

**Government of Himachal Pradesh
Local Audit Department
Block No. 38, SDA Complex
Kasumpti, Shimla-171009.**



**Audit and Inspection Report
on the Accounts of
Himachal Pradesh University
Shimla-171005.
For the Year 2012-2013.**

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PREFACE

1. This report on the accounts of H.P. University has been prepared for submission to the Govt. of H.P. under the provision 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 Report during the period w.e.f 27.07.1970 to 31.03.2012.
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 2012-13.
4. The latest position of all outstanding audit paras from 1970-71 to 2011-12 is given in annexure-“A” of this report.

Audit and Inspection Report for the year 2012-13

Executive Summary

The following statutory Officers have served in the institution during the period under report:-

Sr. No.	Designation	Name	Period
1.	Vice Chancellor	Prof. A.D.N. Bajpai	01.04.2012 to 31.03.2013
2.	Registrar	Sh. Chander Prakash Verma (HPAS)	01.04.2012 to 30.01.2013
		Sh. Sumit Khimta (HPAS)	31.01.2013 to 31.03.2013
3.	Finance Officer	Sh. Rejinder Kumar Verma Controller (F&A)	01.04.2012 to 13.03.2013
		Sh. Prithi Chand Sharma Controller (F&A)	14.03.2013 to 31.03.2013

Serious Irregularities detected during the Audit for year 2012-13

Sr. No.	Particulars	Para No.	Amount in lac
1.	Difference in grant in aid received during the year 2012-13.	3.4	27.85
2.	Retrenchment / Recoveries made during the period under report.	5	7.89
3.	Non-adjustment temporary advances since 1978-79 to 2012-13	6	818.09
4.	Transport Facilities involving huge loss.	8	253.84
5.	Hostel Facilities involving huge loss.	9	268.45
6.	Irregular deduction of Tax at source	12(B)	1.75
7.	Credit of, BD's and IPO's etc. not given by the Bank.	15	0.48
8.	Infructuous payment on account of personal accidental insurance scheme.	17	3.12
9.	Loss to university exchequer due to purchase of stationery articles on exorbitant rates.	20	0.77
10.	Irregular transfer of Student Funds ICDEOL to Main Account of HP University.	25	811.05
11.	Non production of records on account of affiliation/continuation fees.	26	175.91
12.	Irregular transfer of NRI fund (department of chemistry) to UGC SAP Project.	27	4.25
13.	Non-recovery of advertisement charges.	35	0.76
14.	Short realization of fee.	37	0.29
15.	Loss to the University exchequer due to non adhering to the Guideline of the UGC regarding refund of fees.	40	0.53

**An 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 of 1988-
89 to 2011-12.**

From the perusal of old outstanding Para (s) of previous audit report(s), it is observed that no serious efforts were made by the University Authorities for the settlement of old out standing Para (s) and some of the Para (s) related to serious nature remained outstanding since long. Therefore, immediate action is 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.	Brief Description	Para (Nos.)	Audit Report Year wise
1.	Excess payment made to contactor amounting to Rs, 54562/- on account of 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. 226182/- 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. 11.23 lac.	11	2004-04

13.	Excess payment of Rs. 0.42 lac due to ignoring lowest tender rates.	16	2004-05
14.	Payment of decreed amount of Rs. 0.50 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	2008-06
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 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. 1.13637/-.	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 account 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. 1.2595370.00 over the certified closing balance of the previous financial year.	2(e)(I)	2008-09
30.	Recovery of loss of interest of FDRs amounting to Rs. 49093.00 in 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 fund over and above the rates fixed by H.P. Govt.	15	2008-09

32.	Irregular Expenditure on account of remuneration amounting to Rs. 1.28000/- to teachers of ICDEOL.	26	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. 416589.000 form 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.
36.	Non inclusion of various funds amounting to Rs. 426.69 lac in the annual accounts of the University for the year 2009-10	3 (b)(i)	2009-10
37.	Non credits of valuables to bank account No. 10091435340 (State bank of India) worth Rs 4.58 lac remitted during 2,4,08 to 24.3.09	3 (b) (ii) (7)	2009-10
38.	Short realization of interest of Rs 7.05 lac on FDRs	3 9b0 (15), 6(a) (ii), 6 (L) (i), 6 (N)(II), 6(P)(II)	2009-10
39.	Appointment of daily wagers on ad-hoc basis in contravention of Govt. instructions resulting additional financial liability of Rs. 34.00 lac p.a. approximately on University exchequer.	12	2009-10
40.	Suspected loss of Stock /Store worth Rs. 1.90 lac (Construction Division)	20	2009-10
41.	suspected mis-utilization of UGC Grants-in-Aid amounting to 239.59 lac	3.1.4	2010-11
42.	Short accountal of UGC Grant-in-Aid in Annual Account for Rs. 1.55 lac due to non credit of interest received from saving bank and FDR's made from UGC fund.	3.1.5	2010-11
43.	Domestic Receipt ICDEOL inflated by 102.35 lac	3.1.6	2010-11
44.	Wrong credit of standard License fee Rs. 7.38 lac to the Book Adjustment Account.	3.1.7	2010-11
45.	Short Accountal of Examination fee Rs. 173.03 lac received by way of valuables i.e. IPO's and Bank Drafts.	3.1.8	2010-11
46.	Difference of Rs. 197.57 lac in opening Balance as on 01.04.2010	3.1.9	2010-11
47.	Transport facility facing a net loss of Rs. 1,24,62,286/-	7	2010-11
48.	Hostel facility facing a net loss of Rs. 267.41 lac	8	2010-11

49.	Loss of interest Rs. 10.63 Lac due to non-application of Financial prudence.	14(3)	2010-11
50.	Deficit of Rs. 60.21 Lac in the GPF Account	14(5)	2010-11
51.	Suspected misutilisation of UGC Grant-in-Aid amounting to Rs. 115.82 Lac.	3.1.4	2011-12
52.	Difference of Rs. 383.38 Lac in Opening Balance as on 01.04.2011.	3.1.5	2011-12
53.	Transport Facilities facing a net loss of Rs. 144.76 Lac.	7	2011-12
54.	Hostel Facilities facing a net loss of Rs. 282.28 Lac.	8	2011-12
55.	Irregular transfer of Student funds ICDEOL amounting to Rs. 1432.87 Lac to Main Account of HP University.	16	2011-12
56.	Overpayment of pay and allowances amounting to Rs. 5 Lac to Cooks (14 in Number)	20	2011-12
57.	Short realization of fee amounting to Rs. 1.51 Lac from students by Bio-Technology department.	33	2011-12
59.	Non-realization of advertisement charges (share) amounting to Rs. 0.60 Lac by the Bio-Technology department.	36	2011-12

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

Period 1.04.2012 to 31.03.2013

Part-I

Latest position of old audit para's

There are 1550 old audit Para(s) outstanding. No serious efforts on the part of university management seem to have been taken for the settlement of old outstanding para(s) pertaining to period from 1970-71 to 2011-12, involving serious cases of misappropriation of public money. The detailed position of which is contained in annexure-"A" of this Audit Report. Therefore, some mechanism needs to be devised where provision for the settlement of serious audit para(s) and losses/recovery of public funds may be reported to the highest authority.

Part –II

Para-I: Preliminary

The audit and inspection of Accounts of H.P. University, Summer-Hill, Shimla-5 for the period 2012-13 was conducted by the Resident Auditors headed by Sh. D.L.Thakur, Joint Controller Audit, the results thereof, are incorporated in the following paragraphs. The audit report is compiled and presented by Sh. B.S. Kanwar, Joint Controller (Audit). The audit report is confined to the month selected for the detailed check in the post audit and 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 institution. Responsibility of the Audit is confined to the month selected for the detailed check in the post audit.

Para-2. Analysis of Financial Position

The comparative financial position of the accounts of H.P. University, Shimla-5 for the period 2011-12 and 2012-13 is as under:

(Rs. in Lac)

Sr. No.	Particulars	2011-12	2012-13
1.	Opening Balance		
(a)	Main Account	4163.41	4198.85

(b)	NRI Scheme	2249.38	2298.67
(c)	Others	7807.32	7805.27
	Total	14220.11	14302.79
2.	Grants		
	Total	6150.76	10901.51
3.	Domestic Income		
(a)	Income from fee	4218.64	3488.02
(b)	NRI/SFS	613.99	850.73
(c)	Others (Student Fund)	36.23	49.45
(d)	DEBT, DEPOSIT AND ADVANCES	64.91	630.28
	Total	4933.77	5018.48
4.	Grand total of (1+2+3)	25304.64	30222.78
5.	Expenditure		
(a)	Main Account	10398.86	13298.02
(b)	NRI Account	564.71	633.21
(c)	Other	38.28	32.69
	Total	11001.85	13963.92
6.	Closing Balance (4-5)		
(a)	Main Account	4198.85	5920.64
(b)	NRI Account	2298.67	2516.19
(c)	Other	7805.27	7822.03
	Total	14302.79	16258.86

(a) Income:

It is evident from the perusal of comparative financial position of the H.P. University, Shimla-5 as stated in the above table, that the income for the year 2012-13 has registered an increase of Rs. 4918.14 lac which is 19.43 percent over and above the previous year income. The income of the institute mainly comprises of grant-in-aid from H.P. Government, Central Government, UGC, income from fees, NRI/SFS and Student Funds. During the year 2012-13 total grant of Rs. 10901.51 lac have been received by the institute from Himachal Pradesh Government ,Centre Government and UGC etc. and Rs. 5018.48 lac were generated from domestic resources i.e. fee from student, NRI/SFS and from student funds. The domestic income of the institute during the year under report has registered an increase of Rs. 84.71 lac over the income of the previous year 2011-12. The increase in domestic income during current year is due to accrual/receipt of interest on FDR's, jump in sale of prospectus for the various courses run by the university, introduction of new courses and increase in the number of NRI/SFS seats. The institute still remains dependent on Government grant-in-aid. It is high time for the authority to mobilize its resources to commensurate with its ever growing expenditure so as to make the institute self dependent.

(b) Expenditure:-

During the year under report an expenditure of Rs. 13963.92 lac was incurred by the institution from main account, NRI account and from others account (Student fund) which is 26.92 percent over and above the expenditure of the previous year. The income and expenditure of the institute is under the purview of pre/post audit as per H.P. Govt. notification No. Fin(LA)H(2)C(15)XIV-106/87 dated 31.07.2004 and 11.08.2004 and the same was admitted after careful examination but some expenditure which was not found admissible had to be admitted under observations due to the reasons of committed liabilities on account of contracts or the decisions of the Executive Council. Some decisions of the Executive Council were not found in accordance to the provisions of rules and acts framed by superior legislation/Govt. instructions. It would be in fitness of things that all issues while presented in the Executive Council may be examined thoroughly by the administration keeping in view the government instructions relating to the issues. 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 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 management in order to revamp the financial position of the institution and to avoid irregular and wasteful expenditure.

1. Mobilization of resources for domestic income.
2. Observance of economy instructions.
3. To provide transport/hotel facilities on no profit no loss basis.
4. Judicious utilization of existing man power.

Para -3: Maintenance of Accounts.

The accounts of the University are being maintained under the supervision and control of the Finance Officer. The annual accounts for the period 2012-13 were prepared on tally solution 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 Govt. grants i.e. H.P. State, UGC and Centre Govt. and domestic receipts. The application of funds is on salary of the employees and other contingent expenditure. The expenditure out of University exchequer was regulated under the provision of Rules governed in the State Govt. duly adopted by the executive council, 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 Grant-in-aid.

Para-3.1: Irregularities in the Annual Accounts.

The provision of Section 29 of Himachal Pradesh University Act, 1970 is still not adhered to in spite of observation made in the annual accounts for the year 2001-2002 to 2011-12. The reasons as explained to amend Section 29(1) for omitting word of balance sheet can not be accepted until and unless it is amended.

Para-3.2: The Annual Accounts except Main Account UGC, HPUCES, Bio-Technology and Construction Division have been prepared on the basis of bank balances as per bank pass Books/bank statements, whereas the accepted principle of accounting provides that the accounts should be based on bank 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.

Para-3.3: Annual Accounts for the year 2012-13 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 records is preserved for permanent record.

Para 3.4 : Difference of Rs. 32.85 lac in GIA received during 2012-13 – reconciliation thereof.

While checking the annual accounts for the year 2012-13 a difference of Rs. 3284800 in GIA was noticed between the figures as shown in annual accounts and as per Grant Receipt Register and relevant record. The detail of which is given below.

Sr. No.	Description of Grants	Figures shown as per annual accounts	As per GIA Register.	Difference
1	UGC Grants	145305488	142520688	+ 2784800
2	State Grants	890000000	890000000	
3	NSS Grants	4750000	4750000	
4	BIO-Tech	2990000	2990000	
5	Grants received from various Agencies	47105593	46605593	+500000
	Total	1090151081	1086866281	3284800

The detail of grants as per actual calculation as on 31.03.2013 is given in **Annexure "B"** attached with the audit report.

Para 3.1 : From the detail given in Para 3 above, it reveals that a total excess difference of Rs. 2784800 (145305488-142520688) was shown in UGC Grants as on 31.03.2013 which do not reflects true & fair picture as per books of accounts. Therefore difference as shown above needs to be reconciled.	Rs. +2784800
Para 3.2: Difference of Rs. 500000 as per annual accounts as on 31.03.2013 in Grants received from various Agencies is reconciled here as under Rs. 500000 GIA received Vide Letter No. TBD.F(TDM)8-2/2007-III dated 23.03.2013 credited in bank in the month of 4/2013 Rs. 1000000 GIA received from Director,SC,OBC & Minorities matters of H.P. vide letter no. 2-3/2012 SOMA (Coaching) dt. 1.4.2013 received online in bank on 29.03.2013	-500000 +1000000
Total	3284800

Out of total difference of Rs. 3284800/- a net excess difference amounting to Rs. 2784800 which may be reconciled.

Para-3.5: Difference of Rs. 38283234/- in Opening Balance as on 01.04.2012

The Opening Balance of following Head of accounts as shown in the Annual Accounts for the 2012-13 was Rs. 1391996122/- whereas the certified Closing Balance was 1430279356/- in the Annual Accounts for the year 2011-2012. As such there was a difference in Opening Balance of Rs. (-) 38283234/- as per detail given below:-

S. No.	Particular	Opening Balance shown in the annual account as on 01.04.2012	Certified Closing Balance as on 31.03.2012	Difference
1.	Revenue Account	382177191	419884979	(-)37707788
2.	NRI/Self Financing Scheme	229291826	229867272	(-)575446
3.	Other Accounts	780527105	780527105	nil
	Total	1391996122	1430279356	(-)38283234

Therefore, difference of Rs. **(-)38283234/-** in the Opening Balance as on 01.04.2012 needs to be rectified/reconciled.

Para-3.6 : Closing Balance as on 31.03.2013

Closing balance stand certified in the annual account for the year 2012-13, the detail of which as under:

1.	Revenue Account/Main Account	592064889
2.	NRI/Self Financing Scheme	251618694
3.	Other Accounts	782203581
	Total	1625887164

Para. 3.7- Difference in Closing Balance as on 31.03.2013 of the consolidated Annual Account:

There was a total difference of Rs. $(1625887164 - 1587860591) = 38026573/-$ as on 31.03.2013 in the Closing Balance of consolidated Annual Account of University the reasons of which are as under:-

1. Difference in Opening Balance

(A) Certified figures as per previous year

Annual Account 2011-12 = 1430279356

(B) Figures shown as Opening Balance

in Annual Account 2012-13 = 1391996122 (+)38283234

2. Difference in receipt of Main Account/Revenue Account:

(A) Amount shown as receipt of Revenue

Account in the Annual Account 2012-13: (-)1502346987

(B) Amount reflected as per detail of receipt

during the year 2012-13: (+)1501981508 (-)365479

3. Difference in receipt of NRI/Self Financing Scheme:

(A) Amount arrived at as per audit calculation: 168193

(B) Amount shown as receipt in annual Account: 145553 (+)22,640

4.(1) Difference in receipt of Other Accounts(Evening Study Centre):

(A) Amount arrived at as per audit calculation: 1636728

(B) Amount shown as receipt in annual Account: 1824246 (-)187518

4.(2) Difference in receipt of Deptt. of PECC Accounts:

(A)	Amount arrived at as per audit calculation:	1357681	
(B)	Amount shown as receipt in annual Account:	1083985	(+)273696

Para-3.8: Surplus/Deficit of Funds:

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

sr. No.	Particulars	Receipts in Lac	Expenditure (Lac)	Surplus deficit
1.	Revenue Account	15019.30	13298.02	(+)1721.28
2.	NRI/Self Financing Scheme	850.73	633.21	(+)217.52
3.	Other Accounts	49.45	32.69	(+)16.76
	Total	15919.48	13963.92	(+) 1955.56

The University has generated a surplus of Rs. 1955.56 Lac during the year 2012-13. The surplus of income over expenditure is due to receipt in NRI/SFS and other Students Funds. The surplus of income over expenditure is mainly due to increase in grant-in-aid from H.P. State Govt., UGC and from the main account of H.P. University.

Para-3.9: Difference in Trial Balance ₹3862.32 for the year 2012-13, reconciliation thereof.

While checking the Annual Account of H.P. University for the year 2012-13, It was noticed that a difference of Rs. 386231619/- was shown in the Trial Balance for the year 2012-13. But neither the reasons for depicting difference in Trail Balance is explained to audit nor the detailed schedule/classification of difference of Rs. 386231619 is attached with the annual version. Due to non-availability of such relevant record the difference in figure shown could not be verified by the audit. Difference of Rs. 386231619 may be justified with detailed schedule/relevant record at the earliest.

(Ref: Audit Requisition No. 4, Dated: 06.04.2016)

Para- 4: Audit Fees

The Audit fee for the audit of H.P. University account has been exempted therefore, audit fee is not chargeable.

Para-5: Retrenchment/Recoveries.

Retrenchment/recoveries to the tune of Rs. 7.89 lakh were made during the period under report from various Bills, Payments Vouchers and retiral benefits and leave encashment etc. presented for pre- audit which were duly passed by the University authorities which apparently indicates that no proper/effective check were being exercised at the internal

level in the respective branches, thus require adequate check while processing the Bills/Claims especially retiral benefits in the concerned Branches so as to avoid irregular/excess payment in future.

Para -6: Non adjustment of temporary advances amounting to Rs. 818.10 lac.

While certifying the annual accounts for the year 2012-13 a sum of Rs. 81809594/- was shown outstanding advances as on 31.03.2013. Detail voucher /bill wise classification of above advances was sought for vide audit requisition No. 03 dated 16.04.2016. In response to above audit requisition, the university vide its office letter No. 4-40/HPU/Fin/Comp./Annl. Accts/2012-13 –Vol-II-230 (Compilation Section) dated 18.04.2016 submitted a tally based classification of total outstanding advance of Rs. 81809594 the copy of which is attached vide **Annexure “C”** to this audit report. Non production of the voucher/bills wise detail except C.O.E. wing given to various institutions for conducting examination and valuation work since 1978-79 to 2012-13 which also need to be reconciled with in the total amount of Rs. 81809594/- shown as outstanding advances on 31.03.2013. Non adjustment of the advances by the various institutions for the last number of years is a matter of serious concern. As per provisions laid down in this regard under the Financial Rule the Head of office or any other authorized Officer shall be responsible for timely recovery or adjustment of the advance and further adjustment bill alongwith balance, if any, shall be submitted by the concerned Government servant within 15 days of the drawal of advance failing which the advances or balances may be recovered. Since the outstanding advances as reported above have been shown unadjusted for years together and the university authority should have taken the timely action to ensure the adjustment of advance or to recover the balance, if any. In the absence of which it can not be established that the amount of advance granted was utilized for the purpose for which it was sanctioned and even the possibilities misutilisation/embezzlement can not be ruled out. The department may be directed to expedite the adjustment of the accounts alongwith suitable explanation. Non adjustment of the pending advances is a serious lapses, which needs special attention of the university management.

Para-7: Management of Pension Corpus Fund

During the period under report, it was reported that pension corpus fund was maintained/administered in the University and the Scheme for management of pension corpus fund is administered under Notification No. 3-2/98-HPU(Pension) dated 16.07.2007 and approval accorded by the Executive Council vide Resolution NO. 19 of its meeting held on 20.06.2007, which was made applicable for the financial year 2008-2009 and there was closing balance of Rs. 57048944.30 in the Corpus Fund as on 31.03.2013.

Since the situation on account of Pension liabilities and other retirees benefits have become very alarming and university is finding it difficult to meet out pension liabilities as the monthly pension of the retirees has increased manifold, whereas the amount in the pension corpus fund was not found self sufficient for the coming years. Hence efforts are required to strengthen the fund in order to meet future liabilities for longer run.

Para -8: Transport Facilities.

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

T	sr. No.	Particulars	2010-2011	2011-12	2012-13
	1.	Income	4,26,388/-	5,29,120/-	8,61,979/-
		Total	4,26,388/-	5,29,120/-	8,61,797/-
	2.	Expenditure			
	(i)	Salary	72,91,738	87,17,753/-	93,19,905/-
	(ii)	other expenditure	55,96,936/-	62,86,900/-	1,69,26,258/-
		Total	1,28,88,674/-	15004653/-	2,62,46,163/-

The Transport facilities are being provided by the H.P. University Transport wing to the students and employees by fleet of seven buses from various destination of Shimla City to H.P. university campus and vice versa at the subsidized fare in the shape of monthly passes and daily passenger fare. From the perusal of relevant record it has been found that passenger fare/monthly passes fare was charged much below the rates fixed by the HRTC whereas the running and maintenance charges were hiked continuously. It is evident from the analysis of above figures that the university sustained net loss of Rs. 2,53,84,184/- during the year 2012-13 which is 75.36 % over and above of the previous year loss due to plying the fleet of seven buses at nominal subsidized rates. But no serious efforts were made by the University authorities over the years to bring parity in fare of transport wing vis-a-vis the HRTC bus fare being charged from the local public so as to minimize the losses.

Para-9: Hostel Facilities.

The figures of Receipt and Expenditure for the Current and previous years on account of hostel facilities like Water, Electricity and Hostel rent are given below:-

sr. No.	Particulars	2010-11	2011-12	2012-13
1.	Income	Amount in Rs.	Amount in Rs.	Amount in Rs.
	Water & Electricity			
	Hostel admission fee and	26,62,090/-	26,43,680/-	38,97,970/-

	Hostel Rent etc.			
	Total	26,62,090/-	26,43,680/-	38,97,970/-
2.	Expenditure			
(i)	Salary to Hostel Staff	1,96,02,477/-	2,07,86,117/-	2,03,00,017/-
(a)	Water & Electricity	84,56,518/-	88,19,551/-	1,04,42,699/-
(b)	Other Expenditure	13,43,989/-	12,64,510/-	
	Total	2,94,02,984/-	3,08,70,178/-	3,07,42,716/-

The analytical study of figures of income and expenditure as stated in above chart revealed that HP University received Rs. 38,97,970/- as water, electricity charges and hostel rent during the year 2012-13 from the students to whom hostel facilities were provided. But the University incurred expenditure for maintenance of hostel to the tune of Rs. 3,07,42,716 which resulted in net loss of Rs. 2,68,44,746 (3,07,42,716-38,97,970). The matter is brought in the notice of higher authorities of University to look into and to take immediate necessary steps to minimize/compensate the losses which are increasing year to year basis. The University authorities are also advised 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 heavy recurring losses to University exchequer and to bridge the unending gap between income and expenditure.

Para -10: Examination Wing

The position of Income and Expenditure relating to the Examination Wing in comparison to previous year can be perused from the following Table:-

Sr. No.	Particulars	2011-2012	2012-13	Increase/decrease (Rs. in lac)
1.	Income	1094.98	1295.15	(+)200.17
2.	Expenditure	1169.63	1311.95	(+)142.32
3.	Difference/Gap	(-) 74.65	(-)16.80	(+)342.49

From the perusal of comparative position of income and expenditure related to examination wing for the period 2011-12 and 2012-13 as stated above, it was noticed that the income & expenditure has been increased by Rs. 200.17 Lac. and Rs. 142.32 Lac respectively, but expenditure during the year 2012-13 is greater than the income by Rs. 16.80 Lac. The University authorities are advised to take necessary steps to increase the income of examination wing and to curtail the expenditure accordingly.

Para -11: Construction Division.

The comparative position of works executed by the Construction Division during last two years i.e. for 2011-12 & 2012-13 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 Rs. in Lac.	Establishment charges	Departmental charges payable had the works been executed through other Agency i.e. HIMUDA	Saving in establishment charges Rs. In Lac
1.	2011-12	215.39	458.37	36.61	421.76
2.	2012-13	561.72	453.45	95.49	357.96

It is 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 Rs. 357.96 to the university exchequer during the year 2012-13 on account of establishment charges. Therefore, the audit is of considered view that university authority should explore the possibility of switching over to the system of execution of works as deposit work rather than incurring huge expenditure on the establishment of construction Division for executing small value of work done over a period of time. This position had also been highlighted in the previous reports but no sincere efforts were made to implement suggestive measures. It is therefore, reiterated that no 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.

Para -12: Pension Fund:-

A. Financial Position:-

Opening Balance as on 01.04.2012	211516882.46
Receipt during the year	194655670.64
Total	406172553.10
Expenditure during the year	221013534.00
Balance as on 31.03.2013	185159019.10
(+) Cheques issued but	783375.00

T	not debited by bank		as under:-
	Closing Balance as on 31.03.2013	185942394.10	

Detail of Closing Balance as on 31.03.2013 is as under:

Amount in Saving Bank	5802809.10
F.D.R's	180139585.00
Total :-	185942394.10

In this context, it is submitted that suggestive measures to strengthen the Pension Corpus Fund stands incorporated in the para No.7 ibid.

B. Irregular deduction of tax at source amounting of Rs. 1.75 lac investment made out of Pension Fund:-

From the perusal of investment record of Pension Fund, it has been noticed that an amount of Rs. 5890341/- was invested in FDR No. 8079268 dated 13.08.2007 for 5 years @ 9.5% interest. On the maturity of the above FDR, Bank deducted Rs. 174586/- as TDS. University being an educational institution is exempted from such tax under income tax act 1961. Therefore, irregular deduction of tax at source may be made good from appropriate resources under intimation to audit.

(Ref: Audit Requisition No. 60, Dated: 04.01.2016)

C. Less credit of interest of Rs. 775/- given by the State Bank of India on the investment made out of the contributory Pension Scheme:-

While checking the annual accounts for the year 2012-13 of Contributory Pension Scheme, it was noticed that interest on the below mentioned FDR's was given less as per audit calculation than the agreed rate of interest for the period mentioned against each FDR by the State Bank of India Summer-Hills. Hence the reasons for the same either be got clarified from the concerned bank or differential amount of interest may be made good under intimation to audit.

FDR Sr. No./FDR Page No.	FDR No.	Amount	Period	Rate of interest	Amount given as intt. By bank	Interest per audit calculation	Diff.
18/77	6054236145	1499900	31.07.12 to 30.07.15	9.50%	487850	487975	125
19/78	6054236214	1499900	30.07.12 to 30.07.15	9.50%	487850	487975	125
20/78	6054235551	1499900	30.07.12 to 30.07.15	9.50%	487850	487975	125
21/78	6054236724	1353427	30.07.12 to 30.07.15	9.50%	440209	440323	114
24/78	6075357279	3509926	19.10.12 to 18.10.15	9.25%	1107665	1107951	286
							775

(Ref: Audit Requisition No.63, Dated: 11.01.2016)

Para- 13: General Provident Fund

1. Financial Position:-

The financial position of the Pension fund for the year 2012-13 is as under:-

Opening Balance as on 01.04.2012	690597014.65
Receipt during the year	285413815.00
Total	976010829.65
Expenditure during the year	163442220.00
Closing Balance as on 31.03.2013	812568609.65
(+) Uncashed Cheques	671937.00
Closing Balance as on 31.03.2013	813240546.65

Detail of Closing Balance as on 31.03.2013 is as under:

Amount in Saving Bank	71125568.65
F.D.R's	732120176.00
Total :-	803245744.65

2. Difference of Rs.

99,94,802/- in closing balance of GPF account:-

While checking the final account of GPF for the year 2012-13, it was found that as per detail given above the closing balance was Rs. 813240546.65 as per cash book but the bank account shows the closing balance as on 31.03.2013 as Rs. 803245744.66 which resulted in a net difference of Rs. 9994802 that needs to be reconciled.

3. Difference of Rs. 3659/- in the closing balance of CPF account as on 31.03.2013:.

During the course of checking the Annual Accounts for the year 2012-13, it was noticed that there was a difference of Rs. 3659/- closing balance of the CPF Account as on 31.03.2013 as per the detail below which may be reconciled

Closing Balance as per Cash Book	-	Rs. 36565129/-
Closing Balance as per Bank	-	Rs. 36561470/-
Difference	-	Rs. 3659/-

(Ref: Audit Requisition No. 66, Dated:11.01.2016)

Para -14: Other Funds.

Financial Position:-

The financial position of the Other Funds like Gratuity , CPS, CPF and Corpus Fund for the year 2012-13 is as under:-

Name of Fund	Opening Balance	Receipts	Total	Expenditure	Closing Balance
Gratuity fund	38239552.55	67813335	106052887.55	93148742	12904145.55
CPS Fund	21695610	12047317	33742927	Nil	33742927
CPF Fund	32118513	9822342	41940855	5375837	36565018
Corpus Fund	51129690.30	8916638	60046328.30	2997384	57048944.30

Para – 15: Credit of Rs. 0.48 lac in the shape of BD's & IPO's etc. not given by the Bank:-

While checking the Abstract cash Book of Main A/C No. 10091435340 for the month of March 2013, it was noticed that an amount of Rs. 47,900/- pertaining to the receipt of BD's/IPO's (as detailed below) was reflected in the Bank statement. Further on scrutiny it was noticed that the university had deposited the BD's, IPO's etc. in the Bank w.e.f. 03.07.2012 to 28.02.2013 but no credit by the concerned Banks was given till the end of financial year 2013 as such the figures remain unreconciled. The attention of the higher authorities is drawn against such lapses to take up the matter with the concerned bank authorities to get the credit of this amount in the Bank account as mentioned above at the earliest.

Date	Particulars	Amount
28.02.2013	RECEIPTS-B/D & IPO	8000
30.07.2012	RECEIPTS-B/D & IPO	4200
30.07.2012	RECEIPTS-B/D & IPO	35700
		47900

Para:16: Irregular payment of Secretariat pay to the certain employees of Himachal Pradesh University :-

While checking the pay bills for the month of August 2012, it was observed that Secretariat pay has been granted/ allowed to the certain categories of Non-teaching employees of Himachal Pradesh University on the analogy as has been granted in favour of certain categories/posts of employees in H.P. Secretariat and its equivalent offices vide finance Department Letter No. Fin(DR) B(7)-35/2010 dated 23.04.2012 by adopting, the same vide university Notification No. 9-11/09-HPU(Genl.) Vol-11 dated 08.06.2012, whereas the guidelines conveyed vide Pr. Secretary Finance to the Govt. of Himachal Pradesh vide Letter No. Fin.(PR)-B-35/2010-Loose Finance (Pay Revision) Department Dated 03.07.2012 provide that secretariat Pay on Punjab Pattern has been granted only to certain specific categories of Post in r/o office of H.P. Secretariat, Governor's office Secretariat, H.P. Public Service Commission, H.P.

High Court, H.P. Vidhan Sabha, and Lokayukta. The Secretariat pay should not be granted to any category of post in the university.

In this context, it is evident from the above referred letter of Finance Department that the benefit of Secretariat pay was allowed to the certain categories/posts of employees in Himachal Pradesh Secretariat and its equivalent offices which do not comprise the name of the University. Despite of the fact, the benefit has irregularly been released in favour of various categories of University employee's w.e.f. July, 2012. No doubt, Secretariat allowance was being received by the University employees in the past on the analogy of the staff of Himachal Pradesh Secretariat, but the Secretariat pay is definitely not a allowance but will be treated as part of basic pay for calculation of various types of allowances and pensionary benefits. It is reiterated again that instruction contained in Govt. of H.P. vide Special Secretary (Finance)-cum Director LAD office letter No. Fin(L.A.)H(2)-C(15)(14)212/2001-Vol-4-8825 dated 26-12-2012 addressed to registrar H.P. University that Secretariat Pay should not be allowed to University employees. It is pertinent to mention here that the financial position of the University is not healthy at present and is almost dependent on Government grants to clear the pending liabilities, salary and pensionary benefits etc. Obviously, the adoption of aforesaid order will further involve financial stress on the Institution and State Government as well, as such prior approval/clarification should have been sought by the University Authorities from the Government before releasing this benefit in favour of certain categories/posts of employees in H.P. University in order to avoid any deviation of Govt. grants the expenditure on this account may therefore, be justified to audit.

Since the Secretariat pay was already drawn during the month of July, 2012 (unaudited period), hence pay bills and bills pertaining to the monthly contribution of pension and gratuity (Considering Secretariat pay) for the month of August, 2012 were admitted in audit to avoid delay in the disbursement of Salary to the Staff subject to condition that the recovery will be effected in case the clarification sought separately results in non grant of Secretariat pay in favour of the University employees. However it would also be advisable and appropriate that necessary clarification/concurrence of the H.P. Govt. is obtained at University level. The irregular payment of the secretariat pay to certain category of employees may be justified or else the recovery be effected under intimation to the department.

Para-17: Infertuous expenditure on account of personal Accidental Insurance claim due to negligence of university authority Causing Financial loss of Rs. 312356.00 to University exchequer.

H.P. University had made payment of Rs. 312356 vide contingent bill No. 2160 dated 30.07.2012 on account of personal Accident Insurance claim with interest and costs payable in terms of Hon'ble H.P. State Consumer Disputes Redressal Commission Orders passed in the appeal No. 326/2009 in the case titled Sh. Prem Singh S/o Sh. Nand Lal, Resident of Blont,

P.O. Reuri, Tehsil and Distt. Shimla H.P. V/S H.P. University and New India Assurance Company Ltd. and decided on 09.07.2010. it was observed that the liability of Rs. 312356/- (i.e. insurance claim Rs. 2,00,000 + Interest Rs. 102356+litigation costs Rs. 10000) was created and incurred due to the negligence of the University Authority and seems to be infructuous expenditure on the University exchequer due to the reason that Govt. of H.P. has introduced on compulsory basis Personal Accident Insurance for Regular, Adhoc, Contractual , Part time and Daily Waged employees of State Government Department, Boards, Corporation and universities vide notification No. fin-II(F)9-1/96 dated 15.10.97 which was duly adopted by the H.P. University vide Notification No. 7-8/76-HPU(Gen.) dated 20.07.99 and since the adoption of said notification/Revised Notification the premium was being remitted to the National Insurance Company in respect of all employees including daily wage/Part-time workers from time to time as per condition laid down in the above referred insurance scheme and also in respect of Sh. Phool Chand S/o Sh. Prem Singh applicant.

National insurance company vide its letter No. 42/100/nf-9(A)(1)/2005/7585 dated 10.01.2002 take up the matter with the Executive Engineer HPU regarding increase in the rate of premium due to increasing liabilities in comparison to the premium collected during previously and the matter remained under consideration of H.P. Govt. and finally H.P. Govt. vide its notification No. Fin-IF(F)9-1/96-IV dated 17.02.2003 approved the renewal of said insurance policy with increased rate (i.e. 175)-P.A. per Worker) on compulsory basis. University Authority failed to deposit insurance Premium for the year 2003-2004 in respect of all employees including daily paid/work charged including Sh. Phool Chand one of daily paid worker of construction Division of H.P. University shimla-05 who met with an accident and died on dated 28.07.2003. Sh. Prem Singh F/o Deceased Sh. Phool Chand represented to university Authority on dated 10.09.2003 for releasing the claim of Rs. 200000/- under group indexed Personal Accident Insurance Scheme but while not getting the satisfactory reply/settlement of claim Sh. Prem Singh F/o Late sh. Phool Chand filed the case in Distt. Forum and subsequently Hon'ble H.P. State Consumer disputed redressal Commission shimla vide appeal No. 326/2009 and commission finally delivered its judgment on dated 19.07.2010 directing the university authority to pay Rs. 200000 alongwith 9% interest from the date of filling the complaint till the date of payment/direct which ever in eighter alongwith Rs. 10000 as litigation cost of the complaint and the appeal.

As per N-5 of Noting portion of part file No. 16-57/2000-HPU(Genl.) of personal Accidental Insurance Scheme's legal Advisor of University had given his opinion that an appeal before the National Commission can be preferred on the question of the law against the judgment of Hon'ble H.P. State Consumer Disputes Redressal Commission, but the matter remained in the files and no action was taken by the University which also resulted enhancement of the liability of interest.

Perusal of record of the case also shows that the request of Sh. Prem Singh F/o deceased daily waged late Sh. Phool Chand was not considered and entertained on the basis of the spirit of the Scheme and request was taken in the casual manner. Had the request of aggrieved taken seriously, the interest and litigation cost could have also been saved.

In view of the above facts, it was apparent that the loss referred above could have been prevented had the University authority complied with the Notification of H.P. Govt. of dated 17.02.2003 and remitted the said insurance premium with the national Insurance Company well in time. Therefore, the whole matter may be inquired and the responsibility for not depositing the insurance Premium for the said period may be fixed and the loss of Rs. 312326 to the University exchequer may be recovered or made good.

(Ref: Audit Requisition No. 04, Dated 21.08.2012)

Para-18: Appointment of Smt. Sandhya Devi simultaneously in two Departments of HPU.

Smt. Sandhya Devi was engaged as sweeper vide O/o No.PF/AERC(Esstt.) dated 31.05.2002 on consolidated salary of Rs. 2000/- per month which has been revised vide O/o No. PF/AERC(Estt.)-146 dated 06.09.2011 on contractual amount i.e. initial of the applicable pay band+Grade pay (4900+1300) in the AERC. The same person was serving in CCS H.P. University Shimla-5 as sweeper part-time on fixed wages of Rs. 800 per month w.e.f. 1.02.2007 to Jan 2012. Engagement of Smt. Sandhya Devi in two deptt's at the same time may be justified.

(Ref: Audit Requisition No.1, Dated: 02.06.2012)

Para - 19: Engagement of Sh. Babu Ram as daily wage cook, audit observation thereof:-

Sh. Babu Ram was engaged daily wage basis w.e.f. 01-05-2012 by allowing him back wages w.e.f. 29-08-2011 to 30-04-2012 @120/- per day out of contingency for discharging the duties of the cook/mess helper in the faculty house vide office order No. F.1-10/80-HPU-F/H dated 6-6-2012 in pursuant of decision of the Executive Council vide item no. 9 of its meeting held on dated 17-05-2012 but the procedure followed for his engagement as daily wager as per Govt./ University rules was not shown to audit despite observation of audit at the time of scrutinizing the first salary/daily wages bill of the concerned and in the absence of which whether the prescribed procedure for such engagement was followed or not and as to whether the appointee fulfills the eligibility criteria or not i.e. age limit, educational qualifications etc. as required for the post as per rules, could not be verified.

(Ref: Audit Requisition No. 3, Dated: 03.08.2012)

Para-20: Loss amounting to Rs. 0.77 lac to University exchequer due to purchase of stationery article on exorbitant rates.

Scrutiny of bill No. 483 dated 27.09.2012 under reference revealed that the purchase of stationary articles worth Rs. 284700 was made by the ICDEOL from the M/S Trade

well Middle Bazar Shimla after observing codal formalities, whereas the same stationery articles were earlier purchased on the basis of rate approved by the Store purchase office of H.P. University. Resultantly on while confirming the rates approved by the office of Store Purchase Officer for the Same stationary articles for the year 2012-13, a huge difference of Rs. 76640 was noticed comparatively in between the rates approved for the purchase by the ICDEOL and SPO office as per detail given Below:-

Sr. No.	Detail of purchased item from M/s Trade well/ rate of SPO office	Quantity	Rate	Amount involved	Difference
1. Rate awarded by ICDEOL	Envelops 16x12" flap Extra khakhi craft paper	30,000/-	Rs. 3220/- (one thousand)	96600/-	Rs. 24,900/-
Approved rates of SPO	-	-do-	Rs. 2390/-	Rs.71700/-	
2. Rate awarded by ICDEOL	Envelops 14x12" flap full cloth lined Dhoti	50,000/-	Rs. 3170/-	Rs.158500/-	Rs. 44500/-
Approved rates of SPO	-	-do-	Rs. 2280/-	1,14000/-	
3. Rate approved by ICDEOL	Envelops 9x4" flap 1/2 extra khakhi GSm	50,000	RS.240/-	Rs. 12000/-	Rs. 2500/-
Approved rates of SPO	-	-do-	Rs. 190/-	Rs. 9500/-	
4. rates awarded by ICDEOL	Duplicating papers 21.5x34.5 Cms. 75 GSM	100 (Per Ream)	Rs. 144/-(per Ream)	Rs. 14400/-	Rs. 3500/-
Approved rates of SPO	-	-do-	Rs. 109/-(per Ream)	Rs. 10,900/-	
5. Rate awarded by ICDEOL	Paper pin 100 GSM pkt.	200 Pkt.	Rs. 16 (per Pkt.)	Rs. 3200/-	Rs. 1240/-
Approved rates of SPO	-	-do-	9.80 (Per pkt.)	Rs. 1960/-	
Total difference					Rs. 76,640/-

Keeping in view the above discrepancy, the ICDEOL authorities were asked to justify the said purchase abnormally on higher rates without adopting the rates approved by the store purchase office, resulting in unwanted loss of Rs. 76640 to the organization. The

authority replied that the purchase was made in the interest of students after observing all codal formalities with the approval of authority as ICDEOL was responsible to provide the materials at appropriate time and the SPO office had not exercised the process of approval of rate contract till that period. However, the reply was not found satisfactory on the following grounds:

That the check of the rates paid for purchase by the ICDEOL is one of the important aspects of audit against propriety. Since the above purchase was made on higher rates even after observing codal formalities, therefore, the purchases should have been made after completing the codal formalities with great intelligence and care by watching local market trend and comparative examination of the rates of previous year and negotiated accordingly to avoid unnecessary loss to the organization. secondly, had the SPO office exercised the codal formalities for the purchase of above required materials in the beginning of the financial year at appropriate time and further adopted by the ICDEOL accordingly, the loss of Rs. 76640 occurred could have been avoided. Therefore, the responsibility may be fixed for not affecting the purchase on the rates approved by the Store Purchase Officer for the year 2012-13 causing unwanted loss of Rs. 76640 to the organization, which may be recovered and deposited in the university account under intimation to audit.

(Ref: Audit Requisition No.17, Dated: 09.03.2013)

Para-21: Appointment of daily wages workers on adhoc basis against the post of Clerk, Lib. Attendent, Safaikarmchari, Chowkidar and Mali-irregularity thereof:

During the course of audit, it was noticed that services of Sh. Amit Grover, Clerk, Ankush Grol Clerk, Smt. Promila Thakur, Lib. Att., Sh. Kanwar Singh, Peon, Sh. Naresh Kumar, Peon, Sh. Vijay Kumar, Chowkidar, Sh. Kulbhash, Mali, and Smt. Manju Bala. Safaikarmchari, all daily wage worker of University Institute of legal studies have been placed on adhoc basis w.e.f. 1-1-2012 vide office order no. 01-2012/UILS/DEC/OO-797 to 810 dated 31-12-2012. University authorities vide notification No. 1-24/99-HPU (Genl.) Vol.-II dated 14.09.2012 has adopted the instructions issued by the Govt. of HP Vide Letter No. PER (AP)-C-B (2) -2/2012 dated 31/08/2012 regarding regularization of daily waged workers for its implementation in the university. As per these instructions, daily waged worker who have completed 7 years continued service (with a minimum of 240 working days in a calendar year) as on 31-3-2012 may be regularized only against vacant post on seniority basis. There is no provision of adhoc appointment for daily wager rather the Govt. of H.P. has imposed complete ban on adhoc appointment. But contrary to all these instructions of Govt. of HP, aforementioned daily wagers working w.e.f. 25-09-2007, have now been appointed on adhoc basis resulting violation of Govt. instruction/Order as the university will have to take over the financial liabilities of the institution in near future.

However, keeping in view the fact that the staff of the institute was born on the self Financing Scheme, proposal was admitted in audit subject to the condition that the services of aforementioned Daily waged staff (converted from daily wages to adhoc) may be regularized only against the vacant post strictly in accordance with the instruction issued by the Govt. from time to time duly adopted by the H.P University in order to safeguard the interest of institution so as to avoid unnecessary burden on the university exchequer.

(Audit Requisition No. 19, Dated 02.02.2013)

Para-22: Repair and maintenance of vehicle No. H.P. 03C-3472 and other vehicles.

While checking Bill No. 335 of M/S J.S. Dhiman Body Builders, Chandigarh amounting to Rs. 26400/- on account of repair work of vehicle No. 03C-3472, it was observed that Rs.17600/- was spent for repair work over and above the defects report intimated by the Driver of the vehicle. In his defects report, only denting, painting work and electric work etc were pointed out. But while collecting the quotations from the Chandigarh based firms for the said repair work, the major involvement of Glass work was created, whereas no report of broken glasses of said vehicle was pointed out by the Driver concerned. It revealed that the committee constituted for the purpose did not complete the codal formalities in economic way but has created additional work. Hence expenditure of Rs. 17600 incurred for repair work may properly be justified with supporting documents/record failing which the whole issue may be enquired into and losses if any noticed may be accounted for. The detail of repair work done is as below:

1. P/F Glass channels	1 Job	2600/-
2. P/F Two Window Glasses	1 Job	1300/-
3. P/F Two Glasses of rubber	1 Job	800/-
4. P/F Wire mesh (Jalli)	1 Job	1400/-
5. Repair of external channel		2500/-
6. P/F Rubber to two side		1000/-
7. P/F Mud guard flap	1 Job	700/-
8. Open and refitting of O' bulb	1 Job	2800/-
9. P/F Two Handle locks new	1 Job	900/-
10. Filling of leak stop	1 Job	1800/-
11. Painting and writing	1 Job	8200/-
12. Washing	1 Job	600/-
13. Repair of Driver door	1 Job	1100/-
14. P/F Two glasses rubber	1 Job	700/-

Similarly 3,00,880/- were spent on repair of various vehicles as per details given below by the Vehicle Incharge, which needs proper justification as the repair work in these cases were also not got done as per defect reports. Though committees were constituted to collect the rates personally but the repair works were not carried out in economic way and seems to be allowed frequently by creating additional works other than the defects reported by the drivers, thus lacking efficient control and supervision by the committee constituted for the purpose. The matter may therefore be looked into and justified. It is further suggested that effective remedies be sorted out to cope with the unnecessary financial burden on university exchequer, in future.

1. Bus No. HP 07B	0729	-	34731/-
2. Bus No. HP 07A	0383	-	57090/-
3. Bus No. HP 07A	3618	-	56250/-
4. Bus No. HP 07A	0652	-	46042/-
5. Bus No. HP 07A	2852	-	45892/-
6. Bus No. HP 07A	0234	-	60875/-
Total	-	-	300880/-

(Ref: Audit Requisition No. 24, Dated 25.03.2013)

Para-23: Printing and supplying of answer sheets without observing proper codal formalities.

On scrutiny of contingent bill No. 4445 dated 23.11.12 amounting to Rs. 1881663/- for the printing and supplying of answer sheets following audit observations were noticed.

1. That proposal for the printing/Supplying of answer sheets of 10 pages & 40 pages of 60 GSM and 70 GSM was approved by the Hon'ble Vice-Chancellor. Purchase Committee constituted for the session 2011-12 by the Hon'ble Vice-Chancellor and notified vide notification No. 3-5/96-HPU (Cond) vol-IV dated 20.08.2011 continued to exercise this process without having afresh & specific approval of the competent authority for the current year.

2. Store purchase officer, H.P. University, vide his letter No. 7-6/12-13/HPU/(SPS)-A) Books-3321-3323 dated 27.06.12 requested the PRO HPU to publish tender notice in leading English & Hindi version in one insertion on 29th June, 2012 and was also placed on the H.P. University website. But no documentary evidence such as newspaper clippings etc. was put-up to audit. However, some parties, who participated in 2011-12 tender competition, were sent tender notice vide Store Purchase Officer letter No. 7-6/2012-13/HPU/(SPS)A/Books-3370-73 dated 28.06.2012. It reveals that University authority has failed to have the benefit of competitive market rates by not following the proper/prescribed method of wide advertisement/publicity.

3. Tenders received for the printing/supplying of Answer Book were opened on 21.08.2012 by the said Store Purchase Committee and accordingly comparative statement was prepared and approved by the store purchase committee. Rates quoted/offered by M/S Regency Printers & packers New Delhi was the lowest for 40 pages answer Books(70 GSM) and rate quoted by M/S printer Graphix (India) Pvt. Ltd. Mumbai was the lowest for 10 pages answer book (70 GSM). But later on M/S printer Graphix (India) Pvt. Ltd. Mumbai refused to supply the answer books (10 pages 70 GSM) at approved rates as is evident from their letter dated 24.08.2012. As per condition No. 13 of tender's document stipulated, the earnest money of the said firm was required to be forfeited but university authority instead of forfeiting the security/earnest money, released the same to the said firm not adhering the condition of tender document need justification. After the refusal of the work by M/S printer Graphix (India) Pvt. Ltd. Said work was given to M/S Regency Printers & packers New Delhi without negotiation of rates which also need justification.

Para-24: Difference of Rs. 6265490.96 and Rs.6556845.96 respectively in the Annual Account of Student fund of Regional Centre, Dharamshala for the year 2011-12 and 2012-13.

While certifying the Annual Account of Student funds of Regional Centre and School of Legal Studies, Dharamshala for the year 2011-12 and 2012-13, the differences in figures as shown in the consolidated annual account of H.P. University submitted in audit for certification and the figures certified from the books of account of Regional Centre Dharamshala were as under:-

Year 2011-12

Particulars	figures Certified from the books of account of R.C. D/shala	Figures shown in the consolidate of Annual Account of H.P. University	Difference
Opening Balance	5842834.96	515329	5327505.96
<u>Income</u>	<u>1486552.00</u>	<u>185682</u>	<u>1300270.00</u>
Total	7329386.96	701611	6627775.96
<u>Expenditure</u>	<u>536355.00</u>	<u>174070</u>	<u>362285.00</u>
Closing Balance	6793031.96	527541	6265490.96
As on 31.03.2012			

Year 2012-13.

Particulars	figures Certified from the books of account	Figures shown in the consolidate of Annual	Difference
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	of R.C. D/shala	Account of H.P. University	
Opening Balance	6793031.96	527541	6265490.96
Income	1716050.00	190283	1525767.00
Total	8509081.96	717824	7791257.96
Expenditure	1294894.00	60482	1234412.00
Closing Balance	7214187.96	657342	6556845.96
As on 31.03.2013			

From the perusal of above financial position of student funds of Regional Centre and School of Legal Studies, Dharamshala for the year 2011-12 and 2012-13, it has been noticed that the consolidated annual account of HP University is undercasted by Rs. 6265490.96 and Rs. 6556845.96 respectively. Which require proper justification/ rectification.

Para-25: Irregular Transfer of Rs. 811.06 lac from Student Fund of ICDEOL to University Revenue account during the year 2012-13:-

During the Year 2012-13, a sum of Rs. 81105858/- was transferred from Student Fund of ICDEOL to the University Revenue Accounts. The details of which are as under:-

1)	Transfer to H.P.U. Main Account	Rs. 78471818/-
2)	Income of Student Fund deposited in Revenue A/c	Rs. 2634040/-
	<u>Total</u>	<u>Rs. 81105858/-</u>

The record to support the transfer of this huge amount to University main account was not made available by the concerned department. Therefore, the transfer of this amount to the University Main Account cannot be construed as a valid charge/bonafide transfer, which is irregular and contrary to the rules/regulations & provision made in the ordinance which need suitable explanation/justification.

Para-26: Affiliation /Continuation fee amounting to Rs.175.91 lac received from various institution/ non-production of record thereof.

While certifying the Annual Account for the year 2012-13, it was noticed that a sum of Rs. 17590820/- was been shown as affiliation fee received during the year 2012-13 under the head "Affiliation fee D-R-I" but the genuineness of above amount could not be verified as no record in support of this was produced in audit despite of verbal/written request made to H.P. University authority vide audit requisition no. 62 dated 11.01.2016. Non production of record is a matter of serious concern, hence the same is brought to the notice of higher authority.

Para-27 :- Irregular transfer of Rs. 4.25 lac from H.P. University Joint account (NRI Fund) Department of Chemistry to UGC (SAP) Project.

While checking Annual Account of Chemistry Department for the year 2012-13, it was noticed that a sum of Rs. 425000/- was transferred from the H.P University Joint account No. 10091436172 (NRI Fund) Department of chemistry to UGC (SAP) Project Account No. 30003219437 on dated 11.07.2012. In this regard neither the sanction of the competent authority nor the rules/provisions to transfer the NRI Funds of the University to the UGC (SAP) Project were made available to Audit. In the absence of the sanction and rules, such transfer of amount to a UGC project tantamount an irregular transfer of funds and needs justification.

(Ref: Audit Requisition No. 71, Dated: 21.01.2016)

Para -28: Loss to university exchequer amounting to Rs. 7000/- due to wrong calculation of interest by the Bank:

While checking the fixed deposit receipts No. 32353702284 dated 01.01.2013 amounting to Rs. 6291822 invested in State Bank of India @7.5% interest for 91 days out of main account, It was noticed that due to wrong calculation of interest on the date of maturity on the above F.D.R., Bank authorities has credited interest income of Rs. 1,10,648/- instead of Rs. 1,17,648/- ($6291822 \times 7.50\% \times 91/365$), which is irregular and, therefore, due to short credit of interest, University exchequer suffered a loss of Rs.7000/-, hence, the matter may be taken up with the concerned bank authorities, and the amount may be made good.

(Ref: Audit Requisition No. 98, Dated: 15.03.2016)

Para-29: Non-inclusion of interest earned on FDR during the year 2012-13 by H.P. University Centre for Evening Studies:-

While checking the Annual Account for the year 2012-13 of H.P. University Evening Studies, it was noticed that following FDR were shown matured during the year 2012-13, sum of Rs. 585891/- ($260305+173700+151097+789$) interest income was earned on the FDR Sr. No. 1 to 4 but this income of interest was not included in the Annual Account statement for the year 2012-13. Besides, on the maturity of FDR shown as detail below at Sr. No. 5 & 6 sum of Rs. 886785/- ($620273+266512$) was included under the head income instead of taking income of interest earned Rs. 173362/- ($120273+53089$), which is irregular and against the basic principle of the accounting system. Thus the Annual Account of the department as well as consolidated account of the University did not show the true and fair view of the accounts and this require proper justification. The omission may be rectified after making necessary adjustment under intimation to audit.

Sr. No.	FDR No.	Principal Amount	Date of Investment	Date of Maturity	Maturity Amount	Interest Earned
1.	30306291502	500000	08.01.2008	08.01.2013	760305	260305

2.	10836174304	722106	03.07.2009	03.07.2012	895806	173700
3.	10866174291	605076	18.05.2009	18.05.2012	756173	151097
4.	30876694689	3280	03.07.2009	03.07.2012	4069	789
5.	30878284875	500000	09.02.2009	09.02.2012	620273	20273
6.	30923932760	213423	14.10.2009	14.10.2012	266512	53089
Total						759253

(Ref: Audit Requisition No.93, Dated: 03.03.2016)

Para-30: Over casting of student fund income Rs. 59076/- by the Centre of Evening Studies

While checking Annual Account of H.P. University Centre for Evening Studies for the month of July 2012, it was noticed that as per fund collection register a sum of Rs. 62436/- was received from the student under miscellaneous head, which were wrongly shown as Rs. 121512 in amalgamated fund Cash Book on page No. 103. Thus the over all income of student fund is overcasttd by Rs. 59076/- (121512-62436) which needs justification and rectification.

(Ref: Audit Requisition No. 96, Dated: 03.03.2016)

Para-31:- Difference of Rs. 1.30 lac in FDR accounts of H.P. University Centre for Evening Studies.

While checking the Annual Account of H.P. University Centre for Evening Studies, it was noticed that closing balance of short term deposit as on 31.03.2013 was shown Rs. 9542724/- in the annual account statement submitted for certification whereas the detail attached duly countersigned by the Principal of Evening College shows Rs. 9412318/- as on 31.03.2013, resulting difference of Rs. 130406 (9542724-9412318), which needs to be reconciled.

(Ref: Audit Requisition No. 92, Dated: 03.03.2016)

Para-32:- Loss of Rs. 5673 sustained by Education Department.

On scrutiny of relevant record pertaining to Annual Account of Education Department, it was noticed that department had Rs. 5673/= in its current account No. 10091435929 on dated 12.07.2010 which was being operated in State Bank of India, Summer-Hill, Shimla-05. banker deducted following amounts for not maintaining minimum balance in current account.

<u>Date</u>	<u>Amount Deducted</u>
1.09.2010	1000
31.12.2010	1000
12.03.2011	550
31.03.2011	1000
30.06.2011	1000
30.09.2011	1000
<u>31.12.2011</u>	<u>123</u>
Total	5673

Had the current account of NRI Fund converted timely into saving bank account or minimum balance was maintained in current account the above incurred loss could had been avoided.

Therefore, responsibility for this loss may be fixed and the same may be made good from the officer/official at fault.

(Ref: Audit Requisition No.95, Dated: 01.03.2016)

Para-33:- Non-inclusion of interest earned on FDR amounting to Rs. 2.74 lac in Annual Account by Department of Pre-Examination Coaching Centre.

While checking the Annual Account of Pre-Examination Coaching Centre for the year 2012-13, it was noticed that interest earned on the maturity of FDR's during the year 2012-13 amounting to Rs. 273696/- had neither reflected in the Cash Book and nor in the Annual Account statement submitted for certification. Due to non-accountal of interest earned on deposits in the books, the account did not show the true and fair view. Hence as a whole consolidated Annual Accounts of the H.P. University is undercasted by Rs 273696/- which may either be justified or omission needs to be rectified under intimation to audit.

(Ref: Audit Requisition No.91, Dated: 27.02.2016)

Para-34:- Difference of Rs. 1534179 in the Cash Book and Bank Account reconciliation thereof.

While checking the Annual Account of Bio-Technology Department for the year 2012-13, it was noticed that as per Cash Book of NRI Fund closing Balance as on 30.03.2013 was Rs. 1575562/- whereas as per Bank statement the closing Balance as on 31.03.2013 was Rs. 3109741, resulted a net difference of Rs. 1534179/- which needs to be reconciled.

(Ref: Audit Requisition No.89, Dated: 20.02.2016)

Para-35:- Non-recovery of share of Advertisement charges Rs. 0.76 lac by the Bio-Technologies Department from the different institution.

The advertisement charges were required to be recovered from 8 institution @ 15102/-. While checking the relevant record, it was noticed that only three educational institutions have remitted their share to the Bio-Technology department of the university. But other five institutions as detailed below did not remitted their share @ Rs.15102/-. Which resulted financial loss to university exchequer Rs. 75510(15102X5). No efforts were made by the department to recover the due share needs justification besides recovering the amount may be justified and recover this amount immediately from the concerned institutions with interest under intimation to audit.

Sr. No.	Name of the Institution	Bank Draft No.	Date	Amount
1.	Principal Gautam College Hamirpur (H.P.)	878187	27.07.2012	15102
2.	Bhojia Institute of Life Science Baddi Distt. Solan	330189	27.07.2012	15102
3.	Shoolini Institute of Life Science and Business Management Distt. Solan	269695	01.08.2012	15102
4.	Central Research Institute Solan.			Not Realised
5.	Abhilashi Institute of Life Science Mandi (HP)			Not Realised
6.	Himachal Institute of Life Science Paonta Sahib, Sirmour.			Not Realised
7.	Indian Institute of Education, Hari Devi, Ghanatti, Shimla			Not Realised
8.	Shiksha Bharti college, Una.			<u>Not Realised</u>
Total Un realized amount			= Rs. (15102x 5) =75510/-	

(Ref: Audit Requisition No.75, Dated: 08.02.2016)

Para-36: Non inclusion of interest amounting to Rs. 36370 of English Department (NRI Account) for the year 2012-13.

The closing balance of short term deposit of English Department (NRI Account) as on 31.03.2013 was shown Rs. 266091/- instead of Rs. 302461/-. The difference is due to non accountal of interest earned on FDR during the year 2011-12 amounting to Rs. 22640 and Rs. 13730/- interest earned on FDR during the year 2012-13. Hence, the omission needs to be rectified in order to have a true and fair view of the account and the compliance of the same may be shown to audit.

(Ref: Audit Requisition No. 87, Dated: 09.02.2016)

Para-37:- Short Realization of fee amounting to Rs. 29000/-.

While checking the record of income received by Bio-Technology Department under NRI/ Self Financing Scheme during the year 2012-13, it was noticed that late fee fine @ 1000/- from 29 Students amounting to Rs. 29000 as detailed below of M.Sc. Microbiology 2nd year was not realized as per the provision laid down in para 2.5.6 of prospectus 2012-13. Which is irregular and resulted short realization of Rs. 29000/-, which may be justified and responsibility for short realization may be fixed and the same may be made good from the appropriate source.

<u>Sr. No.</u>	<u>Name of Student</u>	<u>Receipt No.</u>	<u>Date of depositing fee</u>	<u>Late fee fine Due</u>
1.	Poonam Jyoti	60720	18.07.2012	1000
2.	Priyanka Chambial	60721	18.07.2012	1000
3.	Sharda	60725	19.07.2012	1000
4.	Maridual Sharma	60726	19.07.2012	1000
5.	Deepika Sood	60729	19.07.2012	1000
6.	Tilak Raj	60734	21.07.2012	1000
7.	Divika Sapehia	60735	21.07.2012	1000
8.	Ashu Soni	60736	21.07.2012	1000
9.	Arti Devi	60737	21.07.2012	1000
10.	Rajeshwar	60739	25.07.2012	1000
11.	Vivek Chauhan	60740	25.07.2012	1000
12.	Anshul Sood	60742	25.07.2012	1000
13.	Deepak Giri	60743	25.07.2012	1000
14.	arishi	60744	25.07.2012	1000
15.	Vivek Thakur	60756	25.07.2012	1000
16.	Aman	60757	26.07.2012	1000
17.	Priyanka	60758	26.07.2012	1000
18.	Parul	60759	26.07.2012	1000
19.	Parkash Chand	60761	30.07.2012	1000
20.	Priyadarshani	60762	30.07.2012	1000
21.	Sheetal	60763	30.07.2012	1000
22.	Nisha Kumari	60764	30.07.2012	1000
23.	Sudhir	60765	30.07.2012	1000
24.	Vijay Bhushan	60766	31.07.2012	1000
25.	Adersh Bharti	60596	13.07.2012	1000
26.	Nivita	60704	16.07.2012	1000
27.	Kumari Anu	60708	16.07.2012	1000
28.	Shalini	60712	18.07.2012	1000
29.	Sonika			1000
Total				= 29000/-

(Ref: Audit Requisition No. 85, Dated:08.02.2016)

Para-38: Non Accountal of Interest earned on FDR and Saving Account for the year 2012-13 amounting to Rs. 67339/-

While checking the investment record of NRI/Self Financing Scheme of Economics Department, it was noticed that an amount of Rs. 2,00,000 invested in different FDR account and interest earned on Maturity during the year 2012-13, amounting to Rs. 57444/- was neither accounted for in the cash book nor in the annual account statement of 2012-13. Similarly interest earned on Saving Bank Account during the month 12/2012 amounting to Rs. 9895/- was not reflected in the Cash Book and in the Annual Account statement, due to non accountal of interest earned on deposits in the books, the accounts of department did not show the true and fair view of the account. Hence as a whole consolidated annual account of the H.P. University is under casted by Rs. 67339 (57444+9895) which may either be justified or omission needs to be rectified under intimation to audit.

(Audit Requisition No.81, Dated: 08.02.2016)

Para-39:- Non inclusion of the expenditure amounting to Rs. 0.58 lac by Chemistry Department in the Annual Accounts for the year 2012-13.

While checking the annual account of Chemistry Department for the year 2012-13, it was noticed that the closing balance of Self Financing Scheme Cash Book as on 31.03.2013 was Rs. 749544/- instead of Rs. 807875/- as shown in the Annual Account for the year 2012-13 resulting a difference of Rs. 58331/- due to non inclusion of the payment amounting to Rs. 58331/- made vide cheque No. 149016 dated 20.03.2013 to M/S Research Aid Instrument, Palampur.

The Non-inclusion of above transacted amount in annual account, the consolidated Annual Account of whole University is over casted by Rs. 58331/-. Hence, the reasons for the non inclusion of the above amount in the Annual Account statement, need the proper justification and rectification under intimation to audit.

(Audit Requisition No.72, Dated: 21.01.2016)

Para-40:- H.P. University sustained a loss of Rs. 0.53 lac by not adhering to the guidelines of the UGC with regard to refund of Fees.

As per guidelines of the UGC issued by the Public notice dated 23.04.2007, provides that if a student admitted to a particulars course and withdraws before the starting of the course, in that case, the entire fee collected from the student should be refunded after making a deduction of processing fee not more than Rs. 1000 and the vacant seat should be allotted to the wait listed student. District consumer disputes redressal forum Shimla ordered refund of admission fees with costs to the following students on the basis of above UGC guidelines.

Sr. No.	Complaint No.	Name of	Department	Refund of	Cost	Total
	And date	Complainant		Admission fee		
1.	320/2010 10.09.2010	Mahesh Verma	Computer Science	6500	4780	11280
2.	414/2010	Shashank Acharyya	Business	64000	5000	69000

In compliance to above Orders University refunded total amount of Rs. 51280 to the complainant as per detail given below:-

<u>Sr. No.</u>	<u>Contingent bill No. and date</u>	<u>Name of Student</u>	<u>Amount of refunded</u>
1.	7169 of 30.03.2012	Mahesh Verma	11280/-
2.	599 of 05.04.20012	Shashank Acharyya	40000/-
		<u>Total</u>	<u>51280</u>

All though part payment of Rs. 40000 against total payment of Rs. 69000 as ordered by forum in favour Shashank Acharyya was made paid by university and further the matter is taken up by the university in court of law through its counsel to prevent refund of fees which is pending for final decision.

Had the authorities complied the above UGC guidelines in letter and spirit and further refunded the amount of admission fees amounting to Rs. 5500+64000=69500 to the complainant in time and admission to the wait listed student a total loss of Rs. 53280 as detailed below could have been avoided.

<u>Sr. No.</u>	<u>Name</u>	<u>Total Loss</u>
1.	Mahesh Verma	6500-5500+11280 = 12280/-
2.	Shashank Acharyya	<u>65000-64000+40000</u> = 41000/-
	<u>Total</u>	<u>= 53280/-</u>

Hence, reason for not complying the UGC Guidelines and by not providing admission to the wait listed students against the vacant seat be justified or whole amount of loss may be recovered from the official at fault under intimation to audit.

(Audit Requisition No. 128, dated 08.05.2012)

Para-41:- Non- insertion of income and expenditure of ICDEOL in the Annual Accounts for the year 2012-13.

From the perusal of consolidated Annual Account submitted vide University Office Letter No. 4-40/HPU/Fin./Comp./Annual Accounts/2012-13/Vol-1-633 dated 28.09.2015, it was noticed that an amount of Rs. 750240248/- has been shown as opening balance since 2010-11 to 2012-13 without incorporating receipt and expenditure. Hence whole consolidated Annual Account for the year 2012-13 did not exhibit the clear financial position of the affairs of ICDEOL, which needs suitable explanation/justification.

(Audit Requisition No.72, Dated: 21.01.2016)

Para-42.1 :- Miscellaneous:

The account of the following departments could not be checked and verified in audit since these were not prepared and submitted to the authorities by the concerned department:

- | | |
|------------|-----------------------|
| 1. U.I.I.T | 1. NRI/Self Financing |
| | 2. Other Accounts |

42.2:- MTA Department

42.2.1 Difference in Annual Account of MTA Department for the year 2012-13 amounting to Rs. 3920 reconciliation thereof.

While certifying the Annual Account of MTA Department for the year 2012-13, it was noticed that closing balance of Cash Book and the abstract of annual account showing closing balance after making adjustment of cheques issued but not debited by bank upto 31.03.2013, comes to Rs. 15188487 where as the bank balance Saving Account + FDR showing balance of Rs. 15184567/-. This resulted a difference of Rs. 3920/- in annual account and bank statement. Which is irregular, difference needs to be reconciled.

(Audit Requisition No.77, Dated: 08.02.2016)

42.2.2 Non verification of Cash Book.

While checking the annual Account of MTA for the year 2012-13 of NRI/Self Financing Scheme, it was noticed that cash Book of above fund was not signed/verified by the Drawing and Disbursing Officer. In the absence of which authenticity of income and expenditure entries recorded therein can not verified in Audit. Needful may be done at the earliest.

(Audit Requisition No.73, Dated: 22.01.2016)

42.2.3 Short accountal of 287 No. prospectus by MTA Department for the year 2012-13.

While checking the Annual Account of IMS department for the year 2012-13, it was found that 1500 nos. of prospectus were got printed from M/S Vikas Laser Graphics, Tilak Nagar, Shimla-05, the payment for which was made vide bill No. 163 dated 16.04.2012.

During the course of checking the concerned stock register, it was noticed that out of 1500 nos. of prospectus 619 nos. were shown either sold or issued as complementary copies to various authorities. Therefore as per the stock register, there was a balance of 594 nos. of prospectus as closing balance, whereas the actual balance of prospectus should have been shown (1500-619) 881 instead of 594 nos. Therefore, the reason for short accountal of 287 no. of prospectus needs justification after getting the closing balance physically verified by the competent authority.

(Audit Requisition No.74, Dated: 22.01.2016)

42.3 IMS Deptt.

Non physical verification of unsold prospectus by IMS Department during the year 2012-13.

While checking the Annual Account of IMS department for the year 2012-13, it was found that 5000 nos. of prospectus were got printed from M/S Vikas laser Graphics, Tilak Nagar Shimla-05, the payment which was made vide the bill No. 161 dated 5.04.2012.

During the course of checking the concerned stock register, it was noticed that out of 5000 nos. of prospectus 3000 nos. were shown either sold or issued as complementary copies to various authorities. Now as per the stock register, there was a balance of 2000 nos. of prospectus, the authenticity of which has not been done by any responsible officer. Thus, in absence of such authentication/physical verification the remaining stock can not be termed as a true balance lying in the store. Hence as per the provision of Rule 140(2) to the H.P. financial Rules-2009 the physical verification report by the Stock Physical Verification Committee may be recorded in the stock register under intimation to Audit please.

(Audit Requisition No.70, Dated: 18.01.2016)

42.4 STEP

Non Production of record by HP-STEP Department:-

Checking of Annual Account of H.P. Step Department for the year 2012-13, it was noticed that there was closing balance of Rs. 32,48,443/- as on 31.03.2013, no record relating to the deptt. was put up in audit despite several verbal as well as written request made to University Authorities, vide Audit Requisition No. 94 dated 03.03.2016, which is matter of serious concern. Therefore the matter is being brought in the notice of Higher Authorities to direct the quarter concerned to put up the relevant record in audit to. Compliance of General Administration Section letter no. 9-31/2002-HPU(Gen.)-1566 dated 03.07.2012 for acquiring assets and liabilities of HP-STEP Department may also be intimated.

(Ref: Audit Requisition No. 94, Dated: 03.03.2016)

42.5 Non Production of record for PG Centre including Law Department for certification of annual account 2012-13:-

Accounts of P.G. Centre (Student Fund) have not been produced despite of verbal as well as written requests. An amount of Rs. 65,66,804/- has been shown as closing balance in the Annual Accounts, existence of the such amount could not be verified which appears doubtful. The account was also not submitted previously i.e. during the course of audit for the period 2007-08 to 2012-13. Besides above, it is also learnt that the receipt of student fund of PG Centre were credited to the H.P. University main account which is irregular and contrary to the rules, regulations and provisions made in the ordinance which needs suitable explanation/justification.

(Ref: Audit Requisition No. 94, Dated: 03.03.2016)

42.6 Certification of Annual Accounts for the year 2012-13 (Non-Production of record of UILS Ava Lodge.)

While auditing the Annual Accounts of UILS Ava-Lodge for the year 2012-13 the following discrepancies were noticed which needs to be clarified.

1.) While checking the annual account of UILS Ava-Lodge, it was noticed that as per certified Audit Annual Report for the year 2011-12 the closing balance of the said fund was shown Rs. 29766119/-, whereas opening balance as on 01.04.2012 was shown Rs. 29190584/- resulting in a net difference of Rs. 575535/- which is irregular, therefore, needs to be reconciled

2.) Income of Rs. 18026519 on account of admission fee and Rs. 40960 canteen rent, smart shop rent etc were shown in the Annual Account of UILS for the year 2012-13, but in support of this, no relevant record viz:- cash book ledger detail etc. were not put up to audit, so the figure could not be verified.

3.) Sale register of prospectus was physically verified by the competent authority. Needful may be done in this regard under intimation to audit.

(Ref: Audit Requisition No.02, Dated: 05.04.2016)

Para-43: Conclusion:

Non Compliance/Settlement of Old Audit Para(s) have not only defeated the very purpose of the audit but also fails to bring the accountability and transparency in the financial prudence of the organization, besides suffering huge financial loss on account of non recoveries etc. There are 1550 number of audit para(s) 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 para(s) expeditiously.

Yours faithfully,

Encl:-As above.

Sd/-
Additional Director,
Local Audit Department
Himachal Pradesh Shimla-171009

Endst. No. As Above,.....4129-4132.....dated, the 21.07.2016.....Shimla-171009

Copy alongwith Audit Report is forwarded for information and necessary action to:

1. The Additional Chief Secretary (Education) to the Government of Himachal Pradesh, Shimla-2.
2. The Joint Controller (Audit) Resident Audit Scheme, Himachal Pradesh University, Shimla-5.
3. The Finance Officer, Himachal Pradesh University, Shimla-05.

Sd/-
Additional Director,
Local Audit Department
Himachal Pradesh Shimla-171009

Annexure - "A"

Unsettled/Outstanding paras upto 2011-12

(Referred to Part-I of Audit Report of H.P. University for the year 2012-13)

Sr. No.	Period of Audit Report	Details of outstanding paras		No. of Paras	Total
		From	To		
1.	27.07.70 to 31.03.1971	1 12 23	10 19 29	10 8 7	25
2.	1971 to 72	1 13 26	5 16,17,2 3,24 34 40	5 5 9 5	24
3.	1972 to 73	1 13 18 28 30 34 39 48,50,52,54,55 57 64,65,67&69	8 16 24 - 32 37 43 - 62 -	8 4 7 1 3 4 5 5 6 4	47
	Main University	1 29	27 36	27 8	35
4.	1973-74 Director ICDEOL	1	38	38	38
5.	1974-74 main university	1 10,12,13,15,16,18 28,29,30,33,&36	4 -	4 11	15
	Director ICDEOL	1	39	39	39
6.	1975-76 main university	1 10,12,13,15,16,18,28 29,30,33,&36	15	15 11 4	30
	Director ICDEOL	1	34	34	34
7.	1976-77 main university	1	42	42	42

	Director ICDEOL	1	39	39	39
8.	1977-78 main University	1	51	51	51
	Director ICDEOL	1	36	36	36
9.	1978-79 main University	1	59	59	59
	Director ICDEOL	1	29	29	29
10.	1979-80 main University	1 71	69 75	69 5	74
11.	1980-81 main University				
	Director ICDEOL	1 67	65 68	65 2	67
12.	1981-82	11(G)26	2	2	2
13.	1982-83	30	1	1	1
14.	1983-84	13 17	14 18	2 2	4
15.	1984-85	12,20,22(b)&22(c), &28	23 -	5	5
16.	1985-86	12&21(b)	-	2	2
17.	1986-87	3,11(b),12,13,16&24(A)	-	6	6
18.	1987-88	11 15,17,18,20,22, 23 27,29&31	13 - 25 -	3 5 3 3	14
19.	1988-89	8 15 21 34&36	- 17 - -	1 3 1 2	7
20.	1990-91	8(ch),9(s),14,15(k),18,21, 29(K)&29(kh)	-	4 2 1	7
21.	1991-92	12 17&18 20&23 30 35 & 39 40	- - - 32 - 48	1 2 2 3 2 9	19
22.	1992-93	11 17(k, KH) 18 23,24 & 26	13 - 19 -	3 1 2 3	

		30,32,33 &39	-	4	13
23.	1993-94	7,13,15,16,18,23 &24, 28(2)(k), 28(2)(KH),28(2)(7)(G) & 28(GH)	- -	7 1	8
24.	1994-95	11,16,17,20,22,24&25, 27 &29	- -	7 2	9
25.	1995-96	8,9,10,11,12,15,16,17, 18&20 27 38,39 &42 48 53 &54	- 33 - 50 -	10 7 3 3 2	25
26.	1996-97	8 12 16,18 & 24 30 38 43 46 51,53,55,60&61 63 69,71 &72	10 14 - 34 41 - 49 - 67 -	3 3 3 5 4 1 4 5 5 3	36
27.	1997-98	3(KH,G,V,GH) 8(K,KH) 14,19,21,22,24,25,27 28,30,33 & 34 36 41 44 48 52,54,55,57,58 & 59 61 63	- - - 39 43(3) 46 50 - - 66	1 1 11 4 3 3 3 6 1 4	37
28.	1998-99	9	30	22	22
29.	1999-2000	5,7 & 10(3) 11 20	- 18 31	3 8 12	23

30	2000-2001	6(2)(C to F), 6(3)(A to AF) & 6(4)(AB), 7(1) 9(1,2) 13 - 23(1 to 8), 24(1 to 9) 25(K,KH)(2 to 4) & 26(K& KH) 27(1) 39 & 41 43 46(1 to 3), 47(1 to 4), 48(1) 51	- - 8(3) 12 22(KA to YAN) - 37 - 45 (K,KH) & (G) - 50(3) 119	1 2 4 10 4 11 2 3 2 3 69	111
31.	2001-2002	6 12 24 29	10 22 27 140	5 11 4 112	132
32.	2002-2003	9 29	25 85	17 57	74
33.	2003-04	7 17 21 46 52	15 19 44 50 61	9 3 24 5 10	51
34.	2004-05	5 10 13 16 20 25 32 40 & 42 44	8 11 14 17 23 29 38 - 49	4 2 2 2 4 5 7 2 6	34
35.	2005-06	5 17 24 32 38	15 22 30 36 48	11 6 7 5 11	40

36.	2006-07	Part-I I(i) &(iv) to I(viii) Part-II 1 2(a),2(b),2(b)(3), 2(b)(4), 2(b)(5), 2(d)(1),2(d)(2), 2(d)(3)(I to III), 2(d)(4), 2(d)(5)(I & II),2(d)(6), 2(d)(7)(1 to iv), 2(d)(8), 2(e)(2) & 2(e)(iii to v), 6 &7 9 14 16 23(I) to 23(5) 24 &26 27	- - - 12 - 22 - - 29 34 31	1 1 1 2 4 1 7 1 2 3 4	27
37.	2007-08	2,4,5 to 10,12 to 15, 18,19,21,22,24 to 26, 28,30,31,33 to 36			26
38.	2008-09	2(a) to 2(c), 2(d)(I)to (5),2 (e),4 to 17, 19 to 24, 26 & 27			31
39.	2009-10	2(1), 3(b) (ii), 3(c), 3(f),6(a), 7	2(2) 6(P) 24	2 1 1 1 16 18	39
40	2010-11	2, 3, 5, 6, 7, 8, 9, 10, 11 (except 11.10 (1) & 11.11), 12, 13, 14, 15, 16, 17 , 18,19,20,21,24, 25,26,27, 28	0 ----	-----	24
41	2011-12	3, 6, 7, 8, 9, 10, 11, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43	----		37
				Total	1550