

Government of Himachal Pradesh
State 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 2016-17.

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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 03/2016.
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-audit and post audit of University accounts for the Financial Year 2016-17.
4. The latest position of all outstanding audit paras from 1981-82 to 2015-16 is given in annexure-“A” of this report.
5. Receipt and Payment Account 2016-17 (Main Account, NRI & OTHER Account)
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7. Trial Balance as on 31.03.2017
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Audit and Inspection Report for the year 2016-17
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	01.04.2016 to 31.03.2017
2.	Registrar	Dr. Pankaj Lalit	01.04.2016 to 31.03.2017
3.	Finance Officer	Sh. Narinder Thakur Controller (F&A)	01.04.2016 to 31.03.2017

Serious irregularities detected during the audit for the year 2016-17

Sr. No.	Particulars	Para No.	Amount in Lacs of Rupees
1.	Difference in figures of Closing Balance of Consolidated Annual Accounts as submitted by University and those Certified by audit as on 31.03.2017.	5.3	350.00
2.	Unfruitful expenditure/loss by excess printing of copies of lessons by ICDEOL during the year 2016-17	6	40.07
3.	Loss of interest income due to keeping funds in Saving Bank / Current Accounts to the tune of Rs. 883.42 Lacs	7	24 to 25
4.	Bank Account's balance not accounted for in University's books of accounts	8	74.24
5.	Less Transfer of NRI Funds to Revenue Account and Pension Corpus Fund.	9	132.94
6.	Short realisation of interest due to wrong deduction of TDS on FDRs by the banks	10	0.86
7.	Short realization of interest on investment made out of the pension fund in the shape of TD/FDR	11	4.71
8.	Short realization of interest on investment made out of University fund in the shape of TD/FDR	12	0.69
9.	Non reversal/ refund of bank charges	13	0.59
10.	Non-production of Utilization Certificates	14	112.35
11.	Non adjustment of Advances	15	2171.62
12.	Irregular concession of fees allowed to Student	19.1	0.50
13.	Unfruitful expenditure on printing of Journals of Social Science and Law at HPU, R.C., Dharamsala	20.1	0.33
14.	Execution of electrical work without completion of codal formalities/ procedure	20.8	0.45

15.	Non-Production of record regarding Fixed Deposits/ Investments in respect of ICDEOL student funds	22.1	1372.00
16.	Non-Production of record regarding Expenditure/ Receipts in respect of ICDEOL student funds	22.2	11.81
17.	Non- reconciliation of difference in Accounts of ICDEOL student funds	22.5	0.63
18.	Non-Production of record regarding sale of prospectus	22.7	27.58
19.	Non- clarification of receipt in respect of ICDEOL	22.8	829.77
20.	Showing Minus closing balance in Accounts	24.1	0.95
21.	Short realisation on account of sale of tender forms.	25	0.36
22.	Non compilation of receipts in respect of D.S.office	26.2	35.16
23.	Irregular/ excess concession of fees allowed to students by ILS Deptt.	27.3	0.59
24.	Showing Minus closing balance in Accounts by Bio- Tech Deptt.	28.1	0.42
25.	Non realization of penalty rent by the estate office	29	0.78
26.	Less credit by the bank in the account of Department of Commerce	30	1.80
27.	Reconciled position regarding students Fees was not supplied to Audit by the various departments of HPU:-	31	2000.50
28.	Loss to the Transport wing	34	1143.68
29.	Loss on providing Hostel facilities	35	2045.74
30.	Loss due to non-Refund/ reversal of TDS deducted by the banks	39.2	6.36
31.	CPS funds deficit	40.2	34.82
32.	Irregular payment of Secretariat Pay to employees	42	146.28
33.	Retrenchment / Recoveries	43	51.34

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 2015-16

From the perusal of old outstanding para (s) of previous audit report(s), it is observed that no serious efforts have been 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 Audit para (s) otherwise the audit observations shall never be complied and the very purpose of audit will be defeated.

Sr. No.	Brief Description	Para (Nos.)	Audit Report Year wise
1.	Excess payment made to contractor 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	22	2005-06

	ICDEOL which were matured on different dates.		
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 `1,13,637.	16	2006-07
25.	Recovery of `90,632 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 `27,336 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)(l)	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 sheets for the year 2008-09.	23	2008-09
34.	Income tax wrongly deducted at source amounting to `416589.000 form 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	12	2009-10

	contravention of Govt. instructions resulting additional financial liability of `34.00 lac p.a. approximately on University exchequer.		
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-	40	2012-13

	adhering UGC Guidelines regarding refund of fees.		
63.	Less accountal of Income amounting to `112.24 Lac of NRI Fund (Regional Centre and School of Legal Studies Dharamshala).	5.5	2013-14
64.	Less accountal of Expenditure amounting to `91.98 Lac of NRI Fund (Regional Centre and School of Legal Studies Dharamshala).	5.5	2013-14
65.	Less Credit of FDR interest amounting to `0.26 Lac.	5.6	2013-14
66.	Difference in closing balance amounting to `98.33 Lac of FDR's NRI and Student Funds.	5.7	2013-14
67.	Difference of `58.19 Lac in Other Accounts (Regional Centre and School of Legal Studies Dharamshala).	5.8	2013-14
68.	Non-accountal of Practical Fee amounting to `10.46 Lac (Law Department PG Centre) in consolidated Annual Accounts.	5.9	2013-14
69.	Non- refund amounting to `4.28 Lac of TDS.	5.15	2013-14
70.	Short Credit of Valuables Student Fund ICDEOL (2011-12) of `1.72 Lac.	5.16	2013-14
71.	Non-realization of share of advertisement charges amounting to `0.66 Lac (Bio-technology Deptt.).	5.17	2013-14
72.	Non-adjustment of temporary advances amounting to `869.08 lacs	6	2013-14
73.	Loss of the Transport wing amounting to `704.56 lacs	8	2013-14
74.	Loss on providing Hostel facilities amounting to `1361.16	9	2013-14

	lacs		
75.	Loss of amounting to `349.74 lacs on account of examination activities	10	2013-14
76.	Loss on account of running cost of Construction Division amounting to `1137.91 lacs	11	2013-14
77.	Less accountal of `23.64 Lac for the works expenditure in annual account.	11.1	2013-14
78.	Late credit of `6.48 Lac on account of Pension Contribution to the Pension Fund.	12.1	2013-14
79.	Non refund of `22.00 Lac to Gratuity Fund.	13.1	2013-14
80.	Late credit of `3.24 Lac on account of Gratuity Contribution.	13.2	2013-14
81.	Irregular payment amounting to `9.77 Lac to M/S Perfect Color Digital Prints Pvt. Ltd. Gurgaon.	20	2013-14
82.	Non forfeiture of earnest money amounting to `1.00 Lac.	21	2013-14
83.	Irregular purchase amounting to `5.15 Lac of furniture and furnishing items (Education Deptt.).	22	2013-14
84.	Irregular payments of `180.73 Lac of Secretariat pay including allowances.	25	2013-14
85.	Non-verification/certification of receipt on account of counseling and affiliation fee of `358.56 Lac for want of relevant record.	26	2013-14
86.	Non-inclusion of `3.50 crore on account of UGC Grant in Annual Accounts for 2014-15.	5.4	2014-15

87.	Less credit of FDR interest `0.26 lacs	5.5	2014-15
88.	Loss due to non credit of valuables `1.80 lacs	5.6	2014-15
89.	Short realization of canteen rent `0.13 lacs	5.9	2014-15
90.	Difference of `25,34,296 in opening balance of annual accounts 2014-15.	5.11	2014-15
91.	Non refund of TDS `0.40 lacs	5.17	2014-15
92.	Non-accountal of `2,97,061 lying in the Saving Bank Account No. 31347944387-Department of Education in University's annual accounts	5.18	2014-15
93.	Non realization of share of advertisement charges (Bio-Technology deptt.) `0.36 lacs	5.19	2014-15
94.	Non realization of late fee of Msc.-microbiology `0.54 lacs	5.20	2014-15
95.	Short realization of smart shop rent `0.05 lacs	5.21	2014-15
96.	Non-submission of details of `784.72 lacs transferred by ICDEOL to HP University.	6.1	2014-15
97.	Non-accountal of fee of `3,89,382 received under Power Jyoti Account in annual income for the year 2012-13 ICDEOL	6.4	2014-15
98.	Short credit of valuables amounting to `46.50 lacs by PNB Chailly- ICDEOL Student Fund	6.5	2014-15
99.	Non refund of loan `30.00 lacs given to IIHS from ICDEOL	6.7	2014-15
100.	Difference in expenditure of student fund (ICDEOL)	6.8	2014-15

	Annual account for the year 2012-13 `6.40 lacs		
101.	Less accountal of student fee `0.20 lacs in annual account of student fund of ICDEOL	6.9	2014-15
102.	Regarding difference in opening balance amounting to `8,52,19,411 of ICDEOL Annual Accounts 2014-15.	6.10	2014-15
103.	Short fall in receipts of counseling/affiliation and centre creation fee `254.49 lacs during 2014-15	7	2014-15
104.	Non verification/certification of receipt on account of counseling and affiliation fee of `151.79 lacs for want of relevant record .	8	2014-15
105.	Deviation of Govt. Grant `13.10 lacs on account of purchase of computers, Laptops/UPS and furniture etc.	9	2014-15
106.	Loss of `767.56 Lacs to the Transport Wing	12	2014-15
107.	Loss of `1519.03 Lacs for providing Hostel Facility.	13	2014-15
108.	Loss of `1255.28 Lacs on account of running cost of Construction Division	14	2014-15
109.	Non-accountal of outdated cheques of `10.76 lac in Cash Book GPF	18.1	2014-15
110.	Irregular payment on account of house rent `0.92 lacs	22	2014-15
111.	Irregular payment of Secretariat Pay including allowances `187.39 lacs.	23	2014-15
112.	Loss of interest income `40 to 45 lacs due to keeping huge funds in savings bank/ current accounts	5.4	2015-16

113.	Embezzlement of `19.09 lacs of income on account of sale of prospectus ICDEOL Revenue Account (in 2015-16 only)	5.5	2015-16
114.	Bank Accounts balance not accounted for in University's books of accounts for `16.26 lacs	5.6	2015-16
115.	Regarding loss of `5.90 lacs on account of TDS on FDRs and other discrepancies in the annual accounts of the ICDEOL Student Fund	5.7	2015-16
116.	Regarding suspected overpayment of `6.00 lacs to Guest Faculty on account of lectures for Personal Contact Programme (PCPs)- ICDEOL Student Fund	5.8	2015-16
117.	Regarding short-realisation of `1.94 lacs on account of penalty from allottees of Canteens in the University main campus who deposited rent after due dates-Estate Office	5.9	2015-16
118.	Less payment of interest amounting to ` 6.23 lacs on FDRs by Banks and short realization due to TDS	5.10	2015-16
119.	Avoidable loss sustained amounting to `3.90 lacs by the University on account of interest on delayed payments of retirement benefits to Sh. Hira Nand Sharma, AR Retired.	5.11	2015-16
120.	Less transfer of NRI Funds amounting to `333.85 lacs to Revenue Accounts and Pension Corpus Fund	5.14	2015-16
121.	Non Production of Utilization Certificates amounting to `51.87 lacs	5.15	2015-16
122.	Non adjustment of Temporary Advances amounting to `545.48 lacs	6	2015-16

123.	Regarding non-recoupment of `6.21 lacs, paid out of NRI funds for Studentship Grant -Biotechnology (NRI/SFS)	8(1)	2015-16
124.	Regarding non-recoupment of `2.76 lacs paid out of NRI funds from RUSA grant: Computer Science (NRI/SFS)	8(2)	2015-16
125.	Inclusion of out dated cheques amounting to `5.64 lacs in Bank Reconciliation Statements	9	2015-16
126.	Regarding avoidable expenditure on advertisement amounting to `0.62 lacs cost of CORRIGENDUMS	11	2015-16
127.	Regarding loss of `0.45 lacs due to non-reversal of bank charges	16	2015-16
128.	Loss due to non-recovery of rent amounting to `0.42 lacs from Canteen Contractor in view of repair work carried out by him - Regional Centre, Dharamsala-Student Fund	17	2015-16
129.	Short realisation on account of sale of tender forms amounting to `0.29 lacs	20	2015-16
130.	Wasteful expenditure amounting to `0.16 lacs on printing excess number of Prospectus-Regional Centre, Dharamsala- Student Fund	21	2015-16
131.	Wasteful expenditure amounting to `0.15 lacs on printing of School Magazines: Model School Amalgamated Fund	22	2015-16
132.	Loss of the Transport wing amounting to `828.43 lacs	27	2015-16
133.	Loss on providing Hostel facilities amounting to `1646.18 lacs	28	2015-16
134.	Loss on account of running cost of Construction Division amounting to `1934.17 lacs	29	2015-16
135.	Irregular payment of Secretariat Pay amounting to `142.48	36	2015-16

	lacs		
136.	Retrenchment / Recoveries `24.40 Lacs	37	2015-16

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

Period 1.04.2016 to 31.03.2017

Part-I

Latest position of old audit para's

There are 932 old audit Para(s) outstanding for settlement during the finalization of audit report for the year 2016-17. The detail of unsettled audit Para(s) for the period 1981-82 to 2015-16 is exhibited at **Annexure-A**. Therefore, immediate attention of the authorities is invited to take necessary action for settlement of pending Audit Para(s).

Part –II

1 Preliminary

The audit and inspection of Accounts of H.P. University, Summer-Hill, Shimla-5 for the period 2016-17 was conducted by the Resident Auditors headed by Sh. Basant Singh Kanwar, Joint Controller (Audit) w.e.f. 01.04.2016 to 30.06.2016, Shri Padam Singh kanwar, Joint Controller (Audit) w.e.f. 05.07.2016 to 31.03.2017 strictly in accordance with the norms laid down vide Principal Secretary Finance to Govt. of H.P. Notification No. Fin.(LA)H(2)C(15)XIV-106/87 dated 31.07.2004 and 11.08.2004. The results thereof are incorporated in the following paragraphs. The audit report is compiled and presented by Sh. Vijay Kumar Walia, Deputy Controller (Audit) and Sh. Anil Kumar Mehra, Section Officer (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(s) of the institution. The Local Audit Department disclaims any responsibility for any misinformation, incomplete information 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.

2 Analysis of Financial Position

The comparative financial position of the consolidated Annual Accounts of H.P. University, Shimla-5 for the period 2015-16 and 2016-17 is as under:

Sr. No.	Particulars	2015-16 (Rs.in lacs)	2016-17 (Rs.in lacs)
1.	Opening Balance		
(a)	Main Account	6225.98	8627.49
(b)	NRI Scheme	2373.74	2907.23
(c)	Others	7675.00	7700.09
	Total	16274.72	19234.81
2.	Grants		
(a)	H.P. Govt.	7900.00	9000.00
(b)	Centre Govt.	00.00	00.00
(c)	UGC	247.31	262.84
(d)	Other Sources	1569.31	906.98
	Total	9716.62	10169.82
3.	Domestic Income		
(a)	Income from fee	5835.27	7341.62
(b)	NRI/SFS	1730.49	1858.41
(c)	Others Account (Student Fund)	51.98	49.40
(d)	DEBT, DEPOSIT, ADVANCES AND TRANSFERS,INTREST etc.	550.37	753.56
	Total	8168.11	10002.99
4.	Grand total of (1+2+3)	34159.45	39407.62
5.	Payments		
(a)	(1)Main Account	13605.38	16096.80
	(2) Refund of Grant in aid	1.46	13.20
(b)	NRI Account (including	1193.00	1370.59

	transfers)		
(c)	Other Account (including transfers)	26.89	25.35
	Total	14826.73	17505.94
6.	Transfers		
(a)	Transfer of FDRs from NRI to Pen. Corpus A/C	4.00	00.00
(b)	Transfer of FDRs from Other A/C to Pension Corpus. A/C	0.00	00.00
(c)	Transfer of FDRs from Main A/C to Pension Corpus. A/C	93.90	00.00
	Total	97.9	00.00
7.	Grand Total (5+6)	14924.63	17505.94
8.	Closing Balance (4-7)		
(a)	Main Account	8627.49*	10782.49*
(b)	NRI Account	2907.23	3395.04
(c)	Other Accounts	7700.09#	7724.15
	Total	19234.81	21901.68

(I) *The certified closing balance of main account for the year 2016-17 is `1078248666.64 whereas closing balance as shown in Annual Account for the year 2016-17 as well as Balance Sheet is `1043248666.64 resulting in a net difference of `35000000.00 which is due to non-inclusion/ non-adjustment of amount of UGC Grant pertaining to Centre with potential of excellence in particular area (CPEPA) on Himalayan Study. The matter was brought to the notice of University Authority Para 5.4 & Para No. 5.3 of Audit Report 2014-15 & 2015-16 respectively. As the Institute of Himalayan Studies is an integral part of the University and as such the grant of `3,50,00,000 should have been accounted for in the university books of accounts.

(II) The accounts of ICDEOL (Student Fund) and Dean of Studies have not been certified by audit and as such the figures of Other Accounts indicated above do not include the figures of these two accounts. Hence the income of other account

(students fund is verified only for `49.40 Lacs {1126.30 Lac-(`1034.16 Lacs of ICDEOL +42.74 Lacs of dean of studies)) and that of expenditure for `25.35 Lacs only {`567.75 Lacs -(535.20 Lacs of ICDEOL + 7.20 Lacs of dean of studies.)}

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 2016-17 total grant of `10169.82 Lac have been received by the institute from Himachal Pradesh Government, central Government and UGC etc. and `10002.99 lacs (which includes `753.56 lacs on account of debt, deposit and advances) were generated from domestic resources i.e. fee from students, NRI/SFS, student funds. The domestic income of the institute during the year under report has registered only a nominal increase over the income of the previous 2015-16. The institute still remains dependent on Government grant-in-aid. It is high time for the authority to mobilize its resources commensurate with its ever growing expenditure so as to make the institute self-dependent.

2.2 Expenditure

During the year under report an expenditure of `17505.94 Lacs (including transfers other than in the shape of FDRs and refund of GIA-`13.20 lacs) was incurred by the institution from main account, NRI account and from others account (Student fund) viz-a-viz the expenditure `17480.52 Lacs in the year 2014-15 and `14826.73 Lacs in the year 2015-16. The expenditure appears to have increased compared to the previous year i.e. 2015-16 hence there is need to cut the unnecessary expenditure and explore its own sources. 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 subject to Audit observations due to the reasons of committed liabilities on account of contracts, towards third party or due to the conscious decisions of the Executive Council though, 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 particularly with reference to personal claims like TA where actual claims are being allowed instead of regulating the same as per State Govt. rules duly adopted by the University.
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 Financial Management of NRI/SFS and Student Funds where huge balance are being kept in saving bank/current accounts.

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 2016-17 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 Central 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, during the course of pre-audit as well as 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.

4 Audit Fees

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

5 Irregularities in the Annual Accounts.

5.1 The Annual Accounts for the year 2016-17 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. Audit is not responsible for any error or omission due to non-maintenance of manual records of accounts/retention of hard copies of computerised accounting record.

5.2 Closing balance as on 31.03.2017 as certified by audit

Sr. No.	Name of Accounts	Closing Balance ()
1.	Revenue Account	1078248666.64
2.	NRI/SFS	339504161.80

3.	Other Accounts (except Student Fund of ICDEOL)	772414731.84
	Total	2190167560.28

5.3 Difference in figures of Closing Balance of Consolidated Annual Accounts as submitted by University and those Certified by audit as on 31.03.2017 amounting to `350 lacs

(i) Revenue Account: The certified closing balance of main/ revenue account for the year 2016-17 is `1078248666.64 whereas closing balance as shown in Annual Account for the year 2016-17 as well as in Balance Sheet is `1043248666.64 resulting in a net difference of `3,50,00,000 which is due to non-inclusion/ non-adjustment of amount of UGC Grant pertaining to Centre with potential of excellence in particular area (CPEPA) on Himalayan Study. The matter was brought to the notice of University Authority Para 5.4 & Para No. 5.3 of Audit Report 2014-15 & 2015-16 respectively but no action has been taken to reconcile the Accounts.

(ii) NRI/SFS : Nil

(iii) Other Accounts: There is difference to the tune of `594699065.94 (`772414731.84-177715665.90) in closing balance of Other Accounts being certified by audit as above and the balance as per annual accounts due to the reason that closing balance of `152862602.82 appearing in the annual accounts of ICDEOL (Student Fund) and the closing balance of `10000763.86 of Dean of Studies have not been certified by audit. The figures of last certified closing balances being `75,02,40,248 as on 31.03.2010 in respect of ICDEOL-Student Fund and `73,22,184.62 as on 31.03.2015 of Dean of Studies have, however, been included in the above certified balances. The accounts of ICDEOL (Student Fund) are not being

certified by audit for the reasons that the Cash Book has not been written/ re-written by ICDEOL despite repeated observation of audit since 2010-11. As regards accounts of Dean of Studies, there were unreconciled differences in the said account as pointed out by audit and the department has indicated several old items of income and expenditure pertaining to the period w.e.f. 2004 to 2014 in its Annual Accounts for the year 2015-16 but vouchers in support thereof i.e. old items were not provided to audit despite repeated requests and, the account, therefore, remains unaudited and uncertified during the post audit for the year 2016-17.

The reconciliation in support of the above difference is as under:-

RECONCILIATION OF DIFFERENCE BETWEEN CLOSING BALANCE OF OTHER ACCOUNTS CERTIFIED BY AUDIT AND CLOSING BALANCE AS PER ANNUAL ACCOUNTS as on 31.03.2017

Particulars		Amount in (₹)
Consolidated closing balance of Other Accounts as per Annual Accounts		177715665.90
(-) Less Closing balance of ICDEOL	152862602.82	
(-) less closing balance of Dean of Study office	10000763.86	(-) 162863366.68
		14852299.22
(+) Add Last certified Balance of Dean of Studies (2014-15)	73,22,184.62	
(+) Add Last certified Balance of ICDEOL (2009-10)	75,02,40,248.00	(+)75,75,62,432.62
Closing Balance as per of Financial Position		772414731.84

6 Unfruitful expenditure/loss to the tune of `40.07 lacs by excess printing of copies of lessons by ICDEOL during the year 2016-17

While auditing the Annual Accounts/ post audit of stock registers of lessons on the basis of printing bills of the ICDEOL for the year 2016-17, it has been observed that the printing of lessons in terms of Nos. of copies/ books was got done from the various printers as per the requirement of different academic branches for each course/class. Since these lessons/ course books were further distributed to the students who are enrolled/ got admission in particular academic branches/courses/ classes, therefore the **Nos. of copies for each course shall require to be printed as**

per students enrolled in each subject/ course plus some complementary copies which are to be kept in Library/ distributed to concerned course teachers. But on perusal of record and information supplied to audit it was found that there is a huge difference between students enrolled and nos. of copies of lessons printed which resulted **unfruitful expenditure/ loss to the tune of `4007394.** worked-out as per detail given at **Annexure-B**, of this report.

Besides above it was also observed that the printed lessons as received during the current year 2016-17 were entered in the stock register but issued in one go on the same date and balance shown as Nil in stock registers of the lessons, which is highly irregular as all the copies are required to be issued from time to time as per requirement on the basis of students enrolled instead of in one go on fictional basis just to wipe out the stock in hand in which case the possibility of any pilferage/mala-fide intension/embezzlement can not be ruled out in the matter.

It is pertinent to mention here that during the financial year 2016-17 an expenditure of `1, 07, 33,724.00 has been shown incurred on writing/ printing of lessons but during the course of post audit the record of printed lessons to the tune of `7957720.00 only was made available to audit, out of which an expenditure of `4007394.00 is found unfruitful due to excess printing of lessons as pointed out above.

Beside above information regarding printing of lessons vide Sr. No. 113,116,149,150,151,175,192,202,203,205, 208, 211, 214, 224, 225, 231, 237 to 248, 282, 337,338,385,386,389,440,441,461, and 484 to 490 of the Annexure attached were not made available to audit.

The matter which seems to be very serious in nature, is brought to the notice of Universities higher authorities for making detailed enquiry and taking appropriate action as warranted under relevant Rules under intimation to audit.

(Audit Requisition No. RAS/HPU/AR-AnnualAccts-2016-17/59 dated 20.09.2019)

7 Loss of interest income to the tune of `24 - `25 lacs due to keeping surplus funds in Saving Bank / Current Accounts to the tune of `883.42 Lacs

During audit of NRI/SFS and other Annual Accounts for the year 2016-17, it has been observed that following departments had kept huge balances in their saving bank/current accounts which is not justified in view of their yearly income and expenditure and is thus causing huge loss of income to the institution due to non-investment of surplus funds in greater-interest-fetching FDRs. Even if 60% of these funds would have been invested in the shape of FDRs @ 7% to 7.50% this would have fetched the institute approximately `24 - `25 lacs {`618.39 lacs (i.e. 883.42 x 0.7) x 4.00 % (i.e. 7.5% - 3.5% i.e. the minimum interest receivable under the saving bank account)} extra interest over and above the saving bank account interest.

Sr. No.	Name of Department	Closing Balance as on 31.03.2016	Audit Requisition No./dated
1.		(Rs. In Lacs)	
2.	IMS	20.27	36 dated 04.06.2019
3.	Law	52.74	16 dated 02.05.2019
4.	Geography	11.51	13.dated 30.04.2019
5.	Physics	12.38	23 dated 28.05.2019
6.	English	2.84	13 dated 30.04.2019
7.	Yoga	5.32	20 dated 05.05.2019
8.	Psychology	7.25	32 dated 24.05.2019
9.	HPUSA&CC	23.46	28 dated 13.05.2019
10.	PRC	3.51	12dated 30.04.2019
11.	IVS(MTA)	23.34	35dated 04.06.2019
12.	Journalism & Mass Communication	31.07	34 dated 04.06.2018
13.	Regional Centre, Dharamsala (SFS)	66	44 dated 26.08.2019
14.	ICDEOL	264.25	57 dated 18.09.2019

15.	Computer Science	262.95	56 dated 18.09.2019
16.	HPU Centre for evening studies	7.37	39 dated 22.07.2019
17.	HRDC	10.08	15 dated 30.04.2019
18.	Economics	7.06	21 dated 08.05.2019
19.	Chemistry	30.51	22 dated 08.05.2019
20.	Bio-Sciences	34.12	27 dated 13.05.2019
21.	Phy.Education	7.39	29 dated 15.05.2019
	Total	883.42	

It is also pertinent to add here that decision of Finance Office to get all FDRs transferred from departments to university main account is also one of the reason that the department have started retaining huge surplus funds in less-interest-fetching saving bank accounts instead of investing these in FDRs which is resulting in recurring interest loss to the University. Some of the departments have also stated that they retained the huge balances in saving accounts in the absence of any guidelines of University in this regard. The issue needs urgent attention of higher authorities of the university in order to boost the income of the institution.

8 Bank Accounts having balance of `74.24 lacs not accounted for in University's books of accounts

University Authorities were specifically requested by audit to certify that all the bank accounts operating in various University Departments stand incorporated in the annual accounts of the University but no compliance in this regard was reported to audit. However, during the course of audit it was found that bank accounts as

detailed in the table below have been found to be in operation but not accounted for in the books of accounts:-

Sr. No.	Name of Bank with Branch	Bank Account No.	Being operated by	Amount as on 31.03.2017	Req. no./Date
1.	SBI, Khaniara	34952161452	Regional Centre, Dharamsala	74822.00	44 dated 26.08.2019
2.	SBI, summerhill	33457467812	ICDEOL	2666375.25	
3.	SBI, summerhill	Power jyoti account	ICDEOL	2650903.00	
4.	SBI, summerhill	33892512316	PRC	133566.00	12dated 30.04.2019
5.	SBI, summerhill	Current account no. 35271242260	PRC	162787.00	12dated 30.04.2019
6.	SBI, summerhill	30074850460	PRC	155745.00	12dated 30.04.2019
7.	SBI, summerhill	30212934040	Deptt. of Geography	930859.00	13dated 30.04.2019
8.	SBI, summerhill	3009251144	Deptt. of Public Admininstration	10544	14dated 30.04.2019
9.	SBI, summerhill	10091435373	Deptt. of Public Economics	25970.74	21dated 08.05.2019
10.	SBI, summerhill	10091435408	Deptt. of Public Physics	612268.23	23dated 08.05.2019
			Total	7423840.22	

In view of above irregularities, the annual account of the University do not reflect true picture of the state of its affairs to the extent and require immediate corrective action at the end of university authorities.

9 Less Transfer of NRI Funds to the tune of `132.94 Lac to Revenue Account and Pension Corpus Fund.

While auditing NRI Accounts of the following departments for the year 2016-17 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 `136.57 Lac was less transferred to HPU Revenue account and Pension Corpus Fund during the year 2016-17 as per detail given below :

Sr. No.	Name of Department	Less transfer to Revenue Account	Less transfer to Pension Corpus	Audit Requisition No./dated
(1)	PRC	45000	9000	12 dated 30.04.2019
(2)	Commerce	155000	54000	17 dated 02.05.2019
(3)	Yoga	0	18750	20 dated 08.05.2019
(4)	Chemistry	87500	17500	22 dated 08.05.2019
(5)	Regional Centre, Dharamsala (SFS)	433750	1500	44 dated 26.08.2019
(6)	Physical Education	157500	31500	29 dated 15.05.2019
(7)	Journalism and Mass Communication	375450	75090	34 dated 04.06.2019
(8)	IMS	1041753	208350	36 dated 04.06.2019
(9)	UILS	7133100	1426250	48 dated 05.09.2019
(10)	UIIT	Nil	2022750	51 dated 11.09.2019
	Total	9429053	3864690	13293743

The less transfers of funds from the NRI/SFS as worked out above for `**13293743.00** may now be ensured to be transferred to the revenue account/pension corpus fund under intimation to audit. In addition to above, the amount due to be transferred from ICDEOL Student Fund may also be worked out after considering the transfers made previously and compliance reported to audit.

10 Short realisation of interest amounting to `86562 due to wrong deduction of TDS on FDRs by the banks

The banks has deducted TDS on the maturity of FDRs out of interest earned the detail of which is given below:-

Sr no.	Name of the depts.	FDR No.	FDR Maturity amount due (₹)	Amount actually received on maturity (₹)	Amount of TDS deducted by banks (₹)	Audit req. no./Date
1	Education	31256730161	492037	489878	2159	18/2.05.2019
2	Education	21356648117	1002583	996799	5784	18/2.05.2019
3	UILS	547397	43641	43672	31	48/05.09.2019
4	UILS	3284384	261849	262033	184	48/05.09.2019
5	UILS	2189590	174566	174689	123	48/05.09.2019
6	UILS	2245897	179055	179181	126	48/05.09.2019
7	UIIT	4250411101704	5669	594517	39160	51 dated 11.09.2019
		4250411101705	10232			
		4250411400587	220266			
		4250411400588	397510			
		65101425739	1355371.49	1393773.49	38402	
		65193717104	20808	21401	593	
				Total	86562	

The matter regarding deduction of TDS may be taken up with the concerned banks for its credit/ refund under intimation to audit as the income of the educational institution is exempted from income tax under Rules.

11 Regarding short realization of interest amounting to `4.71 lacs on investment made out of the pension fund in the shape of TD/FDR

During the course of audit of investment accounts i.e. amount invested in the shape of TDs/FDRs out of pension fund, it is noticed that the interest amounting to `23311 +`447730 Total `471041.00 has been short realised at the time of maturity of TD/FDRs as per detail given in **Annexure-C**, of this report. Therefore it is advised that the matter regarding short realization of interest may be taken-up with the concerned banks to get its credit, under intimation to audit .

{Audit requisition no.53 dated 16.09.2019}

12 Regarding short realization of interest amounting to `0.69 lacs on investment made out of university fund in the shape of TD/FDR

During the course of audit of investment accounts i.e. amount invested in the shape of TDs/FDRs, it is noticed that the interest amounting to `68826 has been short realised at the time of maturity of TD/FDR as per detail given in **Annexure-D**, of this report. Therefore the matter regarding short realization of interest may be taken-up with the banks to get its credit, under intimation to audit

{Audit requisition no.54 dated 16.09.2019}

13 Non reversal/ refund of bank charges amounting to `0.59 lacs

An amount of `58627.66 has been charged by the banks as bank charges pass book/ cheque book issue charges as per detail given below. Therefore it is advised that the matter regarding refund of such charges as well as non levy of such charges in future may be taken with the concerned banks through the finance officer of the HPU.

- 13.1** Account keeping fees amounting to `632.50 charged by Bank in r/o of bank A/C of the department of chemistry.

{Audit requisition no.22 dated 08.05.2019}

- 13.2** Handling charges amounting to `25.88 charged by Bank in r/o of bank A/C of department of Bio –science’s account.

{ Audit requisition no.27 dated 13.05.2019}

- 13.3** Bank charges in the shape of MCC issue charges amounting to `115 debited by Bank on 14.02.2017 and further `38.81 debited by Bank on 23.02.2017 on account of Cash Handling Charges in respect of bank A/C of PECC .

{Audit requisition no.33 dated 24.05.2019}

- 13.4** Bank charges amounting to `2763.99 as per detail given below debited by bank & which have been included under the head Misc. Charges in the Annual Accounts.

Date of debit by bank	Charges by Bank (₹)
13.04.2016	57
16.04.2016	57
19.04.2016	57
20.04.2016	57
22.04.2016	57
25.04.2016	57
26.04.2016	57
27.04.2016	46
29.04.2016	57
10.05.2016	115
24.05.2016	57
30.06.2016	115
30.07.2016	345
29.08.2016	1552
29.09.2016	77.99
Total	2763.99

{Audit requisition no.36 dated 04.06.2019}

- 13.5** In the annual accounts of amalgamated fund of Dean of studies office, a payment of `11644.76 has been shown as payment on account of bank charges.

{Audit requisition no.46 dated 05.09.2019}

13.6 An amount of `230.00 has been debited by the bank on account of MCC charges in r/o of Bank A/C of Bio-Technology, Deptt.

{Audit requisition no.49 dated 06.09.2019}

13.7 In the annual accounts, a payment of `2901.39 under head “**bank charges**” has been shown.

{Audit requisition no.51 dated 11.09.2019}

13.8 In the annual accounts of computer science department, a payment of `22772.50 under head “**deducted by bank**” has been shown.

{Audit requisition no.56 dated 18.09.2019}

13.9 In the annual accounts of ICDEOL, a payment of `12663.32 and `4839.51 under head “**bank charges**” has been shown in students funds and revenue accounts respectively.

{Audit requisition no.57dated 18.09.2019}

14 Non-production of Utilization Certificates of `112.35 Lacs.

During the course of audit, it is found that an amount of `11234550 was transferred by the following departments to the Executive Engineers, Construction Division/ Maintenance Divisions, HPU Shimla-5 for execution of various works/ repair work but the Utilization Certificates thereof were not shown to audit 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 unutilised amount, if any, and compliance shown to audit: -

Sr. No.	Name of Department	Name of work	Transferred to	Amount transferred ([₹])	Audit Requisition Reference
1.	UIIT	For Building works	Executive Engineer	10000000	51 dated 5.02.2019
2.	Journalism and Mass	Electrical work	Executive engineer(M)	10250	34 dated 04.06.2019

	Communication				
3.	IMS	Partion work in Lab	Executive engineer(M)	95900	36 dated 04.06.2019
4.	Bio-Technology	Supplying and providing Grills	Executive engineer(M)	611000	49 dated 06.09.2019
5.	HPU Model School	Painting and Whitewashing	Executive engineer(M)	517400	50 dated 05.09.2019
			Total	11234550	

15 Non adjustment of Advances `2171.62 Lacs.

As per Schedule-8 of Annual Accounts of HP University, Advances to the tune of `217162094.50, were outstanding for adjustment, as on 31.03.2017. Which is increasing year after year and it seems that no efforts are being made to settle the outstanding advances.

Non-adjustment of advances is a serious lapse and requires immediate attention of the University authorities for taking stern action to settle the these advances on priority basis. It is also added here that the audit had sought information regarding outstanding “Temporary Advances” vide audit requisition No. **(RAS/HPU/Annual Accounts/ 2016-17/ 63 dated 16.10.2019)** but no information is provided to audit till 23.10.2019. So the final position of the outstanding temporary advances could not be certified in audit.

16 Under-statement of Closing Stock in the Balance Sheet of the University by non-inclusion of stock lying with various University Departments

Closing Stock worth `11810679.24 only has been shown in the Balance sheet (Schedule-7) which includes stock of printed material lying with Conduct Branch of the University and value of the stock lying with Executive Engineers of divisions but the stock of various other university departments should also have to be accounted for & shown in the Balance Sheet. However it seems that nothing was done to evaluate the stock lying with various university departments. This needs to be justified with

cogent reasons while due care may also be taken in this regard for future to depict the correct position of closing stock in Annual accounts of the University.

17 Audit of Faculty House for the year 2016-17.

Following discrepancies have been observed while conducting the audit of accounts of faculty house which may be attended to at the earliest and audit may be apprised of the compliance accordingly:-

17.1 Short realization of `3300 from the guest of faculty house.

As per University Notification No. 15-2/94 HPU(Genl) dated 27.05.2014 the concessional room charges @ `400 per day are recoverable/ chargeable only in case of parents/ spouses/ brothers/ sisters of employees and not in case of other relations / their guests in whose case charges @ `700 per day are applicable. It has been found during the course of test audit that a sum of `3,300 has been realised less/short from visitors of the Faculty House by charging the rate `400 per day instead of `700 per day as per detail given in **Annexure “E-1”**. The irregularity may either be justified or amount of `3300 less realised may now be recovered from the concerned quarters/person at fault and got deposited into the University exchequer A/C.

17.2 Less realization of `1800 from the guest of faculty house

A sum of `1800 has not been realised from visitors/guest on account of extra bed provided to them during their stay in Faculty House as per detail in **Annexure “E-2”**, which may either be justified or the said amount may now be recovered from concerned quarters/person at fault and deposited in to the University exchequer A/C. It has been further observed that 2 to 3 extra beds have also been provided to some of the Visitors which does not appear to be justified and needs to be inquired into &

explained to audit with cogent reasons particularly when vacant rooms were also available for allotment. In these circumstances, the under-realisation/ misappropriation of receipts cannot be ruled out.

17.3 Non-deposit of `5,400 realised from the visitors ;-

A sum of `5400 received from the following Visitors has not been deposited into University account which may either be justified or be got recovered from person at fault and deposited into University Account immediately under intimation to audit:

Sr. No.	Name of Visitor a/w address	Visitor Register Reference & Room No.	Period of stay	Amount recovered @ `100 per day ()
1.	Shri Rinku. ITI, Delhi	549A / 22	12 days (16.07.2016 to 28.07.2016)	1200
2.	Shri Amit Kaushik, ITI, Delhi	996 A / 21	20 days (06.10.2016 to 26.10.2016)	2000
3.	Shri Amit Tewari, ITI, Delhi	996 A/ 23	20 days (06.10.2016 to 26.10.2016)	2000
4	Ms.Aruna	1031/ 14	2 days (13.10.2016 to 15.10.2016)	200

It is also pointed out that as per Visitor Register the amount realised from Visitor at Sr. No. 4 above is stated to have been deposited into University Account vide **Receipt No. 60490** dated **15.10.2016** but on checking of the said receipt it was not found included therein and, thus, appears to have been misappropriated like in rest of the cases where no receipt number was found quoted.

17.4 Suspected under collection of `39300

It is suspected that there has been under collection to the tune of ₹39,300 from visitor/guests of Faculty House in the month of March, 2017 as per detail given in **Annexure “E-3”** as the applications of the Visitors / their identity proof on the basis of which the applicability of concessional rates charged / recovered from them could be verified, were not shown to audit. The matter may therefore be booked into and got verified from Audit along with relevant record.

Besides above it is also advised that Bill Books and Receipt book may be used to ensure proper verification of collections while the amount deposited into University Accounts may also be got reconciled with the Compilation Branch.

{RAS/HPU/Annual Accounts/ 2016-17/ 09 dated 25.04.2019}

18 Miscellaneous discrepancies noticed during the post audit of Accounts of MTA department:-

The following discrepancies has been observed during the post Audit of Accounts of MTA department which may be attended to under intimation to the Audit:-

18.1 Wasteful expenditure of ₹0.54 lacs on printing of excess copies of prospectus in the MTA Department.

As per Stock Register it was found that 1000 No. prospectus were got printed in one go in the year 2016-17 out of which 522 No. of prospectus valuing ₹26,856.90 were lying unused in stock at the end of admissions which does not appear to be justified particularly when there is no increase in number of seats and consumption of prospectus in previous years i.e. in 2014-15, & 2015-16 was 445 and 307 Nos where as 555 No. of Prospectus valuing ₹20,979 and 693 No. of Prospectus valuing ₹32,744.25 respectively were lying unused in stock. Despite repeated lower sale of prospectus it has been found that 1000 prospectus are being printed as a routine every

year without justification . Thus resulting in to wasteful expenditure every year to the tune indicated as above. The irregularity may be justified with cogent reasons & got regularised with the sanction of the competent authority or either the amount of wasteful expenditure be made good from the person at fault while due care is required to be taken to avoid wasteful expenditure of this kind in future.

18.2 Suspected over payment of `9624 in respect of TA claims

On checking the TA claims enclosed with advance adjustment Bill No. 3700 dated 17.11.2016 the following discrepancies have been observed.

Sr. No.	Name of External Examiner	Amount overpaid/ suspected to be overpaid (₹)	Irregularity observed
1.	Prof. Harbhajan Bansal from Hisar	84	` 84 on account of DA overpaid over and above DA due for 13.07.2016 & 14.07.2016 @ `250
2.	Prof. Vinay from Jammu	8740	The Officer has been paid TA by Own car (Car No. JK-02 BM-5665) for travel from Jammu to Shimla & back but on checking the TA Claim it was found that the officer started his journey from Jammu on 12.07.2016 at 8PM while as per Toll Slip of Kandwal toll barrier he crossed from the said Toll on 12.07.2016 at 9.28 AM which is contradiction & does not appear to be in order. Toll slips in support of rest of the journey upto Shimla were also not found enclosed with the claim and in the circumstances the payment of TA by own car needs to be justified or amount overpaid be worked out & recovered as per rules.
3.	Mr. VidyaNath Mishra from	800	Taxi charges have been paid to the examiner for journey from Ghaziabad to Delhi during

	Vashali, Ghajiabad		onward journey and also during return journey but no supporting Taxi Bills have been found enclosed with the bill and in the circumstances the payment of taxi need to be justified
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18.3 Verification regarding concession of fees amounting to `25000 to the wards of University employees

Shri Rajat Thakur s/o Shri Dhanpat, a student of FYIC&A (Roll No. 635) of MTA department deposited a sum of `25000 on account of fees for 3rd& 4th Semester i.e. half amount of the fees actually due on the ground that the student is a ward of University Employee but nothing in support thereof was shown to audit and as such the factual position in this regard could not be verified which may be got done now alongwith relevant records.

{RAS/HPU/Annual Accounts/ 2016-17/ 35 dated 04.06.2019}

19.1 Irregular concession of fees amounting to `50000 allowed to Miss Sakshi Chauhan {Student of MBA-III, Roll No. 3281}

On auditing the bill No. 3411 dated 26.10.2016 for `50,000 relating to refund of fees in favour of Mr. Suresh Chauhan, Chief Security Officer, HP University, Shimla-5 father of Ms.Sakshi Chauhan, {Student of MBA-III, Roll No. 3281} it is found that the refund of fees was allowed in favour of the above named officer by invoking the Provisions of Notification No. 3-38/96 HPU(Genl.) Vol-II dated 10.01.2006 according to which wards of employees admitted for Study Courses under Self Finance Scheme were allowed 50% fee concession but the above officer is just serving **in the University on secondment basis and is not regular employees of the HPU**. Thus inview of the stated facts, the refund of `50,000 does not appear to be in order and the matter may, therefore, be looked into and concession of fees allowed be justified as per provisions of above referred notification dt. 10.1.06 or other wise to ensure its recovery from the concerned under intimation to audit. In addition to this,

the fees actually charged from the above named student for rest of the course may also be confirmed to audit.

{RAS/HPU/Annual Accounts/ 2016-17/ 36 dated 04.06.2019}

19.2 Suspected over payment of TA claim amounting to `3270

On auditing the TA Bill of Shri Veer Singh Rangra, Professor as enclosed with adjustment account of advance of `20,000 & submitted vide Bill No. 1678 dated 15.07.2016, it is found that he had paid taxi charges amounting to `3720 (for 155 x 2= 310 kms @ `12 per km.) for journey from Summerhill to Hamirpur & back on 24 to 25.06.2016 but no supporting Taxi Bill/ Vouchers thereof was found enclosed. As such the payment of taxi charges is irregular instead only bus fare at the then prevailing ordinary rates of `1.45 per km is payable and, thus, a sum of `3,270 (`3720- 450) has been overpaid which may either be justified under Rules or be recovered from the concerned & deposited into University exchequer/MBA deptt A/C. under intimation to audit.

{RAS/HPU/Annual Accounts/ 2016-17/ 36 dated 04.06.2019}

20 Irregularities observed during the post audit of accounts of HPU regional centre, Dharamshala:-

Following discrepancies have been observed during the post audit of accounts of the Regional Center, HPU, Dharamshala, which may be attended to under intimation to the Audit:-

20.1 Unfruitful expenditure on printing of Journals of Social Science and Law amounting to `33600

As per stock register, 100 Nos. journal (Journals of Social Science and Law) were got printed from the Imperial Printing Press, Kotwali Bazar, Dharamsala vide

Bill No. 058496 dated 21.11.2016 for ₹33600. These were supposed to have been issued to Publication Department/ library use of various universities/ institutes but no efforts has been made for the circulations of these journal, which defeat the very purpose of printing of these journal and thus expenditure incurred there of turnout to be infractions expenditure. Besides above 600 copies of same journal printed in the previous years were also lying in stock unused. Therefore the irregularities may be justified besides ensuring the consumption of the journal for the very purpose, These have been printed.

20.2 Over payment of ₹1014.00 on account of T.A. bill claims:-

It has been observed that over payment of ₹1014.00 was made to Dr. C. L. Chandan on account of T.A. bill claims vide bill/voucher No.958 dated 05.08.2016. As per HPU notification NO. 3-12/76-HPU(admn) dated 18.10.2016 read with Deptt. of Transport notification No. TPT-F(5) 3/2003 dated 25.08.2011 vide which the rate of own car/taxi is fixed as ₹8.74 per kilometer where as the incumbent has been paid higher rate ₹10.43 per kilometer for to and fro journey of 600 kilometers. The payment of higher rate i.e. @ ₹10.43 per Kilometer may either be justified or over payment of ₹1014.00 be made good.

20.3 Late fee charges amounting to ₹189.80 paid on the telephone bills

It has been observed that late fee charges are being paid on the telephone bills for not depositing the telephone bills on due dates which could have been avoided by paying the telephone bills on or before due date of payment. The following are some instances where late fee were paid:-

Bill No./date	Month	Amt. due (₹)	Late fee penalty (₹)	Remarks
934/18.05.2016	April/May	8804.00	77.41	Late fee on the bill of April
946/23.06.2016	June,2016	600.76	10.00	Late fee on the bill of May

959/23/08/2016	August,2016	4033.29	70.78	Late fee on the bill of July
982/22.10.2016	October, 2016	674.81	19.88	Late fee on the bill of Sept
1002/22.12.2016	Dec,2016	1274.66	11.73	Late fee on the bill of Nov.
		Total	189.80	

Therefore the above irregularity may either be justified & got regularizes with the sanction of competent authority or the recovery of `189.80 may be ensured from the appropriate source.

20.4. Maintenance of cash book

Cheques are not being recorded in cash book on the very dates on which these were issued instead these are being recorded in cash books on the actual date of clearing by bank as is evident from perusal of Cheque Register read with Cash Book/Pass Book. Some of such instances are given below:-

Bill No. /date	Particulars of the payee	Actual date of issue	Date of entry in cash book	Amount	Fund name
012/06.01.2017	M/s Soni Kumar, Dharamsala	06.01.2017	09.01.2017	19700.00	Rent account
941/25.05.2016	M/s Ishwar Dass News Agency	27.05.2016	08.06.2016	4305.00	A.F.
978/15.10.2016	M/s Asian Book House, D/sala	15.10.2016	24.10.2016	13500.00	AF

It is only because of this practice that all balance in Cash Book tally with bank balance and there were no actual Bank reconciliations done which is highly

irregular as in such situation possibility of any financial irregularity can not be ruled out. As a matter of accounting Principles, entry of cheque payment in cash books is required to be made on the very date of its issue. Therefore the above said practice is in violation of settled principle of Accounting & provisions of financial rules and needs to be stopped forthwith so that Cash Book reveal the correct state of affairs.

20.5 Non-disposal of old News paper

A certain amount of expenditure is being done every year on purchase of news papers, but no realization of income on account of sale of old news-paper was made during the year 2015-16 and 2016-17. During the financial year 2016-17 an amount of `32394 was spent on purchase of newspaper but no income on account of sale of old news paper has been realized which may either be justified or necessary action may now be ensured in this regard.

20.6 Irregular expenditure of `390091 out of students fund Account

During the year 2016-17 electricity bills amounting to `334464 and telephone bills amounting to `55627 were paid out of student fund, which is not fit charge on the student fund. Out of this total expenditure of `390091 only `50000 has been refunded by the university to the student fund, whereas rest amount of `340091 is yet to be refunded. Therefore, the matter is brought to the notice of the university authorities for ensuring refund of `340091 to students funds A/C and its proper utilization in students interest.

20.7 A sum of `498845.00 was paid to M/s H.P.State handicrafts & handloom corporation, Shimla-9 against their invoice No. oo11450 dt. 27.02.2016 through RTGS on 25.04.2016 on account of partition of office and class rooms but the expenditure is wrongly booked under the head furniture whereas it should have been booked under the head special repair of office building/ Additional & Alteration in office building or any other appropriate head. Besides this the detailed estimate and scope of work according to which the work is got done through M/s H.P.State

handicrafts & handloom corporation, Shimla has not been shown to audit in absence of which it could not be verified in audit whether the said work has been executed as per estimate and defined scope of work or not. Therefore needful in this regards may be done now.

20.8 Non- completion of codal formalities/ procedure for execution of electrical work amounting to `45189.00

The payments of `25489 and `19700 was made to Sh. Soni Kumar for execution of electrical work. In this case although the quotations were collected before execution and supply of material but while calling the quotations no proper specification/make/model etc of electrical goods and how many points involved are not mentioned and in absence of any make as well as labour rate per point/ through rate of the whole work or if one supplier quoted the rates of “**Anchor make/Kona**” and other “**Havells / Power make**”, proper comparisons of rates may not be drawn This clearly shows that the quotations were collected merely to show the completion of the formalities. In such a setuation, it could not be ruled out that the contractor has been extended undue benefit at the cost of University exchaqer. Therefore the matter is brought to the kind notice of the University authorities for taking appropriate action as warranted under Rules besides ensuring not to repeat such lapses in future.

{RAS/HPU/Annual Accounts/ 2016-17/ 44 dated 26.08.2019}

21 Irregularities observed during the post audit of Accounts of computer science department

While auditing the Annual Accounts of computer science department for the year 2016-17, the following irregularities have been observed which may either be clarified / justified with cogent reasons or compliance thereof may be ensured under intimation to Audit:-

21.1 The advances amounting to `2226390 wrongly shown as expenditure in annual accounts

In Annual Accounts for the year 2016-17, an amount of `500000, `47170, `1679220 Total `2226390 paid to RICSIT, HPSEDC, Godrej respectively was shown under the head expenditure but as per record these are advance Payments and thus required to be shown under the head “unadjusted advances” in view of the fact that these advances were not adjusted during the financial year 2016-17. Therefore either the irregularity may be justified or necessary corrections in Annual Accounts may be made after verification of relevant records.

21.2 Less realization of fees amounting to `2500

An amount of `2500 has been less realised on account of funds/fees from Miss Charu Sharma having Roll No. 439 of M. Tech. 1st semester. Total fee of `20000 was required to be received/deposited but the student has deposited only `17500. Hence the short realization `2500 may either be justified or recovery thereof may be ensured.

(RAS/HPU/Annual Accounts/ 2016-17/ 56 dated 18.09.2019)

22 Irregularities observed during the post audit of Accounts of ICDEOL Students funds/ Revenue account.

While auditing the Annual Accounts of the ICDEOL for the year 2016-17, the following irregularities have been observed which may either be clarified / justified with cogent reasons or compliance thereof may be ensured under intimation to the Audit:-

STUDENT FUNDS (ICDEOL)

22.1 Non-Production of record pertaining to Fixed Deposits/ Investments amounting to `137201529

An amount of `137201529.00 was shown as closing balance of the FDR in Annual Accounts for the year 2016-17 but the detail accounts of the FDR (investment wise) since its investment were not put up to audit due to which certification of above

balance of FDRs could not become possible. Therefore the detail of FDR as per proforma discussed and suggested during the course of post-audit may be supplied to audit, so that the figure of FDR investment/ interest receipt as shown above may be verified in audit accordingly.

22.2 Non-Production of record regarding Expenditure of `1164688 and receipt amounting to `16760.00

In the Annual accounts for the year 2016-17. Misc. Receipt of `16760 and Misc. Expenditure of `1164688 has been shown but the relevant record/ detail thereof were not made available to audit , which may now be made available to audit in order to verify the figures shown in the annual accounts of student funds.

22.3 Non-compilation of receipts

It has been observed during the course of audit that there was huge difference between the actual receipts of the funds/fee as per Receipt Register & as shown in receipt side of the annual accounts of student funds/ revenue accounts. The inflated figures in the annual accounts have been shown as compared to the receipt Registers put up to audit which needs to be reconciled with the actual receipts of all the sources of income under intimation to audit. Besides above the income of student funds and revenue accounts has been mixed due to which the actual receipt of student funds and revenue accounts could not be verified in audit. Therefore it is advised that separate records of receipts from students fund & Revenue Account be maintained and put up to audit for verification.

22.4 Verification of students funds with the enrolled student:-

The total income of students fund received from the enrolled student could not be verified because demand and collection register was not maintained students wise. It is also noticed that the income has been entered in the income registers as per bank statement/challans i.e. the income registers are merely a copy of the bank statement/ pass books. Hence in the absence of Demand & Collection register according to the enrolled students the funds received could not be cross checked/ verified in Audit. Therefore student wise demand & collection register or other record maintained /

prepared by the ICDEOL may be put up to audit to enable cross checking of amount of students fund received will that of enrollment of students in a particular financial year.

REVENUE ACCOUNT (ICDEOL)

22.5 Non- reconciliation of difference `63041.56

Opening balance of cash book (SBI account No. 10091435511) has been shown `5814864.00 as on 01.04.2016 where as it was `5751822.44 as on 31.03.2016 So there was a difference of `63041.56 which may be reconciled and compliance shown to audit.

22.6 Non-Production of record regarding Fixed Deposits/ Investments amounting to `137201529.00

An amount of `101200.00 has been shown as closing balance of the FDR in Annual Accounts but the detail accounts of the FDR (investment wise) since its investment was not put up to audit. Therefore the detail of FDR as per proforma discussed and suggested during the course of post-audit may be supplied to audit so that the figure of FDR investment/ interest receipt shown in Annual Accounts could be verified in Audit.

22.7 Non-Production of record regarding sale of prospectus amounting to `27.58 lacs

An sum of `2630900.00+ 127497.00 Total `2758397.00 has been shown as receipt under head “sale of prospectus” but the record of the sale of prospectus was not made available to audit . In this connection the Director, ICDEOL, vide letter No. ICDEOL/23-4/2011-18/Admn dated 07.08.2019 has informed that the record regarding sale of prospectus for the period 2011 to 2018 had been submitted to the Registrar in connection with the departmental inquiry against Sh. Babu Ram and shown his inability to produce the record. He has further stated that as and when the record is received back from the concern authority shall be put to audit. Hence the

figures shown on account of sale of prospectus could not be verified in Audit due to non-availability of record.

22.8 Non- mention of ‘head of receipt’ for receipts amounting to `82977421

A sum of `82977421 has been shown received with name of the bank in the annual accounts where as proper head of accounts of receipts is required to be mentioned to verify its correct classification & accountal in accounts. Therefore proper receipt head by specifying the source of income may be mentioned in the annual accounts so that the true and fair picture of funds be depicted in the annual accounts of HPU. Besides above an amount of `249811.00 has been shown as receipt under head “**wrong deposits and receipts**” but the detail of such receipts was not put up to audit. Which may also be made available to Audit on priority basis.

(RAS/HPU/Annual Accounts/ 2016-17/ 57 dated 18.09.2019)

23 Miscellaneous irregularities observed during the audit of Accounts of HPU, Centre for evening studies

While auditing the annual accounts of HPU, centre for evening studies for the year 2016-17 the following irregularities have been observed which may be attended to under intimation to Audit:-

The Cash Book was neither written properly nor balanced despite being pointed out repeatedly by audit in the past also instead, the closing balance of the Cash Book is being taken as the balancing figure as per Annual Accounts which again was not found correct in audit.

23.1 Non- Reconciliation of receipts with student strength

The figure of fees received from students reported in the annual accounts have not been reconciled with reference to student strength and compliance reported to audit because the statement presently supplied to audit does not make things clear. Moreover, admission fees received were also not depicted correctly in the annual

accounts as the incomes on account of Booking Hall- `9750, RTI Fees `40, Canteen Rent- `3600 and unspent Amount out of advances `1,59,912 have been included there in the said income amount of `12,30,144. Further, income as recorded in the Income Register was also found inflated by `100 as amount received vide Challan No. 1349 & 1378 for `512 each have been recorded in the Income Register as `562 each. Thus, the irregularity is required to be reviewed & reconciled as a whole in order to depict the correct position under proper heads in the annual accounts.

23.2 Non- fixing the rates of Hall Booking Charges:-

An amount of `9,750 is shown as income on account of Hall Booking Charges in the annual Account but rates fixed in this regard by the University were not shown to audit instead it was intimated to audit that the hall was provided to Postal Department for conduct of certain examination. However no correspondence exchanged in this regard with the said department was shown to audit and, hence, it could not be verified whether the amount has been realised as per rates fixed by the University or not. Therefore sanction of the competent authority fixing hire charges of Hall may be made available to the Audit.

23.3 Printed Challans have been used for collection of fees but on checking of Stock Register related thereto it was found that at Page No. 45 Sr. No. 2 & 3, 200 pads of Challans (100 pads for University Share of Fees & 100 pads for Amalgamated Fund) have been issued to the Fee Clerk on 04.10.2010 in one go which are still in use while as per rules the challans should have been issued as per requirement with the Sr. No. of each challan pad issued & duly entered in the Stock Register. The matter may therefore be booked into besides doing the needful for future in order to avoid any irregularity.

23.4 A sum of `3,600 has been shown as income on account of Canteen Rent during the year 2016-17 but the agreement put up to audit in support thereof carries no mention of rent, security and period of agreement, in absence of which due verification of the

above income could not be possible in Audit. The matter therefore needs to be clarified/justified to Audit.

- 23.5** A sum of `40 realised on account of RTI fees has been retained by the college where as it should have been transferred to Finance Office of HPU which may be done now.
- 23.6** Advances as per detail given below were drawn during the year 2016-17 but remained unadjusted till 31.03.2017. This fact should have been accordingly indicated as such in the closing balance of the Annual account but the same has not been done. Therefore the accounts are required to be modified to this extent in order to show true & fair position of institution's affairs:-

Sr. No.	Bill No. with date	Amount ()	Date of Adjustment
1.	9/AF/2016-17 dated 30.08.2016	23,000	25.05.2017
2.	11/AF/2016-17 dated 05.09.2016	50,000	25.05.2017
3.	12/AF/2016-17 dated 05.09.2016	60,000	25.05.2017
4.	20/AF/2016-17 dated 13.10.2016	50,000	25.05.2017
Total		1,83,000	

- 23.7** Bills No. 09/AF/2015-16 and 10/AF/2015-16 both dated 02.07.2015 for `2,500 each amounting in all to `5,000 pertaining to Legal Fees, Clerk age & Misc. Expenditure of Shri Jiya Lal Bharadwaj, Advocate in connection with COPC No. 2 of 2014 titled Shekhar Sharma Vs Manju Bali and another in connection with CWP No. 4762 of 2014 titled Meera Devi Vs HP University were not admitted in audit being not a fit charge on the Amalgamated Fund. But despite that on scrutiny of accounts a sum of `5,000 was found transferred to University Account No. 10835924098 (SBI, Summerhill) on 25.05.2016 as is evident from Bank Statement of PNB Bank Account No. 0427000106761974 of the Amalgamated Fund, though no RTGS authority in support thereof was shown to audit. In the circumstance, this is an unauthorised transfer of students funds and therefore the whole matter may now be looked into by the Finance Officer and audit be apprised of factual position in this regard. Besides

this, amount in question shown as RTGS transferred to HP University Account in the Annual Account may be made good to the A/F by matching transfer of funds.

- 23.8** There was a debit of `572 on dated 01.12.2016 on account of Cash Withdrawal, another debit of `345 on dated 21.01.2017, both in the PNB Account No. 0427000106761974 of the Amalgamated Fund. Similarly, there was a debit of `200 on dated 09.04.2016 in the SBI Account No. 10835935373 of the Fund against Cheque No. 014906 but neither supporting vouchers related thereto were shown to audit nor there transactions linked to previous Bank Reconciliation Statement. In the circumstance, these transactions appear to be unauthorized and thus may be looked into in detail and audit be apprised of factual position in this regard besides effecting recovery, if due, from the quarter concerned (including the bank). It is pertinent to add here that the amount of above transactions have been included & shown under the head “Bank Charges” in the annual accounts without due verification from record/ bank and clarifying the factual position which is irregular. Further after verifying the factual position in this regards the annual accounts may also be modified accordingly to depict the correct figure on account of bank charges.
- 23.9** As per detail supplied by the college total 5 No. of Bank Accounts are being operated by the Evening college out of which only 2 pertain to the Amalgamated Fund. It may, therefore, be got confirmed from the Compilation Section as to whether the other three bank accounts with their balances as detailed below have been accounted for in the University’s final accounts or not and audit be apprised accordingly:-

Sr. No.	Name of Bank with Branch	Account No.	Balance as on 31.03.2017 (₹)	Balance as on as per last Pass Book Entry (₹)
1	PNB, The Mall, Shimla	0427000106761965	5,91,986.79	3,06,733.14 (23.03.2018)
2	PNB, The Mall, Shimla	0427000106131003	6,80,220.99	1,92,134.64 (30.08.2018)

3	PNB, The Mall, Shimla	0427000105948503	1,21,953.34	2,36,680.24 (04.05.2019)
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23.10 Bank Reconciliation Statement were also not prepared properly and as such the same may now be reviewed as advised and shown to audit.

(RAS/HPU/Annual Accounts/ 2016-17/ 39 dated 22.07.2019)

24 Miscellaneous irregularities observed during the audit of Accounts of HPU, UIIT.

While auditing the Annual Accounts of UIIT for the year 2016-17, the following irregularities have been observed which may either be clarified / justified with cogent reasons or compliance may be reported to audit.

24.1 Minus closing balance of (-)`95199.57

As per annual accounts the closing balance of the NRI/SFS fund saving account has been shown in Minus i.e. (-) `95199.57, as on 31.03.2017 which seems to be quite irregular as the Institute has not taken any Debit limit from the bank. This clearly shows that the accounts are not being maintained property on day to day basis. Therefore the reasons & circumstances of showing closing minus balance may be enquired into and factual position be intimated to audit besides rectifying the Annual Accounts accordingly.

24.2. Difference of `410.50 in the figures shown in annual accounts and schedule of receipt

The figure of misc. Receipts has been shown `819679.50 while as per schedule it works-out `819269.00. Hence there was a difference of `410.50 which may be reconciled and annual accounts be corrected accordingly.

24.3 Difference of `270 in the figures shown in annual accounts and schedule of receipt

The figure of interest Receipts has been shown `6135106.23 while as per schedule it works-out to `6134836.23. Hence there is a difference of `270.00 which may be reconciled and annual accounts be corrected accordingly.

24.4 `301882.00 wrongly shown under the head 'TDS Income Tax'

An expenditure of `301882.00 has been shown under head TDS income tax. whereas this amount is actually being Tax Deducted at Source from the various salary bills/contingent bills is required to be booked under relevant head of expenditure instead of TDS income tax. So the necessary corrections may be made in annual accounts and compliance reported to audit.

24.5 Reconciliation of unadjusted advances amount of `14563969

The figure of Advances not adjusted has been shown `14563969.00 in annual accounts where-as per schedule/ record it works-out to `14270969 only. Hence there is a difference of `293000 which may be reconciled and factual position may be shown in Annual Accounting accordingly.

24.6 Non-accountal of `41000 in the annual accounts

An amount of `41000.00 was shown paid vide cheque No. 670618 in the cash book at page No. 212 on account of sponsorship for UTKARSH-2016 but the same has not been accounted for in the annual accounts of 2016-17, which may now be accounted for shown accordingly in the annual accounts.

24.7 Reconciliation of unadjusted advances

Advance amounting to `23500 and `23900 passed vide bill Nos. 2090 dated 06.08.2016 and bill No. 3200 dated 01.10.2015 were actually adjusted on dated 17.02.17 and 26.05.2016 but both these advances have been shown as unadjusted and included in the figure under head Advances not adjusted which is irregular. Therefore

the necessary corrections in annual accounts may now be made after proper verification and compliance reported to audit.

24.8 Reconciliation of difference of `200

As per record the amount of stale cheques comes to `268410.00 but the same has been shown as `268610.00 in the annual accounts. Hence there is a difference of `200 which may be reconciled & necessary corrections be made in the annual accounts made after proper verification.

(RAS/HPU/Annual Accounts/ 2016-17/ 51 dated 11.09.2019)

25 Short realisation of `35550 on account of sale of tender forms.

An amount of `35550 (`15900 in Division -1 and `19650 in Division-2) as per detail given in **Annexure-F (i & ii)** of this report was realised short on A/C of sale of tender forms during the year 2016-17 by selling tender forms below the rates as notified vide Special Secretary (Public Works) to the Government of Himachal Pradesh letter No. PBW(B)-14(8)/2004 dated 24.02.2012 (copy of which is provided to audit by the Division Officials and as is also applicable in the case of HP University. Thus amount realised short may either be justified or be recovered from appropriate source and deposited into university exchequer Account order intimation to audit.

{No. RAS/HPU/AR-AnnualAcctsnts-2016-17/45&47 Dated: 05.08.2019}

26 Miscellaneous irregularities observed during the post audit of Accounts of dean of studies

While auditing the Annual Accounts of Dean of studies for the year 2016-17 the following irregularities have been observed which may either be clarified / justified with cogent reasons and compliance may be reported to audit:-

26.1 Minus opening balance of `83263.38 shown in Annual Accounts

As per annual accounts the opening balance of the amalgamated fund was shown in Minus i.e. (-) `83263.38, as on 01.04.2016 which seems to be quite irregular as the DS office has not taken any Debit limit from the bank. Therefore the reasons & circumstances of showing opening balance in minus may be enquired into & justified besides rectifying the Annual Accounts accordingly. Further the audit could not certify the opening balance as shown in the annual accounts of the DS office due to non submission of the Receipt & Expenditure accounts for the year 2014-15 to audit neither during previous audit nor during current audit. This was also pointed out vide para No. 26.8 of the Audit & Inspection report for the year 2015-16 but no reply/ satisfactory reply has been received in audit till the date of this report. Although the Annual Accounts of the Amalgamated Fund for the year 2016-17 has been made available which are audited without verifying the closing balance as on 31.03.2016 or opening balance as on 01.04.2016. Therefore it is advised that the receipt and payment accounts for the year 2015-16 may also be put up to audit so that opening /closing balance may be verified accordingly.

26.2 Non compilation of receipts amounting to `35.16 lacs

The figure of fees/ receipt of amalgamated funds was shown in Annual Accounts as `1040525.00 received through Finance officer and Rs 2476994.00 received directly in SBI, Summerhill saving bank account No. 10091437620. During perusal of the cash book, it is observed that the receipts were incorporated in cash book as per Bank pass book, in other words the receipt side of the cash book is just a copy of the pass book which is quite irregular because as per Rules, Cash book is required to be written daily on the basis of transaction made & then reconciled with Bank pass book. As a Result of this irregularity, it could not be verified in audit that all the students have deposited their dues or not and or else the deposited funds are as per the enrolled students. Further No demand and collection register has been maintained at the level of DS office in absence of which it could not be verified that the figure shown in the receipt side is as per the students enrolled in the university. Therefore it is advised that reported figures in the annual accounts may also be got

reconciled with reference to student strength besides to maintain & update the Demand & Collection register.

26.3 An amount `10000 was transferred from the saving account to open an AF current account No. 36262392887, which is just a contra adjustment but the same has been shown in the expenditure side of cash book, by reducing the bank balance which is quite irregular as the same should have been shown in the bank balance of the cash book,. Therefore the irregularities of showing bank balance in cash book less by `10000, may be suitably rectified in as well as in the cash book Annual Accounts and compliance reported to Audit.

26.4 In the annual accounts of Amalgamated Fund a payment of `11644.76 was shown under head “Excess Payment”. During the course of audit it was intimated by the DS office that this figure of expenditure belongs to bank charges but no detail regarding bank charges were made available to audit in absence which above payment could not be verified in Audit. Therefore the expenditure/ payments may be justified with documentary proof and sanction of competent Authority.

26.5 According to opening balance of FDR as on 01.04.2016, an amount of `5928426 was shown invested but interest of `450724 received on maturity of FDRs during the financial 2016-17 could not be verified in Audit as the detail of interest rate at which the FDRs invested were not made available to audit. Therefore the rate of interest of each investment along with all other investment detail may be put up to audit so that the interest received could be verified accordingly. Besides this maintenance & updation of FDR Register may also be ensured

{Audit requisition no.46 dated 05.09.2019}

26.6 Non production of record

Annual Accounts of the O/o Dean of Studies for the year 2015-16 shows the amount under following heads in income and expenditure side as “old pertaining to the year 2004-14” but these were neither found entered in Cash Book nor supported with vouchers/ record/ remarks etc.

Items of Income	Amount (₹)	Items of Expenditure	Amount
-----------------	------------	----------------------	--------

			(C)
Interest on old FDR from 2004-2014	4,32,425	FDR transferred to FA account (old)	22,48,374
Interest on FDR (old)	28,74,901	Purchase of Sports Material (old)	1,05,76,010
Interest on saving (old)	57,867		
Transfer from FA Account (old)	59,40,665		
Old miscellaneous receipt	19,59,186		
Opening Balance difference as per Cash Book	25,34,296		

Accordingly Audit vide memo dated 16.05.2018 sought all the related vouchers and record from the office of Dean but no compliance / communication was received from the quarter concerned and also from Finance Office who were also requested to inquire into the matter before the annual account could be taken up for audit. As such the annual account remains uncertified. Further it has been brought to the notice of audit through discussion with the officials of the Finance Office that accounts are being got recast for the past several years in view of irregularities / unreconciled differences etc. pointed out by audit vide Para No. 5.11 of Audit Report 2014-15 and para no.26.28 of the audit report 2015-16 in which case the annual account in question will be subjected to audit. Therefore the whole matter is brought to notice of the HPU Authorities for taking appropriate action in the matter on Priority basis so that. Audit could be able to certify the Annual Accounts Accordingly.

27 Irregularities observed during the audit of annual account of university institute of legal studies -

During the course of audit of the annual accounts of the institute for the year 2016-17 the following irregularities have been observed which may be attended to, under intimation to Audit:-

27.1 Printing of prospectus and non-production of complete record there of to audit:-

(i) As per Stock Register it was found that 500 No. of prospectus were got printed in one go in the year 2016-17 out of which 480 Nos. of prospectus valuing `529600 were shown sold but the physical verification of the balance prospectus in hand had not been done by the competent authority, where as it should have been verified as to

how many prospectus has actually been sold and how many copies remain unsold. Further it is also noticed that 20 nos. of complementary copies of prospectus are recorded in the register but as per letter no. 01-2016/UILS/CER-58-64 dated 07-05-2016 only 7 Nos. complementary copies of prospectus have been issued, thus the record of 13 nos. prospectus shown issued as complimentary was not shown to audit, where as the balance in stock has been shown as nil. Therefore the matter may be enquired into done or the relevant record alongwith physical verification of stock done may be shown to audit, failing which the recovery of 13 nos. prospectus @ `1100 total amounting to `14300 may be ensured from the appropriate source

(ii) In addition to above 2 Nos. prospectus were sold @ `1000 instead of at prescribed rate of `1100 but amount of `200 short realised was not recovered later on which may now be recovered from the appropriate source..

27.2 Non- recovery of water & electricity charges amounting to `1000

It has been observed that under the term and conditions of agreement entered with the canteen contractor, a sum of `1000 on A/C of consumption of electricity and water is required to be collected on monthly basis from the contractor, but the amount on this account for the month of March 2016 @ `1000 has not been collected/ received, which may now be made good from the quarter concerned.

27.3 Irregular/ excess concession of fees amounting to `58750 allowed to the students.

As per the notification of the University 50% tuition fees is waived off to those students whose parents are in service at HP University but during the session 2016-17 50% tuition fees has been waived off to the following students without getting the service certificate from them as these certificate have not been shown to Audit:-

Sr. No	Roll. No.	Name	Father name	Tuition fees ()	Tuition fees for University ward students(i.e. 50%)	Difference ()
--------	-----------	------	-------------	------------------	---	----------------

					(C)	
1	914	Diksha Sharma	Ishwar Dutt Sharma	25000	12500	12500
2.	227	Aastha Agnihotri	Mukesh Agnihotri	60000	30000	30000
3	515	Bhumika Bushehari	Mohan Lal	32500	16250	16250
			Total		117500	58750

Therefore the relevant certificates may be shown to Audit for verification of tuition fee waived off or amount of `58750 may be recovered from the appropriate source.

{Audit requisition no.48 dated 05.09.2019}

28 Irregularities observed during the audit of Annual Account of Bio-Technology

While auditing the Annual Accounts of Bio-Technology department for the year 2016-17, the following irregularities have been observed which may either be clarified / justified with cogent reasons or compliance be reported to audit.

28.1 Minus closing balance `41700.00 shown in the Annual Accounts

As per annual accounts the closing balance of the NRI/SFS fund has been shown in Minus i.e. (-)`41700, as on 31.03.2017 which seems to be quite irregular as the Bio-Technology office has not taken any Debit limit from the bank. This clearly shows that the accounts are not being maintained properly on day to day basis. Therefore the reasons & circumstances of showing closing minus balance may be enquired in to and factual position be intimated to audit besides rectifying the Annual Accounts accordingly.

28.2 Amounts drawn `53064 as advances depicted wrongly as expenditure in Annual Accounts.

The following amount has been shown as expenditure under various heads in the annual accounts :

Sr. No.	Head of accounts where in the amt. has been booked in annual accounts	Amount ()	Bill No. /date
1	Purchase of chemical/ consumables	10464.00	5535/19.12.2016
2	Refreshment charges	4440.00	5441/13.12.2016
3	Purchase of batteries	11160.00	2421/30.08.2016
4	Educational tour	27000.00	7356/23.03.2017

During the course of audit, it is observed that vide above bills the amount was taken as advance for specific purposes and the adjustment accounts there-of were not submitted till 31.03.2017 but amount of these advances have been wrongly classified & shown in the expenditure side under various heads as detailed in the above table, whereas a matter of accounting principles the amount of these advances should have been shown as un-adjusted advances under the head closing balances as on 31.03.2017. Therefore the necessary rectifications in the annual accounts may be made after proper verification of records and compliance reported to audit.

28.3 Excess withdrawal of library Security amounting to `12000.00

Bill No. 3971 dated 01.12.2016 was passed by the internal audit of HPU for `372000 on account of refund of library Security but the payments were made to the tune of `336000 as is evident from the entries of disbursement shown in the cash book at pages 365 to 367 where as against this payment an amount of `348000 has actually been drawn from the bank which is excess by `12000. So the whole matter may now be enquired into and action be taken accordingly.

28.4. An amount of `72000.00 shown received at page No. 354 of cash book vide receipt No.026392 dated 29.07.2016, where as per actual receipt issued in favour of Sh. Manjeet Thakur, the amount is written as `36,000. Therefore the difference of

`36000 may be justified/reconciled and correction made in the annual accounts accordingly.

28.5 Non- production of record pertaining to prospectus.

No record in respect of sale of prospectus has been made available to audit despite repeated written as well as verbal requests in absence of which the receipt shown on account of sale of prospectus could not be verified during the course of audit. Hence non production of said record may be justified and all record pertaining to the printing/ sale of prospectus may now be ensured to be made available to audit.

28.6 Regarding non supply of detail of bank accounts operated by the Bio-tech deptt.:-

The detail of total Nos. of bank accounts operated by the deptt., were not made available to audit, so the certificate in respect the bank accounts operated by the deptt may now be made available to audit.

{Audit requisition no.49 dated 06.09.2019}

29 Non realization of penalty/rent amounting to `0.78 lacs for the year 2016-17.

During the course of audit it is observed that penalties from the allottees of shops/ canteen were not imposed/ collected as per the terms and conditions of the agreement. Besides this in some case rent/rents from allottees were also not been demanded/ collected by the H.P.U Authorities. These irregularities result into short realisation of an amount of `78150 as detailed in **Annexure-G** of this report. Therefore non-recovery of above said amount may either be justified or its recovery be ensured from appropriate source under intimation to Audit.

(Audit requisition no.55 dated 18.09.2019)

30 Less credit of `180000 by the bank in the account of Department of Commerce

There is continuing difference of `1,80,000.00 between Cash Book and Pass Book balance which was due to less credit given by bank. In this regards compliance

sought by audit vide letter No. RAS/HPU/Para Settlement/2018-19/318-319 dated 23.07.2018 is still awaited which may be expedited.

(RAS/HPU/Annual Accounts/ 2016-17/ 17 dated 02.05.2019)

31 Reconciled position regarding students Fees amounting to `2000.50 lacs not supplied to Audit by the various departments of HPU

During the course of Audit it is observed that the Income on account of students fees were not reconciled from the point of view of student strength in case of the following departments despite the fact that. Audit had specially sought the reconciled position in this regard but either the information was not supplied to the audit or the information supplied to audit did not meet the requirement and as such fees indicated in accounts could not be cross-checked from the point of view of student strength. Therefore it is advised that above exercise to reconcile the students fees received vis-à-vis students enrolled strength may be got completed at the level of the University and compliance reported to audit as the chances of loss of income due to misappropriation/ misplacing of valuables/ DDs etc. cannot be ruled out. Besides this, exercise may also be made a routine for future in order to strengthen internal check /Control.

Sr No	Name of Department	students Fee received as per Accounts (`)
1.	UIIT	51692666.00
2.	Commerce	540000.00
3.	UILS	28878320.00
4.	Model School	863190.00
5.	ICDEOL Student Fund	52007193.00
6.	Computer Science	15401360.00
7.	Bio-tech	5018650.00
8.	UCBS	8919350.00
9.	DS Office	2476994.00
10.	PECC	395000.00
11.	HPU Evening studies	1230144.00

12. IMS	14333506.00
13. MTA	4945000.00
14. Journalism and Mass communication	750900.00
15. Psychology	235000.00
16. Physical Edu.	315000.00
17. HPU&CAC	1373550.00
18. Physics deptt.	2675000.00
19. Chemistry	3175000.00
20. Law deptt.	4825000.00
Total	200050823

32 Wasteful expenditure of `9800 due to excess printing of prospectus out of Amalgamated Fund of Model School.

From the perusal of the stock register it is observed that 500 copies of school magazine were got printed @ `98 per copy from M/S DGT Graphics, Shimla in the year 2016-17 out of which 328 copies sold to student, 22 copies issued to staff, 50 copies distributed to dignitaries and rest of the copies (i.e. 100 copies) were lying unused in stock. Thus publication of magazines in excess of actual demand has resulted in wasteful expenditure of `9800 which may either be justified with cogent reasons or loss on this amount may be made good from appropriate source. It is also advised that in future magazines may be printed only after ascertaining the actual demand. So that possibility of wasteful expenditure could be avoided.

In addition to above physical verification is required to be done by the inspection committee but neither verification/inspection was done, nor any record related to distribution of magazines shown to audit. Therefore needful may be done now.

{No. RAS/HPU/AR-AnnualAccttsnts-2016-17/50 Dated: 05.09.2019}

33 Regarding non-production of annual accounts, record related to income on account of Centre Creation Fees and Affiliation & Counseling Fees, Consolidated Position on Sale of Prospectus, Stock, Idle Machinery and other information sought by audit

33.1 The Annual Accounts of Construction Division, Maintenance Division and Electrical Division have not been submitted to audit by the concerned departments despite repeated requests while information regarding Earnest and Security Deposit received / deducted from works bill in the year 2016-17 sought was also not supplied to audit in absence of which the position regarding **works completed** as well **Works-in -progress** could not be ascertained and certified in audit. Besides this annual accounts of IIHS were neither presented to audit nor these are being accounted for in the University's books of accounts. Thus, the annual accounts do not present the complete picture of state of affairs of the University. Further the compliance of the observations made by the audit vide Para No. 26.6 in previous Audit report of 2015-16 is still awaited despite repeated requests. Therefore needful in this regard may now ensured on priority basis.

33.2 The record related to income on account of Centre Creation Fees and Affiliation & Counseling Fees was not been provided to audit and, hence, income on this account could not be verified in audit. It is added that related record is not being supplied to audit for the past several years {2012-13-Para 26, 2013-14-Para-26, 2014-15-Para-8 and para 26(6)2 of 2015-16 refer} which is a matter of great concern and in such a situation possibility of any misappropriation of funds can not be ruled out. Therefore the matter is brought to the notice of higher authorities of HPU to look into being a serious lapse on the part of concerned deptt. which needs to be viewed seriously in order to avoid any financial irregularity.

33.3 Leave Salary Contributions received from various borrowing departments in respect of services of University employees serving outside the University are being deposited in Pension Fund instead of the main account. Total amount due on account of Leave Salary Contributions and Pension Contributions as 31.03.2017 was neither intimated to audit nor incorporated as income receivable in the annual accounts which

should have been there now due to the fact that the accounts are being maintained on accrual basis. The issue was also raised vide Para no. 26.(6)5 of 2015-16 but no compliance has been shown in this regards.

34 Loss of `1143.68 Lacs to the Transport wing.

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

Year	Income (` in Lac)	Expenditure including Salary & other (` in Lacs)	Deficit (` in Lacs)
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
2015-16	10.26	195.76	(-)185.50
2016-17	11.71	202.33	(-)190.62
Total	63.41	1207.09	(-)1143.68

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 seven years the transport wing had suffered accumulated losses `1143.68 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/compensate the losses which are increasing year by year to bring the facility on no profit and no loss basis.

35 Loss of `2045.74 Lacs for providing Hostel facilities.

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

Year	Income (Hostel fee, Water and Electricity charges) (` In Lac)	Expenditure (Salary, Water, electricity & other) (` In Lac)	Deficit (` In Lac)
2011-12	26.44	308.7	-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
2015-16	46.77	441.33	-394.56
2016-17	46.69	446.25	-399.56
Total	235.68	2281.42	-2045.74

The analytical study of figures of income and expenditure as stated above revealed that the HP University during the last six years received `235.68 Lac as water, electricity charges and hostel rent from the students to whom hostel facilities were provided. But the University incurred expenditure `2281.42 Lac for running and maintenance of hostels and payment of salary for lower staff which resulted a net loss of `.2045.74 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.

36 Pension Fund

Financial Position

The financial position of the pension fund for the year 2016-17 is as under

Sr. No.	Particulars	(₹)
1	Opening Balance as on 01.04.2016	207780289.88
2.	Receipts from University through redrawls	100279493.00
	Other Receipts during the year	1208966.98
	Interest on Saving Bank & FDRs (including by transfer from Corpus)	110608912.17
	Transfer from CPS	2229655.00
	Transfer from Main Account	98500000.00
	Transfer from CPF	607379.00
	Transfer from gratuity fund	13900000.00
	Total receipts during the year	327334406.15
3.	Grand Total (1+2)	535114696.03
4	Expenditure during the year	368300055.00
	Transfer to Gratuity Fund	900000.00
	Transfer to Main Account	22323.98
	Total(4)	369222378.98
5	Closing Balance as on 31.03.2017 as per Cash Book (3 - 4)	165892317.05
	(i) In Saving Bank Account Rs. 7295449.05	
	(ii) In FDRS Rs. 15,85,96,868.00	
6	Total 4+5	535114696.03
7	Difference	Nil
		165892317.05

**Closing Balance in Saving Bank Account as on
31.03.2017 as per Bank**

(i) In Saving Bank Account `7295449.05

(ii) In FDRS `15,85,96,868.00

During the course of Audit, it is observed that the amounts received on account of Leave Salary Contributions have also been included in this fund under Other Receipts which should rather have been credited to University Main Account. The amount received on this account may be worked out and transferred to University Main Account under intimation to audit.

37 Gratuity Fund

Financial Position

The financial position of the Gratuity fund for the year 2016-17 is as under:-

Sr. No.	Particulars	(₹)
1	Opening Balance as on 01.04.2016	1657486.55
2.	Receipts during the year	55272442.00
	Interest on Saving Bank & FDRs	284209.00
	Transfer from main Account	1874628.00
	Transfer from pension fund	13000000.00
	Total (2)	70431279.00
3.	Grand Total (1+2)	72088765.55
4	Expenditure during the year	49536631.00
	Transfer to Pension Fund (wrong debit by bank)	13900000.00
	Total (4)	63436631.00
5	Closing Balance as on 31.03.2017 as per Cash Book (3 - 4)	8652134.55
	(i) In Saving Bank Account `152134.55	

(ii) In FDRS	`8500000.00	
Grand total 4+5		72088765.55

6 Closing Balance as on 31.03.2017 as per Bank 8652134.55

(i) In Saving Bank Account `152134.55

(ii) In FDRS `8500000.00

7. Difference Nil

From the perusal of above position it is quite evident that there was not sufficient balance in gratuity fund to meet out the liability on account of payment of Gratuity as on 31.03.2017. Therefore, it is advised that sufficient balance may be ensured in the fund to meet out the liability on this account by exercising proper financial prudence in future.

38 Corpus Funds.

Financial Position: - The financial position of the corpus fund for the year 2016-17 is as under:-

Sr. No.	Particulars	(C)
1	Opening Balance as on 01.04.2016	
	In Saving Account as per Cash Book	8640736.26
	FDRs of Corpus Fund	1056718000.00
	FDRs received by transfer from various Departments though not included in the Fund balance by the University	43593821.12
2	Receipts during the year	10008057.60
	Interest on Saving Bank & FDRs (of various departments plus on those made from corpus)	357659.00
	Total (2)	10365716.60

3.	Grand Total (1+2)	1119318273.98
4	Expenditure during the year(Refund of interest to pnb chailly)	867586.00
	Total(4)	867586.00
5	Closing Balance as on 31.03.2017 as per Cash Book including the FDRs received by transfer but not accounted for (3 - 4)	1118450687.98
6	(i) Closing Balance as on 31.03.2017 as per Bank in Saving Bank Account	693.86
7	FDRs of Corpus Fund	1117176000.00
	(ii) FDRs received by transfer from various Departments though not included in the Fund balance by the University including the FDRs received during 2015-16 referred to above	1273994.12
	Total	1118450687.98
	Difference	Nil

38.1 The difference of `19 pointed out vide para no. 32.1 of audit report for the year 2015-16 has not been reconciled/rectified till the date of this report which may now be reconciled under intimation to audit.

38.2 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 received from saving bank and on maturity of FDRs 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 31.03.2016 was `1118450687.98 which appears to be insufficient in view of increasing liability on account of pension and gratuity.

However, in view of increasing liability on account pension and gratuity continuous sincere efforts are required for further strengthen of the above fund in future also. University needs to negotiate hard with banks to gain greater rates of Interest on its investments. It is further suggested that funds should be invested keeping in view the anticipated Fund Flow Statement after considering the retirements due in the next Financial years and investments should be made accordingly for various durations instead of making FDRs for one year as a routine. This will help to boost the income of the fund.

39 General Provident Fund

Financial Position:-The financial position of the General Provident Fund for the year 2016-17 is as under:-

Sr. No.	Particulars	(₹)
1	Opening Balance as on 01.04.2016	943201618.66
2.	Receipts during the year	184721425.00
	Interest on Saving Bank & FDRs	82012194.00
	Transfer from CPF	474601.00
	Transfer from CPS	3109201.00
	Transfer from main account	138851.00
	Total of receipts	270456272.00
3.	Grand Total (1+2)	1213657890.66
4	Expenditure during the year	215459247.00
	Transfer to CPS	564218.00
	Transfer to ICDEOL	26269.00
	Transfer to Main Account	235104.00
	Total (4)	216284838.00
5	Closing Balance as on 31.03.2017 as per Cash Book (3- 4)	997373052.66
	i) In Saving Bank as per cash book	
	(`24142547.66 plus `64 difference of unreconciled	

amount) `24142611.66

ii) FDRs `973230441.00

Balance as per Bank Statement 996736160.66

Saving bank `23505719.66

FDR `973230441.00

Difference in closing balance between saving bank account and cash book (`24142547.66 -

`23505719.66=636828.00) TDS deducted by the banks on maturity of FDRs

Balance as per bank statement of saving bank account `23505719.66 24142547.66

Plus Difference `636828.00

Total `24142547.66 (balance as per cash book)

39.1 Difference of `64 as pointed out vide Para No. 18 of Audit Report 2013-14 which was assured to be settled in 2015-16 and further in 2016-17 still remains unsettled and thus requires its immediate reconciliation under intimation to audit.

39.2 Refund/ reversal of `636828 wrongly deducted by the bank on account of TDS

A sum of `6,36,828 has been deducted by the Bank on maturity of following FDRs where as per provision of Income Tax the same should not have been deducted in the case of the University as its income is exempted under income tax Act. As such the matter may be taken up with the Bank for refund of the above amount at the earliest and audit be apprised accordingly. It is further advised that due caution may be exercised in this regard for future and the matter for refund of TDS should be taken up as and when it takes place in order to avoid any loss to the fund:-

Sr. No.	FDR No.	Date of Investment	Principal Amount (₹)	Rate of Interest	Date of Maturity	Amount Due on Maturity (₹)
1.	65194121043	11.04.2015	82,18,188	8.75%	11.04.2016	89,61,221
2.	65194121087	11.04.2015	82,18,188	8.75%	11.04.2016	89,61,221
3.	65194121112	11.04.2015	82,18,188	8.75%	11.04.2016	89,61,221
4.	65194121167	11.04.2015	82,18,188	8.75%	11.04.2016	89,61,221
Total Amount due from Bank						3,58,44,884
Credit given by Bank on Maturity						3,52,08,056
TDS by Bank						6,36,828

39.3 Negotiation with banks/ better financial management to earn more amount of interest

As per GPF viability statement supplied vide letter No. 1-54/86-HPU/GPF/CPF dated 30.04.2019, against the total liability of `89,39,83,759 as per ledger accounts of the subscribers, the fund has the assets of `99,73,72,988 thus, resulting in a surplus of `10,33,89,229 which is just 11.56% over and above the amount payable to the subscribers and further with majority of investments having been made at 7 to 8% vis-à-vis the interest of 8.8% awarded to the subscribers during the year 2016-17, it is advised that negotiations should invariably be held with the banks to obtain higher rates of interest to keep the fund viable in the long run.

39.4 Non-reconciliation of accounts with the Main Accounts

As per GPF Account a sum of `2,35,104 was transferred from GPF to the Main Account while there was a transfer of `1,38,851 from Main Account to the GPF Account. But on cross-tallying the same from the Ledger Account supplied by the Compilation Section, it is found that only `2,10,104 was received in the main account from GPF while no transfer of `1,38,851 from Main Account to the GPF Account has been found indicated therein. As such the matter may be taken with the Compilation Section for proper reconciliation & correction of final Accounts accordingly besides to intimate the factual position to audit.

- 39.5** Asset and Liability Statement in respect of the Fund was not supplied to the audit which may be supplied now besides ensuring its submission along with accounts invariably in future.

(Audit Requisition No.RAS/HPU/AR-Annual Accounts-2016-17-38 dated 23.07.2019)

40 Contributory Pension Scheme.

Financial Position

The financial position of the Contributory Pension Scheme for the year 2016-17 is as under:-

Sr. No.	Particulars	(₹)
1	Opening Balance as on 01.04.2016	
	As per Cash Book in Saving Bank	6131761.78
	Investments in FDRS	97261288.00
	Total (1)	103393049.78
2.	Receipts during the year	30008146.00
	Interest on Saving Bank & FDRs	9150338.00
	Transfer from CPF	564218.00
	Total (2)	39722702.00
3.	Grand Total (1+2)	143115751.78
4	Expenditure during the year	4377358.00
	Transfer to GPF	3109201.00
	Transfer to Pension account	2229655.00
	Transfer to Main Account	166923.00
	Total(4)	9883137.00
5	Closing Balance as on 31.03.2017 as per Cash Book (3- 4)	
	iii) In Saving Bank `9122886.78	133232614.78
	iv) FDRs `124109728.00	
	Grand total	133232614.78
	Closing Balance as on 31.03.2017 as per pass book	

	v) In Saving Bank `9122886.78	133232614.78
	vi) FDRs `124109728.00	
	Difference	Nil

40.1 Less credit of interest of `4688.00 by the banks on maturity of FDRs

A sum of `4688.00, as worked out & detailed in **Annexure-H** of this report, was less credited by banks to the fund account on maturity of FDRs. The matter in this regard may be taken up with the concerned bank and ensure the credit of interest less received to the fund. It is further advised that due caution may be exercised in this regard for future and the matter for such loss of interest should be taken up as and when it takes place in order to avoid any loss to the fund.

40.2 Deficit of CPS funds touched to `34,81,808

As per CPS viability statement supplied vide letter No. 4-1/2017-HPU-CPS-Vol-1 dated 02.05.2019, against the liability of `13,67,14,422 as per ledger accounts of the subscribers, the fund has the assets of `13,32,32,614 only, thus, resulting in a **deficit** of `34,81,808 which clearly reflects that the fund is not being managed efficiently. It is advised that tough negotiations should invariably be held with the banks to obtain higher rates of interest to keep the fund viable while the interest being awarded to subscribers may also be fixed after taking into consideration the financial position of the fund.

40.3 Non-Investment of funds to earn more interest

It is observed during the course of audit that a sum of `62.62 lac, `87.01 Lacs and `112.13 lacs were lying deposited in Saving Bank Account of the CPS Fund in the months of 01/2017, 02/2017 and 03/2017 respectively which does not appear to

be justified particularly when fund has already gone into deficit and there were no retirement in the Financial year. It is, therefore, advised that funds must be invested prudently instead of being kept idle in this manner in order to fetch higher interest income and to curtail the deficit of the fund.

40.4 Other Misc irregularities.

- 40.4 (i)** On test check of Ledger Accounts it is observed that there was an excess credit in the following Ledger Accounts which may be reconciled & rectified and accounts may also be recast as the said subscribers have been credited with interest in excess as a result of this irregularity:

Sr. No.	Name of subscriber	Account No.	Month	Excess Credit ()
1.	Shri Kamlesh Singh	2009125	10/2016	`1586 (Employee's Contribution) +1586 (Employer's Contribution) = `3172
2.	Dr.Manju Sharma, Lecturer	2011205	10/2016	`6730(Employee's Contribution) `6730(Employer's Contribution) `13460

- 40.4 (ii)** Further, the following discrepancies were also found in the following ledger accounts due to which the subscribers have been granted higher interest/ less interest. The accounts may, therefore, be recast up-to-date and compliance reported to audit.

Sr. No.	Name & Designation of Subscriber	Account No.	Discrepancy observed
1.	Miss Nisha Devi, Clerk	2015332	Subscription & Employer's share amounting to `1901+1901= 3802 of November, 2016 has been posted in October, 2016
2.	Miss Manju, Clerk	2015333	Subscription & Employer's share amounting to `1901+1901= 3802 of November, 2016 has been posted in October, 2016
3.	Sh. Ravi Kumar, Driver	2008118	DA Arrear has not been credited to the

			Subscriber's Account
4.	Smt. Sunita Devi, Library Attendant	2009122	Subscription & Employer's share amounting to `3422+3422= 6844 of November, 2016 has been posted in October, 2016
5.	Dr.Yashwant Singh, Research Investigator	2004137	Subscription of November, 2016 was `5562 while the subscription of December, 2016 has been indicated as `4860 which may be clarified/ justified with supporting record.
6.	Sh. Dalel Singh, Editor ICDEOL	2010141	Subscription & Employer's share amounting to `5209+5209= 10418 of November, 2016 has been posted in October, 2016
7.	Sh. Dalip Singh-I Peon	2003183	Subscription & Employer's share amounting to `2255+2255= 4510 of November, 2016 has been posted in October, 2016
8.	Sh. Nipun Kumar, Clerk	2012211	D.A. Arrear of November, 2016 amounting to `3314+3314= 6628 has been posted in October, 2016.
9.	Sh. Kewal Krishan, Peon	2003177	Subscription & Employer's share amounting to `2394+2394=4788 pertaining to the salary of the month of October,2016 paid in November, 2016 were found missing in the Subscriber's Account
10.	Sh. Rajinder Kumar, Peon	2015327	Subscription & Employer's share amounting to `1663+1663=3326 pertaining to the salary of the month of October,2016 paid in November, 2016 were found missing in the Subscriber's

			Account
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40.4 (iii) In addition to above, it is observed that account No. 2009136 of Naresh Kumar, Photographer had credit of 15 subscriptions instead of 12. Which may be re-examined & reconciled at your end and necessary correction be effected in Accounts accordingly under intimation to Audit.

Further from this it is quite evident that the accounts are not being checked at the supervisory level as the ledgers have not been found authenticated by the Supervisory Officer. Due checks are, therefore, required to be exercised at all levels to ensure that the record is maintained properly & accurately in order to avoid any excess payments in future.

(Audit Requisition No.RAS/HPU/AR-Annual Accounts-2016-17-40 dated:23.07.2019)

41 Contributory Provident Funds

Financial Position

The financial position of the Contributory Provident Fund for the year 2016-17 is as under:-

Sr. No.	Particulars	(₹)
1	Opening Balance as on 01.04.2016	42274689.23
2.	Receipts during the year	1350136.00
	Interest on Saving Bank & FDRs	3822153.71
	Transfer from CPS A/c	0
	Transfer from GPF A/c	0
	Total (2)	5172289.71
3.	Grand Total (1+2)	47446978.94
4	Expenditure during the year	293000.00
	Transfer to GPF A/c	474601.00
	Transfer to pension A/c	607379.00
	Total(4)	1374980.000
5	Closing Balance as on 31.03.2017 as per Cash Book (3- 4)	
	(i) In Saving Bank as per cash book =`260475.23	46072078.94

ii) FDRs = `45811603.71

6 Balance as per Bank Statement :

i)	Saving Bank = `260475.23	46072078.94
ii)	FDRs = `45811603.71	

41.1 It is observed during the course of audit that CPF Share i.e. `811 and the matching employer's share of `811 amounting in total to `1622 in respect of Sh. Chaman Lal, Clerk, AERC was though duly transferred from Finance Officer's office vide letter No. RTGS/NEFT/0835 dated 05.05.2016 but no corresponding entry thereof was found recorded in his CPF Ledger Account No. 1291 of the said subscriber.

(i) Similarly, it has been found that CPF Contribution i.e. `696 and matching employer's contribution of `696 amounting in total to `1392 on account of D.A. Arrear payable in May, 2016 in respect of Smt. Kanta Devi, Safai Karamchari was duly prepared as per entry recorded at Page No. 75 ECR Vol-I Department but neither any corresponding transfer of funds to CPF is shown to audit nor entry related thereto is made in the CPF Account No. 1260 of the above named subscriber. Thus, in both the cases subscribers have been put into a recurring loss which needs immediate reconciliation & correction in the subscribers' accounts where as in the second case replenishment of funds from the University's Main Account may also be sought after due inquiry from the Accounts Section.

41.2 Adjustment entry made to rectify the difference of `80 as was pointed out in Closing Balance of the fund for the last several years, may also be shown to audit so that the matter could also be finally settled at the end of audit.

41.3 It is also observed that entries recorded in individual ledger accounts are not being authenticated by the Official / Officer In-charge nor monthly running balances are being indicated in the Ledger Accounts of the subscribers which is a serious lapse and needs immediate corrective action in a time bound manner. The possibility of any

addition and alteration at any stage cannot be ruled due to the shortcomings pointed out above.

- 41.4** Further the Reconciliation Statement to verify that the overall postings have been correctly recorded in individual ledger accounts of subscribers and does tally with the funds received in the CP Fund from subscribers by way of deduction from their salary or otherwise and funds transferred/paid to them there from, has not been shown to audit. In the absence of Reconciliation Statements it cannot be verified that all postings stand correctly recorded and there always remains a chance of lapses like those mentioned in **Para 1** above noticed during test check. Therefore, Reconciliation Statement may be prepared at the earliest and shown to audit.

(Audit Requisition No.RAS/HPU/AR-Annual Accounts-2016-17-03 dated:09.04.2019)

- 41.5** Difference of `80 as pointed out vide Para No. 20 and 35.1 of Audit Report 2013-14 and 2014-15 respectively, which was assured to be settled in 2015-16 remains still unsettled and requires immediate reconciliation under intimation to audit.
- 41.6** Asset and Liability Statement in respect of the Fund was not supplied to the audit which may now be submitted to audit immediately besides ensuring its submission along with accounts invariably in future.

42 Irregular payment of Secretariat Pay of `63.53 lacs plus Dearness Allowance to the tune of `82.75 lacs (approximate)- total `146.28 lacs

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 this 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 an allowance and it will form part of basic pay for calculation of various types of allowances and pensionary benefits. It is re-iterated 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 put financial stress on the Institution as well as on the State Government, therefore, 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 amounting to `63.53 lacs plus Dearness Allowances amounting in all to `146.28 Lacs (approximately as worked out below) were paid to the employees of H.P. University during year 2016-17 in contravention to the Govt. instruction stated above the detail of which is as under:-

Sr. No.	Name of the Department	Amount of Secretariat Pay as per information supplied to audit (` lacs)
1.	ICDEOL	4.89
2.	Rest of the University	58.64
	Total	63.53
	Approximate Dearness Allowance thereon DA rates of 127%,130% & 1134% in 2016-17)	82.75
	Grand Total	146.28

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 Department 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 is 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 above irregularity was also pointed out vide Para No. 25, Para 23 & Para 36 of audit Report for the year 2013-14, 2014-15 and 2015-16 respectively when overpayment to the extent of `180.73 lacs, `187.39 lacs & `142.49 lacs were objected but despite that no action to settle the irregularity has been taken till date which is a matter serious concern. However, subject 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.

42.1 In addition to above it has been noticed during the course of audit that element of Secretariat Pay is also being considered for working out the element of employer's share in the case of employees covered under Contributory Provident Fund and Contributory Pension Scheme which is irregular although Secretariat Pay is not being considered by audit for grant of pensionary benefit to other regular employees governed under CCS (Pension) Rules 1972 in line with Government instructions referred to above. Thus, this irregularity in the case of employees covered under Contributory Provident Fund and Contributory Pension Scheme may result in over payment on account of retirement benefits which needs to be addressed immediately by the University. Further provisioning being done by the University @ 20% for Pension, 10% for Gratuity and 10 % for CPF and 10% for CPS is also being done after taking into account the Secretariat Pay which is also irregular when the retirement benefits are not being admitted in this manner i.e. after including Secretariat Pay. Therefore the whole matter is brought to the notice of the higher authorities of HPU as well as that of state Govt. for taking appropriate action as warranted under applicable Rules.

43 Retrenchment / Recoveries `51.34 Lacs

Retrenchment /recoveries to the tune of `51.34 lacs were made during the course of pre-audit during the financial year 2016-17 from various Bills, Payments Vouchers and retiral benefits and leave encashment etc. presented for pre- audit which were though duly passed by the University authorities. This, thus, clearly indicates that no proper/effective check is being exercised at the level of accounts officials / officers posted in Accounts Branches and other University branches. It is also pertinent to add here that the position remains the same till date. Suitable directions are, therefore, required to be issued to all the dealing officials and officers to exercise the adequate required checks while processing the Bills/Claims especially in the concerned Branches so as to avoid irregular/excess payment in future.

In addition to above, there were also several cases of reduction in pay fixation/pension fixation cases at the instance of audit when presented for vetting/pre-audit thus resulting in recurring savings of lacs of rupees to the University.

44 Conclusion:

The above discrepancies including misappropriation in ICDEOL on account of sale of prospectus and excess printing of lessons, huge figures of retrenchments by audit year after year reflect adverse, on the working of the University. No reconciliations are being done to match the receipts being generated in the University from the angle of amount due on that particular account vis-à-vis its actual realization. This coupled with non-writing of Cash Book, writing Cash Books on the basis of Bank Pass Books / Statements, non-balancing of Cash Books have created a mess in the accounts leaving a huge scope for embezzlement and misappropriations. There is also absence of internal control and internal check in the system which is essentially required to control the financial affairs of the University and requires immediate attention of the University authorities. In addition to above, the non-adjustment huge advances for the last several years and further non-compliance/non-settlement of Old Audit Para(s)-932 in number also indicates lack of seriousness of the University authorities regarding follow up action on the discrepancies pointed out by audit.

Sd/-

**Deputy Controller (Audit)
Resident Audit Scheme,
H.P.University, Shimla-171005**

Sd/-

**Director,
H.P. State Audit Department,
Shimla-171009(H.P.)**