

**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 2014-2015.**

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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 04/1981 to 03/2014.
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 2014-15.
4. Old outstanding audit para's settled during 2014-15 is given at Annexure-"A-I" of this Audit Report.
5. The latest position of all outstanding audit paras from 1981-82 to 2013-14 is given in annexure-"A-II" of this report.
6. Receipt and Payment Account 2014-15 (Main Account).
7. Income and Expenditure 2014-15.
8. Trial Balance 2014-15.
9. Balance Sheet 2014-15.

Audit and Inspection Report for the year 2014-15

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	01.04.2014 to 31.03.2015
2.	Registrar	Prof. Mohan Jharta	01.04.2014 to 31.03.2015
3.	Finance Officer	Sh. Diwakar Kamal Controller (F&A)	01.04.2014 to 31.03.2015

Serious Irregularities detected during the Audit for year 2014-15

Sr. No.	Particulars	Para No.	Amount ₹ in lac
1.	Non inclusion of UGC Grant in annual account for the year 2014-15.	5.4	350.00
2.	Less Credit of FDR interest.	5.5	0.26
3.	Loss due to non credit of valuables.	5.6	1.80
4.	Non accountal of FDR's interest in the books of accounts (NRI and Other Account).	5.7	51.91
5.	Non Production of Utilization Certificates.	5.8	7.89
6.	Short realization of Canteen Rent.	5.9	0.13
7.	Less Transfer of NRI Funds to Revenue Account and Corpus Fund.	5.10	116.30
8.	Difference in Opening Balance of Annual Account 2014-15 (Dean of Studies).	5.11	25.34
9.	Non refund of TDS.	5.17	0.40
10.	Non accountal of amount lying with saving account no. 31347944384.	5.18	2.97
11.	Non-realization of share of advertisement charges (Bio-technology Deptt.).	5.19	0.36
12.	Non realization of Late fee of Msc. Microbiology.	5.20	0.54
13.	Short realization of smart shop rent.	5.21	0.05
14.	Non submission of detail of amount of student fund of ICDEOL transferred to HPU.	6.1	784.72
15.	Non Accountal of Fee under Power Jyoti Account in Annual Account for the year 2012-13.	6.4	3.89
16.	Short Credit of Valuables Student Fund ICDEOL (2012-13).	6.5	46.50
17.	Non refund of Loan given to IIHS from ICDEOL.	6.7	30.00
18.	Difference in expenditure of Student Fund (ICDEOL) Annual Account for the year 2012-13	6.8	6.40

19.	Less accountal of student fee in annual account of Student Fund of ICDEOL.	6.9	0.20
20.	Regarding difference in Opening Balance of ICDEOL Annual Account of 2014-15.	6.10	852.19
21.	Short fall in receipts of counseling/affiliation and Centre creation fee during 2014-15.	7	254.49
22.	Non verification/certification of receipt on account of counseling and affiliation fee for want of relevant record.	8	151.79
23.	Deviation of Govt. Grants on account of purchase of computers, Laptops/UPS and furniture etc.	9	13.10
24.	Non adjustment of Temporary Advances.	10	1293.30
25.	Recurring loss to the Transport wing.	12	767.56
26.	Loss on account of providing Hostel facilities.	13	1519.03
27.	Loss on account of running cost of Construction Division.	14	1255.28
28.	Irregular purchase of curtains and door mats (Business School)	21	2.33
29.	Irregular payment on account of House Rent	22	0.92
30.	Irregular payments of Secretariat pay including allowances.	23	187.39
31.	Retrenchment / Recoveries.	24	17.52

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 2013-14.

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 outstanding 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 ₹54562 on account of construction of underground water storage tank	16	1988-89
2.	Non recovery amounting to ₹28186 on account of hostel rent etc.	25	1994-95
3.	Non recovery amounting to ₹226182 on account of hostel rent.	20	1995-96
4.	Non reimbursement of ₹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 ₹ 0.54 lac by ICDEOL.	8	1996-97
6.	Non recovery amounting to ₹0.30 lac on account of hostel rent.	24	1996-97
7.	Irregular payment amounting to ₹0.23 lac on account of providing ISD facilities by violating Govt. instructions.	60	1996-97
8.	Unfruitful expenditure amounting to ₹30713 on account of purchase of instrument for Health Centre.	21	1997-98
9.	Irregular expenditure amounting to ₹8.28 lac on account of compensation.	27	1999-2000

10.	Loss of ₹21.35 lac on account of excess consumption of petrol in University vehicle.	11	2000-01
11.	Embezzlement of amounting to ₹8984 by showing excess consumption of petrol.	15	2000-01
12.	Short realization of the fee funds amounting to ₹11.23 lac.	11	2004-05
13.	Excess payment of ₹0.42 lac due to ignoring lowest tender rates.	16	2004-05
14.	Payment of decreed amount of ₹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 ₹12.64 lac and fee fund amounting to ₹12.60 lac.	13& 14	2005-06
16.	Loss of interest of ₹4.16 lac due to investment for very short term period.	18	2005-06
17.	Loss of interest due to keeping heavy amount of ₹93.77 lac and ₹ 70.53 lac in saving/current account.	20 &21	2005-06
18.	Loss of interest of ₹1.27 lac due to clubbing of FDR of ICDEOL which were matured on different dates.	22	2005-06
19.	Loss of interest of ₹ 0.95 lac , ₹0.79 lac and ₹ 0.71 lac on FDRs.	24,25&26	2005-06
20.	Non recovery of shop rent of ₹ 1.01959	Main(IV)	2006-07
21.	Difference of ₹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 still not being complied with.	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 ₹ 1.13637.	16	2006-07
25.	Recovery of ₹ 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 ₹ 32.983 on account of postal charges by the Controller of Examination wing.	13	2007-08
27.	Non recovery of excess payment of ₹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 ₹1.2595370 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 ₹49093 in ICDEOL student fund account.	2(e)(III)	2008-09
31.	Irregular and excess payment of ₹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 ₹1.28000 to teachers of ICDEOL.	26	2008-09
33.	Irregularities in the Advance bill No. 7675 dated 2.2.2009 amounting to ₹2500000 on account of printing of answer for the year 2008-09.	23	2008-09
34.	Income tax wrongly deducted at source amounting to ₹416589.000 from the proceeds of FDRs by the Union bank of India.	26	2008-09
35.	Loss of interest of ₹415638 due to investment for very short period.	27	2008-09.
36.	Non inclusion of various funds amounting to ₹ 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 ₹4.58 lac remitted during 02.04.08 to 24.03.09	3 (b) (ii) (7)	2009-10
38.	Short realization of interest of ₹ 7.05 lac on FDRs	3 9b (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 ₹34.00 lac p.a. approximately on University exchequer.	12	2009-10
40.	Suspected loss of Stock /Store worth ₹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 ₹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 ₹ 7.38 lac to the Book Adjustment Account.	3.1.7	2010-11
45.	Short Accountal of Examination fee ₹173.03 lac received by way of valuables i.e. IPO's and Bank Drafts.	3.1.8	2010-11
46.	Loss of interest ₹ 10.63 Lac due to non-application of Financial prudence.	14(3)	2010-11
47.	Deficit of ₹ 60.21 Lac in the GPF Account	14(5)	2010-11
48.	Suspected misutilisation of UGC Grant-in-Aid amounting to ₹ 115.82 Lac.	3.1.4	2011-12
49.	Irregular transfer of Student funds ICDEOL amounting to ₹ 1432.87 Lac to Main Account of HP University.	16	2011-12
50.	Overpayment of pay and allowances amounting to ₹ 5 Lac to Cooks (14 in Number)	20	2011-12

51.	Short realization of fee amounting to ₹ 1.51 Lac from students by Bio-Technology department.	33	2011-12
52.	Non-realization of advertisement charges (share) amounting to ₹0.60 Lac by the Bio-Technology department.	36	2011-12
53.	Irregular deduction of Tax at source ₹ 1.75 Lac.	12(B)	2012-13
54.	Credit of BD's and IPO's ₹ 0.48 Lac etc. not given by the Bank.	15	2012-13
55.	In fructuous payment of ₹ 3.12 Lac on account of personal accidental insurance scheme.	17	2012-13
56.	Loss of ₹ 0.77 Lac to university exchequer due to purchase of stationery articles on exorbitant rates.	20	2012-13
57.	Irregular transfer of Student Funds ₹ 811.05 Lac from ICDEOL to Main Account of HP University.	25	2012-13
58.	Non production of record relating to affiliation/continuation fees ₹ 175.91 Lac.	26	2012-13
59.	Irregular transfer ₹ 4.25 Lac from NRI fund (department of chemistry) to UGC SAP Project.	27	2012-13
60.	Non-recovery ₹0.76 Lac on account of share of advertisement charges from Private Colleges.	35	2012-13
61.	Short realization of late fee fine ₹0.29 Lac (Bio-Technology Department).	37	2012-13
62.	Loss of ₹ 0.53 Lac to the University exchequer due to non adhering UGC Guidelines regarding refund of fees.	40	2012-13
63.	Non accountal of FDR's interest amounting to ₹ 13.84 Lac (partially settled) in the books of accounts (NRI and Other Account).	5.4	2013-14
64.	Less accountal of Income amounting to ₹112.24 Lac of NRI Fund (Regional Centre and School of Legal Studies Dharamshala).	5.5	2013-14
65.	Less accountal of Expenditure amounting to ₹ 91.98 Lac of NRI Fund (Regional Centre and School of Legal Studies Dharamshala).	5.5	2013-14

66.	Less Credit of FDR interest amounting to ₹ 0.26 Lac.	5.6	2013-14
67.	Difference in closing balance amounting to ₹ 98.33 Lac of FDR's NRI and Student Funds.	5.7	2013-14
68.	Difference of ₹ 58.19 Lac in Other Accounts (Regional Centre and School of Legal Studies Dharamshala).	5.8	2013-14
69.	Non Accountal of Practical Fee amounting to ₹ 10.46 Lac (Law Department PG Centre) in consolidated Annual Accounts.	5.9	2013-14
70.	Non Production of Utilization Certificates of ₹236.18 Lac.	5.10	2013-14
71.	Non /Short realization of Student Fees amounting to ₹8.15 Lac.	5.13	2013-14
72.	Less Transfer amounting to ₹ 25.85 Lac of NRI Funds to Revenue Account and Corpus Fund.	5.14	2013-14
73.	Non- refund amounting to ₹ 4.28 Lac of TDS.	5.15	2013-14
74.	Short Credit of Valuables Student Fund ICDEOL (2011-12) of ₹ 1.72 Lac.	5.16	2013-14
75.	Non-realization of share of advertisement charges amounting to ₹ 0.66 Lac (Bio-technology Deptt.).	5.17	2013-14
76.	Less accountal of ₹0.13 Lac of Income from sale of prospectus in the Annual Account.	5.21	2013-14
77.	Non reimbursement of Salary amounting to ₹ 18.42 Lac from NRI Fund to Revenue Account.	5.24	2013-14
78.	Non adjustment of Temporary Advances of ₹ 869.08.	6	2013-14
79.	Recurring loss amounting to ₹704.56 Lac of the Transport wing.	8	2013-14
80.	Loss of amounting to ₹1361.16 Lac on account of providing Hostel facilities.	9	2013-14
81.	Loss of amounting to ₹349.74 Lac on account of Examination activities.	10	2013-14
82.	Loss of ₹ 1137.91 Lac on account of running cost of Construction Division.	11	2013-14
83.	Less accountal of ₹ 23.64 Lac for the works expenditure in annual account.	11.1	2013-14

84.	Late credit of ₹ 6.48 Lac on account of Pension Contribution to the Pension Fund.	12.1	2013-14
85.	Non refund of ₹ 22.00 Lac to Gratuity Fund.	13.1	2013-14
86.	Late credit of ₹ 3.24 Lac on account of Gratuity Contribution.	13.2	2013-14
87.	Irregular payment amounting to ₹9.77 Lac to M/S Perfect Color Digital Prints Pvt. Ltd. Gurgaon.	20	2013-14
88.	Non forfeiture of earnest money amounting to ₹1.00 Lac.	21	2013-14
89.	Irregular purchase amounting to ₹ 5.15 Lac of furniture and furnishing items (Education Deptt.).	22	2013-14
90.	Irregular payments of ₹ 180.73 Lac of Secretariat pay including allowances.	25	2013-14
91.	Non verification/certification of receipt on account of counseling and affiliation fee of ₹ 358.56 Lac for want of relevant record.	26	2013-14
92.	Retrenchment / Recoveries of ₹ 18.43 Lac.	28	2013-14

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

Period 1.04.2014 to 31.03.2015

Part-I

Latest position of old audit para's

There are 893 old audit Para(s) outstanding for settlement Nos 17 old Para sub para (s) were got settled/deleted by the University during finalization of audit report for the year 2014-15. The detail of settled and unsettled audit Para(s) for the period 1981-82 to 2013-14 is exhibited at Annexure-A-I & A-II respectively. Therefore, immediate attention of the authorities is invited to take necessary action for settlement of pending Audit Para(s).

Part –II

Para-I: Preliminary

The audit and inspection of Accounts of H.P. University, Summer-Hill, Shimla-5 for the period 2014-15 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. Tara Chand Mahant, Deputy 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. 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 consolidated Annual Accounts of H.P. University, Shimla-5 for the period 2013-14 and 2014-15 is as under:

(₹ in Lac)

Sr. No.	Particulars	2013-14	2014-15
1.	Opening Balance		
(a)	Main Account	5543.57	7072.88
(b)	NRI Scheme	2516.19	3182.36

(c)	Others	7822.04	7802.82
	Total	15881.80	18058.06
2.	Grants		
(a)	H.P. Govt.	6520.50	7600.00
(b)	Centre Govt.	111.58	561.55
(c)	UGC	536.47	1500.87
(d)	Other Sources	699.01	290.84
	Total	7867.56	9953.26
3.	Domestic Income		
(a)	Income from fee	4672.67	5480.57
(b)	NRI/SFS	2251.68	1576.21
(c)	Others Account (Student Fund)	54.66	55.69
(d)	DEBT, DEPOSIT AND ADVANCES	25.79	60.69
	Total	7004.80	7173.16
4.	Grand total of (1+2+3)	30754.16	35184.48
5.	Expenditure		
(a)	Main Account	11036.71	16341.42
(b)	NRI Account	1585.51	1098.35
(c)	Other	73.88	40.75
(d)	Transfer of FDRs From NRI to Pen. Corpus A/C	Nil	1286.48
(e)	Transfer of FDRs From Other A/C to Pension Corpus. A/C	nil	142.76
	Total	12696.10	18909.76
6.	Closing Balance (4-5)		
(a)	Main Account	7072.88	*6225.98
(b)	NRI Account	3182.36	2373.74
(c)	Other	7802.82	7675.00
	Total	18058.06	16274.72

(I) *The certified closing balance of main account for the year 2014-15 is ₹622598195 whereas closing balance as shown in Annual Account for the year 2014-15 as well as balance Sheet is ₹ 587598195 resulting in a net difference of ₹35000000 which is due to non inclusion of amount of UGC Grant pertaining to Centre with potential of excellence in particular area (CPEPA) on Himalayan Study. The matter has been brought to the notice of University Authority vide Requisition No. 42-43 dated 21.06.2017.

(II) The University Authority has made corrections in Annual Account and as well as in Balance Sheet for the year 2014-15 as per Audited certified figures, However correction in relevant books of account may also be shown to audit in due course of time in compliance to Audit Requisitions issued in this regard.

Para-2.1: 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 2014-15 total grant of ₹ 9953.26 Lac have been received by the institute from Himachal Pradesh Government, Centre Government and UGC etc. and ₹7173.16 Lac were generated from domestic resources i.e. fee from students, NRI/SFS, student funds and debit, deposit and advances. The domestic income of the institute during the year under report has registered an increase of ₹168.36 Lac over the income of the previous year 2013-14. The increase in domestic income during current year is due to increase in examination fees and miscellaneous receipt etc. 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.

Para-2.2: Expenditure

During the year under report an expenditure of ₹17480.52 Lac was incurred by the institution from main account, NRI account and from others account (Student fund) which is 37.68 percent over 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 with the provisions of rules and acts framed by superior legislation/Govt. instructions. It would be in fitness of things that all issues to be 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 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 Rent 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 to strengthen 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 Allied Services.
6. Better Management of NRI/SFS and Student Funds.

Para -3: Maintenance of Accounts.

The accounts of the University are being maintained under the supervision and control of the Finance Officer. Himachal Pradesh University has prepared balance sheet as per provision of section 29 of H.P. University Act 1970 from cash based accounting system to accrual based accounting system on double entry system approved vide Executive Council agenda item No. 11 dated 30.7.2014. The annual accounts for the period 2014-15 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- 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: Irregularities in the Annual Accounts.

Para-5.1: The Annual Accounts for the year 2014-15 have been checked and figures of receipts and payment as depicted in balance sheet have been 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.

Para-5.2: Closing balance as on 31.03.15 :-

Sr. No.	Name of Accounts	Closing Balance	FDR Transferred to F.O Account	Net Closing balance
1.	Revenue Account	₹ 622598195	Nil	₹ 622598195.00
2.	NRI/SFS	₹ 366022376	₹ 128648382.00	₹ 237373994.00
3.	Other Accounts	₹ 781776229	₹ 14276133.00	₹ 767500096.00
	Total	₹ 1770396800.00	₹ 142924515.00	₹ 1627472285.00

Para-5.3: Difference in closing Balance as on 31.03.2015 of the consolidated Annual Account.

- I Closing balance as on 31.03.2015 of the consolidated annual ₹1627472285 account.
- II Closing balance as on 31.03.2015 of the consolidated annual ₹ 887017674 account of university.

Therefore, there exists a total difference of ₹740454611 (1627472285 – 887017674) as on 31.03.2015 in the closing balance of consolidated Annual Account of the University for the year 2014-15, the reasons of which are given as below and further detailed in the succeeding paragraphs .

1. Difference in Opening Balance:-

- a. Certified figure as per previous year = 1805806430
Annual Account for the year 2013-14.
- b. Figure Shown as Opening Balance in = 1890957031 (-) 85150601
the annual account for the year 2014-15

Reasons of difference:-

Name of account	Certified Figure during 2014-15	Amount taken as Opening balance in the annual account 2014-15	Difference
Other Account (SFICDEOL)	750240248	835459659	(-)85219411
Other Account(RC D/sala)	510104	Taken in Main A/c	(+)510104
Yoga SFS/NRI A/C	Nil	441294	(-)441294

2. Difference in total Receipt:-

- A. Certified figure as per Annual Account 2014-15 = 1712201163
- B. Closing balance of NRI/SFS A/C of Yoga department of 2013-14 shown in opening balance Of annual account of 2014-15.
- Total (A+B) = 1712642457
- C. Figure Shown as receipt in the annual account for the year 2014-15 = 1789263195 (-) 76620738

Reasons of difference:-

Name of account	Certified Figure during 2014-15	Amount taken in the annual account 2014-15	Difference
Revenue Account	35000000	Non inclusion of GIA	(+)35000000
Other Account (SFICDEOL)	Nil	112062032	(-)112062032
Closing balance of NRI/SFS yoga department 2013-14	Nil	Opening balance 441294	(+) 441294

3. Difference in Expenditure:-

- a. Certified figure as per Audit Calculation = 1890976602
- b. Figure Shown in the annual account = 2793202552 (+)902225950

Name of account	Certified Figure during Audit	Amount taken in the annual account 2014-15	Difference
Other Account (ICDEOL)	Nil	this figure also includes FDRs of ₹869714389 TRANSFERMED TO Pension corpus fund inview of EC decision dated 17.8.14 902736054	(+) 902736054
Other Account (RC D/shalla)	510104	Nil	(-) 510104

Para-5.4: Non inclusion of ₹3.50 crore on account of UGC grant in Annual Account for the year 2014-15.

While Auditing the total grant received during the year 2014-15, it has been observed that an amount of ₹350000000 has been received by H.P. University for the

Scheme centre with potential for excellence in particular area (CPEPA) under the centre on Himalayan Studies on account of recurring and non recurring grant vide UGC letter No.1-11/2013(NS/PE) 7/14 & No. 1-11/2013(NS/PE) dated 12.07.2014 respectively. The above amount of grants has been shown in HPU UGC grant receipt Register for 2014-15 and further credited in SBI current account No. 10091435736 on dated 21.07.2014. As stated to audit that out of above amount of ₹3.50 Crore, ₹3.10 crore was further transferred to IIHS & credited to SBI current account No. 110096436309 on 19.08.017 after making adjustment of ₹4000000 spent towards salary. The total amount of above UGC grant is not included in the annual account of HPU for 2014-15 which needs proper said justification to the extent that aforesaid grant is sent to the quarter concerned through HPU to ensure that the utilization certificate has been furnished to the UGC or not.

{Audit Requisition No.42-43}

Dated: 21.06.2017}

Para-5.5: Less Credit of FDR interest Rs. 0.26 Lac.

While auditing main Account FDR's it is observed that an amount of ₹1,00,00,000 (One crore) was invested vide FDR No. 342131695544 on 19.09.2014 for period of one year 8.25% P.A. Total amount of interest due on above FDR works out to ₹850876 whereas as per detail of FDR & interest earned thereto submitted to audit, the total interest earned/received on above FDR was ₹825000 which is less by ₹25876 (850876-825000) Therefore, the matter may be taken up with the concerned Bank for recovering the less interest paid on above FDR under intimation to audit.

{Audit Requisition No.21}

Dated: 19.05.2017}

Para-5.6: Loss of ₹ 180000 due to non credit of valuables.

During the course of certification of Annual Account for the year 2014-15, it has been observed that department of Commerce has generated income of ₹830000 from the students of different Courses/Semester during the year 2014-15 which were received in the shape of bank drafts and accordingly there drafts were submitted to the bank for collection.

But scrutiny of relevant record revealed that in the Annual Account and Cash Book total income under the head admission is shown ₹650000 only instead of ₹830000 due to preparation of cash book and Annual Account on the basis of entries reflected in bank pass book, which is quite contrary to the accepted principal of accounting and thus is a serious lapse on the part of HPU This resulted into a loss of

₹180000 to university exchequer on A/C of non credit of following bank drafts in department bank account by the bank since the date of receipt (i.e. 15.12.2014) till to date.

Sr. No.	B.D. No. / Date	Amount of BD	Name of Student	Roll No.	BD pertains to bank
1.	188013/15.12.14	30000	Shivangi Sethi	801	HP State Co-operative Bank S/Hill
2.	189694/15.12.14	30000	Shivani Vaid	802	HP State Co-operative Bank S/Hill
3.	187933/15.12.14	30000	Shashi	805	HP State Co-operative Bank S/Hill
4.	187916/15.12.14	30000	Laxmi Devi	804	HP State Co-operative Bank S/Hill
5.	102855/15.12.14	30000	Meenakshi Patyal	803	HP State Co-operative Bank S/Hill
6.	000992/15.12.14	30000	Minaskhi	800	Allahabad Bank Shimla
Total		180000			

Therefore, the reason for not making efforts to get the credit of above bank drafts and timely reconciliation of Bank Account with the record of valuable submitted in Bank for collection be justified otherwise responsibility may be fixed for not getting timely credit of above mention bank drafts besides makeing loss of ₹180000 + interest thereon from the date of depositing in bank for collection to till date suffered be made good from the appropriate source immediately under intimation to audit.

{Audit Requisition No. 89-90

Dated: 28.07.17}

Para-5.7: Non accountal of FDR's interest ₹ 51.91 Lac in the books of accounts (NRI and Other Account):-

While auditing NRI accounts and other accounts (Student Fund) for the year 2014-15, it is observed that interest earned on the FDR's made from NRI and student funds was not accounted for in the Annual Account submitted for certification. An interest of ₹5191437 on FDR's was earned during the year 2014-15 as per detail given below:-

Sr. No.	Name of Department	Name of Fund	Interest earned on FDR (in ₹)	Audit Requisition No. & Date
1.	Director, ICDEOL	Student Fund	4755230	15-16 dt. 08.05.2017
2.	HPUC ES	Student Fund	436207	98-99 dt. 04.08.2017
Total			5191437	

Para-5.8: Non Production of Utilization Certificates of ₹7.89 Lac.

During the course of certification of Annual Accounts (NRI/SFS and Student Fund) for the year 2014-15 of the following departments, it was noticed that an amount of ₹7.89 Lac was transferred to the executive Engineer, Construction Division, HPU Shimla-171005 for execution of various works and giving grant in aid to various institutions for conducting sports meet. The utilization certificates against the amount transferred were not found in the record produced to audit and in absence of which it could not be ascertained whether the transferred amount had been fully utilized or not. Therefore, necessary certificates may be obtained from the concerned authority along with unutilized amount if any and be shown to audit:-

Sr. No.	Name of Department	Name of Fund	Amount Transferred for execution of works (₹ in Lac)	Audit Requisition No. and Date
1.	HPUS & CAC	Sports Entry Fee	1.60	30-31/03.06.17
2.	Computer Science	NRI/SFS	5.34	81-82/27.07.17
3.	UCBS Ava-Lodge, Shimla-4	NRI/SFS	0.95	83-84/27.07.17
Total			7.89	

Para-5.9: Short realization of Canteen rent of ₹13000

During the audit of annual account of the institute for the year 2014-15, it has been observed that an amount of ₹30000 (Accommodation Rent ₹12000 P.A. Electricity rent ₹12000 P.A. security ₹6000 refundable) was to be realized during the year 2014-15 from canteen contractor in accordance with term and condition of the contract awarded vide letter No. 01-2011/UILS/-1409-11 dated 25.03.2014 whereas ₹17000 were only realized from the contractor during the year 2014-15 as per detail given below.

Date	Challan No.	Month	Amount realized
25.04.2014	3429	April	7000/- Rent 6000/- +Elect. 1000
18.06.2014	3884	May, June	8000/- Rent 6000/-+ Elect. 1000
21.08.2014	3996	July	1000/- Electricity
31.12.2014	4535	December	1000/- Electricity
Total			17000.

Thus an amount of ₹13000 was short realized from the canteen contractor. The reason for not realizing rental amount of ₹13000 from the contractor may be intimated besides ensuring the recovery of short realized amount under intimation to audit.

{Audit Requisition No. 61-62

Dated: 13.07.2017}

Para-5.10: Less Transfer of NRI Funds ₹ 116.30 Lac to Revenue Account and Pension Corpus Fund.

While auditing NRI Accounts of the following departments for the year 2014-15 it was observed that in accordance with HP University Notification No. 1-14/2010/HPU(Budget) dated 6-02-2010, 60% (50% to HPU Revenue Account and 10% to Pension Corpus Fund) of the total income generated under NRI/SFS scheme is to be transferred whereas an amount of ₹ 116.30 Lac was less transferred to HPU Revenue account and Pension Corpus Fund during the year 2014-15 as per detail given below :

Sr.No.	Name of Department	Less(-)/transfer (₹ in Lac)	Audit Requisition No. and Date
1.	Bio Technology	(-)136800	51-52/13.07.2017
2.	PECC	(-) 300000	22-23/23.05.2017
3.	Public Administration	(-) 25000	24-25/23.05.2017
4.	Physics	(-) 974320	26-27/23.05.2017
5.	Economics	(-) 79375	28-29/23.05.2017
6.	Psychology	(-)20321	53-54/13.07.2017
7.	Computer Science	(-)343232	69-70/24.07.2017
8.	Law	(-)189275	73-74/27.07.2017
9.	UIIT	(-)8987610	77-78/27.07.2017
10.	Chemistry	(-)125000	79-80/27.07.2017
11.	Commerce	(-)449117	87-88/28.07.2017
	Total	1,16,30,050	

Therefore, an amount of ₹116.30 Lac was less transferred to HPU Revenue Account and Pension Corpus Fund from NRI Funds which was a clear cut violation of notification stated above hence the less transfer of funds needs to be transferred now immediately unless justified.

Para-5.11: Difference of Rs. 2534296 in opening balance of Annual Account 2014-15, reconciliation thereof.

During the course of certification of Annual Account of Dean of Studies for the year 2014-15, it has been observed that closing balance of student funds for the year

2013-14 was shown Rs. 6566804. But while preparing the Annual Account for the year 2014-15, the opening balance is shown ₹4032508 which is less by ₹2534296. Thus the resulting difference of ₹2534296 (6566804-4032508)= be justified and reconciled.

{Audit Requisition No. 92-93}

Dated: 02.08.17}

Para-5.12: Difference of ₹604663 in closing balance of Cash Book and Bank Statement as on 31.03.2015.

While Auditing the Annual Accounts of NRI Fund of the University Institute of Legal Studies, Ava-Lodge, Shimla-4 & MTA Department for the year 2014-15, it is observed that there was a difference of ₹604663 in the closing balance of the cash book and pass book as on 31.03.2015 as per detail given below:-

Sr. No.	Name of department	C.B. as per Cash Book	C.B. as per Pass Book	Difference	Audit Requisition No. & date
1.	UILS Ava Lodge, Shimla-4	65172827	64607355	565472	94-95/4.8.017
2.	MTA	785117	745926	39191	96-97/4.8.017
			Total	604663	

In the absence of relevant record pertaining to reconciliation of difference amount as stated above, the proper reconciliation of difference of ₹604663 needs to be done at the earliest under intimation to audit.

{Audit Requisition No. 94-95}

Dated: 04.08.17}

Para-5.13: Regarding double accounting of Student Fund in Annual Account of Regional Centre Dharamsala.

During certification of Annual Account of other Accounts for the year 2014-15, it has been noticed that figures of opening balance ₹510104, Receipt ₹4036929, payments ₹2639869 as shown in the Annual Account of Student Fund of Regional Centre Dharamshala for the year 2014-15 have also been included in the main university Annual Accounts which resulted in double accounting of same figures which actually pertains to other accounts and thus required to be deleted from main University annual accounts. Hence, it is suggested that the necessary correction may be carried not in the mean annual accounts of university and got certified from the audit immediately.

{Audit Requisition No.100}

Dated: 05.08.17}

Para-5.14: Less credit of ₹ 6410 on account of interest of FDR.

While auditing the account of Self Financing/NRI funds of the department UIIT for the year 2014-15, it has been observed that SBI Summer-Hill, Shimla-5 has given less credit of interest of ₹ 6410 on FDR as detail given below:-

Sr. No.	FDR No.	Date of Investment	Amount invested	Rate of Int.	Date of Maturity	Maturity value should be received	Maturity value received	Less interest received
1.	32366164591	06.06.2013	2400872	9%	06.06.2014	2624353	2617943	6410

The matter for the recovery of less credit of interest of ₹6410 (2624353 – 2617943) may be taken up with the bank at the earliest and compliance be shown to Audit.

{Audit Requisition No. 75 -76}

Dated 27.07.17}

Para-5.15: Difference of ₹189854 in Cash Book and Bank Account Reconciliation thereof.

During certification of Annual Account of Student fund of HPUCES for the year 2014-15, it was pointed out that even after making necessary adjustment in the aforesaid account, there comes a difference of Rs. 189854 in the closing balance as per Cash Book and Bank Account as on 31.03.2015 which needs to be reconciled at the earliest under intimation to audit.

{Audit Requisition No. 32-33}

Dated: 03.06.2017}

Para-5.16: Non inclusion of canteen security and rent of ₹5000 in Amalgamated Fund Cash Book of HPUCES.

During Audit of income for the year 2014-15, it has been observed that a sum of ₹5000 was received from the canteen contractor in the shape of Canteen security and rent for the session 2014-15 vide challan No. 8539 on dated 01.09.2014 which was credited to Punjab National Bank Account and further duly accounted for in the fee collection Register under the head Amalgamated Fund, but the amount was not carry forwarded to the Amalgamated Fund Cash Book from fee collection register in the month

of 09/2014. Thus the Annual Account of Student Fund is under casted by ₹5000 as the same has been prepared on the basis of entries of income in the said fund cashbook. Therefore the reasons for not exercising proper check while carry forwarding the income, from fee collection Register to Amalgamated Fund Cash Book be explained and intimated besides Annual Account of Student Fund for the year 2014-15 be re-submitted to audit for further certification after making necessary adjustments,

{Audit Requisition No. 46-47}

Dated: 19.06.2017}

Para-5.17: Short realization of interest ₹39697 due to TDS.

From the perusal of record pertaining to investment made out of student Fund of HPUCES during the period under report, it has been observed that bank authority had deducted tax at source on the maturity of FDR, the detail of which is as under:-

FDR No.	Date of investment	Principle amount	Maturity amount due	Maturity Amount received	Difference due to TDS
318765963678	08.08.2011	664478	874229	853609	20620
31625312636	14.10.2011	540469	711075	691998	19077
				Total	39697

Therefore, the refund of TDS of ₹39697 may be ensured by taking up the matter with bank authorities and compliance thereof be shown to audit.

{Audit Requisition No. 36-37}

Dated: 03.06.2017}

Para-5.18: Non Accountal of ₹297061 lying in the saving Bank account No. 31347944387.

While auditing the account of NRI/SFS funds of Education for the year 2014-2015, a statement of SBI saving bank account No. 31347944387 heaving closing balance of ₹297061 as on 31.03.2015 was produced to audit, without other supporting record regarding collection of funds In absence of relevant supporting records, the genuineness of collection of funds could not be established in audit. In addition to above the collected amount of funds has neither been reflected in Cash Book nor in the annual account for the year 2014-15. Therefore the irregularly may be justified & reconciles besides Demand and collection Register in support of collection of funds may invariably be shown to audit.

{Audit Requisition No.40-41

Dated: 03.06.2017}

Para-5.19: Non realization of share of advertisement charges ₹36000.

A payment of ₹125997 was made to M/S Global Network Chandigarh vide bill No. 1432 dated 09.07.14, which was to be shared equally by 6 beneficiary institution by remitting ₹18000 to Bio Technology department of H.P. University, Shimla-05. On Checking the relevant record, it was noticed that out of 6 institution excluding department of Bio-Technology H.P. University, only 4 institution remitted its share of ₹72000. The advertisement share @ 18000/- from other two institutions amounting to ₹36000 was not realized till date. Therefore, the reason for not making sincere efforts to realize the outstanding amount in time, be intimated besides ensuring recovery immediately under intimation to audit.

{Audit Requisition No. 55-56

Dated: 13.07.2017}

Para-5.20: Non realization of late fee of ₹54000.

While auditing NRI account of the department for the year 2014-15, it is noticed that fee of ₹84000, ₹65000 was realized from following students of 1st Year and 2nd Year (Msc Microbiology) after due date (i.e. 07.07.14) Para 2.5.6 of the prospectus for the year 2014-15 provides that late fee at ₹1000 shall be charged from the students who deposited their fee after due date i.e. w.e.f. 08.07.2014 to 21.07.14 but from the perusal of relevant record put up to audit it is found that no late fee from the students (as per detail given in Annexure-“B-I”) who deposited their fee after due date was realized. Therefore, reasons for not realizing late fee of ₹54000 may be justified with reference to Para No. 2.5.6 failing which the amount may be recovered from the concerned student or from the officer/official at fault under intimation to audit.

{Audit Requisition No. 57-58

Dated: 13.07.2017}

Para-5.21: Short realization of smart shop rent ₹5000

During the audit of the annual account of the UILS, it is found that as per term and condition of the contract awarded vide letter No. 01-2013/UILS/SEF-1245 dated 19.09.2013 smart shop rent was ₹1000 per month (w.e.f. 4/14 to 8/14) and ₹1500 per month (w.e.f. 9/14 to 3/15). Therefore ₹15500 was required to be realized during the year 2014-15. Whereas ₹10500 only realized from the contractor as per detail given below which is less by ₹5000:

Date	Challan No.	Month	Amount realized
10.09.2014	4000	9/14	1500
10.10.2014	4001	10/14	1500
10.11.2014	4259	11/14	1500
08.12.2014	4525	12/14	1500
03.01.2015	4538	01/15	1500
10.02.2015	4540	02/15	1500
12.03.2015	4549	03/15	1500
		Total	10500

Therefore, an amount of ₹5000 short realized from the contractor may be justified besides ensuring its the recovery under intimation to Audit.

{Audit Requisition No. 65-66

Dated: 13.07.2017}

Para-5.22: Less credit of income by ₹885 in bank Account.

During audit of annual account for the year 2014-15, it has been observed that Bank drafts of different banks amounting to ₹419210 received with MCA admission entrance forms were deposited in bank account No. 10091438158 on dated 20.06.2014 for further collection and credit to above bank account. On scrutiny of bank account statement and cash book, it was revealed that bank has given credit of ₹418325 only but the detail of uncollected bank drafts of rest amount of ₹885, credit of which was not afforded by the bank till 30.03.2015 was not given in cash book. In the absence of which it could not be ascertained in audit whether the uncollected bank drafts for ₹885 have been received back from the concerned bank for revalidation or not and if got revalidated, than what are their dates of crediting in bank account. Therefore necessary details be intimated to audit to do the needful at the end.

{Audit Requisition no. 71-72

Dated: 24.07.2017}

Para-5.23: Non Realization of inter-branch charges of ₹250.

During certification of Annual Account for the year 2014-15, it was noticed that inter branch charges which have been charged by State Bank of India against the online fee for concerned course deposited by the students on following dates, but recovery of the same was not effected as per the record made available to audit, whereas

the deducted amount of inter branch charges @ 250/- in each case was required to be realized from the students in addition to prescribed fee of the course. Therefore, it is suggested that un-realized amount of inter branch charges may be adjusted from the amount of library security forms payable students in future and compliance thereof be shown to audit.

Date of Deduction	Amount (₹)
24.06.2014	50
24.06.2014	50
29.12.2014	50
29.12.2014	50
28.02.2015	50

{Audit Requisition No. 44-45}

Dated: 19.06.2017}

Para-5.24: Short realization of course fee of ₹120 due to deduction of Bank Charges.

During certification of annual Account for the year 2014-15, it was observed that two Bank drafts bearing No. 023331 and 023332 for ₹500 each were received on 22.03.2014 have become outdated/time barred and sent for revalidation by state Bank of Mysore. After revalidation of above drafts, the bank has credited ₹880 only instead of ₹1000 in the ASC saving account after deducting Bank charges of ₹120 whereas, this amount was required to be realized from the concerned candidates. Therefore, the reasons for not realizing the short realized amount of ₹120 be justified and amount be made under intimation to audit.

{Audit Requisition No. 38-39}

Dated: 03.06.2017}

Para-5.25: Non Refund of ₹2028 on A/C of TDS deducted from FDR of UILS, Shimla-4.

While auditing the annual account of the institute for the year 2014-15, it has been observed that an amount of ₹2028 was deducted by the bank as TDS on the maturity of fixed deposits. The detail of FDR's and TDS thereon is as under:-

Sr. No.	FDR No.	DOI	DOM	Period	Rate of P.A.	M.A	Interest Intt.
1.	0064399	21.9.13	09.12.14	444	9.25%	40,00,000	4,70,784
2.	0064405	21.9.13	09.12.14	444	9.25%	50,00,000	5,88,480
3.	0064429	23.9.13	11.12.14	444	9.25%	30,00,000	3,53,088

4.	0064436	23.9.13	11.12.14	444	9.25%	11,00,000	12,29,466	1,29,466
Total						13100000	14641818	1541818
Total Deducted								2028
Amount Received								1539790

From the perusal of record, it has further been noticed that tax deducted at source amounting to ₹2028 was not got refunded by the institute. The reason for not making sincere efforts to get the refund of above said amount may be intimated besides ensuring the refund at the earliest. Under intimation to audit.

{Audit Requisition No. 59-60

Dated: 13.07.2017}

Para-5.26: Justification regarding keeping huge amount in saving Account.

During audit of Annual Account for the year 2014-15, it has been observed that closing balance of following saving bank account of departments have huge balance in Cr. as on 31.03.2015.

Sr. No.	Name of deptt.	Saving Bank A/c No.	Closing Balance	Audit Requisition No./dated
1.	Computer Science	SBI-10091438158	21605297.92	67-68/20.07.17
2.	HPU&S CAC	SBI-10091444593	1187486.00	34-35/03.06.17

With better financial management had an appropriate amount out of total accumulation been invested in FDRs for a specific period more interest could have been earned than the interest earned on saving bank account. Therefore, reasons for keeping huge amount in saving bank may be justified and in future it may be insured that an appropriate amount be invested in FDRs for some specific period to earn more interest and the compliance of the same be intimated to audit.

{Audit Requisition No. 67-68

Dated: 27.07.2017}

Para-5.27: Regarding non maintenance of Cash Book by UILS, Shimla-4.

While auditing the annual account of the institute for the year 2014-15, it has been noticed that closing balance of the cash book was not being worked out for the last so many years. Merely transaction had been recorded in cash book but neither the totaling nor the reconciliation of the cash book with the saving bank account was done. To

keep the proper record, it is necessary that closing balance of the cash book must be reconciled with the bank balance at the end of each month. In addition to above, some receipts like online fee, interest of saving bank account and interest on FDR's were not recorded in the cash book, Similarly some expenses like bank charges were also ignored. Hence the financial record of the institute does not show true & fair position which creates difficulties in certification of Accounts in the audit. Thus you are advised to prepare & keep proper record and compliance may be shown to audit.

{Audit Requisition No. 63-64

Dated: 13.07.2017}

Para-5.28: Non production of record.

While certifying the Annual Account for the year 2014-15 of Yoga Department, it has been noticed that an amount of ₹ 441294 is shown opening balance as on 01.04.2014. The relevant record in support of certification of above opening balance not produced to audit despite several verbal requests which is a serious matter of concern.

Therefore, requisite record with regard to opening balance along with copy of provision of relevant rules/regulations governing the income and expenditure of above department may be made available to audit.

{Audit Requisition No 5-6

Dated: 17.10.2017}

Para-6: Non Production of information regarding Course/Semester wise detail of ICDEOL Students admitted /Continued during 2012-13 & 2013-14.

The Course/Semester wise detail of students admitted/ Continued during the year 2012-13 & 2013-14 was sought by the audit, so that the student funds realized and deposited in bank could be checked and verified, but despite several verbal and written requests relevant information were not provided to audit till 15.03.2017 which is a serious matter of concern. Therefore the said information may now be ensured to be put up to Audit at the earliest for further necessary action at this end.

{Audit Requisition No. 126-127

Dated: 01.03.2017}

Para-6.1: Non submission of detail of ₹ 784.72 Lac transferred to H.P. University.

During certification of Annual Account of Student Fund of ICDEOL for the year 2012-13, it has been noticed that an amount of ₹78471818 was transferred to H.P. University during the year 2012-13, but the detail of amount so transferred was not made

available to audit, in absence of which transferred amount could not be verified. The relevant information/record may now be made available to Audit to do the needful.

{Audit Requisition No. 130-131

Dated: 01.03.2017.}

Para-6.2: Non- certification of Misc. Receipt ₹2.36 Lac.

While checking the Annual Account of Student fund of ICDEOL for the year 2012-13, it has been noticed that ₹235860 were shown as miscellaneous receipt in the annual account but the relevant record in support of the receipt was not made available to audit for certification of the amount.

{Audit Requisition No. 132-133

Dated: 01.03.2017}

Para-6.3: Non-production of record for certification of Annual Account of Student fund & Revenue account for the year 2013-14.

Several verbal requests to produce the relevant record despite required urgently in audit for certification of annual account of student fund and Revenue account for the year 2013-14 neither the relevant record made available nor the dealing hand has attended the audit, in absence of which the work of certification of annual account of ICDEOL for the year 2013-14 could not be certified.

{Audit Requisition No. 4

Dated: 19.04.2017}

Para-6.4: Non -accountal of fee of ₹389382 received under Power Jyoti Account in Annual Account for the year 2012-13.

During certification of Annual Account for the year 2012-13, it has been observed on the basis of information's gathered from the Bank statement of Power Jyoti Account No. 32311508209 that total collection of ₹5439382 was made during the year 2012-13 in the shape of online fee from the students out of which ₹1888170 pertains to Student Fund, ₹3182897/- to ICDEOL/Revenue Account and ₹368315 to University account as per audit calculation but fund wise classification of fee collected under power Jyoti Account was neither prepared non shown to audit by the deptt. In absence of which, authenticity of following amounts transferred from Power Jyoti Account to Other Account s during the year 2012-13 could not be verified in audit.

Name of Account	Total Collection during 2012-13	Amount Transferred	Less/excess transfer
Student Account	1888170	1700000	(-) 188170/-
Revenue Account	3182897	2350000	(-) 8,32,897/-
University Account	368315	1000000	(+)6,31,685/-
	5439382	5050000	389382/-

Therefore, it is advised that the fee collection Register of Fee collected under Power Jyoti Account duly classifying the same in different head of accounts may be prepared and compliance thereof be shown to audit at the earliest beside justifying excess/less transfer of amount from Power Jyoti Account and non-accountal of balance amount of ₹389382 of Power Jyoti Account as on 31.03.2013 in the books of account.

{Audit Requisition No. 5-6

Dated: 08.05.2017}

Para-6.5: Short Credit of valuables amounting to ₹46.50 lakh by PNB Chailly.

While checking the bank statement of PNB Chailly with regard to crediting valuables submitted for collection during the year 2012-13, it has been observed that the amount collected on account of valuables & further submitted through challan for collection in PNB Chailly as per fund collection register and audit calculation comes to ₹60101377. But on scrutiny of bank statement an amount of ₹55451397 was credited there against by the bank during 2012-13 which is less by ₹4649980. Month wise detail of fees collected through valuables and credit in bank is given below. Therefore, the difference of ₹4649980 may be justified by reconciling the amount submitted by challan with bank statement at an earliest:-

Detail of fees collected through valuables and credit given by PNB Chailly during 2012-13

Month	As per Bank Statement credit given by bank	Fee collected and submitted through challan for giving credit	Excess/Less credit given by bank
4/12	6087145	7669630	(-)1582485
5/12	2508684	919229	(+)1589455
6/12	112690	107010	(+)5680
7/12	1071300	1454920	(-)383620
8/12	5008990	5799495	(-)790505
9/12	7577704	6382999	(+)1194705

10/12	10167501	12139371	(-)1971870
11/12	4199497	2640052	(+)1559445
12/12	1877270	1992475	(-)115205
01/13	4775416	5503431	(-)728015
02/13	456370	9805440	(-)9349070
03/13	11608830	5687325	(+)5921505
Total	55451397	60101377	(-)4649980

{Audit Requisition No. 7-8

Dated: 08.05.2017}

Para-6.6: Inclusion of out dated cheques amounting to ₹14130 in Bank Reconciliation statement (ICDEOL).

During certification of annual account of student fund for 2012-13, it was found that closing balance of student fund Account No. 10091436025 was reconciled with outdated cheques amounting to ₹14130. The detail of which are as under:-

<u>Date of issue</u>	<u>Amount</u>
30.08.2008	3224.00
18.10.2008	5900.00
23.10.2008	4200.00
26.06.2009	806.00
Total	14130.00

As per RBI instructions issued under negotiable instrument Act, 1881, the validity of issued instrument was fixed for 3 months. Therefore, the reasons for inclusion of stale cheques of 5 years back while preparing Bank reconciliation statement be justified under the provisions of rules and compliance of the same may be shown to audit at the earliest.

{Audit Requisition No. 11-12

Dated: 08.05.2017}

Para-6.7: Loan of ₹30.00 lakh given to IIHS Shimla-05 recovery thereof.

While checking the annual accounts of student fund for the year 2012-13, it has been observed that a sum of ₹30,00,000 was given as loan to integrated Institute of Himalayan Studies, Himachal Pradesh University, Shimla-05 on recoupment basis out of Student Fund vide letter No. 2-5/05/HPU/ICDEOL/Acctts. dated 22.01.2013 as per the decision taken in the E.C. meeting held on 02.07.2012 vide item No. 10 and decision taken in Finance Committee meeting vide item No. 4 dated 14.01.2013.

In view of the conditions of given loan no amount has been recovered from the concerned department till date.

Therefore, this matter may be take up with the concerned authority to recover the loan amount in time so that loss of interest to student Fund could be avoided.

{Audit Requisition No. 13-14

Dated: 08.05.2017}

Para-6.8: Difference of ₹639722 in expenditure of student Fund Annual Account for the year 2012-13, clarification thereof.

During certification of Annual Account of Student Fund for the year 2012-13, it has been observed that Annual Account statement of student fund is showing total expenditure of ₹4187969 under different heads, where as the expenditure of ₹3548247 has been booked in the Bank Statement of Student fund during the year 2012-13. Several verbal requests were made by the audit to produce relevant record to verify the difference of ₹639722 (4187969-3548247), but no such record was made available. Therefore, the requisite record may now be ensured to be shown to audit for doing the needful.

{Audit Requisition No. 17-18

Dated: 08.05.2017}

Para-6.9: Less accountal of students fee of Rs. 20000/- in annual account of student fund for the year 2012-13 (ICDEOL).

During certification of Annual account of Student fund for the year 2012-13, it has been observed that as per page No.117 fee collection register vol. III, total amount of ₹53500 received as PCP fee which was carry forwarded and shown as ₹33500 in the monthly abstract of Jan, 2013 at page No. 166 and the annual account of student fund for the year 2012-13 is prepared on the basis of less carry forwarded amount of ₹ (53500-33500)= ₹20000. Hence less accountal of PCP fee of ₹20000 may be justified and reconciled makes intimation to audit..

{Audit Requisition No. 19-20

Dated: 08.05.2017}

Para-6.10: Regarding difference in opening balance amounting to ₹85219411 of ICDEOL Annual Account 2014-15.

During certification of other account of H.P. University for the year 2014-15, it has been observed that opening balance of student fund (ICDEOL) is shown ₹835459659/= against the closing balance of previous year 2013-14 ₹750240248 which

was certified by the audit as closing balance for the year 2009-10. But thereafter annual account of student fund (ICDEOL) for the year 2010-11, 2011-12, 2012-13 & 2013-14 were prepared by showing and carry forwarding the figures of ₹750240248 as opening and closing balance without insertion of the figures of income and expenditure in the annual account submitted to audit for certification. Thus, the resultant difference of ₹85219411 (835459659- 750240248) could not be verified due to non-insertion of relevant figures of income and expenditure in the Annual Account. Therefore, it is advised that year wise annual account of Student Fund (ICDEOL) may be got prepared by taking closing balance of the year 2009-10 ₹750240248 as base and relevant figures of income and expenditure be incorporated besides making necessary adjustments of audit observations cited in audit requisitions issued from time to time and above mentioned difference of ₹85219411 may be Thus reconciled with bank accordingly under intimation to audit.

{Audit Requisition No.48

Dated: 12.07.2017}

Para-6.11: Clarification regarding credit of rejected instruments by PNB Chailly amounting to ₹257600 during 2012-13.

During certification of Annual Accounts of ICDEOL for the year 2012-13, it has been observed that instruments received on account of fee from the students and deposited in PNB Chailly for collection amounting to ₹257600 were rejected and credit of the same was not given during the year 2012-13 as per Bank statement. The detail of which is given in Annexure "B-II". This issue is brought in the notice of ICDEOL authority to get it clarified that revalidated instruments in lieu of rejected ones were received from the concerned students or not & if received then the dates of credit there of in Bank statement be shown to audit at the earliest.

{Audit Requisition No.49-50

Dated: 12.07.2017}

Para-7: Shortfall in receipt of Counseling/affiliation and centre creation fee during 2014-15 by ₹25449276.

During certification of Annual Account for the year 2014-15, it was noticed that fee received under the following heads as mentioned in the annual account 2014-15 is ₹8806765, where as the receipt under these heads as shown in the annual account 2013-14 was ₹34256041. Therefore there is a net shortfall of ₹25449276 which needs to be justified with supporting records.

Sr. No	Head of account	Particular	Fee Received in 2013-14	Fee Received in 2014-15	Net Shortfall
1	D-R-1-III (C)-Exam (Others)	B.Ed. Counseling Fee	17979887	1866225	16113662
2	D-R-1-VIII (Misc)	Affiliation Fee	14279794	6408640	7871154
3	D-R-1-VIII (Misc)	Centre Creation Fee	1996360	531900	1464460
			34256041	8806765	25449276

{Audit Requisition No. 103

Dated: 19.08.17}

Para-8: Non Verification/Certification of Counseling and affiliation fee of ₹15179004 due to non production of relevant record.

While certifying the annual account for the year 2014-15, it was noticed that a sum of ₹15179004 was received on account of Counseling and affiliation/continuation fee from the various institutions and the same was shown in the annual account under the heads of accounts as detailed below, but the correctness of above amount could not be verified as no record in support there of was made available to audit despite repeated verbal requests made to H.P. University authority. Hence the matter is brought to the notice of higher authority for issuing suitable direction for submission of relevant record immediately to audit.

Sr. No.	Head of Accounts	Particulars	Amount (in ₹)
1	D-R(A) PG Centre	Counseling Fee	6372239
2	D-R-1-III (C)-Exam (Others)	B.Ed. Counseling Fee	1866225
3	D-R-1-VIII (Misc)	Affiliation Fee	6408640
4	D-R-1-VIII (Misc)	Centre Creation Fee	531900
	Total		15179004

{Audit Requisition No. 104

Dated: 19.08.17}

Para-9: Deviation of Govt. Grants to the tune of ₹13.10 lakh on account of purchase of computers Laptop/UPS and furniture etc.

While pre auditing the following contingent bill with other allied record it has been noticed that grant of ₹ 1 Crore was sanctioned/released by the H.P.Govt. in March 2009 in favour of H.P. University for the purchase of Major/Minor equipments as

per list of equipment supplied to the Govt. by the Registrar of H.P.U. vide his letter No. 9-6/96-HPU-GENL-167 dated 15.01.2009 to run the Bio-Technology.

Sr. No.	Contingent Bill No.	Date	Amount
1.	426	09.07.2014	860200
2.	2698	12.09.2014	251070
3.	1427	09.07.2014	198720
Total			1309990

The Government vide letter No. EDN-H (5)C(10)17/2006-HPU-Non Plan dated 30.03.2009 has specifically directed the University authorities to utilize the Grant-in-aid for the intended purpose for which it is sanctioned. But contrary to Government instructions, the department of Biotechnology at its own level has deviated the purpose of utilization of said Grant to the tune of ₹1309990 for the purchase of computers/laptops/UPS and furniture etc. Which were not included in the approved list of equipments that too after elapse of more than 5 years which is not justified/tenable. Hence, either the ex-post facto sanction/approval of the Grant sanctioning authority i.e. H.P. Government may be obtained for the regularization of the above said expenditure of ₹1309990 or the expenditure incurred may be made good from relevant/appropriate source besides surrender the amount to the Government along with left out grant including interest accrued thereon under intimation to audit.

However, contingents Bills under reference being committed liabilities stands admitted in audit subject above audit observations.

{Audit Requisition No. 67-70

Dated: 09.12.2014}

Para -10: Non adjustment of Temporary Advances ₹1293.30 Lac.

Temporary Advances amounting to ₹ 1293.30 Lac were outstanding for adjustment as on 31.03.2015. The detail of temporary outstanding advances along with relevant record was requested vide Audit Requisition No. 40 dated 28.11.16 but complete detail was not supplied to audit. Therefore, the position cannot be incorporated in the Audit Report. Non supply of detail of outstanding advances is a matter of serious concern. Hence the matter is brought to the notice of higher authority for taking suitable action.

Para-11: Non Production of record relating to advances passed and adjusted by the internal Audit exceeding ₹25,000 during the year 2014-15.

The record relating to advances exceeding the amount of ₹25,000 passed and adjusted by the Internal Audit during the year 2014-2015 was requisitioned vide letter

No.632 dated 06.09.2017 but incomplete list of advances adjusted and passed by Internal Audit was supplied without relevant record due to which The adjustment of advances could not be checked Therefore, authorities are advised to ensure to production of relevant record in connection with advances exceeding ₹25,000 passed and adjusted by the internal Audit at the time of next audit.

Para -12: Loss of ₹767.56 Lac to the Transport wing.

The position of Income and Expenditure relating to transport wing in H.P. University, for the last five years was as under:-

Year	Income (₹ In Lac)	Expenditure including Salary & other (₹ In Lac)	Deficit/Surplus (₹ In Lac)
2010-11	4.26	128.89	(-)124.63
2011-12	5.29	150.05	(-)144.76
2012-13	8.62	169.26	(-)160.64
2013-14	12.68	168.20	(-)155.52
2014-15	10.59	192.60	(-)182.01
Total	41.44	809.00	(-)767.56

The Transport wing of HP University having a fleet of 6 buses which are providing transport services to the students and employees of H.P. University from various destinations of Shimla City to University Campus and vice-versa at subsidized fare in shape of monthly passes and daily passenger fare. It is evident from the above table that during last five years the transport wing had suffered accumulated losses ₹767.56 Lac due to the reasons of charging bus fare much below the rates fixed by the H.R.T.C. No serious efforts were made by the authority to overcome the huge loss sustained by providing subsidized transport facility. Therefore, the matter is brought to the notice of university authority to look into and to take immediate necessary steps to minimize/compassionate the losses which are increasing year by year to bring the facility on no profit and no loss basis.

Para-13: loss of ₹1519.03 Lac for providing Hostel facilities

The position of Income and Expenditure relating to Hostel facilities provided to the students during last five years was as under:-

Year	Income (Hostel fee, Water and Electricity charges) (₹ In Lac)	Expenditure (Salary, Water, electricity & other) (₹ In Lac)	Deficit (₹ In Lac)
2010-11	26.62	294.03	(-)267.41
2011-12	26.44	308.70	(-)282.26
2012-13	38.98	307.43	(-)268.45
2013-14	38.48	343.67	(-)305.19
2014-15	38.32	434.04	(-)395.72
Total	168.84	1687.87	(-)1519.03

The analytical study of figures of income and expenditure as stated above revealed that the HP University during the last five years received ₹168.84 Lac as water, electricity charges and hostel rent from the students to whom hostel facilities were provided. But the University incurred an expenditure ₹1687.87 Lac for running and maintenance of hostels and payment of salary for lower staff which resulted a net loss of ₹1519.03 Lac. The matter is brought to 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 so as to bring the hostel facilities on no profit and 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 -14: Loss of ₹1255.28 Lac on account of running cost of Construction Division.

The comparative position of works executed by the Construction Division during last three years i.e. for 2012-13 to 2014-15 and establishment charges incurred for executing the works for the relevant years is given in the following table:-

₹ in Lac					
Sr. No.	year	Value of work done	Establishment charges	Departmental charges payable had the works been executed through other Agency i.e. HIMUDA	Saving in establishment charges
1.	2012-13	561.72	453.45	95.49	357.96
2.	2013-14	331.99	414.63	56.44	358.19
3.	2014-15	449.61	615.56	76.43	539.13
	Total	1343.32	1483.64	228.36	1255.28

It is evident from the above table that during last three years there was a huge gap between the establishment charges of the Construction Division and total value of work done. Had these works been executed by the outside agency and departmental charges paid @ 17% of total work done, it would have resulted into saving of ₹1255.28 Lac to the university exchequer during last three years 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 if 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 ministerial staff in other wings of the university.

Para -15: Pension Fund:-

Financial Position:-

The financial position of the Pension fund for the year 2014-15 is as under:-

Opening Balance as on 01.04.2014	18,40,51,963.10
Receipt during the year	34,04,21,581.28
Total	52,44,73,544.38
Expenditure during the year	35,89,76,625.00
Balance as on 31.03.2015	16,54,96,919.38

Detail of Closing Balance as on 31.03.2015 is as under:

FDR	15,85,96,868.00
Saving bank a/c	69,00,051.38
Total	16,54,96,919.38

Para -16: Gratuity Fund:-

Financial Position:-

The financial position of the Gratuity fund for the year 2014-15 is as under:-

1. Opening Balance as on 01.04.2014	73,87,294.55
2. Receipt during the year	5,67,65,941.00
Interest on FDR	5,85,318.00
Interest on Saving Account	88,314.00
Total (1+2)	6,48,26,867.55
Expenditure during the year	6,73,35,535.00
Balance as per cash book on 31.03.2015	(-) 25,08,667.45
As per bank pass book	197945.55
Difference as on 31.03.2015	2706613.00

The above difference of ₹2706613 is reconciled here as under:-

I	Total payment of Gratuity amounting to ₹2229304 to the Gratuity holder through RTGS vide university letter No. 1-114/90-HPU (Pen) Vol- IV-1975 dated 26.03.2015 as per detail given below not debited by bank	2229304
II	Uotstanding cheque the detail of which also has been given vide Parar No. 13.3 of audit report 2013-14 not encashed till to 31.03.2015	477309
	Total	2706613

On 31.03.2015 there was a minus balance of ₹ 25,08,667.45 in the Gratuity fund as stated above due to the reasons that an amount of ₹ 3,50,00,000/- transferred from current account (340) vide letter No. 13-1/2010-HPU(Bud) dated 31.03.2015 were withdrawn on the same day by Budget Branch. However minus Balance of ₹ 25,08,667.45 was got cleared in the month of April, 2015 by transferring the requisite amount from pension fund to the Gratuity fund.

Further from the perusal of above it has been noticed that there was not sufficient closing balance to meet out the liability on account of Gratuity as on 31.03.2015. Therefore, it is advised that sufficient balance may be ensured to meet out the liability on this account by exercising proper financial prudence in future.

Para -17: Corpus Funds.

Financial Position:-

The financial position of the Corpus fund for the year 2014-15 is as under:-

Opening Balance as on 01.04.2014	6,53,09,272.30
Receipt during the year	79,08,103.00
Interest on saving	1,13,301.00
Interest on FDR	3,08,78,075.08
Principal amount of feed money FDR received from other departments i.e. NIRI student fund a/c as per decision of B.C.	1,01,26,38,902.00
Total	1,11,68,47,653.38
Expenditure during the year	
Refund of excess amount received from English department	1,429.00
	3,02,98,401.00
Transferred to pension fund (Interest)	3,02,96,972.00
Closing Balance	1,08,65,49,252.38

Detail of Closing Balance as on 31.03.2015 is as under:

FDR of corpus fund	5,96,38,133.00
FDR of Departments	1,01,26,38,902.00
Saving Account	1,42,72,217.38
Total	1,08,65,49,252.38

Para- 17.1: Source and Application of Fund:

The corpus fund was created in the university from the financial year 2008-09 vide notification No. 3-2/98 dated 16.07.2007 in view of executive council resolution No. 19 of meeting dated 20.06.2007. The main source of corpus fund was contribution/transfer of funds from NRI/SFS @ 10% of total income and interest from saving bank and FDR made from the fund. The application of the fund was to meet out liability on account of Pension and Gratuity. The closing balance of the fund as on 31.03.2015 was ₹**1086549252.38**, which appears to be insufficient in view of increasing liability on account of pension and gratuity. H.P. University vide its notification No. 3-

8/2007-HPU(Pen)Vol-III Dated: 19.08.2014 vide Item No. 7 duly approved by Executive Council has notified its approval to strengthen the pension Corpus Fund by transferring savings in the form of FDR's in banks of various department/Institutions running under SFS/Non-subsidized courses including the FDRs of International Centre for Distance Education & Open Learning (ICDEOL) as well as amount accumulated & forfeited deposits by the Construction Division to the Pension Corpus fund as Seed Money. Pursuant to the above notification total FDRs amounting to ₹1,01,26,38,902.00 from various departments has been transferred to Pension Corpus Fund as per directions contained in the above notification of H.P. University. However, amount of FDR will be kept as seed money in the Pension Corpus Fund and interest earned on these FDRs will be transferred to pension fund and utilized for payment of pension and retirement benefits. In view of increasing liability on account pension and gratuity continuous sincere efforts are required for further strengthen in the above fund in future also.

Para- 18: General Provident Fund

Financial Position:-

The financial position of the General provident fund for the year 2014-15 was as under:-

Opening Balance as on 01.04.2014	84,55,02,294.65
Receipt during the year	29,86,03,348.00
Total	1,14,41,05,642.65
Expenditure during the year	21,71,73,236.00
Closing Balance as on 31.03.2015	92,69,32,406.65

Detail of Closing Balance as on 31.03.2015 is as under:

Amount in Saving Bank	1,05,53,200.65
F.D.R's	91,74,54,826.00
Total	92,80,08,026.65
- Cheques issued but not debited upto 31.03.2015	(-)10,75,684.00
Closing balance as per cash book as on 31.03.2015	92,69,32,342.65
Difference to be reconciled	64.00
Balance as per cash book as on 31.03.2015	92,69,32,406.65

Para-18.1: Non accountal of out dated cheques ₹ 10.76 Lac in Cash Book.

During certification of Annual Account of GPF for the year 2014-15, it was observed that in the bank reconciliation statement the following cheques were shown as

cheques issued but not debited by Bank. Whereas in accordance with the negotiable instrument Act, 1881 these cheques became out dated and were required to be added back in the receipt side of cash book:-

Sr.No.	Cheque No.	Dated	Amount	Bank Name
1	256820	21.07.2010	50,000	SBI S/Hill
2	258471	22.05.2012	2,14,014	Do
3	258551	07.06.2012	10,303	Do
4	259298	03.05.2013	1,84,722	Do
5	468327	09.05.2013	1,65,800	Do
6	468328	09.05.2013	1,61,709	Do
7	468540	09.07.2013	111007	Do
8	468338	09.05.2013	172314	Do
9	467638	04.09.2013	5,815	Do
Total			10,75,684	

The above irregularity was also pointed out vide para no. 15 (1) of previous audit report for the period 2013-14 but despite that no action has been taken which is a matter of great concern. Thus the reasons for not adding back the amount of out dated cheques in the receipt side of cash book be intimated and compliance be shown to audit.

Para -19: Contributory Pension Scheme.

Financial Position:-

The financial position of the Contributory Pension Scheme for the year 2014-15 is as under:-

1.Opening Balance as on 01.04.2014	5,33,37,241.00
2. Receipt during the year	
Re-drawl and university share	1,88,82,110.00
Transfer from GPF	2,58,905.00
Interest on FDR and Saving	80,27,882.00
Total (1+2)	8,05,06,138.00
Expenditure during the year	28,48,511.00
Closing Balance as on 31.03.2015	7,76,57,627.00

Detail of Closing Balance as on 31.03.2015 is as under:

Amount in Saving Bank	1,280.00
F.D.R's	7,76,56,347.00
Total :-	7,76,57,627.00

Para -20: Contributory Provident Funds:

Financial Position:-

The financial position of the Contributory Provident Fund for the year 2014-15 is as under:-

1.Opening Balance as on 01.04.2014	4,10,80,642.00
2.Receipt during the year	
Re-drawl and University Share	47,25,484.00
Transferred from GPF	5,00,000.00
Interest on Saving and FDR	42,71,355.00
Grand Total (1+2)	5,05,77,481.00
Expenditure during the year	1,13,48,736.00
Closing Balance as on 31.03.2015	3,92,28,745.00

Detail of Closing Balance as on 31.03.2015 is as under:

Amount in Saving Bank	481429.00
F.D.R's	38747396.00
Total	39228825.00
Difference of ₹ 80 needs to be reconciled	(-) 80
Closing balance as per cash book	39228745.00

Para-21: Irregular purchase of Curtains and door mats ₹ 2.33 Lac.

While pre-auditing the Contingent Bill Nos. 5424 dated 21.02.2015 amounting to ₹2,32,776 on account of purchase of curtains and door mats. It has been observed that the purchases were made without observing proper procedure/Codal formalities i.e. floating of tenders etc. All indents valuing ₹ 2.00 Lac or above were to be advertised by the Store Purchase Office in the press as per provisions of Accounts Manual of HPU in order to gain the benefit of competitive market rates and quality of goods as

well. Therefore, the reasons for not floating tenders needs to be justified besides regularizing the expenditure by taking relaxation in rules from the competent authority.

{Audit Requisition No. 78-79

Dated: 23.03.2015}

Para-22 : Irregular payment of ₹0.92 lakh on account of House Rent Allowance and payment of Contractual amount keeping in view the nomenclature of the post.

While auditing the expenditure of Institute of Tribal Studies, H.P. University for the year 2007-08 to 2013-14 the following irregularities have been observed.

1. Dr. Ajay Kumar and Ravinder Kumar were initially appointed as Research Associate on Contract basis on a fixed sum of ₹8000 per month w.e.f. 20.07.2009 and 18.07.2009 respectively. According to the proceedings of the Governing body, these officials were to be given scales keeping in view the implementation of the recommendations of the 6th pay commission by the State Government/UGC/H.P. University. Since the State Government has formed a policy for recruitment of various categories employees on contract basis instead of regular appointment and to pay than an amount equal to the minimum of the pay band plus grade Pay applicable to the corresponding cadre of employees working on regular basis in the relevant Pay Band with an annual increase @ 3% of contractual amount as determined and the said instructions stands duly adopted/implemented by the University Authorities in other cases. Therefore above said cases could have been regulated accordingly But in the instant case, the said individuals were given the contractual amount of 15,600+6,000 Grade Pay+1,170 as House Rent Allowance per month in violation of rules/instructions issued by the Govt. from time to time regarding payment of salary for contractual employees as they are to be given the basic salary plus Grade pay only as per norms fixed by the State Govt. referred above & not the HRA. Hence the House Rent Allowance @ 1,170 Per month has been paid irregularly to them in contravention of Govt. Instructions resulting irregular payment of ₹91,524 as detailed below which may either by justified or recovered immediately from the concerned under intimation to audit.

- a) Dr. Ajay Kumar: From December 2009 to October 2014
59 months @ 1,170 = ₹69,030
- b) Mr. Ravinder Kumar: From December 2009 to 7th July 2011
19 months and 7 days @ 1,170 per months = ₹22,494
- Total amount recoverable i.e. (a) ₹ 69,030 + (b) ₹ 22,494 = ₹91,524

2. Institute of Tribal Studies has invited applications for the post of computer operator-cum-clerk vide advertisement No. 1/2009 dated 28th January 2009. Mr. Pritam Singh was appointed as computer operator-cum-clerk on a fixed salary of ₹5,000 per month. Later on said employee was placed in the pay scale of ₹ 10300+3200 Grade Pay and was given a contractual amount of ₹13,500 per month. The Contractual amount being paid to the individual concerned may either be justified with reference to the recommendation/approval of the Governing Body keeping in view the variation in nomenclature of the post or recoverable amount, if any, may be worked out at the level of institute and deposited in the concerned head of account besides intimating the compliance to audit.

Para-23: Irregular payment of Secretariat pay including allowances ₹ 187.39 Lac.

The Secretariat pay was allowed to the certain categories of Non-teaching employees of Himachal Pradesh University on the analogy 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 and the same was not granted to any category of post in 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 re-iterated again that instruction contained in 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 the Registrar H.P. University provides 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. The secretariat pay and allowances amounting to ₹1,87,38,588 were paid to the employees of H.P. University upto the year 2014-15 in contravention to the Govt. instruction stated above the detail of which was as under.

Sr. No.	ECR Volume	Amount of Secretariat Pay and allowances in ₹
1.	Vol.-I,II,III,IV,V (Main), Vol.-I & III (deptt.)	1,03,93,428
2.	Vol.-I (Officers)	57,60,019
3.	ICDEOL (Non-Teaching)	10,39,091
4.	Vol.-II & V (Deptt.)	9,52,706
5.	ICDEOL (Officer)	3,94,160
6.	Vol.-IV (Deptt.)	1,99,184
		1,87,38,588

In addition to above, it is stated that vide UO No. 363/13-Fin-E Dated 27.05.2013 of Special Secretary (Exp. Control) Finance Department Govt. of H.P. addressed to the Secretary Education duly approved by the Hon'ble Chief Minister and copy forwarded to Director, Local Audit Department, the Finance Deptt. has observed that HP University had made the following deviation.

- 1 The H.P. University had released Secretariat Pay to its staff on the analogy of H.P. Secretariat, whereas, the Govt. of H.P. has not released the Secretariat Pay to the University.
- 2 The H.P. University had released the special Pay to the Stenographic Cadre on the analogy of H.P. Secretariat, whereas the same is not applicable to them:
- 3 The H.P. University had released higher pay Scale to Laboratory and Technical Staff on the pattern of Punjab University, whereas the same had not been issued by the Govt. of H.P.

It was further observed that many financial matters like indicated above were directly placed before the Executive Council of the University for Approval and implemented without putting such matters before the Finance Committee of the University. Thus, the university had increased its expenditure by deviating from norms and then asking the state Govt. to provide more grants to meet out such expenditure.

The irregularity was also pointed out vide Para No. 25 of previous audit report for the period 2013-14 but despite that no action to settle the irregularity has been taken which is a serious of concern. However select to above observations the salary bills

of the university which includes Secretariat pay and special pay to Stenographic cadre are being admitted in audit as the same were released at the level of University before these were put up for pre-audit. Further it is reiterated that University authorities should review the above three orders as advised by the Government and place the same first before the Finance Committee for consideration. It is also advised that in future all financial matters pertaining to pay revision, allowances and up gradation of posts must be first placed before the finance Committee and only then it should be brought before the Executive Council, prior to its implementation besides discontinuation of drawl of above pay in the regular bills till the same is not finalized/approved in appropriate manner.

Para-24: Retrenchment / Recoveries ₹17.52 Lac.

Retrenchment /recoveries to the tune of ₹ 17.52 Lac 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 & thus apparently indicates that no proper/effective check were being exercised at the level of internal branches and therefore 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-25:

Himachal Pradesh University has prepared balance sheet for 2014-15 on accrual based accounting system. An agreement was executed on dated 16.03.2015 between HP University through Registrar and M/S Naveen Upadhyaya and Associates Distt. Una for the preparation and conversion of accounts from cash based accounting system to accrual based accounting system which includes the following:-

- I) The preparation of Annual Accounts and balance sheet of HP University on the new system of accounting and financial reporting for the year 2014-15.
- II) Preparation of Bank reconciliation statements.
- III) Preparation of fixed assets registers.
- IV) Preparing opening balance sheet HPU on 01.04.2014 after 100% survey and identification of all tangible and intangible fixed assets owned or in use or both by HP University.

From the perusal of relevant record it is observed in audit that value of fixed assets on the basis of informations supplied by different departments/Sections of HP University duly certified by competent authority and further entered in the fixed assets register prepared by Chartered Accountants and accordingly taken in the balance sheet as valuing to ₹5,54,46,679.39 out the register of fixed Assets so prepared is not signed by Chartered Accountant which may now be got signed and the compliance be shown to audit in due course of time.

further value of land and building is duly certified by valuers as per detail below has been shown as such in the balance sheet:-

Land	=	₹ 81,93,04,970
Lease Property	=	₹ 1,17,83,880
Building	=	₹ 97,77,42,328

However, the balance sheet has not been signed by chartered accountant which may now be got signed with regard to agreement executed and compliance be shown to audit.

Para-25.1:-

From the perusal of opening balance sheet and on scrutiny of relevant record ₹ 11,87,423 has been shown under electricity security head is the assets side of balance sheet, whereas, out of this amount ₹ 7,15,000 has been remitted on account of expenditure for electric connection of Learning Resource Centre Noida Delhi vide university letter No. 2-5/05-HPU/ICDEOL/Acctt. Dated 17.03.2008 and thus not the part of security which may be re-examined and necessary adjustment in the accounts may be carried out to shown correct position in the next balance sheet.

Para-26: **Conclusion:**

Non Compliance/Settlement of Old Audit Para(s) shows that no sincere efforts are being taken by university authority to settle the old outstanding paras which 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 894 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 i.e. Annotated reply of audit paras alongwith relevant records may be ensured to put to audit and Audit paras may be settled on spot.

Deputy Controller (Audit)
Resident Audit Scheme
HP University, Shimla-171005.

Director
Local Audit Department
Himachal Pradesh, Shimla-171009.

Annexure-I

Para settled/deleted during finalization of Audit Report for the year 2014-15

Sr. No.	Period of Audit Report	Para No.	No. of Paras	Remarks
1.	2010-11	16 (Partly settled)	1	Para was partly settled in view of Inspection report of Additional Director issued vide Endst.No. 1-548/2011-Fin (LA)Vol-1 dated 6.9.17
2.	2011-12	41	1	Para was partly settled in view of Inspection report of Additional Director issued vide Endst.No. 1-548/2011-Fin (LA)Vol-1 dated 6.9.17 in view of reply submitted and amount of interest taken in cash and annual account .
3	2013	12	1	-do-
3.	2012-13	27	1	Para settled in view of Inspection report of Additional Director issued vide Endst.No. 1-548/2011-Fin (LA)Vol-1 dated 6.9.17 by Sh. Padam Kanwar Singh, Additional Director after verification of record on spot visit dated 14.07.2017
		33	1	---Do--
		34	1	Para settled in view of reply submitted and on verification of record.
		36	1	---Do--
		38	1	---Do--
		39	1	Para was partly settled in view of dispection report of Additional Director issued vide Endst.No. 1-548/2011-Fin (LA)Vol-1 dated 6.9.17 by Sh. Padam Kanwar Singh, Additional Director after verification of record on spot visit dated 14.07.2017.
4.	2013-14	5.23	1	---Do---
		8	1	Para updated hence settled and current position is reflected in para 12 of current audit report.
		9	1	Para updated hence settled and current position is reflected in para 13 of current audit report.

		11	1	Para updated hence settled and current position is reflected in para 14 of current audit report.
		12.2	1	Para settled in view of reply submitted and on verification of record.
		13.1	1	Required amount has been refunded and taken in cash book of gratuity fund 15.07.2014. Hence Para is settled.
		13.3	1	Cheque figured at Sr. No.6, 7, 8 and 9 amounting to ₹ 76,477, ₹14,979, ₹ 14,979 and ₹ 14,979 respectively have been cancelled and due amount remitted through RTGS on 09.09.2015. Balance amount of ₹ 3,55,895 has been shown in the receipt side of Cash Book of Gratuity Fund in the month of February, 2017. Hence para is settled.
		15.1	1	Para settled in view of Inspection report of Additional Director issued vide Endst.No. 1-548/2011-Fin (LA)Vol-1 dated 6.9.17by Sh. Padam Kanwar Singh, Additional Director after verification of record on spot visit dated 14.07.2014.
	Total		7	

No.-Fin(LA)H(2)C(15)(14)52/82-Vol-30
Government of Himachal Pradesh
Local Audit Department

From

The Director,
Local Audit Department
Himachal Pradesh Shimla-171009

To

The Vice Chancellor
Himachal Pradesh University,
Shimla-171005.

Dated, Shimla-171009, the.....

Subject: Audit & Inspection Report for the year 2014-2015.

Sir,

I am directed to forward herewith the audit report on the accounts of Himachal Pradesh University, Shimla-171007, for the year 2014.15 for taking further necessary action at your end. The annotated replies to the paras may be submitted to Deputy Controller (Audit), Resident Audit Scheme of your University under intimation to this Department.

Yours faithfully,

Sd/-

(Padam Singh Kanwar)
Additional Director
Local Audit Department
Himachal Pradesh, Shimla-171009
Phone No.2620046

Endst No. As above,...72-75dated, 03-01-2018 the.....Shimla-171009

Copy along with audit Report is forwarded for information and necessary action:-

- 1 The Additional Chief Secretary (Education) to the Government of Himachal Pradesh.
- 2 The Finance Officer, H.P. University, Shimla-171005
- 3 The Deputy Controller (Audit) Resident Audit Scheme, HP University Shimla-171005

Sd/-

(Padam Singh Kanwar)
Additional Director
Local Audit Department
Himachal Pradesh, Shimla-171009
Phone No.2620046