing Government accounting system.

b. Outsourcing of non core activities in Government Department.

(15*2=30 Marks)