

***Government of Himachal Pradesh
Local Audit Department
Block No. 38, SDA Complex,
Kasumpti, Shimla-9***



***AUDIT REPORT OF HIMACHAL PRADESH
UNIVERSITY ,SHIMLA FOR THE
YEAR 2009-2010***

PREFACE

- 1 Audit of H.P. University is being conducted by the Local Audit Department, an agency specifically authorized in this behalf by the State Government as per provisions contained in section 29 of H.P. University Act 1970 (Act No. 17 of 1970).
2. Part-I of the Report contains the latest position of all outstanding audit paras which were pointed out in Annual Audit Reports during the period 27.7.1970 to 31.3. 2009.
3. Part-II of the report deals with the financial position, Grants-in-Aid received from H.P. Govt. & Govt. of India and findings of pre & post audit of University accounts for the financial year 2009-10.
4. The latest position of all outstanding audit paras from 1970-71 to 2008-09 is given in annexure 1A of this report .

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Executive Summary:-

The following Statutory Officers have served in the University during the period under report:-

Sr. No.	Designation	Name	Period
1	Vice-Chancellor	1. Dr. Sunil Gupta	1.4.2009 to 31.3.2010
2	Registrar	1..Sh. Rattan Singh 2. Sh. Shashi Kant Sharma	1. 4.2009 to 28.12.2009 29.12.2009 to 31.3.2010
3	Finance Officer	1. Sh. J.S. Minhas 2. Sh. Gian Chand Raita	1.4.2009 to 30.04.2009 1.5.2009 to 31.03.2010

Serious Irregularities during the audit for the year 2009-10:-

Sr. No.	Particulars	Para No.	Amount
1	Non inclusion of various funds in the annual accounts of the University	3(b)(i)	-
2	In the Bank reconciliation of main account No. 10091435340 as on 31.03.2010 cash receipts (Bank Drafts and IPO's) worth Rs. 4,58,440 were shown deposited during 2.04.2008 to 24.03.2009 but the credit of the same by the bank was not given up-to the period of certification of this account.	3(b)(ii)(7)	4,58,440/-
3	Less interest given by the banks on FDRs	3(b)(ii)(15), 6(A)(II), 6(L)(I), 6(N)(II), 6(P)(II)	7,04,619/-
4	Irregular Appointment of daily wagers on ad-hoc basis contrary to instructions of the Government resulting additional financial liability on University exchequer of Rs. 34/- lac Per annum approximately	12	34,00,000/- (PA)
5	Suspected loss of Store/Stock of Construction Division	20	1, 90,072/-

Overview of Serious Audit Para(s) of Part-I & Part-II of Annual Audit report on the accounts of Himachal Pradesh University, Shimla for the period 1988-89 to 2008-09

From the perusal of old outstanding para (s) of previous audit report (s) it is observed that no efforts were made by the University Authorities for the settlement of old para (s) and some of the para(s) related to serious nature are remained outstanding since long. Therefore, immediate actions are required to be initiated for the settlement of following serious para(s) otherwise the audit observations shall never be complied and the very purpose of audit is defeated.

Sr. No	Nature of Audit para	Para (No.s)	Audit Report year Wise
1	Excess payment made to contactor amounting to Rs. 54562/- on account construction of underground water storage tank	16	1988-89
2	Non recovery amounting to Rs. 28186/- on account of hostel rent etc.	25	1994-95
3	Non recovery amounting to Rs. 26182 on account of hostel rent	20	1995-96
4	Non reimbursement of Rs. 2.95 lac into the University fund on account of expenditure incurred for SC/ST training out of University fund	31	1995-96
5	Irregular payment of honorarium amounting to Rs. 0.54 lac by ICDEOL	8	1996-97
6	Non recovery amounting to Rs. 0.30 lac on account of hostel rent	24	1996-97
7	Irregular payment amounting to Rs. 0.23 lac on account of providing ISD facilities by violating Govt. instructions	60	1996-97
8	Unfruitful expenditure amounting to Rs. 30713/- on account of purchase of instrument for Health Centre	21	1997-98
9	Irregular expenditure amounting to Rs. 8.28 lac on account of compensation.	27	1999-2000
10	Loss of Rs. 21.35 lac on account of excess consumption of petrol in University vehicle.	11	2000-01
11	Embezzlement of amounting to Rs. 8984/- by showing excess consumption of petrol.	15	2000-01

12	Short realization of the fee funds amounting to Rs. 11.33 lac	11	2004-05
13	Excess payment of Rs. 0.42 lac due to ignoring lowest tender rates.	16	2004-05
14	Payment of decreed amount of Rs. 50 lac out of University exchequer without initiating departmental enquiry for fixing the responsibility against the persons at faults	40	2004-05
15	Short realization of late admission fee amounting to Rs. 12.64 lac and fee fund amounting to Rs. 12.6 lac	13 &14	2005-06
16	Loss of interest of Rs. 4.16 lac due to investment for very short term period.	18	2005-06
17	Loss of interest due to keeping heavy amount of Rs. 93.77 lac and 70.53 lac in saving/ current account	20 &21	2005-06
18	Loss of interest of Rs. 1.27 lac due to clubbing of FDR of ICDEOL which were matured on different dates	22	2005-06
19	Loss of interest of Rs. 0.95 lac, Rs. 0.79 lac and 0.71 lac on FDRs	24 25&26	2005-06
20	Non recovery of shop rent of Rs. 1.01959	Main (IV)	2006-07
21	Difference of Rs. 40.25 lac which is still outstanding for reconciliation in the NRI self financial account of IMS Department.	2	2006-07
22	Observation / comments on Annual Account Certification for the period 2006-07 (ii,iii vi & vii) are not being still complied.	2 (e)	2006-07
23	Needs immediate appropriate action by authorities to minimize the loss on transport & hostel facility	6 &7	2006-07
24	Loss of interest of Rs. 1,13,637/- .	16	2006-07
25	Recovery of Rs. 90632/- on account of re-fixation of pay of Sh. Madan Gopal Sharma & Sh. Ashok Kumar Verma.	19	2006-07
26	Excess expenditure amounting to Rs. 32,983/- on account of postal charges by the Controller of Examination wing.	13	2007-08
27	Non recovery of excess payment of Rs. 27336/- on a/c of wrong fixation of pay.	22	2007-08
28	Acceptance of rates higher than the market rates beyond 10% permissible limit, irregularity thereof.	28	2007-08
29	In the annual account for the year 2008-09 in respect of ICDEOL Student Fund was shown excessively Rs.1,25,95,370.00 over the certified closing balance of the previous financial year.	2 (e) (I)	2008-09
30	Recovery of loss of interest on FDRs amounting to Rs. 49093.00 in the ICDEOL student fund account.	2 (e) (III)	2008-09
31	Irregular and excess payment of Rs. 4.47 lac on account of conveyance allowance and hotel rent out of student	15	2008-09

	fund over and above the rates fixed by H.P. Govt.		
32	Irregular Expenditure on account of remuneration amounting to Rs. 1,28000/- to teachers of ICDEOL.	16	2008-09
33	Irregularities in the Advance bill No. 7675 dated 2.2.2009 amounting to Rs. 2500000/- on account of printing of answer for the year 2008-09.	23	2008-09
34	Income tax wrongly deducted at source amounting to Rs. 416589.00 from the proceeds of FDRs by the Union bank of India.	26	2008-09
35	Loss of interest of Rs. 4,15638.00 due to investment for very short period.	27	2008-09

**ANNUAL AUDIT AND INSPECTION REPORT ON THE ACCOUNTS OF
HIMACHAL PRADESH UNIVERSITY, SHIMLA-171005**

Period 01.04.2009 to 31.03.2010

Part-I

Latest position of old audit para's

There were 1453 old audit paras outstanding for settlement. No serious efforts were made by the auditee organization for the settlement and only 03 old paras were got settled by the University during finalization of audit report for the year 2009-10 and 1450 old paras pertaining to period from 1988-89 to 2008-09 remained still outstanding for settlement. The detail of old paras settled during 2009-10 and unsettled outstanding paras is annexed at annexure- I & II to this report respectively. Therefore, immediate attention of the authorities is invited to the serious paras exhibited in overview with the report.

Part-II

Present Audit

Para -1: Preliminary

The Audit and Inspection of Accounts of H.P. University, Summer Hill, Shimla-5 for the period 2009-10 was conducted by the Resident Auditors headed by Sh. Anil Sharma & Sh. D.L. Thakur, Dy. Controller's (Audit), now Additional Director and Joint Controller (Audit) respectively. The audit report has been prepared on the basis of information furnished and made available by the controlling officer of the institution. The Local Audit Department disclaims any responsibility for any misinformation or non submission of information on the part of auditee. Responsibility of the audit is confined to the month selected for the detailed check in the post audit. The audit report is compiled and drafted by Sh. S.R. Ranjan, Dy. Controller(Audit) and presented by Sh. D.L. Thakur, Joint Controller (Audit). The results thereof are incorporated in the following paragraphs:-

Para-2: Analysis of Financial Position

As per record, the comparative financial position of the accounts of H.P. University, Shimla-5 for the period 2008-09 and 2009-10 is as under:-

Sr. No.	Particulars	2008-09	2009-10
1.	Opening Balance	(Amount in Lacs)	Amount in Lacs)
(a)	Main Account	1350.73	1635.64
(b)	NRI Scheme	1577.06	1810.45
(c)	Others	5875.76	6625.74
	Total	8803.55	10071.83
2.	Grants		
(a)	From H.P. Govt.	3860.94	4744.76
(b)	From Centre Govt.	311. 55	417.56
(c)	From UGC	710.43	636.83
(d)	Other Sources	38.96	52.76
	Total	4921.88	5851.91
3.	Domestic Income		
(a)	Income from fee	2419.03	2679.36
(b)	NRI/SFS	678.78	978.00
(c)	Others (Student Fund)	1012.09	1325.41
(D)	DEBT, DEPOSIT AND ADVANCES	581.65	464.87

	Total	4691.55	5447.64
4.	Grand total of (1+2+3)	18416.98	21371.38
5.	Expenditure		
(a)	Main Account	7637.66	8372.96
(b)	NRI Account	445.39	624.25
(c)	Others	263.23	166.04
	Total	8346.28	9163.25
6.	Closing Balance (4-5)		
(a)	Main Account	1635.64	2258.82
(b)	NRI Account	1810.45	2164.20
(c)	Others	6624.62	7785.11
	Total	10070.71	12208.13

- 1) Opening balance as on 1.4.2009 taken Rs. 1,00,71,83,341.00 instead of 1,00,70,71,391.00 which was the closing balance as on 31.3.2009. The difference in opening balance of Rs. 1,11,950.00 is due to addition of new account of Academic Staff College under the head “other accounts” because there was closing balance of Rs. 1,11,950.00 in that account as on 31.3.09 as per cash book and which has been carried over as opening balance on 1.4.2009. Further, in the annual accounts submitted by the University, the opening balance was taken Rs.97, 86, 57,079.00 which needs to be justified.
2. Closing balance as on 31.3.2010 has been certified to Rs. 1,22,08,13,109.00 instead of Rs. 1,19,26,78,947.00 as submitted in annual account. Difference of Rs 2,81,34,162.00 is due to incorrect opening balance, short account of Receipt and payments taken in annual account submitted by the Auditee University.

Para 3: Comments on Annual Account

(a) Maintenance of accounts

During the period under report, the accounts of the University were maintained under the supervision and control of Finance Officer who also performs the duties of Drawing & Disbursing Officer. The final accounts for the period 2009-10 were prepared on receipt and payment basis on tally solutions software by outsourcing the compilation work. Manual preparation of cash book and other supporting record was discontinued. The source of funds of the University mainly comprises of domestic receipts and grants from the Government and other agencies and application of funds or expenditure out of total receipts were managed accordingly. The expenditure out of University exchequer was regulated under the provision of rules governed in the State Govt. and statutes, ordinance and accounts manual of the University. As a result of checking in the pre-audit as well as in post audit it was revealed that finances of the University were not managed properly which resulted in irregular expenditure and mis-utilization of Govt. grant.

(b) Irregularities in the Annual Accounts

(i) Non inclusion of various funds in the annual accounts of the University for the period from 4/2009 to 3/2010

While checking annual accounts for the period 2009-10, the funds relating to pensionary benefits for the University employees were being audited along-with University main account, NRI funds and other funds regularly but the schedule of these funds incorporating opening balance, receipt, expenditure and closing balance was not being added in the annual accounts which does not exhibit the clear financial position/state of affairs of H.P. University and omission of which clearly shows that highest authorities of the H.P. University i.e. University Court, Executive Council and Government were not aware of the actual financial position of University Accounts. Further, due to above omission, Section 29 of the

University Act has also been violated because it does not permit the omission of these funds from annual accounts of the University. However, financial position of these funds as on 31.03.2010 is as under as per record:-

Name of funds	Opening Balance	Receipt	Total	Expenditure	Closing balance
Pension fund	22,05,58,030.00	9,97,78,491.00	32,03,36,521.00	9,15,13,723.00	22,88,22,798.00
Gratuity fund	4,39,60,535.00	1,29,91,586.00	5,69,52,121.00	1, 80,56,725.00	3,88,95,396.00
GPF	47,71,38,832.00	23,54,70,837.00	71,26,09,669.00	15,31,08,755.00	55,95,00,914.00
CPF	3,67,11,526.00	84,08,523.00	4,51,20,049.00	1,49,19,287.00	3,02,00,762.00
CPS fund	40,95,427.00	39,58,793.00	80,54,220.00	18.00	80,54,202.00
Corpus Fund	3,66,43,673.00	60,25,772.00	4,26,69,445.00	--	4,26,69,445.00
Total	81,91,08,023.00	36,66,34,002.00	118,57,42,025.00	2,77,59,85,08.00	90,81,43,517.00

(ii) Other Irregularities in annual accounts:-

- 1) The provision of Sec. 29 of H.P. University Act 1970 is still not adhered to in spite of observation made in the annual accounts for the year 2001-02 to 2009-10. The reasons as explained to amend Sec. 29 (1) for omitting word of balance sheet cannot be accepted until and unless it is amended. The needful may be done.
- 2) The annual accounts have been prepared on the basis of bank balances as per bank pass book/bank statements, whereas the accepted principle of accounting provides that the accounts should be based on balances as per cash book maintained by the institution therefore, necessary steps may be taken to prepare the annual accounts as per the accepted accounting principles.
- 3) The reconciliation statement for some bank accounts of 2009-10 which was supplied with annual accounts does not depict the correct position.
- 4) Annual accounts for the year 2009-10 have been checked and verified on the basis of computerized record maintained without cash book and ledger account, as such

University Authorities are required to ensure that hard copy of computerized record is preserved for permanent record.

- 5) Opening balance as on 1.4.2009 taken Rs. 1,00,71,83,341/- instead of 1,00,70,71,391/- which was the closing balance as on 31.3.2009, as such difference in opening balance of Rs. 1,11,950/- is due to addition of new account of Academic Staff College under the head “other accounts” because there was closing balance of Rs. 1,11,950.00 in that account as on 31.3.09 as per cash book and which has been carried over as opening balance on 1.4.2009.
- 6) Closing balance stand certified in the final account for the period 2009-10 i.e. as on 31.3.2010 as under:-

Revenue Account	= Rs. 22,58,82,120.00
NRI/Self Financing Scheme	= Rs. 21,64,19,881.00
Others Accounts	= Rs. 77,85,11,108.00
Total	= Rs.1,22,08,13,109.00

However, it would be appropriate to point out that during the course of checking it was observed that the figures of the final certified accounts as well as closing balances were changed while placing the accounts for approval to highest authorities of the University and thereafter while printing & circulation which tantamount to fudging of certified final accounts for which the matter is brought to the notice of higher authorities of the University for justification / explanation and accounts should not be exhibited as certified for that period and to that extent.

- 7) During the course of checking of bank reconciliation in respect of main account No. 10091435340 as on 31.03.2010, it was noticed that cash receipts (Bank Drafts and IPO's) worth Rs. 4,58,440 were shown deposited during 2.04.2008 to 24.03.2009 but the credit of the same by the bank was not given up-to the period of certification of this account i.e. April 2013. Due to non credit of above amount it appeared that direct loss to University exchequer has been caused and matter is therefore, brought to the notice of the higher authorities of University for necessary enquiry and fixing responsibilities.
- 8) Accounts of PG Centre including Law Department was not produced in spite of verbal as well as written request. An amount of Rs. 65,66,804/- have been shown as

closing balance in the Annual Accounts. However, the existence of the such amount which could not be verified and appears doubtful and its misappropriation cannot be ruled out. The accounts was also not submitted during the course of audit for the period 2007-08 and 2008-09. During the year 2009-2010 an amount of Rs. 9,00,000 was transferred in this account without the sanction of competent authority and without pre-audit amount was shown as expenditure in the annual account but no payment voucher/bills was not found, as such amount transferred appears misappropriated.

- 9) The accounts of Construction Division accounted for in the annual accounts in respect of execution of various works in the University were not submitted for checking in spite of repeated requests.
- 10) NRI and other accounts of Legal School of study and Regional Centre Dharamshala could not be checked due to non submission of record.
- 11) Deficit/Surplus balances as per annual accounts is not correct as per following position which requires justification and suitable explanation:-

Name of account	As per annual account	Actual as per bank balance and FDR Statement
Main account	18,81,74,332=00	23,15,56,730=00
Student fund ICDEOL	76,00,58,859=00	75,02,40,248=00

- 12) Final accounts for the period 2009-2010 were submitted without the signature and approval of competent authority of the University.
- 13) Some modification and changes as result of checking has been incorporated in order to exhibit real position in the annual accounts.
- 14) The valuation of fixed assets not done & taken into account, since inception

15) While checking the following FDR's it was noticed that an amount of Rs. 1, 92,088.00 was short realized on account of maturity amount resulted into loss of interest.

Out of short realization an amount of Rs 30689.00 was deducted as TDS. The loss of interest and TDS deducted required to be recouped to the University exchequer.

Sr No	FDR No.	Amount	TDS Deducted	Rate of interest	Period for which invested	Actual maturity amount due	Amount received	Less interest/ TDS
Construction Division								
1	525687	1178834	24226.00	8.25%	1.4.08 to 1.6.09	13,05,520.00	1279987.00	25533.00
2	372649	1248639.00	6463.00	10%	424 days	14,00543.00	1364143.00	36400.00
H.P. Main University								
1.	581381	5033082.00	-	5.25%	8.3.09 to 23.4.09	5066383.00	5063101.00	3282.00
2.	581382	5033082.00	-	5.25%	8.3.09 to 23.4.09	5066383.00	5063101.00	3282.00
3	581383	5033082.00	-	5.25%	8.3.09 to 23.4.09	5066383.00	5063101.00	3282.00
4.	460210	5033082.00	-	5.25%	8.3.09 to 23.4.09	5066383.00	5063101.00	3282.00
5.	460245	5033082.00	-	5 %	22.4.09 to 7.6.09	5064797.00	5061666.00	3131.00
6.	460247.00	5033082.00	-	5%	22.4.09 to 7.6.09	5064797.00	5061666.00	3131.00
7.	460360	5000000.00	-	5.25%	3.4.09 to 19.5.09	5033082.00	5029970.00	3112.00
8	460361	5000000.00	-	5.25%	3.4.09 to 19.5.09	5033082.00	5029970.00	3112.00
FDR Gratuity Fund								
1.	291969	25883752.00	-	8.25%	28.10.06 to 17.10.09	33069045.00	33047760.00	21285.00
2.	525560	465820.00	-	10.75%	29.3.07 to 29.3.10	640367.00	627424.00	12943.00
3.	46372548	3000000.00	-	8.75%	17.11.07 to 20.5.09	3418378.00	3360411.00	57967.00
Contributory Pension Scheme								
1.	46372850	661884.00	-	8.75%	16.6.08 to 16.06.09	721727.00	715560.00	6167.00
CPF Account								
1.	940780	800000.00	-	10.20%	19.7.08 to 19.7.09	884775.00	878596.00	6179.00
		Total	30689.00			81901645.00	81709557.00	192088.00

16) While checking bank statement of following bank accounts it has been observed that an amount of Rs. 4870/- was deducted by bank on account of TDS, whereas it was not required to be deducted as per rules applicable to educational institutional, as such the amount was required to be refunded.

Sr. No.	Account No	Date	Amount
1	CLTD No. 30383523226	13.5.2009	313.00
2	- do-	-do-	10.00
3	CLTD No. 30743613645	6.05.2009	2997.00
4	-do-	7.5.2009	214.00
5	-do-	11.5.2009	1336.00
	Total		4870.00

17) While checking CLTD A/C No. 30707376820 it was noticed that as per bank statement there was a closing balance of Rs. 84,84,145.75 whereas opening balance as per annual account for the year 2009-10 was taken 84,82,546.00 as such there was a difference of Rs. 1599.75 which require justification. However, it was also observed that interest of Rs. 9712.00 was not accounted for and TDS deducted Rs. 8112.00 was also not got refunded.

18) During the course of checking of investment i.e. FDRs in respect of main account, it was noticed that amount in FDR's accumulated as on 31-03-2010 was Rs. 18,44,27,739 instead of Rs. 18,80,47,789. The difference of Rs. 36,20,800 as per detail below appeared to be fictitious investment as relevant record was not shown on the spot as such closing balance shown in annual accounts is not found to be correct.

(c) Non production of record for post audit of the advances exceeding Rs. 25000/- adjusted by the internal audit during the year 2009-10

Advances exceeding Rs. 25000/- adjusted by the internal audit during the year 2009-10 were requisitioned vide Audit Requisition No. 713 dated 10.01.2013 for the purpose of post audit but the requisite record was not produced to the audit which is highly

objection able. The matter is brought to the notice of higher authorities of the University for this Casual Act because such record had also been put up to audit previously by internal audit wing of the University

(d) Income

The income of the University mainly comprises of grant-in-aid from H.P. Government, Central Government, UGC, income from various fee, NRI/SFS and Student Funds. During the year 2009-10 total grant of Rs. 5851.91 lac have been received by the University from H.P. Govt. / Centre Govt. and from UGC etc. and Rs. 5447.64 lac were generated from domestic resources i.e. various fee from student, NRI/ SFS from student funds and other income from student & debt, deposits and advances etc. During the year under report the domestic income has registered an overall increase of Rs. 756.09 lac over the income of the previous year 2008-09 which is 16.12 percent over and above the previous year income. The increase in current year domestic income is due to more receipt of NRI/SFS and student funds and fee on account of various fee for students and interest receipt on FDR and cost/ sale of prospectus for various courses run by the University. However, income /receipt shown against the head of account debt, deposit and advances amounting to Rs. 464.87 lac cannot be certified as correct due to the facts that the some adjustment entries are shown as income/ receipt and surplus in domestic receipt which could not be checked for want of record. It is noticed that the University still remains dependent on Government/UGC grant-in-aid which has been increased by Rs. 930.03 lacs during the year under report as compare to previous year's grant-in-aid. Therefore, the University Authorities, needs to mobilize its resources to commensurate with its growing expenditure and increase the source of income to make the University self dependent.

(e) Expenditure

During the year under report, expenditure amounting to Rs. 9163.25 lac was incurred by the University from main account, NRI account and from others account (student fund) which is 9.79 percent over and above the expenditure of the previous

year. The income and expenditure of the University is under the purview of pre audit/ post audit as per H.P Govt. notification No. fin (LA) H (2) C (15) XIV-106/87 dated 31.7.2004 and 11.8.04 and the same was admitted after careful examination but some expenditure which was not found admissible had to be admitted under observations because such expenditure were committed liabilities on account of contracts or the decisions of Executive Council. Some decisions of the Executive Council were not found in accordance to the provisions of the Act/ rules framed by superior legislation/ Govt. instructions. It would be in fitness of things that while presenting all such issues in the Executive Council, the same may be examined thoroughly by the administration keeping in view the government instructions relating to the issue. The economy instructions issued by the state government to curtail the wasteful expenditure are not being observed in letter and spirit e.g. Air Travel and use of Taxi including personal car are being allowed frequently. The conveyance allowance and reimbursement of hotel charges while on tour is being paid over and above the rates approved / allowed by the Govt. for its employees and purchases are also not found effected strictly as per rules. Therefore, the following steps are suggested for consideration of the University Authorities in order to revamp the financial position of the institution and to avoid irregular and wasteful expenditure.

1. Mobilization of resources of domestic income.
2. Observance of economy instructions.
3. To provide transport/ hostel facilities on no profit no loss basis.
4. Judicious utilization of existing man power.
5. Out sourcing of the Construction Work.
6. Better management of NRI/SFS funds, Student funds and other University funds.
7. Delegation of powers by the Executive council to the Vice-Chancellor, under various provisions of Act, Statutes, Ordinance and Accounts Manual needs to be reviewed / reconsidered in accordance with the present scenario as same were not reviewed / reconsidered since 1971. It has been observed that some powers delegated to the Vice-Chancellor appears to be over and above the provision of

H.P. Financial Rules, which tantamount to misutilization of Govt Grants and resulting loss to the University exchequer.

(f) Surplus/ Deficit of Funds

The position of surplus/deficit of funds during the period under report is as per the table given below:-

Sr. No.	Particulars	Income Rs. in lac	Expenditure Rs. in lac	Surplus/ Deficit Rs. in lac
1	Main account	8996.14	8372.96	623.18
2	NRI/SFS	978.00	624.25	353.75
3	Others (Student Fund)	1325.41	166.04	1159.37
4	Total	11299.55	9163.25	2136.30

The University has generated overall surplus of Rs. 2136.30 lac during the year under report. The surplus of income over expenditure is mainly due to receipt in NRI/ SFS and other (Student Funds). The surplus in the main a/c include un-utilized grant-in-aid and likely to be adjusted in the next grant-in-aid. It is also pointed out that closing balance as per books and accounts in respect of Student fund ICDEOL was Rs. 76,00,58,859.00 whereas on verification of actual bank balances and FDR's it was found aggregating to Rs.75,02,40,248.00 i.e. it was found short by Rs. 98,18,611.00 which needs to be justified.

Para 4: Audit Fee

The audit fee for the audit of H.P. University accounts has been exempted; therefore the audit fee is not chargeable.

Para: 5: Management of Pension Corpus Fund

The scheme for management of pension corps fund was notified vide notification No. 3-2/98-HPU (pension) dated 16.7.2007 and approval accorded by the Executive Council vide resolution No. 19 of its meeting held on 20.6.2007 according to which it was made applicable for the financial year 2008-09 and accordingly pension corps fund was maintained/administered in the University there was closing balance of Rs. 4,26,69,445.00 in the corps fund as on 31.03.2010. It is pointed out that no serious efforts were made to generate the fund.

Para 6: Irregularities in the accounts of various departments

During the course of checking of annual Accounts of H.P. University for the year 2009-10 in the post audit of income and expenditure accounts of various departments, the following irregularities were pointed out which needs suitable explanations:-

(A) NRI A/C of M.T.A. for the year 2009-2010

(I) As per cash book, a sum of Rs, 4, 15,689/- was transferred to Finance Officer by the department during the year. While checking the annual A/c of the department for the year 2009-2010, it was observed that the funds transferred to the Finance Officer as stated above have been shown as part of the closing balance. Since the funds have already been transferred, which would have been shown in the expenditure side instead to closing balance. Thus due to the above mistake/discrepancy, the closing balance shown in the annual account is not correct to the extent. The discrepancy may therefore, accounted for and compliance be shown to the audit.

(II) While checking the FDR register it was observed that the interest on the FDRs to the tune of Rs. 93372.00 as details below was given less by the bank. The said loss involved may be recovered from the appropriate source and deposited in the concerned account.

Sr. No.	Date of investment	Amount invested	Rate of Interest	Date of maturity	Interest due	Interest received	Interest less
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							received
1	21.09.08	3255263.00	10.10%	20.09.09	341445.00	265177.00	76268.00
2	21.11.08	10,00,000.00	10%	21.11..09	103813.00	86709.00	17104.00
Interest given by the bank							93372.00

(III) On checking of the cash book of the department it was noticed that there was a closing balance of Rs. 293744.00 as on 31.03.2010 whereas in bank there was a closing balance of Rs. 3,41,245/- i.e. in excess of Rs. 47,501.00 the difference was not reconciled. The difference as above is required to be reconciled and shown to audit.

(B) Department of Education:- NRI A/C for the year 2009-10

- (I) As per annual A/C of the year 2009-10 the bank deducted TDS to the tune of Rs. 15,975.00. However, being an educational institution, the deptt. investments are not liable for tax. Hence the tax deducted as shown above is not in order and may be recovered from the appropriate source and compliance shown to audit.
- (II) From the perusal of the record maintained by the deptt, it was noticed that the deptt has not maintained the cash book as required under financial rules and provision contained in the accounts manual which is a very serious lapse. Hence cash book in proper proforma as required under financial rules may be maintained and compliance shown to audit.

(C) Academic Staff College: 2009-2010

It was observed that the Academic staff college is operating a current a/c to maintain its funds in the SBI. It is not desirable to maintain a current A/C as it does not earn any interest and bank charges are levied by the bank to maintain the current a/c and it was also against the common financial propriety. Had the ASC opened a saving bank a/c it would have certainly earned interest and added income to the University exchequer.

(D) Population Research Centre

While checking the record of the population Research Centre, it was observed that the department has not maintained the FDR register which is in violation of rules contained in the account manual. Moreover, in the absence of FDR register the balances and transaction of FDR's could not be verified. Thus the FDR register be prepared in accordance with the rules and put up in audit for verification.

(E) HPU- Model School

While checking the annual A/C for the year 2009-10 in respect of HPU Model School, it was found that the advances drawn during the year (as detailed below) amounting to Rs. 115380.00 are still outstanding for adjustment. Non adjustment of advances for such a long period is a very serious lapse. These advances be got adjusted without further delay and compliance shown to audit.

Sr. No.	Date	Amt.	Purpose
1.	25.4.09	16000.00	Annual Sports met.
2.	08.05.09	30,000	For examinations for the session 2009-10
3.	24.08.2009	14380	For purpose of aqua guard
4.	14.09.09	45000	For Annual Function
5.	18.12.09	10,000	For the purpose of white kerosene oil
Total		115380.00	

(F) HPUCES-2009-10 - Other A/C

(I) While checking the accounts of HPUCES for the year 2009-10, it was noticed that the receipts from fee was Rs. 563740/- whereas in the annual account it was shown as Rs. 558314.00 i.e.it was shown less by Rs. 5426.00 The difference as pointed out above be justified and compliance shown to audit.

(II) As per rules contained in the chapter IV of the accounts manual, every officer responsible for receiving money on behalf of the University should maintain a cash book in prescribed form whereas as per record and information provided

by the department no cash book has been maintained by the department, which is in violation of the rules. Thus the cash book may now be prepared as per rules and compliance shown to audit.

(G) Physical Education Department - NRI A/C 2009-2010

While checking the NRI a/c of the deptt, it was observed that deptt got prepared FDR of Rs. One lac in the financial year 2009-10 and in the annual a/c this FDR was shown as expenditure instead of part of closing balance which is a serious irregularity. Due to above irregularity the closing balance was shown to Rs. 22,48,866/- instead of Rs. 23,48,866/- i.e. it was shown short by Rs. 100000/- which needs to be justified and as such expenditure and closing balance of this NRI account cannot be justified as correct.

(H) PECC Other A/C -2009-2010

While checking the other A/C of the department, it was observed that cash book has not been prepared /maintained by the department which is in violation of rules contained in accounts manual. Reasons for non maintaining cash book/basic record of accounting be explained and cash book be prepared under the rules and compliance shown to audit.

(I) University's Institute of legal studies Ava-Lodge, Shimla- NRI Account 2009-10

- (I) While checking the record of the department, it was noticed that the department. Lies incurred a sum of Rs. 525853.00 on purchase of Law books whereas in the annual a/c it was shown to the tune of Rs. 4,02,265.00 i.e.it was shown less by Rs. 123588.00 Thus the expenditure in the annual a/c was depicted incorrectly and the position of the NRI account of the deptt do not exhibit true and fare position.

(II) The department earned interest on FDR's to the tune of Rs. 105968/- in the financial year 2009-10, whereas in the annual a/c this interest receipt has not been included.

(III) The closing balance as on 31.3.2010 shown in the annual a/c cannot be verified as correct due to the following observations:-

- i) As per FDR register, there was closing balance of Rs. 1,16,05,968.00 in the shape of FDR's whereas in the annual A/C it has been shown to the tune of Rs. 1,15,00,000/- i.e. it was shown less by Rs. 105968/- which is incorrect and needs justification.
 - ii) As per books of institute there was a closing balance of Rs. 48,08,585/- as on 31.3.2010 whereas in the annual a/c it has been shown as Rs. 49,32,173/- i.e. it was shown excess by Rs. 1,23,588/- which is incorrect and needs justifications.
- (IV) As per rules contained in the chapter IV of the accounts manual, every officer responsible for receiving money on behalf of the University should maintain a cash book in prescribed form, whereas as per record and information provided to audit, the department has not maintained any cash book which is a clear violation of accounts manual and other financial rules. Reasons for not maintaining the cash book be justified.

(J) Department of English: NRI a/c 2009-10

While checking the NRI A/C of the Deptt. for the year 2009-10, the following irregularities were observed:-

- (I) As per FDR register/record put up in audit, there was a closing balance of Rs. 250706.00 as on 31.3.2010, whereas in the annual a/c it has been shown as Rs. 200000/- i.e. it was shown less of Rs. 50,706/- which is a very serious lapse and needs justification. Due to the above discrepancy, the aggregate closing balance of Rs. 44690/- shown in the annual a/c appears to be incorrect.
- (II) As per record put up in audit and information provided by the official of the deptt., a sum of Rs. 50,706/- was received as interest on FDR during the year

2009-10. But this income has not been accounted for the annual a/c which is a very serious lapse and needs proper justification.

- (III) It was also observed that the department has not maintained the cash book properly as provided under the rules because the totaling/ balancing has not been done properly due to which the purpose of maintain the cash book is defeated.

(K) Student Fund of ICDEOL – 2009-10

- (I) As per annual a/c of the department the receipts during the year was shown as Rs. 12,76,59,735/- whereas on checking the books/record of the deptt it was found that the receipts during the year was Rs. 127650780/- i.e. less by Rs. 8955/-. Thus the receipts in the annual a/ c has been shown in excess to be justified and complied.
- (II) As per the certified annual a/c for the year 2008-09, there was closing balance of Rs. 63,65,83,666/- whereas on checking of the annual a/c for the year 2009-10 it was noticed that the opening balance has been shown as Rs. 64,63,93322/- as on 1.4.2009 i.e. the excess of Rs. 98,09,656.00 then the certified closing balance of the previous year Which is very serious lapse and irregular which amounts to fudging of annual accounts and conceal the factual position from the higher authorities.
- (III) While checking the fee collection register (cash and valuable) the registers were found incomplete, unsigned and detailed classification of the fee received was also not filled up, which is against the rules as contained in accounts manual. As such reasons for incomplete maintenance of the fee collection register are required to be completed and compliance shown to audit.
- (IV) As per rules contained in the chapter IV of the accounts manual, every officer responsible for receiving money on behalf of the university should maintain a cash book, but despite repeated objections/ observations in this regard in various audit reports no cash book as required in the accounts manual was prepared and which is un acceptance and very serious. Hence the attention if higher authorities of the ICDEOL/HPU is brought to this glaring lapse and advised to get the cash book prepared as per rules.

(V) While checking of the fee collection register (valuable) it was observed that a sum of Rs. 2100/- was received from Sh. Parminder, M.A. History-II Sem) vide receipt No. 095153 (receipt book no. 4924) dated 22.03.2010 but the said receipt was not found entered in the fee collection register which is a very serious lapse. Thus it appears that neither the above receipt was accounted for nor sent for collection in the concerned bank. Hence whereabouts of the above receipt may be traced and in case the above money has not been collected, the responsibility of this loss to the University exchequer may be fixed and recovery be made from the appropriate source.

(VI) During checking of the fee collection receipts it was noticed that vide receipts no.s 94301 and 94323 dated 19.3.2010 a sum of Rs. 1730/- and Rs. 2130/- were received respectively and the above receipts were shown cancelled whereas the original receipt was not found in the receipt book which was required to be pasted in the receipt book as per rules. Thus in the absence of original receipt the above receipts cannot be verified as cancelled and the possibility of their misuse cannot be ruled out. The factual position is required to be ascertained and amount involved be made good under intimation to audit.

(L) NRI Account (ICDEOL) 2009-10

(I) Less Interest given by the bank to the tune of Rs. 79015.00

While checking the FDR register of the ICDEOL, it was observed that in the following statement, the bank has given less interest to the tune of Rs. 79015/- (interest calculated on quarterly compounding basis) which is a direct loss to the University exchequer and needs to be recovered from the appropriate source/concerned bank.

Sr. No.	Date of investment/FDR No.	Amt. Invested	%	Date of Maturity	Interest due	Given by the bank	Less given
1	31.03.2009/25840002342(P.N.B. Chailly)	4068016	8%	31.3.10	335335	267592	67743
2	16.10.2007/525997(SBI	400000	9%	18.04.09	57468330	5735561	11272

	S/Hill)						
	Total						79015/-

(II) Loss of interest to the tune of Rs. 9,35,651/- due to investment in FDR's at non competitive rates:-

While checking the FDR register for the year 2009-10, it was observed that FDR's were made in the bank at lowest rate of interest whereas higher rate of interest was offered by the bank during the same period due to which University has suffered a revenue loss amounting to Rs. 935651/- as per detail given below which has been worked out on test check and which needs to be justified failing which the amount be recovered from the appropriate source.

(i) On 20.11.09 and 05.12.09, two FDR's were made in PNB chailly for three years for Rs. 5492835/- and Rs. 6305539/- at 7 % rate of interest, whereas in the month of November and December 2009 the UCO Bank, High Court branch, Shimla has offered rate of interest @ 7.5% for three years (refer page No. 32 of the FDR register). Thus the above FDR were made at 0.5% less rate of interest which resulted into loss of Rs. 1,00,393/- and Rs.1,15,210/- respectively. Thus had above FDR's been got prepared in Uco bank instead of PNB chailly, then the University exchequer could have earned more interest i.e. Rs. 215603/- as stated above.

(i) On 09.07.2009, FDR of Rs. 9500000/- each and one FDR of Rs. 72,28,989/- were made in SBI Shimla for 1000 days @ 7.75% rate of interest. Similarly one FDR was made on 14.09.2009 for Rs. 37,26,971/- for 1000 days @ 7.75 % but while checking the FDR register it was revealed that in the same period some FDR's were prepared in Union bank of India, Shimla for 1000 days @ 8%. Thus the above FDR's were got prepared at 0.25% less rate of interest resulting into loss of Rs. 720048/- to the University exchequer. Had the above FDR's been got prepared in the Union bank of India, then the University could have earned Rs. 720048 more interest.

(III) While checking the FDR register, it was observed that the FDR register was not maintained properly as no details was given therein with regard to the further credit of amount received on encashment of crores of rupees of FDR's. Besides the source from where investment in FDR were made have also not been given in the FDR register.

(IV) While checking the opening balances of the annual account of the student fund for the year 2009-10, it was observed that there was a minus figure shown in the opening balance of the account as per annual account which needs to be justified because there was no minus figure with the above head in the certified annual account of the student fund of the year 2008-09,

(V) Further, checking of the closing balance of the annual account for the year 2009-10 reveals the following audit observations, which are required to be justified and compliance shown to audit.

(i) In the annual account under head "As per cash book" (PNB Chaily - cash in hand) a closing balance amounting to (-) Rs. 1,44,48,056/- has been shown whereas written requisition No. 347 dated 30.7.2012 and verbal requests were also made to justify it. However, bank statement/ other relevant record in support of the above huge minus balance was not produced in audit in the absence of which this huge minus balance cannot be certified as true and correct. Moreover, as specifically mentioned in the requisition there was another closing balance of the same bank amounting to Rs. 67,42,373/-, as such it is not understood how the two balances of a same bank are appearing in the closing account. Therefore these balances appears to be fictitious because as stated above no bank statement and other relevant record in support of these balances were produced in audit.

(ii) In the closing balance under heading "As per Cash Book (10091435511)" a sum of Rs. 9735016/- was shown. The account No. shown in the annual account pertains to ICDEOL's revenue account. Similarly there is another closing balance of Rs. 7733567/- under the head "As per cash book No.

10091435340” which is shown in the annual account. This account also does not pertain to ICDEOL as this account is of University main account. As such, it is not understood as to how the balances of other account was shown as part and parcel of student fund account and appears to be fictitious. Hence in the light of above observation, the closing balance of student fund cannot be verified/ certified as true and correct.

(M) IMS: NRI Account 2009-2010

While checking the cash book and allied record of the department, the following discrepancy were observed:

- (I) While checking the cash book of the department, it was observed that there was a TDS refund by the bank amounting to Rs. 763614/- and it was duly entered in the cash book. But the TDS refund was not accounted for in the annual account. Thus the annual account does not show the true and fare position of the this account to such extent, which needs to be justified and compliance shown to audit.
- (II) As per the cash book, the income from sale of hand book information for the year 2009-10 was Rs. 18,09,150/- whereas in the annual account the income under this head was shown to Rs. 1958900/- i.e. it was shown in excess of Rs. 149750/- in the annual account which need to be justified and compliance shown to audit.
- (III) There was a unspent balance of Rs. 135677/- as per cash book, where as this amount was not taken in the annual account and the annual account does not depict the true and fare position of the financial position. The discrepancy needs to be justified and compliance shown to audit.
- (IV) While checking the cash book, it was noticed that a sum of Rs. 360667/- was shown as TDS deducted by the bank on the interest given by the bank (refer C/B page no. 96 dated 3.8.2009), whereas on checking of the FDR register it was observed that no TDS was deducted by the bank from the matured FDR's and the FDR's were reinvested for full matured amount. Hence the above TDS deduction shown in the cash book is not in order

and entry on cash book needs to be justified and compliance shown to audit.

- (V) As per FDR register, there was interest income amounting to Rs. 4989460/- during the year 2009-10 whereas in the annual account the interest income from the FDR's was shown Rs. 4950954/- i.e. less by Rs. 38506/- in the annual account which requires to be justified and compliance shown to audit.
- (VI) In the annual account, the closing balance of FDR as on 31.3.2010 was shown to the tune of Rs. 52358191/- whereas on checking of the FDR register and other relevant record it was observed that FDR's closing balance comes to the tune of Rs. 47680326/- i.e. it was found less by Rs. 4677865/- which is very serious. Hence entries of the missing FDR's to the tune of Rs. 4677865/- needs to be verified and accounted for and compliance shown to audit.

(N) Department of Law (NRI/SFS)

- (I) While checking the FDR register and relating record, it was observed that during the year 2009-10 the deptt received interest on FDR's to the tune of Rs. 19,42,649/- but the above interest on FDR was not accounted for in the annual account. Non accountal of such a huge interest income is a very serious lapse which needs justification. This serious discrepancy shows that the accounts were not properly reconciled and as such does not show true and fare picture/position.

(II) Interest to the tune of Rs. 305733/- less given by the bank

While checking the FDR register and supporting record, it was noticed that the interest to the tune of Rs. 305733/- was given less by the bank as per detailed below which is a very serious lapse. The matter required to be investigated and the loss accrued to the University exchequer may be made good from the appropriate source.

Sr. No.	Date of invest	Amt. invested	Rate of interest	Date of maturity	Amount of maturity	Interest earned	Interest Received	Interest Given less
1.	20.02.07	503873.00	9 %	22.02.10	658083	154210	136536	17674
2.	23.2.2007	955315.00	6.5%	23.2.10	1247689	292374	258896	33478
3.	16.11.06	1679573	6.5%	16.11.09	2083589	404016	342077	61939
4.	25.03.07	2034865	6.5%	25.3.10	2657635	622770	551973	70797
5.	24.10.06	1176151	7%	24.10.09	1448359	272208	230383	41825
6.	10.06.06	900000	7.25%	10.6.09	1092067	192067	160185	31882
7.	16.01.07	1200000	6.5%	16.01.10	1510737	310737	262599	48138
Total						2248382	1942649	305733

(III) In the annual account put up in audit for the year 2009-10 of the Law Department, . the closing balance of FDR,s as on 31.03.2010 was shown as Rs. 1,09,90,203.00 whereas, as per record/FDR register the closing balance of FDR shows Rs. 10466133.00 i.e. it is shown less by Rs. 524070.00 in the record in comparison to the amount exhibited in the annual account. Hence, the balance FDR amounting to Rs. 524070.00 required to be traced out and accounted for in the record. Due to the above difference in closing balance, the same cannot be verified/certified as true and correct.

(IV) On checking of the cash book/record it was observed that the department received a sum of Rs. 1319443/- as admission fees from NRI students, whereas in the annual account the above receipts has been shown as Rs. 3786162/- i.e. it is shown in excess of Rs. 2466719.00 which is a very serious lapse and appears to be a fictitious adjustment in the annual account. The variation needs to be justified under intimation to audit.

(O) Department of Biotechnology

- (I) While checking the FDR register and others supporting record, it was noticed that the deptt received interest on FDR's to the tune of Rs. 35295.00 in the financial year 2009-10, but the above interest receipt was not accounted for in the annual account which is irregular. Non inclusion of above interest receipt in the annual account needs to be justified and compliance shown to audit.

(II) Interest less given by the bank to the tune of Rs. 2078/-

A FDR amounting to Rs. 360,000.00 invested on 18.9.2008 bearing account No. 30496567458 was matured on 18.09.09 for Rs. 397373.00 but the bank has given only Rs. 395295 on its maturity i.e. Rs. 2078/- was less given on maturity which was irregular. Therefore, the above interest amount which was received less be made good from the concerned bank and compliance shown to audit.

- (III) Further, checking of the cash book, it is noticed that there was a closing balance of Rs. 1135592/- as on 31.3.2010 whereas in the annual account the closing balance was shown Rs.1100347.00 i.e.it was shown less by Rs. 35245.00, as such the variation needs to be justified and the correct closing balance of cash book should have been incorporated in the annual account and compliance of the irregularity be shown to audit.

- (IV) During the course of checking of the cash book and as per information provided by the deptt's dealing Asstt, it was noticed that the department purchased postage stamps worth Rs. 1000/- (cash book page no. 149 dated 27.05.09) directly from the receipts from sale of prospectus without raising a bill and without getting it sanctioned by the competent authority and without getting it passed from pre-audit which was a very serious irregularity and was in violation of rules framed in chapter V of the accounts manual. As per rule, money received on behalf of University shall neither be appropriated to meet expenditure directly nor otherwise kept apart from the University account. Thus this grave irregularity needs to be accounted for and compliance shown to audit.

- (I) A FDR for Rs. 817930/- was matured on 25.3.2009 to the tune of Rs. 985183.00 but the proceeds of the above FDR was transferred to the S/B A/C at belated stage on 4.4.2009 i.e. after a lapse of 10 days. Interest for 10 days amounting to Rs. 1687/- (i.e. $985183 \times 6.25/100 \times 10/365 = 1687.00$) was not provided by the bank which is to be got recovered from the bank and compliance shown to audit.

(II) Interest amounting to Rs. 34411/- given less by the bank

While checking interest on various FDR's matured during the year 2009-10, it was observed that the bank has provided less interest on the FDR's as per detail given below which is to be made good from the concerned bank.

Sr. No.	Date of investment	Amount	Rate of interest	Date of maturity	Amount of maturity	Interest earned	Interest received	Less interest
1.	05.6.06	792169	6.50%	05.6.2009	961224	169055	154593	14462
2.	16.9.2006	384397	7%	16.9.2009	473360	88963	82519	6444
3.	30.8.2006	803757	7%	31.8.2009	989778	186021	186017	4
4.	25.3.06	817930	6.25%	25.3.2009/ 04.4. 09	985183	167253	153752	13501
Total							576881	34411

(III) (i) Difference in less interest of receipt

While checking receipts as shown in the annual accounts from the concerned record, the department has received an amount of Rs. 667816.00 (Rs. 576881/- as interest on FDR's and Rs. 90935/- as refund of TDS) during the year 2009-10, whereas it was shown as Rs, 639213/- in the annual account and thus an amount of Rs. 28603/- was taken less in the annual account which was irregular and require to be justified and compliance shown to audit.

(ii)Loans & advances:

As per annual account “loans & advances” has been shown in the income side to the tune of Rs. 17478/, whereas on checking of ledger and other records it was noticed that there was refund of unspent advance / loans to the tune of Rs. 5584/- thus excess booking to the tune of Rs 11894/- in the annual account is not correct and requires justification/reconciliation.

- (IV) While checking the advance register of the Deptt (refer Page No. - 16), it was observed that the following advances were given to Sh. K.C. Thakur, PRO which has not been adjusted so far.

Date of Advance	Bill No.	Amount	Purpose
26.12.06	42(28)	1500	For solan tour regarding valedictory function of STDP washroom
16.01.07	44(28)	1500	-do- of SDTP mobile phone repair programme

Non adjustment of the above advances for such a long period was irregular and as such the matter is brought to the notice of higher authorities to recover the above unadjusted advance along with penal interest from the official at fault.

Para 7: Temporary Advances

The position of un-adjusted temporary advances as on 31.3.2010 is as follow:-

Sr. No.	Particulars	Amount in lac
1	C.O.E. wing	98.851
2	Construction Division	26.150
3	Others	Information not supplied
4	Total	125.001

The year wise detail of un-adjusted advances of Rs. 125.001 lac (except others) as stated above is given below:-

Years	COE Wing Rs. in lac	Construction Division Rs. in lac	Total
Up to 31.3.1978	Nil	2.16	2.16
1978-79	0.16	0.01	0.17
1979-80	0.18	0.31	0.49
1980-81	0.875*	0.51	1.385
1981-82	1.10	0.13	1.23
1982-83	1.56	(-) 0.02	1.54
1983-84	0.135*	0.08	0.215
1984-85	0.105*	0.01	0.115
1985-86	0.221*	Nil	0.221
1986-87	0.05	Nil	0.05
1987-88	Nil	Nil	Nil
1988-89	0.08	Nil	0.08
1989-90	Nil	Nil	Nil
1990-91	0.02	Nil	0.02
1991-92	0.085*	Nil	0.085
1992-93	0.04	Nil	0.04
1993-94	0.05	Nil	0.05
1994-95	0.19	Nil	0.19
1995-96	0.775*	Nil	0.775
1996-97	5.42	Nil	5.42
1997-98	1.11	Nil	1.11
1998-99	4.35	Nil	4.35
1999-2000	6.24	0.82	7.06
2000-2001	3.65	0.65	4.30
2001-2002	Nil	Nil	Nil
2002-2003	15.64*	Nil	15.64
2003-2004	47.01	Nil	47.01
2004-2005	Nil	Nil	Nil
2005-2006	1.84	2.03*	3.87
2006-2007	2.145*	5.06*	7.205
2007-2008	0.20	5.18	5.38
2008-2009	0.355	4.64	4.995
2009-10	5.265	4.58	9.845
Total	98.851	26.15	125.001

*Increase in comparison to previous report due to information
Supplied by the Asstt. Registrar Compilation, HPU.

A perusal of above position reveals that the temporary advances issued from time to time to meet out emergent payments in respect of CEO wing and Construction Division and some of these advances remained un-adjusted since 1978 which is a serious concern and require immediate attention of higher authorities of University for its timely adjustment. Further, information in respect of others departments/wings was not supplied by the Drawing and Disbursing Officer in spite of written requisition and verbal requests. The study of year wise position of unadjusted temporary advances reveals that huge amount of advances for the year 1996-97, 1998-99, 1999-2000, 2001-02, 2002-03, 2003-04, 2004-05, 2006-07, 2007-08, 2008-09 and 2009-10 are pending for adjustment. The authority may take necessary steps to adjust/ recover amount of unadjusted advances together with penal interest from the erring officials at the earliest so that the fare view of the accounts of the institution can be reflected. For non submission of information of temporary advances under the head “others” appropriate action is required to be taken by the University Authorities because in the absence of above information the factual position of outstanding advances could not be exhibited.

Para 8: Transport Facility

The position of income and expenditure relating to transport wing in H.P. University, for the three years is given as under:-

Sr. No	Particular	2007-08	2008-09	2009-10
1	Income	271878=00	479916=00	271296=00
Total		271878=00	479916=00	271296=00
2	Expenditure			
(i)	Salary	4365637=00	5576807=00	6276474=00
(ii)	Other expenditure	4728973=00	4325368=00	5895993=00
Total		9094610=00	9902175=00	12172467=00

The transport wing of the H.P. University has a fleet of 7 buses which is providing transport services to the students and employees of the H.P. University from the various destinations of the Shimla Town to H.P. University campus and vice- versa at subsidized fare in the shape of monthly passes/ daily passenger fare. The monthly passes fare/ daily passenger fare being charged during the period under report were much below

as compared to the rates fixed by the H.R.T.C. It is evident from the above figures that the University was facing net loss of Rs. 11901177/- during the year 2009-10 which is 26.31 % more than the previous year's loss but no serious efforts was made by the University Authorities over the years to bring parity in fare of the transport wing with bus fare being charged by the HRTC from the local public so as to minimize / compensate the losses.

Para 9: Hostel Facility

The figures of receipt & expenditure for the current and previous years on account of Hostel facilities like water, electricity and hostel rent are given below:-

Sr. No.	Particular	2007-08	2008-09	2009-10
1	Income	Amount in Rs.	Amount in Rs.	Amount in Rs.
	Water & electricity	1504653.00	1601047.00	1738820=00
	Hostel admission fee & Hostel Rent etc.	716700.00	763868.00	786072=00
	Total	2221353.00	2364915.00	25,24,892=00
2	Expenditure			
(i)	Salary	10696282.00	13294685.00	16516937=00
(a)	Water & Electricity.	6843400.00	7252611.00	8378193=00
(b)	Other Exp.	1530315.00	14790054.00	1415038=00
	Total	19069997.00	35337350.00	26310168=00

From the comparative study of income & expenditure for the two years in respect of Hostel Facilities, it is noticed that in the year 2009-10, the income from water & electricity charges and hostel admission fee etc. recovered from Hostlers has registered slight increase of Rs. 159977=00, (Rs. 2524892.00- Rs.2364915.00) over the previous year income which is 6.76 %, whereas the total expenditure has registered decrease of Rs. 9027182=00 (Rs.35337350 – Rs. 26310168) over the previous expenditure which is 25.54%.

However, the overall comparison of income & expenditure in respect of hostel facilities, it is quite clear that the University has incurred expenditure of Rs.263.10 lac against the meager income of Rs. 25.25 lac during the year 2009-10 resulting loss of Rs. 237.85 lac. The matter is brought to the notice of higher authorities of University to look into the matter and to take immediate necessary steps to minimize / compensate the losses

which are increasing year to year basis and the University Authorities are also requested to take an appropriate policy decision to raise the water and electricity charges and hostel rent on no profit no loss basis with a view to avoid recurring losses to the University exchequer and to bridge the un-ending gap between income & expenditure on this account.

Para 10: Examination Wing

The position of income and expenditure relating to the examination wing of the H.P. University can be perused from the following table for the last two years:-

Sr. No.	Particulars			
		2008-09	2009-10	Increase / decrease (Rs. in lac)
1.	Income	913.77	1481.13	(+)567.36
2.	Expenditure	1126.03	1220.41	(+)94.38
3.	Difference/gap	(-) 212.26	(+)260.72	(+)472.98

From the perusal of comparative position of income and expenditure related to examination wing for the period 2008-09 and 2009-10 as stated above, it is noticed that the income has increased by Rs.567.36 lac during the year 2009-10 as compared to the income for the year 2008-09 and the expenditure during the year 2009-10 has been increased by Rs. 94.38 lac. The gap between the income and expenditure of the examination wing was Rs. 260.72 lac during the year 2009-10. Therefore, the authority may take necessary step to further enhance the income against the corresponding expenditure.

Para 11: Construction Division

The comparative position of works executed by the Construction Division during last two years i.e. for 2008-09 & 2009-10 and establishment charges incurred for executing the works for the relevant years is given in the following table:-

Sr. No.	Year	Value of work done in lacs	Establishment charges paid in lacs
1.	2008-09	270.36	296.50
2.	2009-10	200.35	350.80

It would be evident from the above table that there is huge gap between the establishment charges of the construction division and total value of work done. Had these works been executed by the agency other than construction division, it would have resulted into saving of above establishment charges to the University exchequer during the year 2009-10. Therefore, the audit is of the considered view that University Authorities should explore the possibility of switching over to the system of executing of works as deposit work rather than incurring huge expenditure on the establishment of construction division just for executing small value of works over a period of time. This position had also been highlighted in the previous reports but no sincere efforts have been made to implement suggested measures. It is, therefore, reiterated that if the serious thought is given on the suggestion, this would surely help in curtailing the unproductive expenditure on the running cost of construction wing besides judicious utilization of surplus staff in other wings of the University. The excess of establishment charges keeping in view the value of works executed is very serious and require suitable explanation and necessary action at highest level of the University Authorities.

Para 12: Irregular Appointment of daily wagers on ad-hoc basis contrary to instructions of the Government resulting additional financial liability on University exchequer of Rs. 34/- lac Per annum approximately

The University Authorities vide notification No. 9-24/99-HPU (Genl.)Vol-II dated 17.09.2008 has adopted the instructions/decision of the HP Government conveyed by the department of Personnel vide Letter No. Per (AP)-C-B (2)-1/2006 Vol-V dated 9.9.2008 regarding regularization of daily waged workers in the H.P. University. As per these instructions the daily waged workers, who have completed 8 years continuous service (with a minimum of 240 working days in a calendar year) as on 31.03.2008 were required to be regularized only against vacant posts in various Department. It is thus prerequisite that completion of required years of service makes such daily wagers eligible for consideration to be regularized. But contrary to this decision, 59 daily waged workers of various categories who had not actually completed the requirement of 8 years continuous service were regularized/appointed on adhoc basis from amongst the daily waged staff by the H.P. University authorities during the year 2009-10. This has resulted

in additional Financial burden of Rs. 34 lac approximately per annum to the University exchequer as per detailed statement given below (which has further been increased due to revision of pay scales).

Name of category	No of posts	Rate of daily wages per day	Expenditure involved on D.W. P.A.	Expenditure involved PA consequent upon adhoc appointment (on Old Scale)	Additional Financial liabilities involved PA	Remarks (scale allowances i.e. pre revised)
Computer	1	140	51,000	112488	61388	3120-5160
Fitter Gr-II	1	140	51,000	112488	61388	3120-5160
Driver (L/V)	1	150	54750	127872	73122	3330-6200
Electrician	1	140	51,000	112488	61388	3120-5160
Security Gurard	1	132	48180	119472	71292	3120-5160 Initial3330
Mess Helper	9	110	361350	862704	501354	2520-4140 initial 2620
Safai Karamchari	6	110	240900	580896	339996	2520-4140 initial 2620
Jr. Lib Attendant	3	110	120450	297540	177090	2720-4260
Peon	11	110	441650	1064976	623326	2520-4160 Initial 2620
Chowkidar	11	110	441650	1064976	623326	2520-4160 Initial 2620
Ground man	1	110	40150	99180	59030	2720-4260
Jr. Lib Attendant	2	110	80300	198360	118060	2720-4260
Lab Attendant	2	140	102200	224976	122776	3120-5160
Clerk	1	140	51,000	113928	62828	3120-5160
Beldar	5	110	200750	479280	278530	2520-4160
Peon-cum-Frash	1	110	40150	97296	57146	2520-4160
Hostel Attendant	2	110	80300	194592	114292	2520-4160
Total	59		2457180	5863512	3406332	Say Rs. 34 lac app.

The above adhoc appointments made may therefore be justified failings which responsibility be fixed to account for the losses occurred to the University under intimation to audit and the authorities may ensure that such irregular practice is stopped/avoided in future because this practice is being continued in the subsequent years also which is a serious lapse on the part of authorities and it tantamount to violation of Govt. instructions.

Para 13: Irregular appointment of two daily wagers on ad-hoc basis against the post of Hostel Attendant and peon in the Academic Staff College, H.P. University

The service of two daily wagers in the Academic Staff College have been placed on adhoc basis w.e.f 1.4.2006 against the sanctioned post of Hostel Attendant and peon in the pay scale of Rs. 2520-4140 with initial start of Rs. 2620+ allowances vide Officer Order No. HPU/USC-ASC/1-1/94 dated 13.08.2009 after obtaining the approval of advisory committee of the ASC constituted by the UGC and as such both the officials have joined their duties on adhoc basis w.e.f. 13.08.2009. It is appropriate to mention that the University Authorities vide notification no. 9-24/99-HPU (Genl.) Vol.-II dated 17.09.08 has adopted the instructions issued by the Govt. of H.P. vide letters No. Per (AP)-C-1(2)-1/2006-vol-V dated 9.09.2008 regarding regularization of daily waged worker in the University. As per these instructions, the daily wagers who have completed 8 years of continuous service (with minimum 240 day in a calender year) as on 31.03.08 may be regularized only against vacant post on seniority basis. There is no provision of adhoc appointments for daily wager rather the Government of H.P. has imposed a complete ban on adhoc appointment. Contrary to the above instructions of Government of Himachal Pradesh, the above mentioned daily wagers were appointed on adhoc basis resulting in violation of Government instructions/order. It is also pertinent to mention here that the University will have to take the financial liabilities of ASC in the near future as envisaged under clause 3.5 of UGC guidelines for ASC (2008-10) meaning there by that the appointment of aforementioned staff is required to be made keeping in view the UGC guidelines as well as Himachal Pradesh Govt. instructions/ rules adopted by the University.

The audit department had pointed out the above facts to the administrative as well as the finance wing of HPU. The administrative authority vide N-24 of file No. HPU/UGC-ASC/1-32/09 has intimated that “it does not pertain to university establishment and ASC may settle this issue at their own levels on the other hand, the finance wing vide N-31 of aforesaid file has commented that the staff positioned in ASC is co-terminus with the funding for the project as such the liability on this score would not spill over to the state exchequer. The above stated view is contrary to the fact as per the UGC guidelines (clause 3.5 detailed above), the liability of ASC presently functions in the University will be borne by the UGC during the XI plan (2007-12) and there after University will have to take over the financial liability of said staff meaning thereby that the appointment of staff in the ASC is required to be made keeping in view the UGC guidelines as well as rules applicable to University staff and instructions of Govt. of H.P. duly adopted from time to time.

As such the aforementioned daily wage staff (converted from daily wager to ad-hoc) may be regularized only against the vacant post strictly in accordance with the instructions issued by the Govt. of H.P. from time to time duly adopted by the University in order to safeguard the interest of the institutions so as to avoid unnecessary burden on University exchequer. However, reply of Director Academic Staff College vide letter No. HPU/UGC -ASC / 1-27/04 dated 20.11.2009 was examined and the same is not found in order, as such the matter is brought to the notice of higher authorities for compliance and appropriate action.

Audit Requisition No. 29 dated 27.10.09 The Director, Academic Staff College/Registrar/ F.O. /SPS to V.C.

Para 14: Irregular adhoc appointments of daily wage employees by Director (UIIT)

While checking the salary bills of the four employees converted on adhoc basis from daily wage basis by the Director (UIIT) vide office order No. 1-21/2002-HPU (UIIT) Aptt. (Vol-II)-2614 to 2623 dated 14.1.2010 in the pay scale of Rs. 5910-20200 + 1900 (GP) with initial pay band +grade pay of Rs. 7810+ grade pay and allowances, It

is noticed that the sanction of competent authority to create the post on adhoc basis was not obtained/ shown to audit. The salary bills were admitted in the audit subject to observation that sanction of competent authority to create posts and procedure and norms for regularization for daily paid staff to adhoc basis would be shown to audit. However, the reply of Director (UIIT) vide letter No. 1-2/2012-HPU (UIIT) Apptt. dated 22.2.2010 was examined and the same is not found in order, as such no compliance was shown. The matter is therefore, brought to the notice of higher authorities for compliance and appropriate action.

Audit Requisition No. 926 to 928 dated 19.2.10 Director, UIIT/Registrar/SPS to V.C.

Para 15: Irregular adhoc appointments of Groundmen in the Deptt. Of Physical Education, HPU.

While checking the salary bills of the two Ground men who were converted to adhoc basis from daily wage basis by the Director (UIIT) vide office order No. 23/09-10 HPU/Phy Edu. Nil dated 13.1.10 and 16.2.10 in the pay scale of Rs. 4900-10680 + 1400 (GP) with initial pay band +grade pay of Rs. 5300+ grade pay and allowances, it is noticed that the sanction of competent authority to create the post on adhoc basis was not shown to audit. The salary bills were admitted in the audit subject to observation that sanction of competent authority to create posts and procedure and norms for regularization for daily paid to adhoc basis would be shown to audit. However, the reply of Chairman vide letter No. 23/09-10/HPU/Phy. Edu./561 dated 2.3.2010 was examined and the same is no found in order, as such no compliance was shown. The matter is therefore, brought to the notice of higher authorities for compliance and appropriate action.

Audit Requisition No. 31-I0II-III dated 19.2.10 Director, UIIT/Registrar/SPS to V.C.

Para 16: Irregular adhoc appointment of Sh. Dalel Singh thakur, Asstt. Editor in ICDEOL, H.P. University

While checking the salary bill of Sh. Daler Singh Thakur, Asstt. Editor, it was noticed that he was irregularly appointed on adhoc basis vide order No. 7-9/92-HPU (Estt.)-II dated 7.1.2010 from consolidated salary as adhoc appointment does not cover under rules and instruction of H.P. Govt. For regularization of daily wage employees, it is necessary to complete 8 years service and also there is no provision of adhoc appointment in group – A posts. The salary bill was admitted subject to the clarification on the subject, but no compliance was pointed out, hence, the matter is brought to the notice of higher authorities for appropriate necessary action.

Para 17: Irregularities in the Finalization of the case of Sh Hira Singh, Peon

The revised retirement benefit proposal in respect of Sh. Hira Singh, Peon (Retired) was admitted subject to the following observations and it was also observed and pointed out that H.PU should have saved Rs. 2,16,922/- on account of pay and allowances which were paid to Sh. Hira Singh, Peon (retired) and he being superannuated on 3.6.2002. on the basis of his actual date of birth. He remained in service up 2.8.2004 F.N. for which responsibilities for the serious lapse on the part of attesting officer should have been fixed and amount shown irregularly paid be recovered from the default officer/official under intimation to audit. But no compliance was pointed out and matter is brought into the notice of highest authority in the University for necessary appropriate action. From the perusal of related record which has been made available to audit, it has been observed as under in this case.

A complaint against Sh. Hira Singh (Peon) was forwarded to the Registrar H.P. University Shimla-5 by the Director General of Police vigilance Compt-302/04(SML)-7559 dated 7.05.04 with the request to take further necessary action in the complaint.

The Registrar vide letter No. 13.4./2006-HPU (Estt) dated 27.01.2004 had appointed Rajinder Kumar to hold fact finding enquiry to ascertain facts with regard to complaint of discrepancy in the entry of date of birth of Sh. Hira Singh, Peon who took voluntary retirement w.e.f. 2.8.04 (FN).

The enquiry officer while submitting his report had recommended as follows:-

Since remaining in service beyond the age of 60 year of Sh. Hira Singh peon is a fault accompli, it may be treated as reengagement in service as a special case not be treated precedent. For this the ex-post-fact approval of the competent authority may be obtained by placing all the facts before it and may be restricted to 60 years of age only for retiral benefits etc. and payment of wages and allowances made beyond 60 years of age may be treated as institutional liability.

The fact finding report was placed before the E.C. The decision of the EC in the matter was notified vide notification No. 9-253/79-HPU (Estt) dated 28.6.08 which provide that (in supersession of this University office order even No. dated 3.8.2004 and after rectifying the entries of date of birth in the HPU record to 2.6.1942 in place of 2.4.1947, Sh Hira Singh, Peon voluntary retired vide the office order Ibid shall now be deemed to have superannuated on 30.6.02 (A.N.) as per provision of ordinance 35.42 of the first ordinance of HPU 1973, (as amended) and the period beyond the date of his superannuation up to his voluntary retirement on 02.08.2004 (F.N.) shall be treated as reemployment on the wages and allowances paid to him as a special case not to be treated as precedent.

From the perusal of above orders of the authority and the fact finding report following observations were intimated to the authority vide note 37 of the case file.

While going through the fact finding enquiry report regarding the discrepancy in the entry of date of birth of Sh. Hira Singh Peron, the following points have not been noticed which may lead to incorrect findings.

- (A) Reasons for submitting the affidavit for declaring date of birth as 2.4.1947 instead of submitting the school leaving certificate on his appointment in support of date of birth because he had studied up to 7th class.
- (B) Reasons for ignoring the panchayat record for ascertaining exact date of birth being primary and authentic record.
- (1) That the provisions laid down in GIO (i) below S.R. 199 were not complied with by the attesting officer, while attesting the entries made in the service book against column 6 and 7 of the service book i.e. the date of birth and educational qualification respectively. Had the corrections of these entries (especially date of

- Birth) was verified from original certificate as valid evidence, the official should have superannuated at correct time and the University should have saved the pay and allowances which were paid to Sh. Hira Singh peon due to incorrect date of birth. The E.C. vide item No. 14 of its meeting held on 31.3.2008 had ordered the member secretary (EC) to look into whether there is any lapse on the part of anybody in the office or not? The enquiry if any conducted by the member secretary (EC) may also be made available to audit.
- (2) That vide No. 9-253/79-HPU-(Estt) dated nil, the date of birth of Sh. Hira Singh was corrected to 2.6.1942 in place of 2.4.1947. The period beyond the actual date of superannuation i.e. from 30.6.2002 to 2.08.2004 (F.N.) has restricted as reemployment on the wages and allowances already paid. The action of the authority needs full justification w.r.t. rules/instructions applicable to reemployment case of pensioners.
- (3) That according to corrected date of birth, Sh. Hira Singh superannuated on 30.6.02 (A.N.) but his pension was proposed w.e.f. 2.8.04 (F.N) The provision of rules under which the case is covered may be intimated to audit.
- (4) Since the complaint against Sh. Hira Singh was forwarded by the Director General of Police vigilance H.P. Shimla, hence the Vigilance clearance in the above case if obtained may be supplied to audit for final settlement of the pension case otherwise the same may be obtained now.
- (5) Had the attesting officer verified the date of birth from the school certificate at the time of attestation, Sh. Hira Singh should have been superannuated on 30.6.02 and the H.PU should have saved Rs. 2,16,922/- on a/c of pay and allowances which were paid to Sh. Hira Singh. The responsibility for this serious lapse on the part of attesting officer may be fixed and the amount shown irregularly paid may be recovered from the defaulting officer/ official under intimation to audit.

**Audit Requisition No. 24 Dated: 18.06.2009 Registrar/Finance Officer/
SPS to Hon'ble V.C**

Para 18: Irregular pay fixation of Sh. R.S. Chauhan, Dy. Director Physical Education, H.P. University, Shimla-5

The pay fixation proposal in respect of Sh. R. S. Chauhan Dy. Director, Physical Education promoted on ad-hoc basis w.e.f. 10.11.2006 vide office order No. 3-6/81-HPU (Estt.)Vol-III dated 10.11.2006 was vetted provisionally subject to the following observation and final outcome of Hon'ble Tribunal/Court in the O.A.No 1822/07, but no compliance was pointed out as such matter is brought to the notice of the higher authority of H.P. University for appropriate action.

(I) From the perusal of service Book/records made available to audit, it has been noticed that Sh. R.S. Chauhan was appointed through direct recruitment to the post of Asstt. Director phy. Education in the pay scale of Rs. 2200-4000 (revised to 8000-275-13500 w.e.f. 1.1.1996) and prior to this he was already working in the University against the post of coach in the identical pay scale of Rs. 2200-4000 (revised to 8000-275-13500 w.e.f. 1.1.1996). The pay of Sh. R. S. Chauhan as Asstt. Director was fixed by applying the provision of FR-22(i), which is not attractable/ applicable in the instant case as the post of Assistant Director was filled up from direct recruitment and the same was in the identical pay scale of the post of coach, thus not involving duties and responsibilities of greater importance. The matter was brought to the notice of University Authorities vide note 362, 364, 367 of the concerned file, but they have not agreed with the audit view. The audit is of the considered view that in the light of conditions prescribed under FR-22 (i) a (I) read with FR 22 (III), the pay in above case was to be fixed under the provision of FR-22 (I) read with FR 22 (III). Therefore, the authorities may reexamine and correct the case of pay fixation on appointment to the post of Asstt. Director in view of fundamental rules referred above. If the authorities do feel otherwise then an authoritative clarification may be obtained from the finance department through administrative department elaborating the detailed facts of the case under intimation to audit.

(II) Further, while examining the pay fixation case on promotion to the post of Dy Director of above named officer, it has been noticed that the appointment was on ad-hoc basis w.e.f. 10.11.2006. The ad-hoc appointment to the post of

Dy Director was annulled/ rescinded w.e.f. 30.7.2007 vide office order No. 3-6/81-HPUI (Estt. Vol-III dated 30.7.2007. Consequent upon rescission of ad-hoc promotion, Sh. Rajinder Chauhan had filed a writ petition vide OA No. 1822/07 before the H.P. State Administrative Tribunal Shimla. The Hon'ble Tribunal had stayed implementation of impugned order dated 30.07.07. Hence the pay fixation of Sh. R.S. Chauhan on his promotion to the Post of Dy Director has been examined and vetted subject to the final of come of Hon'ble Tribunal/court in the OA No. 1822/07

Audit Requisition No. 25-25-II dated 18.06.2009 Registrar/ F.O/ SPS to VC

Para 19: Suspected short accountal and short carry forward of material worth Rs. 71542/-

While checking the store account of construction Division, it was observed that material worth Rs. 71542/- (the rates on the basis of amount was worked out were available in the records of the Construction Division) was short accounted for / short carry forward which seems to be misappropriated. This discrepancy was brought to the notice of Executive Engineer Construction Division for short accountal / short carry forward of material, but no compliance was shown. Therefore, the matter is brought to the notice of the higher authorities of University for necessary enquiry and fixing the responsibilities for such lapse against the defaulter so as to make good the loss of Rs. 71542/- and compliance shown to audit.

Audit Requisition No. 26 to 26-III dated 7.07.2009 Executive Engineer (Const. Div.) S.P.S. to V.C / Registrar/ F.O.

Para 20: Suspected loss of Rs. 1, 90,072/- in the Store/ Stock of Construction Division

While checking the store account of construction Division it was observed that material worth Rs. 1,90,072/- was lying unutilized since long period i.e. 1983 on the basis of bin card for which neither satisfactory reply was furnished

by the Construction Division nor the periodical physical verification of store stock conducted if any since 1983, whereas under rule physical verification was required to be done annually. It appears that the material shown as the balance worth Rs. 1.90.072/- in the bin card is not lying physically in the store and appears misappropriated. Therefore, the matter is brought to the notice of higher authorities of the University for taking necessary action and to fix responsibilities for lapses and make good the losses and compliance shown to the audit.

Audit Requisition No. 27 dated 7.07.2009 Executive Engineer (Const. Div.) S.P.S. to V.C / Registrar/ F.O.

Para 21: Irregular expenditure of Rs. 14118/- on account of contingent bills of Store Purchase Office

Store Purchase Office of H.P. University, Shimla-5 submitted contingent bills No. 5052 dated 30.10.2008 for Rs. 3375/- , bill no. 8950 dated 25.3.2009 for Rs. 6693/- and bill no. 8909 dated 24.3.2008 for Rs. 4050/- on account of purchase of revolving chairs, computer table, steel almirah and office writing table/ office chair deluxe type respectively for pre-audit. While checking these bills it was noticed that expenditure sanction of competent authority was not obtained, however, the sanction is granted by A.R. Accounts which is found to be irregular as per delegation of financial power vide letter No.. 14-2/92- HPU (Bud.) dated 5.05.04, (A.R. Accounts was not empowered to grant expenditure sanction of any account). Though the bills in question were admitted / pre audited subject to the conditions that financial power A.R. Accounts be pointed out or expenditure may got regularized by obtaining expenditure sanction of competent authority in order to maintain financial discipline but no compliance was pointed out as such matter is brought to the notice of University Authorities for compliance and necessary appropriate action.

Audit Requisition No. 28 dated 22.10.2009 Finance Officer, H.P University, Shimla-5

Para 22: Revision of pay scale in new pay structure w.e.f. 1.1.2006 in respect of category of clerks.

While checking the pay fixation cases in revised pay structure, it was noticed that the pay of employees in revised pay structure of Rs. 5910-20200+1900 GP with pre revised pay scale of Rs. 3120-5160 with initial start of Rs.3220/- appointed on or after 01.01.2006 were fixed according to Basic pay of Rs 3220/- in pre revised scale, where as their pay was required to be fixed according to basic pay of Rs 3120/- under the provision of the revised pay rules 2009. In maximum cases, the correction was made by the audit and in some cases the correction could not be made due to clarification. As such before the final fixation order are notified, necessary correction as above are required to be made under intimation to audit. However, reply of Finance Officer vide endorsement No. 10-11/2009-HPU (Bud) -1906 dated 7.12.2009 was examined and found only informatory because he has requested Registrar office for re checking the same for which compliance and latest status was still awaited. The matter is therefore, brought to the notice of University Authorities for compliance and necessary action.

Audit Requisition No. 773 dated 4.12.2009 Finance Officer, H.P. University, Shimla

Audit Requisition No. 939 dated 23.2.2010 Registrar H.P.U

Para 23: Wrong calculation of final withdrawal in respect of Sh. Narender Singh driver, who retired on 30.4.2010.

During the course of checking of final withdrawal bill of provident fund in respect of Narender Singh driver which was submitted for pre-audit vide bill No. 47 dated 6.1.2010 for Rs. 6,70,572/-, it was noticed that withdrawal of Rs. 3,68,000 during April 2009 was not debited in the account of retiree. Accordingly the bill was pre-audited and passed for payment for Rs. 273345/- including interest and thus over payment to the tune of Rs. 3,97,227/- was pointed out and avoided. This bill was cleared subject to the revision of sanction of the Hon'ble Vice Chancellor before the

release of payment but the same was not shown to audit. Therefore, irregularity needs to be accounted for and compliance shown to audit.

Para 24: Irregular pay revision in respect of Sh. Sohan Singh Thakur, Section Officer now Dy. Registrar (Retired) w.e.f. 1.3.2006 to 30.6.2012 under the provision of H.P. Civil Services (Revised Pay) Rules 2009- Excess Payment of Rs. 1,25,216/- thereof.

The pay fixation proposal w.e.f 1.3.2006 under the provision of H.P. Civil Services (Revised Pay) rules 2009- in respect of Sh. Sohan Singh Thakur, Section Officer now Dy Registrar (Retired) was submitted on 16.2.2010 for vetting by opting directly in the pay scale of Rs. 10300-34800 +5000 Grade pay w.e.f. 1.3.2006 against pre revised pay scale of Rs. 7220-11660/- in the post of Section Officer. He was promoted from the post of Supdt grade w.e.f. 3.1.2006 in the pre revised pay scale of Rs. 6400-10640/- with date of increment 1.3.2006. During the course of vetting it was observed as per entry in the service book page 17 and 20 (Vol-III) that Sh. Sohan Singh Thakur was promoted vide office order No. 1-1/2004-HPU (Estt) dated 2.1.2006 on adhoc basis and No. 7-1/2004-HPU (Estt) Vol-III dated 22.8.2007 on regular basis in the pre revise pay scale of Rs. 7220-11660/- and as per entry of service book page 17 Vol.-III, he joined his duty on 3.1.2006 (F.N). on adhoc basis which was notified vide office order No. 7-1/2004-HPU (Estt) dated 10.1.2006. As such the proposal was objected by the audit dated 16.2.2010, 2.3.2010 and 9.3.2010 on the basis of provisions of the revised pay rule 2009 that as contended by Registrar and the Finance Officer the option of the employee was admitted under second proviso to rule 5 of the revise pay scale but audit is categorically of the view that second proviso to rule 5 was applicable to the post on which the incumbent was already in existence on 1.1.2006. Since Sh. Sohan Singh Thakur was Supdt. Grade -II on 1.1.2006 and thus he was not entitled to opt under second proviso rule-5 as he promoted as Section Officer w.e.f. 3.1.2006. The audit further pointed out that his pay on promotion should be fixed in accordance with the clarificatory officer memorandum No. Fin (PR) B (7) -1/2009 dated 19.9.2009. Finally on 1.4.2010 audit vetted the proposal conditionally that the clarification may be sought from finance department of Govt. H.P. who is the final authority to interpret the

rules and similar cases shall only be considered by audit after the production of clarification. But up-till- now no clarification was shown to audit and pay remained irregularly fixed. Since the incumbent has retired on 30.6.2012 and pay is required to be re-fixed correctly. As such due to wrong fixation of pay an amount of Rs. 1,25,216/- was paid in excess during the period 1.03.2006 to 30.06.2012. The matter is brought to the notice of higher authorities of the University to ensure the recovery of the same as Sh. Sohan Singh Thakur who has since been retired.

Diary No. 948(LAD) dated: 3.3.10 Finance Officer/ Registrar, H.P.U

Para 25: Retrenchment /Recoveries:

During the pre-audit of pension / pay fixation cases, T. A. Bills and other contingent bills during the period under report an amount of Rs. 9, 46,306.00 were retrenched / recovered.

Para 26: Conclusion:

Non compliance/ settlement of old audit paras have not only forfeited the very purpose of the audit but also fails to bring the accountability and transparency of the organization accounts besides suffering losses on account of non recoveries etc. There are 1450 numbers of audit paras outstanding for settlement and no serious efforts have been made for the settlement. Therefore, the attention of the authorities is invited for taking appropriate actions to settle the old outstanding paras.

Sd

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Sd

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