

No. Fin(LA)H(2)C(15)(14)52/82 Vol-33
Government of Himachal Pradesh
State Audit Department

From

The Director,
H.P. State Audit Department,
Shimla-171009

To

The Finance Officer,
Himachal Pradesh University,
Shimla-171005.

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

Subject: Audit & Inspection Report on the account of Himachal Pradesh University, Shimla for the year 2018-19

Sir,

I am directed to forward the audit report on the account of Himachal Pradesh University, Shimla-171005, for the year 2018-19 for taking further necessary action at your end. The annotated replies in order to settle the pending audit paras since 1981-82 onwards may kindly be submitted to Joint Controller (Audit), Resident Audit Scheme, Himachal Pradesh University under intimation to this department at earliest.

Yours faithfully,

Sd/-
(Anil Sharma)
Joint Director
H.P. State Audit Department
Shimla-171009
Phone No.0177-2620046

Endst. No. As above dated:.....Shimla-171009

Copy forwarded for information and necessary action to:-

1. The Vice Chancellor, Himachal Pradesh University, shimla-05
2. The Secretary (Education) to the Govt. of Himachal Pradesh, Shimla-02
3. The Registrar, Himachal Pradesh University, Shimla-05 with the request to look into the matter personally and necessary information/record may also be made available to audit at earliest so that the settlement/adjustment of the audit observation could be made accordingly.
4. The Joint Controller (Audit), Resident Audit Scheme, Himachal Pradesh University, Shimla-05 with the direction for taking up the above matter with the University Authorities on Priority basis besides to ensure its compliance & submission of action taken report thereof to the H.Q. office at earliest.

Sd/-
(Anil Sharma)
Joint Director
State Audit Department
Himachal Pradesh, Shimla-171009
Phone No.0177-2620046

**Government of Himachal Pradesh
H.P. 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 2018-19.**

Table of Contents

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 03/2018.
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 2018-19.
4. Old outstanding audit paras settled is given at Annexure-“A” of this Audit Report.
5. The latest position of all outstanding audit paras from 1981-82 to 2017-18 is given in annexure-“B” of this report.
6. Balance Sheet as on 31.03.2019.
7. Receipt and Payment Account 2018-19 (Main Account, NRI & OTHER Account)
8. Income and Expenditure 2018-19.
9. Trial Balance as on 31.03.2019

Audit and Inspection Report for the year 2018-19

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.R.S.Chauhan (Additional Charge)	01.04.2018 to 02.08.2018
		Prof. Sikander Kumar	03.08.2018 to 31.03.2019
2.	Registrar	Sh. Krishan Kumar Sharma, HPAS	01.04.2018 (AN) to 22.11.2018
		Sh. Ghanshyam Chand, HPAS	24.11.2018 (AN) to 31.03.2019.
3.	Finance Officer	Sh. Narinder Thakur Controller (F&A)	01.04.2018 to 31.03.2019

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 2017-18

From the perusal of old outstanding para (s) of previous audit report(s), it is observed that some efforts have been made by the University Authorities for the settlement of old outstanding para (s) but some of the para (s) related to serious nature remained outstanding since long. Therefore, immediate action is required to be initiated for the settlement of following serious para (s) otherwise the audit observations shall never be complied and the very purpose of audit is defeated.

Sr. No.	Brief Description	Para (Nos.)	Audit Report Year wise
1.	Non recovery amounting to ₹2.26 lacs on account of hostel rent.	20	1995-96
2.	Loss of ₹21.35 lacs on account of excess consumption of petrol in university vehicle.	11	2000-01
3.	Short realization of the fee funds amounting to ₹11.23 lacs.	11	2004-05
4.	Short realization of late admission fee amounting to ₹12.64 lacs and fee fund amounting to ₹12.60 lacs.	13 & 14	2005-06
5.	Loss of interest of ₹4.16 lacs due to investment for very short-term period.	18	2005-06
6.	Loss of interest due to keeping heavy amount of ₹93.77 lacs and ₹70.53 lacs in saving/current account.	20 & 21	2005-06
7.	Loss of interest of ₹1.27 lacs due to clubbing of FDR of ICDEOL which were matured on different dates.	22	2005-06
8.	Loss of interest of ₹ 0.95 lac, ₹0.79 lac and ₹0.71 lac on FDRs.	24,25&26	2005-06
9.	Non recovery of shop rent of ₹ 1.01 lacs	Main(IV)	2006-07
10.	Difference of ₹40.25 lacs which is still outstanding for reconciliation in NRI self-financial account of IMS Department.	2	2006-07
11.	Loss of interest of ₹1.13 lacs.	16	2006-07
12.	Recovery of ₹90632.00 on account of re-fixation of pay of Sh. Madan Gopal Sharma &	19	2006-07

	Sh. Ashok Kumar Verma.		
13.	In the annual account for the year 2008-09 in respect of ICDEOL Student fund was shown excessively ₹125.95 lacs over the certified closing balance of the previous financial year.	2(e)(l)	2008-09
14.	Irregular and excess payment of ₹4.47 lacs 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
15.	Irregular Expenditure on account of remuneration amounting to ₹1.28 lacs to teachers of ICDEOL.	26	2008-09
16.	Irregularities in the Advance bill No. 7675 dated 2.2.2009 amounting to ₹25 lacs on account of printing of answer for the year 2008-09.	23	2008-09
17.	Income tax wrongly deducted at source amounting to ₹4.17 lacs from the proceeds of FDRs by the Union bank of India.	26	2008-09
18.	Loss of interest of ₹4.16 lacs due to investment for very short period.	27	2008-09.
19.	Non-inclusion of various funds amounting to ₹426.69 lacs in the annual accounts of the University for the year 2009-10	3 (b)(i)	2009-10
20.	Non credits of valuables to bank account No. 10091435340 (State bank of India) worth ₹4.58 lacs remitted during 02.04.08 to 24.03.09	3 (b) (ii)	2009-10
21.	Short realization of interest of ₹7.05 lacs on FDRs	3, 9b (15), 6(a) (ii), 6 (L) (i), 6 (N)(II), 6(P)(II)	2009-10
22.	Appointment of daily wagers on ad-hoc basis in contravention of Govt. instructions resulting additional financial liability of ₹34.00 lacs p.a. approximately on University exchequer.	12	2009-10
23.	Suspected loss of Stock /Store worth ₹1.90 lacs (Construction Division)	20	2009-10
24.	Suspected mis-utilization of UGC Grants-in-Aid amounting to ₹239.59 lacs	3.1.4	2010-11
25.	Short-accountal of UGC Grant-in-Aid in Annual Account for ₹1.55 lacs due to non-credit of interest received from saving bank	3.1.5	2010-11

	and FDR's made from UGC fund.		
26.	Domestic Receipt ICDEOL inflated by `102.35 lacs	3.1.6	2010-11
27.	Wrong credit of standard License fee ₹7.38 lacs to the Book Adjustment Account.	3.1.7	2010-11
28.	Short-accountal of Examination fee ₹173.03 lacs received by way of valuables i.e. IPO's and Bank Drafts.	3.1.8	2010-11
29.	Loss of interest ₹10.63 lacs due to non-application of Financial prudence.	14(3)	2010-11
30.	Deficit of ₹60.21 lacs in the GPF Account	14(5)	2010-11
31.	Suspected misutilisation of UGC Grant-in-Aid amounting to ₹115.82 lacs.	3.1.4	2011-12
32.	Irregular transfer of Student funds ICDEOL amounting to ₹1432.87 lacs to Main Account of HP University.	16	2011-12
33.	Overpayment of pay and allowances amounting to ₹5 lacs to Cooks (14 in Number)	20	2011-12
34.	Short realization of fee amounting to ₹1.51 lacs from students by Bio-Technology department.	33	2011-12
35.	Irregular deduction of Tax at source ₹1.75 lacs.	12(B)	2012-13
36.	Infructuous payment of ₹3.12 lacs on account of personal accidental insurance scheme.	17	2012-13
37.	Irregular transfer of Student Funds ₹811.05 lacs from ICDEOL to Main Account of HP University.	25	2012-13
38.	Non production of record relating to affiliation/continuation fees ₹175.91 lacs.	26	2012-13
39.	Irregular transfer ₹4.25 lacs from NRI fund (department of chemistry) to UGC SAP Project.	27	2012-13
40.	Less accountal of Income amounting to ₹112.24 lacs of NRI Fund (Regional Centre and School of Legal Studies Dharamshala).	5.5	2013-14
41.	Less accountal of Expenditure amounting to ₹91.98 lacs of NRI Fund (Regional Centre and School of Legal Studies Dharamshala).	5.5	2013-14
42.	Difference in closing balance amounting to ₹98.33 lacs of FDR's NRI and Student Funds.	5.7	2013-14
43.	Difference of ₹58.19 lacs in Other Accounts (Regional Centre and School of Legal Studies	5.8	2013-14

	Dharamshala).		
44.	Non-accountal of Practical Fee amounting to ₹10.46 lacs (Law Department PG Centre) in consolidated Annual Accounts.	5.9	2013-14
45.	Non- refund amounting to ₹4.28 lacs of TDS.	5.15	2013-14
46.	Short Credit of Valuables Student Fund ICDEOL (2011-12) of ₹1.72 lacs.	5.16	2013-14
47.	Loss of amounting to ₹349.74 lacs on account of examination activities	10	2013-14
48.	Loss on account of running cost of Construction Division amounting to ₹1137.91 lacs	11	2013-14
49.	Less accountal of ₹23.64 lacs for the works expenditure in annual account.	11.1	2013-14
50.	Non refund of ₹22.00 lacs to Gratuity Fund.	13.1	2013-14
51.	Irregular payment amounting to ₹9.77 lacs to M/S Perfect Color Digital Prints Pvt. Ltd. Gurgaon.	20	2013-14
52.	Non forfeiture of earnest money amounting to ₹1.00 lacs.	21	2013-14
53.	Irregular purchase amounting to ₹5.15 lacs of furniture and furnishing items (Education Deptt.).	22	2013-14
54.	Irregular payments of ₹180.73 lacs of Secretariat pay including allowances.	25	2013-14
55.	Non-verification/certification of receipt on account of counselling and affiliation fee of ₹358.56 lacs for want of relevant record.	26	2013-14
56.	Non-inclusion of ₹350 lacs on account of UGC Grant in Annual Accounts for 2014-15.	5.4	2014-15
57.	Loss due to non-credit of valuables ₹1.80 lacs	5.6	2014-15
58.	Difference of ₹25.34 lacs in opening balance of annual accounts 2014-15.	5.11	2014-15
59.	Non-accountal of ₹2.97 lacs lying in the Saving Bank Account No. 31347944387- Department of Education in University's annual accounts	5.18	2014-15
60.	Non-submission of details of ₹784.72 lacs transferred by ICDEOL to HP University.	6.1	2014-15
61.	Non-accountal of fee of ₹3.89 lacs received under Power Jyoti Account in annual income for the year 2012-13 ICDEOL	6.4	2014-15
62.	Short credit of valuables amounting to ₹46.50 lacs by PNB Chailly- ICDEOL Student Fund	6.5	2014-15

63.	Non refund of loan ₹30.00 lacs given to IIHS from ICDEOL	6.7	2014-15
64.	Difference in expenditure of student fund (ICDEOL) Annual account for the year 2012-13 ₹6.40 lacs	6.8	2014-15
65.	Regarding difference in opening balance amounting to ₹852.19 lacs of ICDEOL Annual Accounts 2014-15.	6.10	2014-15
66.	Short fall in receipts of counselling/affiliation and centre creation fee ₹254.49 lacs during 2014-15	7	2014-15
67.	Non verification/certification of receipt on account of counselling and affiliation fee of ₹151.79 lacs for want of relevant record.	8	2014-15
68.	Deviation of Govt. Grant ₹13.10 lacs on account of purchase of computers, Laptops/UPS and furniture etc.	9	2014-15
69.	Loss of ₹1255.28 lacs on account of running cost of Construction Division	14	2014-15
70.	Non-accountal of outdated cheques of ₹10.76 lacs in Cash Book GPF	18.1	2014-15
71.	Irregular payment on account of house rent ₹0.92 lac	22	2014-15
72.	Irregular payment of Secretariat Pay including allowances ₹187.39 lacs.	23	2014-15
73.	Loss of interest income ₹40 to 45 lacs due to keeping huge funds in savings bank/ current accounts	5.4	2015-16
74.	Embezzlement of ₹19.09 lacs of income on account of sale of prospectus ICDEOL Revenue Account (in 2015-16 only)	5.5	2015-16
75.	Bank Accounts balance not accounted for in University's books of accounts for ₹16.26 lacs	5.6	2015-16
76.	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
77.	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
78.	Regarding short-realization of ₹1.94 lacs on account of penalty from allottees of Canteens in the University main campus who deposited	5.9	2015-16

	rent after due dates-Estate Office		
79.	Less payment of interest amounting to `6.23 lacs on FDRs by Banks and short realization due to TDS	5.10	2015-16
80.	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
81.	Less transfer of NRI Funds amounting to `333.85 lacs to Revenue Accounts and Pension Corpus Fund	5.14	2015-16
82.	Non- Production of Utilization Certificates amounting to `51.87 lacs	5.15	2015-16
83.	Regarding non-recoupment of ₹6.21 lacs, paid out of NRI funds for Studentship Grant - Biotechnology (NRI/SFS)	8(1)	2015-16
84.	Regarding non-recoupment of ₹2.76 lacs paid out of NRI funds from RUSA grant: Computer Science (NRI/SFS)	8(2)	2015-16
85.	Inclusion of outdated cheques amounting to ₹5.64 lacs in Bank Reconciliation Statements	9	2015-16
86.	Loss on account of running cost of Construction Division amounting to ₹1934.17 lacs	29	2015-16
87.	Irregular payment of Secretariat Pay amounting to ₹142.48 lacs.	36	2015-16
88.	Unfruitful expenditure/loss amounting to ₹40.07 lacs by excess printing of copies of lessons by ICDEOL during the year 2016-17	6	2016-17
89.	Loss of income due to keeping funds in Saving Bank/Current Accounts to the tune of ₹883.42 lacs	7	2016-17
90.	Bank Accounts balance have not been accounted to the tune of ₹74.24 lacs for in University's books of accounts	8	2016-17
91.	Less Transfer of NRI Funds amounting to ₹132.94 lacs to Revenue Account and Pension Corpus Fund.	9	2016-17
92.	Short realisation of interest amounting to ₹0.86 lac due to wrong deduction of TDS on FDRs by the banks.	10	2016-17
93.	Regarding short realization of interest	11	2016-17

	amounting to ₹4.71 lacs on investment made out of the pension fund in the shape of TD/FDR		
94.	Wrong concession of fees allowed to Miss Sakshi Chauhan amounting to ₹0.50 lac {Student of MBA-III, Roll No. 3281}	19.1	2016-17
95.	Non-Production of record regarding Fixed Deposits/ Investments amounting to ₹1372 lacs in respect of ICDEOL student funds	22.1	2016-17
96.	Non-Production of record regarding sale of prospectus amounting to ₹27.58 lacs	22.7	2016-17
97.	Non-clarification the 'head of receipt in respect of ICDEOL amounting to ₹829.77 lacs	22.8	2016-17
98.	Non compilation of receipts in respect of D.S.office amounting to ₹35.16 lacs	25.2	2016-17
99.	Non credit by the bank amounting to ₹1.80 lacs in the account of Department of Commerce	30	2016-17
100.	Reconciled position regarding Fees amounting to ₹2000.50 lacs was not supplied to Audit by the various departments of HPU:-	31	2016-17
101.	Irregular payment of Secretariat Pay Allowance amounting to ₹146.28 lacs	42	2016-17
102.	Difference of ₹6350.00 lacs in figures of Closing Balance of Consolidated Annual Accounts as submitted by University and those Certified by audit due to non-production of record/final accounts in r/o IIHS, ICDEOL and Dean of study.	5.3	2017-18
103.	Excess printing of copies of lessons by the ICDEOL, which resulted unfruitful expenditure/ loss of ₹23.16 lacs	6	2017-18
104.	Loss of interest to the tune of ₹55.00 lacs due to idle parking of funds in Saving Bank / Current Accounts amounting to ₹2238.79 lacs by the different Departments of the University	7	2017-18
105.	Bank Accounts having balance of ₹144.56 lacs in banks, have not been accounted-for in the University's books of accounts	8	2017-18
106.	Less Transfer of ₹72.38 lacs from NRI Funds	9	2017-18

	to Revenue Account and Pension Corpus Fund.		
107.	Regarding short realization of interest ₹1.98 lacs on investment made out of the pension fund in the shape of TD/FDR(MIS)	10	2017-18
108.	Regarding short realization of interest ₹6.32 lacs on investment made out of budget fund (main) in the shape of TD/FDR	11	2017-18
109.	Non reversal/Refund of bank charges ₹0.62 lac by the different banks	12	2017-18
110.	Non adjustment of Advances ₹2160.17 lacs	14	2017-18
111.	Overpayment of ₹3.51 lacs with regard to printing of Answer sheets	16	2017-18
112.	Short realization of ₹0.55 lac from the visitors, who stayed at faculty house.	17.1	2017-18
113.	Unfruitful expenditure of ₹0.34 lac on printing of Journals of Social Science and Law by the Regional Centre of HPU, at Dharamsala	18.1	2017-18
114.	Short realization of ₹3.29 lacs on account of Rent/ penalty by the estate office from the various allottees	21	2017-18
115.	Non-charging/ realisation of GST ₹2.48 lacs by the estate office from the allottees	22	2017-18
116.	Loss to the transport wing amounting to ₹1339.19 lacs	25	2017-18
117.	Loss on providing hostel facilities to the tune of ₹2521.98 lacs	26	2017-18
118.	Regarding dishonoured cheque/cheques on account of pension contribution in r/o Sh. Mahavir Prasad, Professor, Dept. of Physics amounting to ₹10.07 lacs	27.1	2017-18
119.	Loss of revenue of ₹6.37 lacs to the General Provident Fund due to wrong deduction of TDS by the banks on its Deposits	30.2	2017-18
120.	CPS funds deficit ₹77.79 lacs	31.2	2017-18
121.	Irregular payment of ₹63.11 lacs as Secretariat Pay to the officials of HP University.	33	2017-18
122.	Retrenchments/ recoveries amounting to ₹33.34 lacs	34	2017-18

Serious irregularities noticed during the audit for the financial year 2018-19			
Sr. No.	Particulars	Para No.	Amount in lacs of (₹)
1.	Difference in figures of Closing Balance of Consolidated Annual Accounts as submitted by the University and those Certified by audit as on 31.03.2018 amounting to Rs 350 lacs in main accounts and ₹5757.41 lacs in other accounts.	5.3	6107.41
2.	Non-inclusion of Grants in Aid in the Main Account/NRI/other accounts of HPU.	5.4	56.81
3.	Loss of income to the tune due to keeping funds in Saving Bank /Current Accounts to the tune of ₹3302.52 lacs	6	80.91
4.	Less Transfer of NRI Funds to Revenue Account and Pension Corpus Fund.	8	171.50
5.	Non adjustment of Advances.	13	2948.22
6.	Regarding work titled C/o Building for UIIT & Computer Sciences (Phase-III) (SH: Providing Internal Electrical Installation)	15	3.96
7.	Regarding outstanding Rent and Penalty.	18	4.84
8.	Regarding avoidable loss due to non-collection of Goods and Service Tax and further interest thereon due to its belated deposit.	19 (A)	5.26
9.	Regarding avoidable loss due to non-collection of Service Tax and further interest thereon due to its belated deposit.	19 (B)	3.64
10.	Regarding the avoidable loss due to non-collection as well as non- deposit of service tax in time.	19 (C)	11.83
11.	Adjustment of advances amounting to ₹9.66 lacs & ₹1.12 lacs on account of charges for consultancy and repair work of equipment and establishment of community radio station at HPU campus.	21 (D)	10.79

12.	Regarding Bill No. 3096 dated 12.08.2018 related to Construction of Water Harvesting Tank.	28	0.29
13.	Regarding advance on account of purchase of vehicle vide Bill No. 614 dated 24.01.2019 out of Student Fund.	52	5.77
14.	Regarding Bill No. 5021 dated 14.01.2019 related to advertisement in various newspapers.	53	11.23
15.	Loss to the Transport wing.	69	1552.20
16.	Loss for providing Hostel facilities.	70	2957.83
17.	CPS funds deficit.	77	123.04
18.	Irregular payment of Secretariat Pay of ₹63.47 lacs plus Dearness Allowance to the tune of ₹91.37 lacs.	79	154.84
19.	Retrenchment / Recoveries.	80	32.56

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

Period 1.04.2018 to 31.03.2019

Part-I

Latest position of old audit para's

There were 880 old audit Para(s) up to 2016-17 plus 34 paras for the financial year 2017-18, hence total 914 paras were outstanding for settlement out of which 102 old Paras including sub para (s) were got settled/updated by the University during finalization of audit report for the year 2018-19. The detail of settled and unsettled audit Para(s) for the period 1981-82 to 2017-18 is exhibited at **Annexure-“A”&“B”** respectively, now there are 812 Nos. of paras are outstanding for settlement. 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 2018-19 was conducted by the Resident Auditors headed by Shri Rakesh Kalra, Joint Controller (Audit) w.e.f. 01.04.2018 to 31.03.2019. The results thereof are incorporated in the following paragraphs. The audit report is compiled and presented by Smt. Nirmala Verma, Joint Controller (Audit) and Sh. Chet Ram Thakur, Assistant Controller (Audit). The audit report is confined to the month selected for the detailed check in the post audit and has been prepared on the basis of information furnished and made available by the Controlling Officer(s) of the institution. The H.P. State Audit Department disclaims any responsibility for any misinformation or non- submission of information on the part of auditee. Responsibility of the Audit is confined to the month selected for the detailed check in the post audit.

2 Analysis of Financial Position.

The comparative financial position of the consolidated Annual Accounts of H.P. University, Shimla-5 for the period 2017-18 and 2018-19 is as under:

Sr. No.	Particulars	2017-18	2018-19
		(₹in lacs)	(₹in lacs)
1.	Opening Balance		
(a)	Main Account	10782.49	15396.45*
(b)	NRI Scheme	3395.04	3951.18
(c)	Others	7724.15	7745.82

	Total	21901.68	27093.45
2.	Grants		
(a)	H.P. Govt.	10000.00	12010.40
(b)	Centre Govt.	0.00	408.02
(c)	UGC	602.46	0.00
(d)	Other Sources	1991.44	129.60
	Total	12593.90	12548.02
3.	Domestic Income		
(a)	Income from fee and interest	6662.44	6523.04
(b)	NRI/SFS	1897.94	1796..25
(c)	Others Account (Student Fund)	50.64	83.80
(d)	DEBT, DEPOSIT, ADVANCES AND TRANSFERS, INTEREST etc.	1889.03	1142.83
	Total	10500.05	9545.92
4.	Grand total of (1+2+3)	44995.63	49187.39
5.	Payments		
(a)	(1)Main Account	16520.89	17188.33
	(2) Refund of Grant in aid	10.50	22.23
(b)	NRI Account (including transfers)	1341.80	1890.71
(c)	Other Account (including transfers)	28.97	36.43
	Total	17902.16	19137.70
6.	Transfers		
(a)	Transfer of FDRs from NRI to Pension Corpus A/C	00.00	00.00
(b)	Transfer of FDRs from Other A/C to Pension Corpus. A/C	00.00	00.00
(c)	Transfer of FDRs from Main A/C to Pension Corpus. A/C	00.00	00.00
	Total	00.00	00.00
7.	Grand Total (5+6)	17902.16	19137.70
8.	Closing Balance (4-7)		
(a)	Main Account	15396.45*	18399.78*
(b)	NRI Account	3951.18	3856.73
(c)	Other Accounts	7745.82	7865.41
	Total	27093.45	30121.92

*The certified closing balance of main account for the year 2018-19 is ₹1839978344.72 whereas closing balance as shown in Annual Account for the year 2017-18 as well as Balance Sheet is ₹1804978344.72 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, Para No. 5.3 & Para No. 5.3 of Audit Report 2014-15, 2015-16, 2016-17 & 2017-18 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.

(I) The accounts of ICDEOL (Student Fund) has not been certified by audit as the same head not been made available by the university for post audit till the drafting of this report and as such the figures of Other Accounts indicated above do not include the figures of this account.

2.1 Income

The income of the institute mainly comprises of grant-in-aid from H.P. Government, UGC, income from fees, NRI/SFS and Student Funds. During the year 2018-19 total grant of **₹12548.02** lacs have been received by the institute from Himachal Pradesh Government, Centre Government and UGC etc. and **₹9545.92** lacs (which includes **₹1142.83** 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 a decrease of **₹954.13** lacs over the income of the previous year 2017-18. The institute still remains dependent on Government grant-in-aid. It is high time for the authority to mobilize its resources to commensurate with its ever-growing expenditure so as to make the institute self-dependent.

2.2 Expenditure

During the financial year 2018-19 an expenditure of **₹19137.70** lacs (including transfers other than in the shape of FDRs and refund of GIA-**₹22.23** lacs) was incurred by the institution from main account, NRI account and from others account (Student fund) viz-a-viz the expenditure **₹17505.94** lacs in the year 2016-17 and **₹17902.16** lacs in the year 2017-18. The expenditure appears to have increased as compared to the previous years i.e. 2016-17 & 2017-18, hence there is a need to cut on the unnecessary expenditure and to explore its own resources. The income and expenditure of the institute is under the preview of pre/post audit as per H.P. Govt. notification No. Fin(LA)H(2)C(15)XIV-106/87 dated 31.07.2004 and 11.08.2004 and the same was admitted after careful examination but some expenditure which was not found admissible had to be admitted under observations due to the reasons of committed liabilities on account of contracts or the decisions of the Executive Council. Some decisions of the Executive Council were not found in accordance with the provisions of rules and acts framed by superior legislature/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. To increase the efficiency of existing man power provisions for conduct of departmental examination on the pattern of State Govt. may be inserted in the relevant R & P rules for promotion to higher posts.
5. Out sourcing of Allied Services.
6. Better Management of NRI/SFS and Student Funds where huge balance are being kept in saving bank/current accounts.
7. Printing of lessons as per actual requirement i.e. after considering the admission of students in ICDEOL of the H.P.U.

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 2018-19 were prepared on tally solution software by outsourcing the compilation work. Manual preparation of Cash Book and other supporting record was discontinued. The source of funds of the University mainly comprises of Govt. grants i.e. H.P. State, UGC and Centre Govt. and domestic receipts. The application of funds is on salary of the employees and other contingent expenditure. The expenditure out of the University exchequer was regulated under the provision of Rules governed in the State Govt. duly adopted by the executive council, Statutes, Ordinance and Accounts Manual of the University. As a result of checking in the pre-audit as well as in post audit it was revealed that finances of the University were not managed properly which resulted in irregular expenditure and mis-utilization of Grant-in-aid.

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 2018-19 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 accounts/retention of hard copies of computerised accounting record.

5.2 Closing balance as on 31.03.2019 as certified by audit:-

Sr. No.	Name of Accounts	Closing Balance
		(₹)
1.	Revenue Account	1839978344.72
2.	NRI/SFS	385672500.08
3.	Other Accounts (except Student Fund of ICDEOL)	786541368.39
	Total	3012192213.19

5.3 Difference in figures of Closing Balance of Consolidated Annual Accounts as submitted by the University and those Certified by audit as on 31.03.2018 amounting to `350 lacs in main accounts and ₹575740835.38 in other accounts

(i) **Revenue Account:** The certified closing balance of main/ revenue account for the year 2018-19 is ₹1839978344.72 whereas closing balance as shown in Annual Account for the year 2018-19 as well as Balance Sheet is ₹1804978344.72 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 Para 5.3&Para No.5.3 of Audit Report 2014-15 & 2015-16 & 2016-17& 2017-18 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 ₹575740835.38 (₹786541368.39 - 210800533.01) in closing balance of Other Accounts being certified by audit as above and the balance as per annual accounts since the closing balance of ₹174499412.62 appearing in the annual accounts of ICDEOL (Student Fund) has 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 has, 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 of repeated observation of audit since 2010-11 as well as the annual accounts with certified balances for the year 2018-19 were not made available to audit. As regards accounts of Dean of Studies, there were unreconciled differences in the said account as pointed out by audit in audit report for the year 2017-18. Which now stands reconciled during post audit for the year 2018-19.

No.RAS/HPU/AR-AnnualAcctts-2018-19/2023-24/05dated18.02.2022)

No.RAS/HPU/AR-AnnualAcctts-2018-19/2023-24/10dated 03.08.2023)

(iv) 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 31.03.2019

<u>Particulars</u>		<u>Amount in ₹</u>
Consolidated closing balance of Other Accounts as per Annual Accounts		210800533.01
(-) Less	Closing balance of ICDEOL 174499412.62	
		36301120.39
(+) Add	Last certified Balance of ICDEOL (2009-10) 75,02,40,248.00	75,02,40,248.00
Closing Balance as per of Financial Position		786541368.39

5.4 Non-inclusion of Grants in Aid amounting to ₹56.81 lacs in the Main Account/NRI/other accounts of HPU.

On the subject cited above it had been observed during the post audit of annual accounts for the year 2018-19 that the following grants have not been included in the receipts of Main Account/NRI/other accounts of HPU.

1.	NMHS, GBPHIHSESD, Kosi- Kataramal Almora – 263643, Uttarakhand, India	GBPI/NMHS/HF/RA/2 015-16/8493/386/116, dt. 22.10.2018	29,24,247/-	RTGS 23.10.2018	Dr. A.K. Bhatt (Biotechnology)
2.	Govt. Of the India, Ministry of Science and technology, Department of Biotechnology CGO complex, Lodhi Road, New Delhi – 110003	BT/HRD/01/001/93 vol-iii, dt. 05.02.2019	26,60,707/-	19.02.2019	M.Sc. Biotechnology Programme (Deptt of Biotech)
3.	MGNCRE, deptt. of Higher Education, MHRD, Govt. of India.	PR41/FDP/NCRI/2018 /349 DT. 17.01.2019	96,000/-	31.08.2018	Dean of studies, HPU, Shimla - 5
Total			56,80,954		

You are, therefore, requested to trace the whereabouts of these Grants and justify their non-inclusion in the above stated accounts immediately.

(Audit Requisition RAS/HPU/Annual Accounts/ 2018-19/2023-24/14 dated 04.08.2023)

6 Loss of income to the tune of ₹80.91 lacs approximately due to keeping funds in Saving Bank / Current Accounts to the tune of ₹3302.52 lacs

During the course of audit of the Annual Accounts submitted by your good-self, it was noticed that a huge funds of NRI/SFS and other Accounts by the following departments have been kept in their saving bank/current accounts which is not justified in view of their income and expenditure and is causing huge loss of income to the institution due to non-investment of surplus funds in higher-interest-fetching FDR. Even if 70% of these funds would have been invested in the shape of FDRs @ 7 % to 8%, this would have fetched the institute approximately ₹80.91 lacs (i.e. 3302.52 x 0.7) x 3.5 % (i.e. 7.00% - 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 31.03.2018 (₹ In lacs)
1.	IMS	40.41
2.	Law	79.48
3.	Geography	13.10
4.	Physics	32.61
5.	English	2.95
6.	Yoga	7.07
7.	Psychology	6.37
8.	HPUSA&CAC	25.12
9.	PRC	3.98
10.	IVS(MTA)	50.63
11.	Journalism & Mass Communication	29.93
12.	School of legal studies, Dharamsala (SFS)	104.44
13.	ICDEOL	1429.19
14.	Computer Science	318.92
15.	HPU Centre for evening studies	7.71
16.	HRDC	37.54
17.	Economics	11.59
18.	Chemistry	39.31
19.	Bio-Sciences	44.38
20.	Phy.Education	6.00
21.	Commerce	4.53
22.	BBA/BCA (NRI)	25.34
23.	BBA/BCA (other a/c)	49.22
24.	UIIT	505.16

25.	UILS	235.79
26.	Bio-Tech	22.59
27.	HPU Model School	5.00
28.	Dean of Study	145.45
29.	Mathematics	1.22
30.	Education	2.11
31.	Public admn.	0.27
32.	Pre-examination coaching centre	15.11
	Total	3302.52

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 reasons that the department have started retaining huge surplus funds in less-interest-fetching saving bank accounts instead of investing in higher interest rates/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 the University in this regard. The issue needs urgent attention of higher authorities of the university in order to boost the income of the institution.

(Audit Requisition No. RAS/HPU/AR-AnnualAccts-2018-19/23-24/11 dated 03.08.2023)

7 Non verification of Bank Accounts not accounted for in University's books of accounts amounting to ₹144.56 lacs.

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. It is pertinent to mention here that this issue was also raised vide Para no.8 of Audit Report for the year 2017-18. Current status of these Bank Accounts as reported was asked for but there is no compliance in this regard till the drafting of this Audit Report. Therefore, non-inclusion of Bank Accounts having balance of ₹144.56 lacs in the year 2017-18 could not be verified in the current financial Year i.e. 2018-19.

(Audit Requisition No. RAS/HPU/AR-Annual Accts-2018-19/23-24-13 dated 04.08.2023)

8 Less Transfer of NRI Funds to the tune of ₹171.50 lacs to Revenue Account and Pension Corpus Fund.

As per HP University Notification No. 1-14/2010/HPU(Bud) dated 06.02.2010, 60% (50% to HPU Revenue Account and 10% to Pension Corpus fund) of the total income generated under NRI/SFS was required to be transferred to the Finance Officer but in the instant cases the funds have not been transferred by the following university department as per the ibid notification. Hence the short transfer may be justified or the funds may be got received from the concerned department from where the funds have been received less:-

Sr. No.	Name of the deptt.	Amount of fee	Transfer to F.O.	60% Share	Less Received
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		received			
1	Yoga	170000	0	102000	102000
2	Mathematics	125000	0	75000	75000
3	Commerce	220000	0	132000	132000
4	Physical education	70000	0	42000	42000
5	MTA	5085000	1116000	3051000	1935000
6	UILS	29939655	9597520	17963793	8366273
7.	Bio-Technology	4954000	2721600	2972400	250800
8	Geography	400000	0	240000	240000
9	Journalism & Mass communication	488000	0	292800	292800
10	MBA	12240457	7104280	7344274	239994
11	Computer Science	9833000	425735	5899800	5474065
Total		63525112	20965135	38115067	17149932

The less transfers of funds from the NRI/SFS as worked out **₹17149932** may be ensured in the revenue account/pension corpus fund under intimation to audit. In addition to above the amount due in respect of ICDEOL Student Fund may also be worked out after considering the transfers made previously and compliance be reported to audit.

(Audit Requisition No. RAS/HPU/AR-Annual Acctts-2018-19-12 dated 14.03.2022)

9 Regarding short realization of interest amounting to ₹1.54 lacs on investment made out of the pension fund in the shape of TD/FDR(MIS)

During the course of audit of investment accounts, it is noticed that the interest has been short realized on monthly basis. The detail of the short- realized interest has been detailed in ANNEXURE-C, which has been worked-out **₹153789** for your kind reference and the matter regarding short realization of interest may be taken-up with the banks to take the credit, under intimation.

(Audit Requisition No. RAS/HPU/AR-Annual Acctts-2018-19/23-24/9 dated 02.08.2023)

10 Regarding short realization of interest amounting to ₹1.32 lacs on investment out of budget fund (main) 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 has been short realized at the time of maturity. The detail of the short realization is enclosed at ANNEXURE-D, which has been worked-out **₹132492/-**. The matter regarding short realization of interest may be taken-up with the banks to take the credit, under intimation to audit.

(A.R. No. RAS/HPU/AR-Annual Acctts-2018-19/2023-24-16 dated 27.04.2023)

11 Non reversal/ refund of bank charges amounting to ₹1.25 lacs

An amount of **₹125013.44** has been charged by the banks on account of bank charges/pass book/ cheque book issue charges as per detail given below. The matter regarding refund of such charges may be taken with the concerned banks as no such charges are required to be levied by the banks on the bank accounts of HPU. The detail of such charges is given below:-

Sr. No.	Name of the Department	Bank account No.	Amount
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1.	Computer science	(SBI)10091438158	2655.00
2.	IMS		1496.84
3.	Chemistry		649.00
4.	UIIT	(SBI) 31712766986	12322.00
5.	UILS	(Indian bank) 907696676	859.00
6.	HPUS & CAC	Fid Loan charges (Bank)	708.00
7.	PECC	(SBI) 10091438294(excess in Cr. S/bank)	295.00
8.	DS office		826.00
9.	Construction Div.-II		826.00
10.	Construction Div.-I		826.00
11.	Regional Centre & SLS Dharamshala	34952079431 265.50 34952162682 265.20 35011972599 265.50 34857828244 767.00	1563.50
12.	ICDEOL SBI PNB ,Chailli SBI	10091436025 8243	101686.20
13.	HPU Model School	10091438409	300.90
Total			125013.44

(A.R. No. RAS/HPU/AR-AnnualAcctts-2018-19/2023-24-11dated 04.08.2023)

12 Non-production of Utilization Certificates of ₹20.86 lacs.

During the course of audit, it was found that an amount of ₹2086100/-was transferred by the following departments to the Executive Engineers, Construction Division/ Maintenance Divisions, II HPU Shimla-5 for execution of various works/ repair work but the Utilisation Certificates against the amount transferred 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 (₹)
1.	Computer Science	For Maintenance works	Executive Engineer	522600
2.	MTA	Civil work		543900
3.	Psychology			300000
4.	UILS			542700
5.	Physics			24600
6.	chemistry			152300
			Total	2086100

Some of the departments had presented Utilisation Certificates in response to Audit Requisitions but the amount due for refund from the Divisions was not refunded

to the departments concerned. The observations have been included here in order to ensure and monitor full compliance.

The said information in respect of Division No. I was not received till the drafting of this report and as such the information regarding the said Division could not be incorporated in this Audit Report.

(Audit Requisition RAS/HPU/Annual Accounts/ 2018-19/2023-24/15 dated 08.08.2023)

13 Non-adjustment of Advances ₹2948.22 lacs.

Advances to the tune of ₹294822138.37 upto 31.03.2019 were outstanding for adjustment, as per figure that appeared in the Annual Accounts of HP University, Shimla-5. The amount of outstanding balance is increasing year to 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 and stern action from the side of university authorities. It is added here that the audit has sought information regarding outstanding “Temporary Advances” in each decade w.e.f. 1.4.1978 till 31.03.2019 vide audit requisition No.(RAS/HPU/Annual Accounts/ 2018-19/2023-24/17 dated 30.06.2023) but no information as sought has not been provided to audit for verification, so the position appearing as outstanding temporary/advances in the annual account has been taken as such. Hard steps and efforts may be made to get adjustments of long pending advances.

14 Under-showing of Closing Stock in the Balance Sheet of the University by non-inclusion of stock lying with various University Departments amounting to ₹131.02 lacs.

Closing Stock worth ₹13102458.83 only has been indicated in the Balance sheet for the financial year 2018-19, which includes stock of printed material/postages 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 included in the University Balance Sheet. But 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 in accounts.

(Audit Requisition RAS/HPU/Annual Accounts/ 2018-19/2023-24/8 dated 01.08.2023)

15 Regarding work titled C/o Building for UIIT & Computer Sciences (Phase-III) (SH: Providing Internal Electrical Installation)

1st and Final Bill related to work cited on the subject above where in Item No. 9, 27 and 28 i.e. providing and fixing of CFL Bulbs of 18W & 36W were substituted and instead item No. 30 providing and fixing of LED Bulbs of 15W and 36W was finally executed for which contractor was paid @ ₹2278.10 & ₹6869.80 respectively totalling ₹7,43,474 entailing additional financial implication of ₹3,95,838/- as is evident from Executive Engineer {Construction} letter No. Const.DB-144/HPU/2014-15/075 dated 19.11.2016 whereby the approval of competent authority was conveyed for execution of the above substitute item. While checking the analysis of rates of the

said substitute item, it has been observed that the same has been analysed and paid to the contractor on the basis of MRP of HALONIX brand whereas as per Agreement Clause 12(v), the rates were required to be determined on the basis of prevailing market rate(s) and for working out the prevailing market rate codal formalities viz calling of quotations to ascertain the lowest market rate, should have been completed but it seems that no such efforts were made. As such it appears that the contractor had been extended undue favour by allowing higher rates than due in total disregard of the established procedure, which may be justified.

(Audit Requisition No. RAS/HPU/Audit Requisition /-2018-19-2 dated 07.04.2018)

16 Regarding hiring of taxis without following codal formalities

Reference to the Contingent Bills No. 6129 dated 23.01.2018 for ₹59315/-, Contingent Bill No. 6726 dated 19.03.2018 for ₹ 13400, and Contingent Bill No. 6727 dated 19.03.2018 for ₹30,500 related to hiring of taxis and other expenditure. While pre auditing the above bills, it was observed that expenditure to the tune of ₹98,900 has been incurred on account of taxi hiring for project work though neither the said hiring charges paid were regulated as per rates notified by the Department of Transport vide its Notification No. Tpt-F(5)3/2003 dated 25.08.2011 duly adopted by the university vide its Notification No. 3-12/76 HPU(GAD)Vol-II dated 10.10.2011 nor any competitive rates were obtained for the purpose. Moreover, number of kilometres travelled per day had also not been indicated on bills/ cash memo of the taxi provider and taxis had been hired purely on per day basis. In response to the audit observation dated 28.03.2018 about the basis of hiring and non-indication of kilometres travelled on bills/ cash memo of the taxi provider your office reply dated 31.03.2018 that the taxis had been hired on per day basis being for hard areas and kilometres exceed on starting day and during last journey day, was not found satisfactory being incomplete, not point wise and not supported with applicable rules. Further your contention that the journey involves hard area was also not correct as the most journey fall in non- hard areas of nearby districts only. You are, therefore, requested to justify the hiring of taxis without following codal formalities failing which the recovery of excess payment made, if any, on this account may be ensured under intimation to Audit.

The bills as above was, however, admitted in audit being committed third party payment subject to observation as above. Which may be attended to and compliance thereof may be intimated/shown to audit.

(Audit Requisition No. RAS/HPU/Audit Requisition /-2018-19-5, dated 08.05.2018)

17 Regarding drawal of advances for ₹14.70 lacs for evaluation and related expenditure.

Bills No. 546, 547, 549, and 548 dated 10.05.2018 for ₹ 13,00,000, ₹1,00,000, ₹60,000 and ₹10,000 respectively amounting to ₹14.70 lac vide which advances to meet out expenditure on account of remuneration to evaluators, fuel, vehicle repair and miscellaneous expenses in connection with forth coming evaluation work has been drawn. In this regard, it is informed that as per provision of Himachal Pradesh Financial Rules advances are required to be drawn only to the extent of the requirement for immediate disbursement to concerned quarters and the unspent

balance, if any, is required to be deposited back into the university account immediately after accomplishment of the purpose for which it has been drawn. But it had been observed in audit during the course of adjustment of advances which had been allocated to us since July, 2017 that advances were being drawn much above the actual requirement and huge funds were retained by the officers/ officials concerned as unspent balances for periods ranging from two to four months, instead of depositing the unspent amount into university account after completion of the examination/ evaluation process. As a result huge university funds remain parked outside the bank accounts of the university which not only deprives the university from optimum use of funds but also leads to loss of interest. It is, therefore, advised that due care be exercised in this regard and it may be ensured that advances are drawn only to the extent of actual requirement and unspent balances be deposited back into university account immediately after the fulfilment of the purpose for which advance has been drawn failing which penal interest may invariably be recovered from the officer/ official at fault.

(Audit Requisition No. RAS/HPU/Audit Requisition /-2018-19-7 dated 24.05.2018)

18 Regarding outstanding Rent and Penalty amounting to ₹4.84 lacs.

During the post audit of the accounts for the year 2018-19, it is noticed that the Rent/Penalty as per agreement of shops/Hostel Canteens. SBI ATM and other properties amounting to ₹484407/- hadnot been raised/recovered from the tenants mentioned below and in some cases, penalty was due but penalty had not been imposed by the estate office of the HPU.

As per agreement penalty was required to be imposed and rent/penalty was required to be received in time bound manner, hence the amount on account of Rent/penalty may be recovered from the defaulters/tenants and be deposited in the university exchequer under intimation to audit.

A/ Sr. No.	Name of tenant and property	Non-collection of rent + GST	Remarks
1.	M/s Vijay Thakur. KaundalniwasVikasnagar Shimla “cafeteria”	360450=00	Rent not received
2.	H.P. state co-operative Bank, Summerhill	112477=00	Rent not received
3.	H.P. state co-oprative Bank, Summerhill (ATM)	8760=00	GST not received on rent
B) Sr. No.	Name of the tenant	Non-collection of penalty	Remarks
1.	Girls Hostel Canteen M/s Nirmla Devi	2020.00	i.e. penalty due for the m/o July ₹3500/- but received ₹ 2000/- hence not realised ₹ 1500/-

			penalty due for the M/o Dec 2018 ₹520/- not received
2.	Girl Hostel Canteen M/s Sandeep Verma	700.00	i.e. penalty due for the M/o Feb 2019 ₹700/-
	Total A+B	484407.00	

(Audit Requisition No. RAS/HPU/Audit Requisition /-2018-19/2021-22/7 dated 07.03.22)

19 (A) Regarding avoidable loss of ₹5.26 lacs due to non-collection of Goods and Service Tax and further interest thereon due to its belated deposit.

Bill No. 625 dated 17.05.2018 for ₹5,25,598/- submitted for pre-audit vide which Goods and Service Tax of ₹ 4,84,330/- for the period w.e.f. 01.07.2017 to 31.03.2018 along with interest thereon amounting to ₹41,268/- for belated deposit had been proposed to be paid, while pre-auditing the said bill it had been observed that it was only supported with a statement indicating the amount of GST to be paid on various let out properties of the university during the above stated period with interest thereon separately worked out @ 18% for its belated payment/deposit but it was not clear from the record put up to audit with the said bill as to whether the GST being paid by university had also been collected from the concerned quarters/ tenants or not, besides why timely action in this regard was not initiated when the law itself came into force w.e.f. July 1, 2017 as it had led to interest payment of ₹ 41,268/ for belated deposit of the said tax liability. Thus, it appears that the university exchequer has been made to suffer a revenue loss of ₹ 5,25,598/- (i.e. ₹ 4,84,330/- + ₹ 41,268/-) which could have been avoided had university authorities acted timely in the matter and imposed GST on the concerned quarters and further deposited the tax in time with the concerned authority as per provision of said Act. Therefore, the loss, as above, may either be made good from the appropriate source or the irregularity may be got regularised with the sanction of competent authority viz Finance Committee and Executive Council besides ensuring in future that GST is duly collected from concerned quarters in respect of all let out properties and further deposited timely with the concerned tax authority so as to avoid such kind of loss to university exchequer.

(Audit Requisition No. RAS/HPU/Audit Requisition /-2018-19-8, dated 24.05.2018)

19 (B) Regarding avoidable loss of ₹3.64 lacs due to non-collection of Service Tax and further interest thereon due to its belated deposit.

Refer to your office bill No. 719 dated 22.05.2018 which was initially presented for ₹5,24,421/- and included Service Tax of ₹ 2,60,507/- for the period w.e.f. 01.07.2013 to 30.06.2017, interest of ₹ 1,03,896/- thereon for belated deposit and also a penalty of ₹ 1,20,941/- in respect of certain properties which had been let out by the university but whose rent was still unrecovered as the related matters are pending in courts. Before pre-auditing the said payment this office vide our observation dated 22.05.2018 asked for record related to service tax maintained by the university so that it could be verified that the service tax to the above extent was still unpaid and also asked for justification for interest and penalty thereon duly supported by order / notice

from the concerned tax authority. But instead of supplying the related record and notices in order to justify the above proposed payments, the bill has been presented with the amount modified to ₹3,64,404/- i.e. excluding the penalty part, after reconsideration and revised approval of competent authority of the university. As the matter are pending in courts and service tax has been proposed to be paid on rent receivable from tenants {which may take time being court matter}, it is not clear as to how university proposes to recover/ collect the tax being paid from the concerned quarters/ tenants. Further, it had also not been explained to audit why timely action in this regard was not initiated if the service tax was required to be paid on receivable basis as per the provisions of Service Tax law which led to interest of ₹1,03,896/- due to belated deposit. Thus, it appears that the university exchequer has been made to suffer a revenue loss of ₹ 3,64,404/- (i.e. ₹ 2,60,507+₹ 1,03,896) which could have been avoided if the university authorities imposed service tax on the concerned quarters and also further deposited the tax in time with the concerned authority as per provision of said Service Tax Act. Therefore, the loss as above may either be made good from the appropriate source by initiating necessary efforts for recovery or the irregularity may be got regularised with the sanction of competent authority viz Finance Committee and Executive Council besides ensuring in future that all taxes are duly collected from concerned quarters and further deposited timely with the concerned tax authorities so as to avoid such kind of loss to university exchequer.

However, the bill had been admitted in audit being statutory tax liability of the University as per sanction of the HPU authority, subject to above observations. It is also pertinent to add here that similar lapse was also pointed out vide Audit Requisition No. 03 dated 24.04.2018 vide which payment of ₹11,83,417.59 in r/o service tax of ₹8,06,2070.42 besides interest of ₹3,77,147.17 for belated deposit of service tax was presented for pre-audit vide Contingent Bill No. 219 dated 16.04.2018.

(Audit Requisition No. RAS/HPU/Audit Requisition /-2018-19-9, dated 25.05.2018)

19 (C) Regarding the avoidable loss of ₹11.83 lacs due to non- collection as well as non- deposit of service tax in time.

While pre auditing the contingent bill no. 219 dated 16.04.2018 amounting to ₹11,83,417.59 on account of E-payment of service tax for the year 2013-14, 2014-15, 2015-16, 2017-18, 2018-19 up to 07.04.2018 along with interest of ₹ 3,77,147.77 in response to notice of Senior Intelligence officer, Directorate General of GST intelligence, it had been observed that the university has neither collected service tax from the tenants to whom the property was let out on monthly rental basis nor deposited the same in time with the concerned authority due to which the penal interest of ₹3,77,147.77 has also been imposed upon it and consequently the university exchequer had to suffer a loss of ₹11,83,417.59 (service tax ₹80,62,70.42 + interest ₹3,77,147.77) which could have been avoided if the service tax had been charged as well as deposited in time as per the provision of relevant rules on the subject.

Therefore, the said loss may either be made good from the appropriate source or the irregularity may be got regularised from the competent authority viz.

Finance Committee/Executive Council besides ensuring the charge/collection of service tax or GST as the case may be from the concerned tenants as per applicable rules and its timely deposit with the concerned authority in order to avoid any such loss in the future.

(Audit Requisition No. RAS/HPU /-2018-19-3, dated 24.04.2018)

20 (A). **Audit observation regarding advance for ₹1.92 lacs for purchase of Godrej brand furniture articles from M/s Wardhman Corporation, The Mall, Shimla being adjusted vide Contingent Bill No. 6336 dated 07.03.2018**

During pre-audit of the adjustment account submitted vide bill cited in subject above it has been observed that the department of Geography had purchased the furniture for ₹1,91,660/- from M/s. Wardhman Corporation Ltd., The Mall, Shimla on single quotation basis after taking approval from the competent authority without involving any prescribed procurement procedure which involves inviting competitive rates process including technically qualifying the firm before effecting the purchase of this magnitude. Thus, the purchase of Godrej brand furniture articles from M/s Wardhman Corporation, The Mall, Shimla in the absence of any rate contract in favour of the said firm/ company appears to have been carried out without having followed the prescribed procurement procedure and is, hence, irregular being done in violation of the store purchase rules. You are, therefore, requested to get the above purchase regularised either with the specific sanction of competent authority or action be taken as per the rules prescribed in this regard while proper utilisation of replaced furniture after due repair where required, may also be ensured.

In addition to above, it is advised that in future procurements be made on competitive rate basis by strictly adhering to the Store Purchase Rules in order to avail benefit of the most economical rates in the university interest and all codal formalities for purchase be completed before drawl of advance and the sanction for expenditure may invariably be routed through the Finance Officer so that he could also do necessary scrutiny at his end.

(Audit Requisition No. RAS/HPU/Audit Requisition /-2018-19-10, dated 28.05.2018)

20 (B) **Audit observation regarding adjustment of advance of ₹2.98 lacs on a/c of purchase of Godrej brand furniture articles from M/s Wardhman Corporation, The Mall, Shimla being adjusted vide Contingent Bill No. 1214 dated 25.06.2018.**

During pre-audit of the adjustment account submitted vide bill cited in subject above it had been observed that the department of Bio Sciences had purchased the furniture for ₹2,98,770/-from M/s. Wardhman Corporation Ltd., The Mall, Shimla on single quotation basis after taking approval from the competent authority without involving any prescribed procurement procedure which involves inviting competitive rates process including technically qualifying the firm before effecting the purchase of this magnitude. Thus, the purchase of Godrej brand furniture articles from M/s Wardhman Corporation, The Mall, Shimla in the absence of any rate contract in favour of the said firm/ company appears to have been carried out without having followed the prescribed procurement procedure and is, hence, irregular being done in violation of the store purchase rules. You are, therefore, requested to get the above

purchase regularised either with the specific sanction of competent authority or action be taken as per the rules prescribed in this regard.

In addition to above, it is advised that in future procurements be made on competitive rates basis by strictly adhering to the Store Purchase Rules in order to avail benefit of best economical rates in the university interest and all codal formalities for purchase be completed before drawl of advance.

The adjustment account as above has, however, been admitted in audit as per sanction of competent authority subject to above audit observations.

(Audit Requisition No. RAS/HPU/-2018-19-73, dated 14.03.2019).

21 (A) Adjustment of advance amounting to ₹1.28 lac-irregularities thereof.

During the course of Audit of Adjustment of Advance amounting to ₹127500 put up vide bill no. 768 dated 26.03.2018 the following irregularities had been observed. Under prevalent instructions no cash payments were required to be made for effecting purchase as well as availing services. But contrary to these instructions payments for purchasing R.O., AC and Repair of Generator amounting to ₹39500/-, ₹26000/- and ₹39790/- respectively totalling ₹105290/- were made in cash which is irregular and may either be justified or got regularised with the sanction of the competent Authority besides ensuring the adherence of these instructions strictly in future.

1) From the perusal of diesel bills submitted along with the adjustment account, it was observed that an advance of ₹16032/- for the expenditure on this account had been utilized in piece meals during the period of 1½ years, ranging from 10/12/2014 to 07/04/2016 which is contrary to the provisions of Financial Rules regarding drawl and adjustment of advance

2) Further the said purchase has been made from petrol pumps spread all across viz Jain Service State, Sec. 54 Noida, India Puran Auto fuels Gaziabad, H.P. Centre Sec/ 62 Noida, Ram Service Station New Delhi, whereas the purchase could have been made from a petrol pump nearest to the LRC Noida as the purchase was for operating the generator. In view of the stated position it was doubted that the utilization and adjustment of advance was considerably delayed deliberately just to manipulate the utilization of Advance and avoid its timely refund. Therefore, the whole matter may be inquired into and stock register of purchase and Consumption of diesel may be got seen along with log book of generator from the Audit.

3) Advance of ₹127500/- was drawn by bill No. 344 dated 02.07.2014 and the unspent balance there of ₹6178/- had been deposited on 19th March, 2018 after a lapse of about 3½ years which is quite irregular and may either be justified or the Penal interest thereon be recovered from the concerned and be deposited into university account.

(Audit Requisition No. RAS/HPU/Audit Requisition /-2018-19-11, dated 29.05.2018)

21 **(B) Regarding adjustment of Advance for ₹02.00 lac vide Bill No. 31 dated 28.08.2018 related to expenditure in connection with 47th Annual General Meeting of Sports and Culture Activities Council held on 07 and 08.08.2018**

While checking the above bill here in pre-audit it had been found that refreshments /lunch to the tune of ₹75,402 were served during the above **Annual General Meeting of Sports and Culture Activities Council** and arrangement thereof was made through M/s Bass Waves, Vishal Sood, 154, Cheough House, Summer hill, Shimla-5 vide their invoice No. GST/97 dated 21.08.2018 on the rates approved by the University after NOC from University Faculty house but no quotations/competitive rates were invited for the purpose which is irregular and in such a scenario chances of over payment cannot be ruled out. It is, therefore, advised that in future all codal formalities including inviting competitive rates must be duly completed before making any such arrangement in the larger interest of university.

The advance as above had, however, been adjusted in audit in view of sanction/relaxation by the Hon'ble Vice Chancellor on 30.01.2019 subject to the observations as above and also keeping in view the committed third party liability of the university.

(Audit Requisition No. RAS/HPU/Audit Requisition /-2018-19-67, dated 22.02.2019)

21 **(C) Regarding notified rates of cooliage on account of adjustment of advance for ₹1.60 lacs.**

Contingent bill No. 1094 dated 18.06.2018 vide which adjustment account of advance for ₹1,60,000/- drawn on 28.09.2016 to meet day-to-day contingent expenditure in connection with cooliage of answer scripts and other miscellaneous expenses has been submitted for adjustment in audit. The advance has been adjusted in audit in view of specific sanction by the Hon'ble Vice Chancellor on 15.09.2018 wherein it has also been assured that for future rates of cooliage will be duly notified by the university. You are, therefore, requested to ensure to approve the rates of cooliage after completing all the codal formalities and duly apprise the audit in this regard so that further bills could be accordingly regulated in audit.

(Audit Requisition No. RAS/HPU /-2018-19-28, dated 20.09.2018)

21 **(D) Adjustment of advances amounting to ₹9.66 lacs & ₹1.12 lacs on account of charges for consultancy and repair work of equipment and establishment of community radio station at HPU campus.**

During the course of pre-audit of adjustment Bill No. 7086 and 7087 dated 28.03.2018 on account of charges for consultancy and repair work of equipment and establishment of community radio station at HPU campus, it had been observed that as per agreement dated 17.10.2013 entered by the HPU with the firm BECIL (Broadcast Engineering Consultant India Ltd.) 50% of amount of cost/fee shall be paid on signing of the agreement and the time period for completion of the work was stipulated as 3-4 months from the date of signing of the agreement and payment. Since the agreement was signed on 17.10.2013 and consequently 50% advance payment was made on 28.09.2013/17.10.2013, therefore, as per above agreement work should have been

completed by the end of December 2013/January 2014 but the same was incomplete even after a lapse of more than four years, which is a serious matter of concern. Further no extension of period for completion of work had been granted by the competent authority due to which advance of ₹10,78,760/- paid to the firm seems to be infructuous expenditure.

The whole matter is brought to the notice of the higher authority for taking appropriate action to ensure the protection of university interests and to apprise the audit about the factual position.

(Audit Requisition No. RAS/HPU/-2018-19-1, dated 06.04.2018)

21 (E) Contingent advance adjustment bill amounting to ₹4.20 lacs

During the course of audit, the contingent advance adjustment bill no 6662 dated 16.03.2018 for ₹420000/- it had been observed that Regional Centre Khaniyara, Dharamshala paid the Sundry charges amounting to Rs 1347 to the State Electricity Board while making payment of electricity bill for the month of June, August, 2017 amounting to Rs 25030/--, 23405/ respectively as per detail given below, which seems to be irregular. Therefore, either payment of these charges may be justified or the matter be taken up with the HPSE Board to get refund of these charges under intimation to the audit.

Sr. No.	Voucher No.	HPSEB bill No.	Month	Amount of Bill (₹)	Sundry charges (₹)
1	3	111269380866	6/17	25030	59
2	5	111271632044	8/17	23405	1288
Total Sundry charges					1347

(Audit Requisition No. RAS/HPU /-2018-19-12, dated 05.06.2018)

21 (F) Regarding Adjustment of Advance amounting to ₹ 3.50 lacs

In response to audit observation dated 13.09.2018 recorded on the face of the bill No. 6063 dated 22.02.2018 whereby adjustment account of advance for ₹350000/- drawn for the purpose of inspection / affiliation from Bar Council of India has been submitted to audit. It has been reported by your office that Bar Council of India (BCI) had yet to conduct the inspection while the fees stand's duly paid to them in advance. As such the above advance had been adjusted here in audit subject to observation that related certificates/ report regarding affiliation and inspection for the year 2018-19, may please be shown to audit as and when the inspection was completed by the BCI, so that the payment made in advance could be justified/ verified.

(Audit Requisition No. RAS/HPU /-2018-19-29, dated 26.09.2018)

21 (G) Regarding the adjustment of Advance for ₹1.36 lacs for purchase of Kero Heater on single quotation basis.

Regarding the subject mentioned above, it is intimated that observation was made on the face of bill about the reply tendered, in respect of the Audit Requisition No. RAS/HPU/Audit Requisition Reply/2017-18-1041-42 dated 29.03.2018, which was not found satisfactory. Further while submitting the Adjustment bill in audit, again presumptive/Hypothetical statements have been put in audit instead of concrete facts to justify the purchase of Kero Heater on single quotation basis from M/s TLG Spectra visions Pvt. Ltd. New Delhi. The advice of the Audit regarding purchase of non-proprietary articles have been ignored and the above-mentioned purchase has been justified by using the statement at N-33 of the file that Kero Heaters seems to be items of proprietary nature that itself reflect that the university authorities are not sure about purchased articles being of proprietary nature. Which is contrary to the provision of the para/section 25 of chapter-VII (store) of the accounts Manual of HP University. The Store Purchase Authorities have not adhered to the store purchase rules in order to avail the benefits of competitive rates. They have failed to watch the interest of the university and thus undue benefit to the suppliers cannot be ruled out. The matter is brought to the kind notice of higher authorities to issue necessary instructions to adhere to the rules and instruction of HPFR 2009 and other govt. instructions issued from time to time and the purchase on single quotation basis may be regularised with the ex-post facto sanction of the competent authority. Further it is also advised that the purchases may be made after observing codal formalities.

(Audit Requisition No. RAS/HPU/-2018-19-66, dated:16/2/2019)

21 (H) Adjustment of Advance drawn for the purchase of photocopier amounting to ₹0.69 lac.

An advance bill no 1638 dated 13.07.2018 was presented to audit from the department of Bio Sciences amounting to ₹68,999/- for the purchase of photocopier Konica Mintola Buzhub – 2006 Machine. A discount of ₹8,000/- was offered as a buy-back offer for the old copier Machine Model P 420 xerox by the supplier M/s Satluj Document Company through HP State Electronics Dev Corporation Ltd. Shamla-13. Certain observations were raised by Audit vide N-1 of the file on dated 06/09/2018 regarding the condemnation of the old Photocopier, but no satisfactory response came from the quarter concerned. The University authorities have not followed the existing procedure for condemnation of unserviceable store items. The condemnation report has been accepted by the HPU authorities without reviewing it in the Purchase Committee which had been prepared and presented by the M/s Satluj Document Company to whom there is no direct concern with the sale/ purchase of the photocopier. Further, no negotiation regarding valuation of old photo Copier to buy back has been done: the offer made by the supplier has been accepted suo-motto, which is not acceptable. Due to non-negotiation as well as valuation and acceptance of ex-parte valuation of old unserviceable photocopier the excess payment may not be ruled-out on the exchequer of the university, especially when the photo Copier was

also purchased from the same company i.e. Ms Satluj Document Company on 22-12-2006.

An enquiry on the matter may be made and losses, if any, may be recovered from the quarter concerned/appropriate source. It may be ensured that such lapse should not be repeated in the future.

(Audit Requisition No. RAS/HPU /-2018-19-74, dated 14/3/2019)

22 (A) Regarding APR's of amount claimed as expenditure incurred in excess of advance drawn and indicated as yet to be paid to staff deployed for examinations / evaluation duty etc.

While auditing the following adjustments of advance bills, it had been observed that whole of / majority of, the amount of expenditure incurred in excess of advances drawn, was yet to be paid to officials who were deployed for examinations / evaluation duty and paid only partly out of advance. Therefore, Actual Payees Receipts from the individuals for the amount was to be paid to them/ copy of TDS deposited on their behalf were required to be shown to audit after release of payment to the concerned college(s):-

Sr. No.	Name of College	Adjustment Bill No. with date	Amount drawn as advance (₹)	Amount now payable over and above the advance (₹)
1.	Govt. College, Rajgarh, Sirmaur	7301 dated 31.03.2018	1,00,000	12,493
2.	Govt. College, NagrotaBagwan, Kangra	6558 dated 13.03.2018	1,50,000	32,564
3.	Govt. College, Bhoranj(Tarkwari), Hamirpur	6698 dated 16.03.2018	1,40,000	12,259
4.	Govt. PG College, Chintpurni, District Una	6659 dated 16.03.2018	40,000	50,112
5.	RKMV, Shimla	6700 dated 16.03.2018	3,00,000	25780
6.	Govt. College, Ghumarwin (Evaluation)	7178 dated 31.03.2018	4,00,000	2,40,850

These advances, as stated above, had, however, been adjusted subject to the compliance of audit observations.

(Audit Requisition No. RAS/HPU/Audit Requisition /-2018-19-13, dated 12.06.2018)

22 (B) Regarding APRs of amount claimed as expenditure incurred in excess of advance drawn and indicated as yet to be paid to staff deployed for examinations / evaluation duty etc.

While auditing the following adjustment of advance bills, it has been observed that the amount of expenditure incurred is in excess of advance drawn, it seems full

payment is yet to be made to officials who were deployed for examination/ evaluation duty and that they were paid only partly out of the advance. Therefore, Actual Payee Receipts from individual officials, the amount now to be paid to them/ copy of TDS deposited on their behalf as the case may be are required to be shown to audit after release of payment to the concerned college(s):-

Sr. No.	Name of College	Adjustment Bill No. with date	Amount drawn as advance (₹)	Amount now payable over and above the advance (₹)
1.	G.B Pant Memorial Govt. College, Rampur Bushehar District Shimla	3319 dated 04.10.2017	1,50,000	75481
2.	WRS Govt. College, Dehri Tehsil Nurpur Distt. Kangra HP	6929 dated 20.03.2018	1,50,000	76602

(Audit Requisition No. RAS/HPU/Audit Requisition /-2018-19-18, dated 22.06.2018)

23 Regarding Bill No. 6946 dated 2.03.2018 for ₹0.63 lac related to repair of Photostat machine, UPS, Printers etc.& installation of softwares got done through M/s Sharma Communications, Sharma Niwas, Village Shakerala, Post Office Malvana, District Shimla vide its Invoice No. 11 dated 16.03.2018

The bill related to repair of Photostat machine, UPS, Printers etc. besides installation of softwares got done through M/s Sharma Communications, Sharma Niwas, Village Shakerala, Post Office Malvana, District Shimla vide its Invoice No. 11 dated 16.03.2018 did not mention what actually was done under the repair job/ installation of softwares undertaken by the department of Commerce HPU. Finally, consequent upon subsequent audit observation dated 16.05.2018 after considering the reply dated 26.04.2018 which was not found satisfactory, the committee comprising of Finance Officer's nominee, In-charge, Computer Centre, HPU, Shimla, Chairman, Department of Computer Science and your good self, vide its proceedings dated 26.05.2018 has recorded the repair work done indicating that under UPS repairs component (8 No. @ ₹ 1000 = ₹ 8000) – the logic card and Circuit Board of 8 UPS were found repaired including the I/C component while under the printer component (10 No. @ ₹ 1200 = ₹ 12000) the film and logic card were found repaired besides refilling of 10 cartridges. Under the UPS battery work (14 @ ₹ 950 = ₹ 13300), it was stated that 14 batteries of 12 Volts each were found replaced whereas in r/o the photostat machine (₹ 10000), the motor and gears of the machine were stated to have been changed. The committee after physically verifying/ examining the job/ repair work done has, however, clearly recommended not to release the payment of ₹20,000 on account of installation of softwares. Accordingly, the bill has been resubmitted for pre-audit with reduced amount i.e. ₹43,300 (₹63,300-20000) in line with the

recommendations of the committee along with Stock Register with the proceedings of the committee duly recorded therein. Further on checking Stock Register of the department so submitted it has been observed that payments on similar lines were also drawn in the previous years but there has been no mention of component wise detail of actual repair done while the charges paid also appear to be exorbitantly higher as is evident from the entries recorded at **Page -132 and 133** of the Stock Register. For instance, ₹ 25,000 was spent on repair of Photostat machine in 2017 while ₹ 12,500 @ ₹ 500 per user have been paid for installation of Quick heal on 25 computers which also seems to be not reasonable. Moreover, 42 No. of UPS batteries have been replaced by the department in a short span of two years (16 No. in 4/2015, 8 No. in 5/15 and 18 No. in 1/2017) in addition to 14 No. replaced this year which again seems to be not justified and thus leads to suspicion regarding the state of affairs in the department with regard to repair of the above articles. As such it cannot be ruled out that the repair work stated to have been found done by the abovesaid committee could rather be repetition of such expenditure already paid for in the previous years in a short span of time and this aspect might have not been considered by the committee as the matter was looked into individually and confined only to the repair work involved in the bill under submission.

In view of the circumstances narrated/ position stated as above, it is advised that the matter may be inquired into after considering the whole stock of abovementioned articles (i.e. computers, UPS, Photostat machines) in the department and payments, if any found to have been not due but drawn from the university exchequer in the previous years may also be made good from quarter concerned under intimation to audit.

(Audit Requisition No. RAS/HPU/Audit Requisition /-2018-19-15, dated 20.06.2018)

24 (A) Regarding Bill No. 001 dated 14.06.2018 for ₹3.02 lacs related to procurement of potable water from Mr. Himesh Thakur, Village Sharog, PO Chailly, Tehsil & District Shimla.

In continuation of this office observations dated 07.06.2018 and 15.06.2018 regarding bill related to procurement of water from supplier named above and after having considered the replies thereto as submitted on file it is intimated that the same have not been found satisfactory due to the following:

1. The contention that there is no authority which provides license for supply of water is contrary to the provision of The Himachal Pradesh Ground Water (regulation and Control of Development and Management) Act, 2005 and is, therefore neither valid nor acceptable.
2. No “Non-availability Certificate” from Municipal Corporation’s side has been provided in order to justify such large-scale procurement of water from private source in the absence of which the efforts made to procure water from MC are not adequately substantiated and contentions given appear to be hypothetical.
3. It has also not been certified from the relevant competent authority that water procured is/ was hygienic and potable which should have been a pre-requisite in the larger interest of public health.

4. Reasons given for not inviting fresh competitive rates before renewal of agreement are also incomplete and purely hypothetical.

It is also pointed out that education cess was required to be recovered @ 4% from this bill instead of 3% and as such the amount less recovered may be recovered in the next bill.

(Audit Requisition No. RAS/HPU/Audit Requisition /-2018-19-17, dated 21.06.2018)

24 (B) Loss of ₹8.30 lacs due to supply of potable water through water contractor Sh. Himesh Thakur.

While pre-auditing the bill No. 2785 amounting to `301600 in respect of supply of potable water through water contractor Sh. Himesh Thakur, as per supply order No Maint./226/ HPU/ Vol-II-2017-469-472 dated 02-06-2018, the following discrepancies have been noticed which may be attended to please.

1. The water contractor was awarded a contract to supply water from the M.C resource Ridge to HP. University, @ Rs 800 per trip through water tanker but the supply has been made from the private water source which is contrary to the provision of Himachal Pradesh Ground Water Act 2005. The rate for supply of water has been charged ₹0.65 per liter by the contractor whereas, even the supply made by the Municipal Corporation is free of cost, which resultantly incurred higher cost for the supply of water contrary to ibid award letter, detail of which is as below.

Month/Year	No. of trips	Water supply in Ltr	Total cost charged by the contractor @ ₹ 0.65 per Ltr.	Cost required to be paid @ ₹ 800/- per trip.	Excess payment involved in ₹
June 2016	16	96000	62400	12800	49600
07/16 to 09/16	20	120000	78000	16000	62000
10/16 to 06/17	33	159500	103675	26400	77275
07/17 to 03/18	47	306000	198900	37600	161300
04/18	4	24000	15600	3200	12400
05/18	72	440000	286000	57600	228400
06/18	78	464000	301600	62400	239200
Total	270	1609500	1046175	216000	830175

In this way, an excess amount of `8,30.175.00 has been incurred, if water had been procured from the source of Municipal corporation through tanker Rs 800/- per trip, the University would have saved ₹830175. Hence the responsibility is required to

be fixed against the defaulters for the above said lapses and detail enquiry is required to be conducted please.

2. No "Non-availability Certificate" from Municipal Corporation's side had been provided in order to justify such large-scale procurement of water from private source in the absence of which the efforts made to procure water from MC were not adequately substantiated and contentions given appear to be hypothetical.

3. It had also not been certified from the relevant competent authority that water procured is/ was hygienic and potable which should have been a pre-requisite in the larger interest of public health ie students, employees and their families:

4. The agreement of the water supply has been extended time and again to give undue benefit to the contractor even after the audit had made observations in this regard, which it-self reflects that the university had not availed the lowest rates by inviting fresh tenders and the reasons given for not inviting fresh competitive rates before renewal of agreement are also incomplete and purely hypothetical.

5. The water supply was required to be restricted to 12 trips of 6000 liters i.e. 72000 liters as approved and sanctioned by the hon'ble Vice Chancellor vide N-7 of the file No. AE(PH)/HPU/2015-16-409. But during perusal of the record, it is noticed that, on 05.05.2018 supply was made to the extent of 80000 liter by 12 trips ie. 11 trips consisting 6000 liters in each trip and one trip of 14000 liters, which was in excess of the limit approved 72000 liters by the ibid approval. Hence an excess amount has been incurred amounting to Rs 5200-by not adhering the order/ approval of the hon'ble Vice Chancellor. So, the recovery of the excess amount of ₹ 5200 may be made good from the defaulter officer/ officials for accepting excess supply without any pre-approved demand.

6. The total supply from all sources of water had been excessively increased during the year 2018 in comparison to the total supply made during the previous years. The following comparison has been drawn from the record put-up to audit.

Comparison statement in respect of water supply made to HPU by all sources.					
Sr. No.	Year/Month	Supply made in 2017 (in Ltr)	Supply made in 2018 (in Ltr)	Excess procurement/ supply of water	Percentage increase in water procurement in the same month in comparison to same month of previous year
1	May	1489000	1973000	484000	32.5%
2	June	868000	2277000	1409000	162.33%

The above data itself describes that during the month May, 2018 and June 2018, the supply consumption has been increased in comparison of the same period of previous year. There may be variation in consumption to the extent of 20-30% so the

position regarding invariable increase of water supply may be justified. It may not be ruled out that such invariable increase in supply /consumption, the contractor has been given undue benefit.

7. As per GST act all the suppliers/ contractors must be registered under the ACT but in the instant case the supply has been procured from an unregistered supplier and no deduction of TDS under GST act has been made from the contractor against the payments made. For non-deduction of GST the liability lies with the university authority and if any stage penalty is imposed the same is required to be recovered from the defaulting officer/appropriate source.

8. It is also noticed that the previous bills had been got passed from the internal Audit of the university in violation of the Government instructions which may be justified with cogent reasons, even the bills for the same period had not been shown to audit in spite of repeated verbal and written requests. It has been mentioned at N-51 of the file that the record i.e. last bill passed file part file along with noting portion had been furnished to audit but no such record was put up to audit so the non-submission of record pertaining to the bills passed by the internal audit for the period 2015-16 and 2016-17, clearly shows some mala-fide intention of the University Authorities.

9. The matter is brought to the notice of the higher authorities with the request to kindly look in to the matter that how the payments had been got passed from internal audit on higher rates while the statutory deductions had not been made from the bills passed for the period 2015-16 and 2016-17.

The bill, as above had, however, been admitted here in audit subject to above observations being committed third party liability of the university and approval by the Hon'ble Vice-Chancellor at N-59 of the file. It is also advised that, in future while procuring such supply, all the codal formalities should be completed well in time.

(Audit Requisition No. RAS/HPU /-2018-19-72, dated 13/3/2019)

25 Regarding work titled C/o Addition and alteration by providing brick and aluminium partition, vitrified and pergo laminated flooring, venetian blinds, bison board ceiling, wooden cabinets, cupboards shutters i/c painting and white washing to the space allotted to IIHS at the top floor of Science Block “B” in HP University, Shimla-5 -1st & Final Bill thereof.

1st & Final Bill of the work cited in the subject above recorded on the concerned file and after having considered replies thereto as submitted on file it was intimated that theyour reply regarding non-negotiation of Item No. 24, 26 & 31 which exceeded in value by ₹ 39,648 as per estimation and by ₹ 36105 as per actual execution vis-à-vis the justified value of these item as per detail given in the Table, for the reason that rate quoted by the contractor was within 25% of the justified rates was neither valid nor justified as there is no bar/ ceiling for negotiation of rates. The rates for the said items being considerably higher than the justified rate should have been negotiated in the interest of the university and, thus, by not doing so the contractor had

been allowed higher rates than justified rates and extended undue benefit at the cost of university exchequer which is a serious financial irregularity.

Item No.	Nomenclature of item	Estimated Qty / executed Quantity	Quoted Rate	Justified Rate	Difference in rates	Difference in value as per Estimate Qty ₹	Difference in value as per Executed Qty. ₹
24	P/F Wall base Skirting	228.2 RMT	550	462.2	87.8	20036	18329
		208.76 RMT					
26	Steel Work in built up Sections	16.69 Qtls	9500	8909.5	590.5	9855	9968
		16.88 Qtls					
31	P/F Dust free Vista LevolorVenti an Blinds	118.7 sq. mt₹	1750	1667.8	82.2	9757	7808
		94.99 sq. mt₹					
					Total	39648	36105

It was further pointed out that the reason for negative deviation had also been recorded as “as per actual site requirement” while it should have been explained in detail failing which there is no sanctity of the estimate.

In view of the above, you are requested to look into the matter in the larger interest of university and also ensure in future to negotiate the rates before award of work while reasons for negative deviation may also be explained in detail in the deviation statement.

(Audit Requisition No. RAS/HPU/Audit Requisition /-2018-19-19, dated 5.07.2018)

26 Regarding work titled C/o Building for UIIT and Computer Science Phase-III in HP University, Shimla-5 (SH: Building Portion) 6th & Final Bill thereof.

6th & Final Bill of the work cited in the subject above recorded on file and after having considered your replies thereto as submitted on file it was intimated that the same had not been found satisfactory on the following points :

1. The calculation for item No. 10 (a) i.e. Providing and Laying Cement Concrete 1:1.5:3 for foundation footing bases of Columns has been revised as per formula $\frac{h}{3} (A_1 + A_2 + A_1 \times A_2)$ only in respect of isolated footings and accordingly recovery to the tune of ₹ 10431 had been effected from the above bill. But audit is of the view the calculation in r/o the above item should have been revised as a whole i.e. after including both the isolated footings as well as combined footings. Thus, by not doing

so the contractor has been extended undue benefit at the cost of university exchequer which is a serious financial irregularity and may, therefore, either be justified with supporting rules or recovery made on this account.

2. As regards your reply regarding non-negotiation of Item No. 11 i.e. Providing and Laying Cement Concrete 1:1.5:3 for reinforced concrete chhajjas which exceeded in value by over ₹68,000 vis-à-vis its justified value, for the reason that rate quoted by the contractor was within 25% of the justified rates and hence, not negotiated, is also not valid and justified as there is no bar/ ceiling for negotiation of rates as is being contended. The rate for the said item being considerably higher than the justified rate should have been negotiated in the interest of the university. By not doing so the contractor has been allowed higher rates than justified rates and, thus, extended undue benefit at the cost of university exchequer which is also a serious financial irregularity.

3. Further, electricity and water bills stated to have been enclosed with the bill/ file were not found attached therewith nor these have been supplied to audit despite being asked verbally. As such it could not be verified that these were arranged by the contractor on his own and, hence, overpayment to the contractor due to non-recovery of the water charges etc. cannot be ruled out.

(Audit Requisition No. RAS/HPU/Audit Requisition /-2018-19-20, dated 6.07.2018)

27 Regarding purchase of various toner cartridges for ₹2.18 lacs.

Bills No. 3003 & 3004 for ₹2,13,720 (payment to firm) and ₹ 4,226 (TDS) both dated 05.09.2018 relate to purchase of various toner cartridges. On checking the said bills in audit it was observed that both HPSEDC and M/s Satluj Document Company, Khalini, Shimla-2 were approached for the purpose as is evident from their respective proforma invoices both dated 11.07.2018. As per HPSEDC proforma invoice they had quoted rates for 2 out of 3 types of cartridges i.e. Q2612AC and 78AC while the rates for third type of cartridges CF281xC (81X) were not quoted by the corporation as the same was not available with them as is also evident from their NOC No. Electronica/ PI/2018-19-210 dated 04.10.2018 obtained ex-post facto. HPSEDC had requested 2 to 4 weeks for delivery while M/s Satluj Document Company, Khalini, Shimla-2 had made no commitment in this regard. Still, cartridges worth ₹ 2,17,946 were purchased from M/sSatluj Document Company, Khalini, Shimla-2 vide their invoice No. SDC-18/19-418 dated 16.08.2018 ignoring HPSEDC as per detail given hereunder.

Sr. No.	Cartridge No.	Rate (₹)	Value (₹)
1	Q2612AC	4025.42	12076.27
2	78AC	4052.54	40525.42
3	CF281xC (81X)	18871.19	132098.31
Sub Total			184700
GST @ 18%			33246
Grand Total			217946

On being questioned about non-fulfilment of codal formalities / not making the purchase from HPSEDC by audit vide this office queries at N-98 to 102 and subsequently at N-106 to 108 dated 22.11.2018 & 28.12.2018 respectively, in reply your office said that the purchase were effected from M/s Satluj Document Company, Khalini, Shimla-2 as these were urgently required in the interest of students while HPSEDC instead required 2 to 4 weeks for delivery. The purchase was also justified on the plea that it was done on the same rates as were quoted by HPSEDC.

But on scrutiny of the related papers it was found that supply order for the above articles was issued on 22.07.2018 i.e. two weeks after the proforma invoice of HPSEDC while the material was finally delivered to your office by the firm on 16.08.2018 vide their invoice No. SDC-18/19-418 dated 16.08.2018 i.e. more than four weeks from the date of the proforma invoice of HPSEDC. Thus, the contention regarding urgency put forth for purchase from the above firm is not at all supported with facts on record and it appears that the purchase was deliberately avoided from the HPSEDC to provide undue advantage to the firm ignoring the routine/ prescribed store purchase procedure without cogent reasons. Moreover, as per proforma invoice No. Nil dated 11.07.2018 of M/s Satluj Document Company, Khalini, Shimla-2 they had neither made any commitment regarding delivery period nor delivery was finally made so speedily.

Further, when HPSEDC had not quoted any rates for third HP Toner Cartridge CF281xC which were purchased to the tune of ₹ 1,55,876 (inclusive of GST) either quotations should have been invited for the purpose or purchase should have been effected through Gem portal but no codal formalities were completed in this regard while other two cartridges should have been purchased from HPSEDC itself being a government organisation. As regards your office submission on file that these were not available on Gem portal nothing concrete has been submitted to audit to substantiate your contention and as such the same cannot be accepted. It has also been observed here in audit that purchases are not being effected through Gem Portal and undue advantage is being given to private firms while the firm M/s Satluj Documents Company is being chosen in the manner as above to give undue benefit. In view of the above, it appears that it was pre-decided to effect the purchase from the above named firm and, hence, codal formalities were not completed which needs to be justified.

(Audit Requisition No. RAS/HPU/Audit Requisition /-2018-19-69, dated 26.02.2019)

28 Regarding Bill No. 3096 dated 12.08.2018 related to Construction of Water Harvesting Tank.

The following deficiencies pointed out by audit remained unaddressed /unattended:

1. Being construction work, the work executed was required to be got recorded in MB by a technical person besides effecting statutory recoveries, & security etc. but the same was not done.
2. The work has been executed for ₹28,500 as per estimated rates approved by the State Council of Science & Technology, Shimla-9 vide its letter No. SCSTE/5027 dated 20.02.2015 being the state nodal agency for such works. The executing firm

namely RUCHI had, however, given a quotation for ₹36,751 and finally executed the work as per the above estimate of SCSTE for ₹28,500 though stating vide its letter No. RC/HPU/SML: 2 dated 18.05.2018 that the above rates are for this work only and won't apply for future. **Since university intended to make similar tanks for all the university buildings it would have been appropriate that the work was executed strictly as per estimate supplied by the council. It was further advised that terms & conditions governing the contract/ payment be duly negotiated before awarding further works to the above firm / any other firm, in order to safeguard university interests.**

3. The certificate to this effect was also required to be furnished that the work/construction of tank is on HPU land but the same was not furnished to audit.

4. The cost of tanks is also required to be added in the cost of building for the purpose of assets created but nothing was done in this regard. It was also not clarified to audit as to how it was being reflected in the books of accounts.

(Audit Requisition No. RAS/HPU/Audit Requisition /-2018-19-76, dated 14.03.2019)

29 Regarding regularisation of Sh. Duni Chand, against the promotional post of Technician Grade-II in the Department of Physics.

On the subject cited above this office while vetting regularisation case of Sh. Duni Chand, Technician Grade-II, Department of Physics had raised certain queries regarding his regularisation as he was regularised against the promotional post instead of the post of direct recruitment. The said file has not been re- submitted to this office till the drafting of this Audit Report. You are, therefore, requested to direct the concerned to resubmit the file for final vetting as his salary on regularisation had been conditionally/ provisionally admitted by audit in order to avoid any financial hardship to him subject to final vetting. **His salary continues to be drawn as such and the matter, therefore, requires your urgent attention.**

This is in continuation of this office Audit Requisition No. RAS/ HPU/ AR/ 2018-19-71 dated 01.03.2019.

(Audit Requisition No. RAS/HPU/Audit Requisition /-2018-19-77, dated 22.03.2019)

30 (A)Printing of Lesson/Books for the session 2017-18 of ICDEOL (bill Nos 429, 430, 431 and 432 all dated 06.11.2018 amounting to ₹1059196/-, ₹1004501/-, ₹986648/-, ₹356518/- respectively) and (bill No. 12 to 15 amounting to ₹884475/-, ₹384714/-, ₹1103412/- and ₹1164993/- respectively) and payment thereof.

Refer to this office, Audit Requisition No. 4 dated 04.05.2018 and further reminder No. RAS/HPU/Audit Requisition/2018-19-637 dated 20.11.2018 vide which some information/record was requisitioned in respect of printing of lessons/books for the session 2017-18 of ICDEOL, but same has not been provided to audit despite written/verbal requests. Now the bills referred to above in favour of m/s Durga Paper Converters, Tara Devi, Shimla-171010(HP), m/s Golden Graphics N Printing, Plot No.-315, Industrial Area, PH-II, Chandigarh-16002, M/s Neelam Printers, Plot No.-315, Industrial Area, Chandigarh (UT), M/s Mega Offset, SDA Complex, Kusumpati, Shimla-171009 (HP) respectively, for printing of lessons/books for the session 2017-18 of ICDEOL, has been furnished to audit for pre-audit and admittance without

attending the observations of the ibid Audit Requisitions/ letters referred above. It is once again requested that the observations made in the above referred requisitioned letter may be attended to besides the below mentioned:

1. The work of printing of these lessons/books had been got done from the firms on the basis of old rates approved for the year 2015-16 instead of calling fresh quotations/ competitive rates. It seemed that only these selected firms were being benefited by extending the favour of renewal of award of work repeatedly to them on old rates. Therefore, the audit may be appraised with the reasons for not inviting the fresh competitive rates and renewing the award of the work at old rates.

It is also pertinent to mention here that the work of printing of lesson may be done through inviting e-tenders rates/Gem portal. Neither the e-tender/Gem rates procured nor NOC from the H.P. Govt. printing press, had been obtained to get the job done from the open market.

2. The stock register was also not maintained properly as per rules due to which true picture of stock had not been reflected in the stock register. The cost of printing/purchase of material had not been entered in the stock register. Moreover, the whole quantity of lessons/Books had been shown as issued/consumed by a single indent due to which the actual consumption of lessons as per admission cannot be ascertained. Therefore, information as per following Performa may kindly be supplied to audit immediately: -

Year	Class/ course	semester	Name of Subject	No. of student taking admission during the year	Opening balance of Lessons /books as on 1.4.15	Lesson printed during the year	Total available lessons/ books	Total lesson/books issued to the students during the year	Balance as on 31 st march of the respective financial year
2015-16									
2016-17									
2017-18									
2018- 31.1.19									

The Finance Officer of H.P. University vide letter Nos. 1-14/2018(Budget)-1199 dated 29.05.2018 and HPU/FIN/PA/2019/130 to 1305 had also requested the Director, ICDEOL, HPU, Shimla by referring Audit Requisition No. 4 dated 04.05.2018 that all the record/ information as required by the audit may be supplied. But no information/record as required in the ibid requisition had been made available to the audit even after lapse of 10 months, which is very serious. The status of the physical verification of the stock of lesson/books may also be intimated to audit as referred to by the Finance officer in the above said letters.

Further the inspection register of lessons/ books had not been shown to audit in spite of repeated verbal requests.

3. Certification of the pages printed/containing in a course book had not been certified by the committee/Competent authority.

4. The TDS under section 51 of the GST act was not deducted which should be ensured to be deducted, as it is the sole responsibility of the authorities of the University.

Further the audit had also made some observations vide N-58 to 61 of the file but instead of attending the observations, the Director has requested the audit vide N-12 (loose note) to admit the bills subject to Audit Observations.

So, keeping in view the request made to admit the bills conditionally and the surety given by the Director (ICDEOL) that the desired information shall be provided as soon as it will be received from the branches; the bills bearing No. 429, 431 and 432 all dated 06.11.2018 amounting to ₹1059196/-, ₹986648/-, ₹356518/- in F/o M/s Durga Paper Converters, Tara Devi, Shimla-171010(HP), M/s Neelam Printers, Plot M/s Neelam Printers, Plot No.-315, PH-II, Industrial Area, Chandigarh (UT), M/s Mega Offset, SDA Complex, Kusumpati, Shimla-171009 (HP) respectively, however, has been admitted in audit being third party payment and committed liability of the university subject to the above observations.

Further, it was also advised that any over payment/ monetary discrepancies that are noticed at later stage, the director (ICDEOL) / H.P. University authorities shall be solely responsible.

Bill No. 430 dated 06.11.2018 amounting to ₹1004501/- in f/o M/s Golden Graphics N printing, Plot No. -315, Industrial Area, Ph.-II, Chandigarh-16002, were return in original having 01 to 73 (No. marked with audit – pencil) here with the remarks that supporting voucher/invoice No. 111 dated 16.03.2018 in respect of reprint of 1000 copies of lesson for class B.A-2, Hindi course code hind-202 had been got printed without placing supply order while same subject, 1000 Nos. copies lesson reprinting work has been awarded to M/s Durga Paper Converters, Tara Devi, Shimla-171010 (HP) by placing supply order No. 3-2/2007/ICDEOL/editor/Admn./HPU dated 23.01.2018 and same has been got printed vide invoice no. 156 dated 21.03.2018. Hence the printing of lesson without supply order is not feasible and printing of 2000 copies of single subject were on very higher side keeping in view the admissions/ old stock in hand. So the inquiry in the matter may be conducted that reprinting got done through M/s Golden Graphics N printers vide invoice No. 111 dated 16.03.2018 is genuine or not because both the bills were for the same month i.e. March, 2018 and the printing of the lesson can be got done from the single printer if required, hence the payments to M/s Golden Graphics N Printers was not admitted in audit. the actual student strength and opening balances of lessons during the current session of B.A.-2, Hindi course code hind-202 may be intimated to audit with the current closing stock.

Beside above the printing outside the state may be justified while it can be got done within the state at same rates.

In addition to above it seems that M/s Neelam Printer and Golden Graphics N printers are the same firm as address mentioned on the face of the bills. This matter also may be looked in by the higher authorities.

(Audit Requisition No. RAS/HPU/Audit Requisition /-2018-19-68 dated 26/2/2019)

30 (B) Printing of Lesson/Books for the session 2017-18 of ICDEOL and payment of Bill No. 430 dated 06.11.2018 amounting to ₹9.8 lacs in favour of M/s Golden Graphics N Printers, Chandigarh.

Refer to this office, Audit Requisition No 4 dated 04/05/2018, further reminder No. RAS/HPU/Audit Requisition 2018-19-637 dated 20-11-2018 and RAS/HPU/Audit Requisition/2018-19/No. 68 dated 26/02/2019 vide which some information /record was requisitioned. The subject captioned bill was also objected vide RAS/ HPU/Audit Requisition/2018-19/No. 68 dated 26/02/2019 in respect of printing of lessons/books for the session 2017-18 of ICDEOL but no reply has been received so far. The above said bill previously submitted to audit amounting to ₹1004501/- for its admittance but was objected by the audit the same had been reduced to ₹980981/- by reducing an amount of ₹ 23460/-.

The audit had observed that a printing bill of M/s Golden graphics Printers Bearing No. 111 dated 16.03.2018 for reprinting of 1000 copies of lesson for BA-2, Hindi course code Hind 202 had been got done without placing supply order, while the same work having same quantity had also been got done from M/s Durga Paper Converters, Tara Devi. As the audit objected the bill vide above referred requisition dated 26.02.2019, the quarter concerned has stated vide N 19 to 22 of the file that the supply order has been slipped off from the file and same has been reproduced in favour of the firm to reprint and supply of lessons, which is well available in the file. The ICDEOL could not provide the sufficient record in respect of supply order including despatch register/ copy there of which was placed before the firm to do reprinting work. While perusal of this supply order it was noticed that it had been placed on dated 28.02.2019 while the supplies had been made (a year ago) on 16.03.2018 as was evident from the bill issued by the firm, which is self-contradictory. It seems that no supply order was placed to reprint the lesson, as and when the audit observed that the supply order has not been placed before printing of lessons, the same has been produced just to complete the formality. This matter was referred to Finance Officer. HPU vide N29 to 31 of the file with the request to offer his comments on the audit observations in annotated form and the matter may be placed before the Hon'ble V.C. through Registrar but no reply/comments have been offered in annotative form, even failed to provide the student strength. However, the Director, ICDEOL had put up the proposal vide N 33-34 of the file, which was also further perused and approved by the Hon'ble V.C. vide N. 35 that the payment may be released to the tune of ₹ 980981/- instead of ₹1004501/- after deducting the amount ₹23460/-, which was under observations. The Director had also assured that the reply of previous requisitions shall be submitted within 15 days.

So the enquiry in the matter may be conducted whether the reprinting had been got done though M/s Golden Graphics N printers vide invoice No. 111 dates 16.3.2018 amounting to ₹23460/- which has been deducted from the total value of the Bill after being observed by the audit, was genuine or not as the same quantity of lessons were also reprinted from the M/s Dunga Paper Converters by placing proper supply order because both the bills were for the same month i.e. March, 2018 and the printing of the lesson can be got done from the single printer if required. More over the submission of bill after deducting the controversial payment i.e. ₹23460/, which was specially kept under observations by the audit itself represent the malafide intension.

Besides, above the authorities may ensure to adhere and regulate the commitment made by the Director, ICDEOL regarding submission of annotated reply within 15 days with time bond manner. The above said bill was admitted in audit being third party payment and committed liability of the university and approval of Hon'ble V.C. on 07.0.3.2019 subject to above observations.

(Audit Requisition No. RAS/HPU/Audit Requisition /-2018-19-75 dated 14/3/2019)

31 (A) Extending of undue benefits to the contractor to the tune of ₹3.38 lacs and ₹0.61 lac total ₹3.99 lacs regarding work titled C/o Renovation of Block No. 1, 2 & 3 No. of 40No.s Teacher houses in HP University, Shimla-5 (SH: Building Portion and WS & SI) – 1st Running Bill thereof.

In continuation of this office observation dated 09.05.2018 related to 1st Running Bill of the work cited in the subject above recorded on file and after having considered your replies thereto as submitted on file it is intimated that the same has not been found satisfactory due to the following:

1. Your contention that the item of Scaffolding (Item No. 16 of the bill) has been done to execute different types of items such as painting, exterior weather coat, fixing of glass panes etc. exclusively to be executed from outside is not covered under Clause 18 of the agreement was not valid. It is rather contrary to the said provision of the agreement which clearly states that scaffolding along with other materials required for execution of work are to be provided by the contractor at his own cost. Further it is also against the provisions contained in related Chapters of Himachal Pradesh Schedule of Rates, 2009 where also it has been made clear through notes that the rates for items of dismantling, repairs etc. do include the element of cost of scaffolding and as such there is no need for separate payment to the contractor thereof as had been done by your office. Thus, there was no justification to include a separate item of scaffolding in DNIT and by doing so undue benefit to the tune of ₹ 3,38,129/- has been extended to the contractor at the cost of university exchequer which is a serious financial irregularity.
2. As regards your reply regarding non-negotiation of Item No. 12 i.e. Providing and Laying Baroda Marble Work which exceeded in value by over ₹ 61,000/- vis-à-vis its justified value, for the reason that rate quoted by the contractor was within 25% of the justified rates and hence, not negotiated, is also not valid and justified as there is no bar/ ceiling for negotiation of rates as is being contended. The rate for the said item

being considerably higher than the justified rate should have been negotiated in the interest of the university. By not doing so the contractor had been allowed higher rates than justified rates and, thus, extended undue benefit at the cost of university exchequer which is also a serious financial irregularity.

In view of the above, you are once again requested to look into the matter in the larger interest of university while the bill being 1st Running Bill has been admitted here in audit subject to the above audit observations.

(Audit Requisition No. RAS/HPU /-2018-19-16,dated 21.06.2018)

31 (B) Regarding separate payment on account of Scaffolding.

It had been observed in the audit that “scaffolding” was being paid separately for various works related to repair and renovation by the university by including a separate item therefor in the Draft Notice Inviting Tender (DNIT) contrary to the provision contained under Clause 18 of the agreement and related chapters of HP Schedule of Rates, 2009. Further, on test check it had also been found that the cost factor of item of scaffolding was also included in the analysis of rates prepared for justification of items like Cement plaster and other items and, hence, the undue benefit was being given to the contractor in contravention of agreement and the rules by also making the separate payment for item of scaffolding. Majority of the bills presented to audit in this regard have been objected to by audit and were held up for want of satisfactory response. However, 1st Running Bill related to work titled C/o Renovation of Block No. 1, 2 & 3 No. of 40 No’s Teacher houses in HP University, Shimla-5 (SH: Building Portion and WS & SI) which involved payment to the extent of ₹ 338129/- on account of scaffolding was admitted being running bill subject to Requisition No. RAS/HPU/Audit Requisition/2018-19-16 dated 21.06.2018 whereby this financial irregularity was specifically pointed out with the request for review at your end but still no satisfactory response has been received in this regard. You are, therefore requested to supply the detail of payment proposed on this account which has been objected by audit on the following proforma so that matter in this regard could be referred to higher authorities of the University for further necessary clarification/ direction from appropriate source including the state government:

Sr. No.	Name of the work	Whether Running bill or final bill	Amount of scaffolding proposed to be paid			90% payment of bill already paid at Division level	10% payment remaining to be paid
			Qty	Rate	Amount		

The information as above may be provided to audit latest by 28.11.2018 positively.

In addition to above, the amount paid on account of scaffolding during the last five years i.e. 2013-14 to 2017-18 may also be provided to audit also **on the above proforma** in due course.

(Audit Requisition No. RAS/HPU /-2018-19-36, dated 22.11.2018)

32 Regarding Bill No. 158 & 159 both dated 21.02.2018 for ₹0.29 lac & ₹673/- respectively related to payment to M/s Kanta Kashyap, Mali Dhobi Line, Bilaspur House, Summer-Hill, Shimla-5 on account of repair of classroom furniture.

Contingent bill No's cited in the subject above vide which bill No. 302 dated 19.02.2018 of M/s Kanta Kashyap, Mali Dhobi Line, Bilaspur House, Summer-Hill, Shimla-5 has been submitted for pre-audit. While checking the above bill here in audit it was found that the rate of item titled 'Replacement of writing table of 18mm (Top) thick wooden board of class room chairs duly polished as per existing pattern, Seat back commercial block board ISI Mark including fixing' was approved at ₹ 152 as per column No. 6 of Notification No. 3-9/2000-HPU (SPS) dated 16.10.2010 of Store Purchase Section when contract for repair of classroom furniture was awarded to the said firm. The firm was further allowed a hike of 10% in rates vide notification of even No. dated 09.04.2015 while the contract was further extended in favour of the said firm vide subsequent notifications of even No. dated 04.09.2016 & 12.12.2017 on the same rates for one year each time. But the said firm in its bill referred to above charged @ ₹ 152/- each separately for class Room Chair Board Top 18mm & Class Room Chair Back of 18mm and accordingly claimed ₹ 15884/- for said item of repair work {i.e ₹ 12160/- for 80 tops @ ₹ 152/- + 10% hike and ₹ 2280/- for 15 back @ ₹ 152/-+10% hike}and, thus, over claimed to the tune of ₹ 7942/- (15884/- - 7942/- {95/- (i.e80+15) x 152/2 +10%}. This amount, however, stands deducted by your office from the bill No. 302 of 19.02.2018 of the abovesaid firm after being pointed out by audit vide our observations dated 22.02.2018, 06.03.2018, 14.03.2018 and 20.06.2018 and as per recommendation/ advice of Store Purchase Section which had clarified that there was no separate rate for the fixing of Seat back as had been claimed by the firm. But vide this office observation dated 20.06.2018 it was also requested to recover the amount overpaid in similar manner in the past since 16.10.2010 when the rate of ₹ 152/- for the above item rates were originally approved yet no compliance in this regard has been reported to audit. As such it could not be verified whether or not such overpayment has been made in the past. You are, therefore, requested to look into the matter and amount overpaid, if any, previously on this account may also be worked out and recovered from the firm at the earliest under intimation to audit.

(Audit Requisition No. RAS/HPU /-2018-19-21, dated 07.07.2018)

33 (A)Regarding discrepancies in Utilization Certificates being presented to Audit.

On the subject cited above it is intimated that the following general discrepancies have been observed while checking Utilisation Certificates in audit:

1. The Utilization Certificates are being presented to audit by various university departments in different formats instead of presenting the same on the format as prescribed under General Financial Rules (GFR) 19-A by the Government of India (copy of proforma enclosed). Moreover, at times language being used in the U/C also does not make state of affairs absolutely clear and as such complete information is not conveyed to the funding agency(ies). It is, therefore, advised that for the sake of

uniformity and clarity the proforma prescribed as above alone may be used by all the departments of the university.

2. Utilization Certificates are being presented to audit with cuttings/ over writings in amounts etc. which may be strictly avoided for future and UCs should invariably be presented to audit in a tidy manner without any cutting(s) in order to avoid any hardship to university at any level.

3. Closing balance(s) of grants are not being indicated in UCs which may also be distinctly shown therein for future.

4. Majority of grants received by university are stated to be kept in Current Accounts and hence, no interest is being earned thereon resulting in major financial loss to the government exchequer. It is advised the amounts received as grant may be kept in saving bank accounts preferably in separate saving bank accounts or otherwise as may be deemed fit by university authorities, so that there is no loss of interest to government exchequer.

The necessary directions regarding the points raised as above may be issued to all the university departments for compliance, please.

(Audit Requisition No. RAS/HPU /-2018-19-22,dated 09.07.2018)

33 (B) Regarding discrepancies in Utilization Certificates being presented in audit regarding disbursement of remuneration etc. through RTGS/NEFT.

It had been observed during the course of audit that remuneration and other contingent payments out of advances weremade to University / College staff deployed on examination / evaluation duty in cash instead of through online modes. This is contrary to instructions issued by government vide Finance Department's letter No. Fin (C) A(3)-5/2004 dated 23.08.2011. You are, therefore, requested to look into the matter and issue necessary directions in this regard to all the colleges through whom the above payments are being made out of advances to suppliers / staff engaged for the purpose of examination and evaluation under intimation to audit at least for compliance in future, so that any financial irregularity/embezzlement may be avoided.

(Audit Requisition No. RAS/HPU /-2018-19-23, dated 09.07.2018)

34 Regarding proper bill for refreshments served during evaluation of answer scripts.

It had been observed during the course of audit that proper bills were not obtained/ submitted for refreshments served to teachers and others assisting staff during evaluation of answer scripts as was evident from sample copy of Cash Memo/ bill No. 0163 dated 16.08.2017 for ₹11680/- of M/S Promod Thakur, Canteen Contractor, Rajiv Gandhi, Govt. Degree College, Shimla-04 attached with Evaluation Branch's contingent bill No. 7289 dated 31.03.2018 pertaining to evaluation held at above college in July, 2017. The said cash memo/ bill mentions the item of purchase as "Refreshment in spot evaluation 07/2017" instead of indicating the items /packs supplied by the canteen contractor along with date-wise detail thereof. As such it could not be verified /cross checked with the list added by the college and it defeats the very purpose of obtaining the bill for refreshment. You, are therefore, advised to issue necessary directions to all concerned quarters so that at least for future there is no lapse in this regard .

The bill as above has, however, been admitted here in audit subject to above observations.

(Audit Requisition No. RAS/HPU /-2018-19-24, dated 12.07.2018)

35 Regarding xeroxing of question papers during the conduct of various course examinations.

It had been observed during the audit of various adjustment bills related to conduct of examinations that question papers are being xeroxed at various examination centres due to short supply by the university. The xeroxing job has not only been done in-house by the centre/college concerned but also from private sources/open market in majority of the cases and huge payments had been made on this account during every examination session. This is a dangerous trend which may jeopardise the reputation of the university in the event of any lapse by anyone of the officers/ official involved in the process of conduct of examination. It is, therefore, advised that some clear-cut guidelines be framed prescribing for xeroxing of question papers only in the rarest of rare cases in order to avoid any untoward consequences any time in future beside it may also be ensured that printing and distribution of question papers is done strictly as per demand in order to avoid the Xeroxing thereof. The adjustment bills involving expenditure on account of photostat of question papers will, however, be admitted here in audit subject to above observations which may be given due priority in the larger interest of university.

This is in continuation of this office observation dated 14.06.2018 conveyed to your goodself on loose noting sheet attached with adjustment bill No. 6369 dated 08.03.2018 and after having considered your reply thereto dated 16.08.2018.

(Audit Requisition No. RAS/HPU /-2018-19-25, dated 06.09.2018)

36 Regarding Bill No. 3140 dated 14.09.18 for ₹31.70 lacs on account of balance payment of GST amounting to ₹52.27 lacs to M/S ITI, New Delhi.

In respect of the contingent bill cited in subject above you are to clarify/quote the rule/regulation/provision of the relevant Act/Statute under which the 100% payment of GST in advance can be admitted in favour of the firm named above as per bill presented to audit particularly when terms of agreement provide only for 45% payment of the contracted value as 1st instalment which stands already paid to the said firm vide Bill No. 7082 & 7083 both dated 28.03.2018 for ₹ 1,51,22,343/- -i.e net amount paid to the firm which also included payment of GST to the extent of 45%) and ₹ 2,96,145/- (TDS-Income Tax)- the total amount being ₹ 1,54,18,488/- and full payment including that of GST can be admitted only after completion of supply/contracted job. As regards the firm's contention that they have paid GST in full as per their invoice No. 7800751 dated 02.11.2017 for ₹ 3,42,63,306/- which included the GST of ₹ 52,26,606/- and, hence, demanding the payment thereof in terms of provision contained under Clause 2.1 of Part-II of the agreement it is advised/ requested to either apprise the audit of the rule/regulation/provision of the relevant Act/Statute under which the 100% payment of GST in advance can be admitted in favour of the firm or may review the agreement in the larger interest of the university.

The bill as above is, therefore, returned herewith for further necessary action at your end.

(Audit Requisition No. RAS/HPU /-2018-19-27, dated 18.09.2018)

37 (A) Purchases through GEM Portal.

The university authority purchased furniture through GEM Portal as per detail given below:-

Sr. No.	Bill No.	Date	Amount (₹)
1.	3070	11.09.2018	332150.00
2.	3065	11.09.2018	62100.00
3.	3066	11.09.2018	129870.00
4.	3067	11.09.2018	158400.00
5.	3068	11.09.2018	135000.00
6.	3069	11.09.2018	127500.00
7.	3064	11.09.2018	8175.00
8.	3165	15.09.2018	13990.00
9.	3521	06.10.2018	15,42,330.00
10.	3522	06.10.2018	4,86,000.00
11.	3563	08.10.2018	52,500.00
12.	3562	08.10.2018	20925.00
13.	3888	03.11.2018	234760.00
14.	595	12.10.2018	139860.00
15.	3551	08.10.2018	38000.00
Grand Total			3481560.00

The payment as mentioned above has however been admitted in Audit as per the sanction of the competent authority and being committed liability to third party subject to the following audit observations.

1. As per the notification of Govt. of Himachal Pradesh No. Fin(C)A(3)5/2004 dated 19th July 2017 Rule 94-A: Purchase of goods through Govt. E-market place(Gem) The procuring authorities will certify the reasonability of rates through the purchase committee constituted by them but after perusal of record shown to audit that no such committee had certified the value before placing the order. This aspect had not been attended to before processing the above bills now the necessary certification of the said lowest rates and specification may be furnished after approval of the required Committee so that payment can be regulated.

2. During the perusal of the stock entries of the said material purchased through Gem Portal it was observed that the detail specifications of the material purchased had not been entered in the Stock Register and as such only the model no. of the furniture purchased was entered. Proper stock entries as per specifications may be entered in the stock register and be shown to audit along with the detail of issue/ disposal.

3. It was noticed that clear cut specifications of the furniture/UPS batteries had not been made available to the person placing the order on Gem portal as such the specifications that he entered on the portal depended on the discretion of the said person. This vagueness regarding the product to be procured may defeat the purpose of fair competition as specification may be put on the portal to suit some particular supplier. This aspect may be looked into and clear-cut specifications of the product approved by the Purchase committee may be made available to the Store Purchase Section for placing order on Gem Portal in future also.

(Audit Requisition No. RAS/HPU /-2018-19-30,31, 32& 52, dated 03.10.2018, 26.10.2018, 29.10.2018 & 20.12.2018 respectively).

37 (B) Purchases through GEM Portal.

The university has purchased 20 Nos. Computers through GEM Portal as per detail given below:-

Sr. No.	Bill No.	Date	Amount (₹)
1.	4346	05-12-2018	11,28,000.00

The payment as mentioned above has however been admitted in Audit as per the sanction of the competent authority and being committed liability to third party subject to the following audit observations.

1. As per the supply order containing Contract No. GEMC-511687785623075 dated 06-Nov.2018, 25 nos. computers of HP 400 G3 model were ordered to be purchased from M/s Satluj Document Company but one invoice No. SDC/RMP/1819-790 dated 12.11.2018 related to the purchase of above referred 20 Nos. Computers for ₹ 11,28,000/- had not been found to be an online generated CRAC Bill but was a signed hard copy from supplier which does not appear to be permissible as per GEM portal instructions. This may either be justified/ clarified or online generated CRAC Bill for the above payment may be shown to audit.
2. During the perusal of the stock entries of the said computers purchased through Gem Portal it had been found that the detailed specifications along with the distinct serial numbers of the computers purchased had not been entered in the Stock Register as per Installation Report but instead only the model no. of the computer purchased was found entered. Proper stock entries as per specifications along with the distinct serial numbers may be entered in the stock register and shown to audit along with the detail of issue.
3. As per recordings at page no. 191-192 of the inspection register it had been found that total 36 computers of different configurations {which includes above 20 nos. computers) were required to be inspected but the inspection committee has

inspected only 4 nos. computers on dated 22-11-2018 which does not appear to be in order and inspection in r/o all the articles are required to be completed invariably.

(Audit Requisition No. RAS/HPU /-2018-19-55, dated 10.01.2019)

38 Regarding adherence to proper accounting procedure for booking of conference hall.

On the subject cited above it had been observed in audit that no bills were being issued by the department of law for renting out of your department's Conference Hall and instead only the demand letters were found issued therefore, as had been observed in the case of Department of Biotechnology's Bill No. 3486 dated 04.10.2018 for ₹ 5000/- wherein your office demand letter No. 2-18/HPU(Law) 2K3 dated 20.09.2018 had been made the basis for drawing of the above payment for hiring of hall for 30.08.2018. It had been observed that charges of Hall for let out was ₹ 20000/- per day and by the special permission of the Hon'ble Vice Chancellor the same has been allowed @ ₹ 5000/- per day. In this regard, it is advised that either a bill book may be used for the purpose or some other credible mechanism may be developed in order to ensure that all incomes of the department are duly accounted for and also realised accordingly as per rule besides ensuring due monitoring by any quarter including audit. The payment as above has, however, been admitted here in audit subject to above observations.

(Audit Requisition No. RAS/HPU /-2018-19-33, dated 05.11.2018)

39 Regarding Bill No. 321 dated 17.11.2018 for ₹0.19 lac related to payment for Sanitation Services for the month of October, 2018.

In continuation of audit observation dated 20.11.2018 recorded on the bill cited in the subject above and after having examined the agreement for sanitation services for the period w.e.f. 01.07.2018 to 30.06.2019 along with file containing previous agreements entered into between University and the Sulabh International Social Service Organisation, it had been noticed that Sulabh International Social Service Organisation vide its letter No. SISSO/HP/2018-125 dated 04.07.2018 had requested for extension of the previous agreement {which was expiring on 30.06.2018} committing that there shall be no change in Condition 1 to 20 of the previous agreement though stating that there shall be price escalation in case any wage hike is announced by the government. Accordingly, approval for extension of the agreement for one year upto 30.06.2019 was granted by the Hon'ble Vice Chancellor. But on perusal of the agreement now extended upto 30.06.2019, it was observed that the condition at Sr. No. 15 of the agreement which previously prescribed for dress code to the volunteers and supervisors was replaced with the condition providing for GST @ 18% and, thus, making your college/ university liable for payment of GST while the service provider reduced his liability on account of dresses for their volunteers and supervisors. Thus, this agreement is contrary to the offer extended by the service provider and duly accepted by the university while it was also not as per approval of the competent authority accorded on file which clearly indicated at N-10 that there shall be no change in terms and conditions.

On the other hand it had been noticed that GST is being deducted from the bill of Sulabh International Social Service Organisation which was contrary to the terms of agreement signed between your college and the said organisation.

Thus, it was not clear what actually had been agreed upon between the two parties in terms of payment of GST etc. You are, therefore, requested to personally look into the matter and apprise audit of the factual position so that bills on account of payment for sanitation services or arrears thereof which may be presented to audit any time in future, could be processed here accordingly. In addition, to above it may also be looked into whether conditions regarding EPF and ESI liability should also have formed part of agreement in view of various statutory provisions providing for safeguarding the interest of labour.

In addition, to above, 20% Implementation Charges being paid to Sulabh also appear to be on higher side considering the fact that material cost is being borne completely by the university while the wages as per government rates have also been assured and, therefore, required negotiation or fresh tenders could have been invited for the purpose in the larger interest of the university.

The bill as above has, however, been admitted here in audit being labour payment subject to above observation which may be attended to on priority.

(Audit Requisition No. RAS/HPU /-2018-19-37, dated 26.11.2018)

40 Regarding Bill No. 3660 dated 17.10.2018 for ₹0.26 lac of Press Club, Shimla related to lunch hosted by the University during press conference.

In continuation of this office observation dated 05.11.2018 recorded on the bill cited in the subject above that verification regarding participants of press conference held on 09.10.2018 was required to be supported with the list of correspondents who had been invited for the above press conference duly supported with letter regarding holding of press conference which was not found attached with the bill. The same may be shown to audit now.

The bill as above had, however, been admitted in audit in view of the sanction of the Hon'ble Vice Chancellor subject to above observations.

(Audit Requisition No. RAS/HPU /-2018-19-38, dated 26.11.2018)

41 Regarding enhanced Family Pension to the dependents of University retirees / pensioners.

on the subject cited above it had been observed in audit during the course of vetting of pension cases that enhanced family pension to the dependents of university retirees/ pensioners in case of demise of the pensioner within 7 years of retirement is being proposed up to 7 years from the date of his or her superannuation or up to pensioner's age of **67 years** had he/she been alive, whichever is earlier, on the basis of contention that the age for superannuation in the university is 60 years But as per government instructions governing grant of pension, family pension and other retirement benefits issued by Finance (Pension) Department vide its Office Memorandum No. Fin (Pen)A(3)-1/09-Part-1 dated 14.10.2009 which has also been adopted by the university, the enhanced family pension to the dependents of retired employees who die within 7 years of retirement is required to be paid only up to 7 years from the date of his or her superannuation or up to the date of his or her having

completed the age of **65 years**, had he/she been alive, whichever is earlier, since para No. 8.2 of the above instructions clearly provides that there has been no change in the period for payment of enhanced family pension to the family in the case of death of a pensioner meaning thereby that the **age ceiling of 65 years** as was prevailing prior to the date of issue of OM cited above continues to apply. The matter may, therefore, be got reviewed at your end and grant of family pension up to the age of 67 years instead of 65 years may either be justified duly supported with applicable rules, instructions etc. or the family pension cases/ proposals related thereto may be got regulated / reviewed as per government instructions cited above read with other instructions issued by government in this regard from time to time.

This is in continuation of this office observation recorded on a pension file a few months back whereby audit had specifically requested for examination of this issue in detail at the end of University and to apprise this office of the final outcome but nothing has been heard from your office in this regard. You are, therefore, once again requested to intimate to audit the final outcome in the matter at the earliest

(Audit Requisition No. RAS/HPU/-2018-19-41, dated 29.11.2018)

42 Information regarding various agreements with Sulabh International which had been awarded sanitation work of the university.

Sr. No.	Name of the Department /Section	Period of current agreement	Amount Per Month as per agreement (₹)	No of persons/ workers required to be deployed as per agreement
1	2	3	4	5
No. of supervisors required to be deployed as per agreement	Whether any verification by University Officer(s) is being done to verify actual deployment as per Col. 5 & 6	Cost of Material per month permitted as per agreement (Rs)	Date of Ist Agreement with Sulabh	Remarks
6	7	8	9	10

The above information is still awaited till the drafting of this Audit Report.

(Audit Requisition No. RAS/HPU /-2018-19-45, dated 30.11.2018)

43 Regarding non-adherence of provisions of Recruitment & Promotion Rules for various posts in the University.

It has come to the notice of audit during vetting of various promotion-cum-pay fixation proposals submitted to audit that the provisions of Recruitment & Promotion Rules for various posts in the University are not being adhered to in full and as a result either the employees have been granted undue benefit or denied the due benefit as is clearly evident from the instances quoted hereunder:

1. Smt. Pushpa Devi, Additional Controller of Examination and Shri Raj Kumar Thakur, Planning-cum-Development Officer were granted promotions to these posts before they had completed minimum length of service in their respective lower posts as prescribed in the R&P Rules. Their cases have now, however, been regularised with the approval of the Executive Council after being pointed out by audit
2. Smt. Kavita and Smt. Sunita, Library Attendants have been granted pay band of ₹ 5910-20200+1900 GP since their appointment in 2009 instead of ₹ 4900-10680+1300 GP due in their favour. This case has been returned to your office for re-examination and audit is yet to be apprised of final action/ outcome in the matter.
3. Two Mess Helpers namely Shri Gian and Shri Beli Ramon promotion to the post of Cook vide office order No.6-5/93-HPU(Estt.) Vol-VII(i) dated 19.05.2018 have been granted the pay band of ₹ 5910-20200+1900 instead of ₹ 5910-20200 +1950 as per copy of R&P now supplied to audit. This case has also been returned to your office for necessary review.

In view of the above, it is requested that necessary review of cases referred to in para 2 & 3 above may be ensured at the earliest under intimation to audit while a set of R&P Rules of various posts of the University **duly bound with index** may also be supplied to audit in order to ensure early disposal of cases here in audit.

(Audit Requisition No. RAS/HPU /-2018-19-46, dated 01.12.2018)

44 Regarding HRA in couple cases.

On the subject cited above it was requested that HRA Certificates obtained from all the University employees for current financial year and may be shown to audit before release of next salary i.e. for the month of December, 2018 in order to rule out any overpayment of HRA on account of couple cases. The certificates submitted by the employees may, also be got duly verified from record maintained in the University before submission to audit.

(Audit Requisition No. RAS/HPU /-2018-19-47, dated 01.12.2018)

45 Regarding accommodation provided to Miss Shelly Chauhan, Senior Assistant.

It had come to the notice of audit during checking of salary for the month of November, 2018 that a sum of ₹ 2159/- per month were deducted from salary of Miss Shelly Chauhan, Senior Assistant (ECR-Vol-V Page 16) on account of licence fees which was much higher as compared to those who were in the same rank and who had also been provided accommodation. It appears that she has been allotted accommodation much higher to her entitlement and you are, therefore, requested to apprise the audit of factual position in this regard along with supporting record at the earliest.

(Audit Requisition No. RAS/HPU /-2018-19-48, dated 01.12.2018).

46 (A) Regarding timely presentation of Annual Increments proposals and Salary bills to audit.

On the subject cited above it had been noticed that annual increment proposals are being submitted to audit mostly in the third week of every month and as a result submission of salary bills is also being inordinately delayed which reach us on or after 26th- 27th day of the month. As a result, very little time is left for scrutiny of pay bills

by audit particularly at the level of Section Officers as these are expected to be returned back to Accounts Section by 29th of every month, therefore, chances of lapse are always there. Even this month two overpayments of House Rent Allowance have been detected where the employees who had been allotted accommodation were also being given HRA— one to Shri Dr Baldev Singh, Institute of Himalyan Studies (ECR III Teachers) in whose case the salary bill was got corrected and ₹ 4000/- overpaid stands recovered from his salary of this month while in another case of Dr. Prakash Chandel, Professor, Evening College {ECR No. II Teachers- Page 177), it has been found that the overpayment is going on for the past several years and remained undetected so far and recovery is, therefore, required to be made after ascertaining the factual position from record under intimation to audit. You are, therefore, requested to direct the concerned that annual increment proposals may be submitted to audit for vetting in the **first week of every month** while salary bills may also invariably be submitted to audit **latest by 24th of every month (i.e. at least five working days in advance)** so that proper checks could be exercised and chances of lapse could be minimised. Besides, the supervisory officers in Accounts Branch may also be specifically directed to exercise all due checks in this regard.

(Audit Requisition No. RAS/HPU/-2018-19-49, dated 30.11.2018).

47 Regarding work titled “Construction of Non-teaching staff quarters at Cheriton Estate”.

While checking the 3rd Running bill amounting to ₹40,88,272/- related to the work “**Construction of Non-teaching Staff Quarters at Cheriton Estate**” audit vide observation dated 06.10.2018 on file (N-21 of file refers) had sought to clarify the factual position regarding NSC amounting to ₹ 2,00,000/- dated 30.03.2016 recorded at MB No. 1748 at Page 66 deposited by the Contractor on account of Security Deposit as it was found to be of date much earlier than the date of NIT i.e. 13.02.2017 with supporting record, but the matter in this regard has not been clarified till now. As such original NSC with the date of pledging duly indicated thereon from Post Office may be put up in audit along with the Security Register at the time of the submission of next running bill/final bill.

The bill as above had, however, been admitted here in audit subject to above observations.

(Audit Requisition No. RAS/HPU/-2018-19-50, dated 11.12.2018)

48 (A) Regarding Bill No. 1167 dated 10.12.2018 for ₹0.08 lac related to wages of Sh. Lekh Raj, Hostel Attendant.

While checking Bill No. cited in the subject above, it had been noticed that Sh. Lekh Raj, Daily Wage Hostel Attendant is being paid wages ₹ 267/- per day while there is no corresponding / matching daily wages rate for the said post in the orders issued by Additional Chief Secretary (Finance) to the Govt. of Himachal Pradesh vide his office letter No. Fin(PR)3(7)-33/2010 dated 16.04.2018. Accordingly, the matter had been taken up with the Government vide Registrar’s office letter No. 9-21/80-HPU(Genl.) Vol.-IV-1364 dated 30.06.2018, but the said letter is still un-replied to date and, hence, it is not clear at what rate wages are to be paid to the above incumbent. It is, therefore, requested that the matter be pursued with the government

once again in order to rule out underpayment/ overpayment and audit be apprised of the final outcome accordingly.

The bill as above had, however, been admitted in audit subject to above observations.

(Audit Requisition No. RAS/HPU/-2018-19-51, dated 19.12.2018)

48 (B) Regarding non-production of absentee statements and other discrepancies noticed in Salary bills for the month of February, 2019.

In continuation of this office letter No. RAS/HPU/2018-19 dated 15.09.2018 and subsequent reminder No. RAS/HPU/2018-19 dated 12.11.2018 and further Audit Requisition No. RAS/HPU/Audit Requisition/2018-19-44 dated 30.11.2018, was noticed that absentee statements were not presented to audit with salary bills despite above communications and also clear-cut orders from university vide Circular No. 1-1/2018-HPU dated 27.10.2018. Absentee statements in respect of salary bills passed by audit in the month of November, 2018 had still not been presented to audit till end of February 2019 despite our request to show the same to audit by 10.12.2018 vide above referred requisition dated 30.11.2018 while the salary bills for the month of February, 2019 had again been presented without the absentee statements. This was, therefore, clear cut violation of University rules and also instructions issued as above and requires immediate attention of University authorities for corrective action and ensuring compliance from all concerned quarters as in the absence of absentee statements chances of undue payment to University employees cannot be ruled out.

In addition to above, the following further discrepancies have been noticed while checking the salary bills for the month of February, 2019 which are also brought to your kind notice for further necessary action:

1. House Rent Allowance had been paid to Shri Jagdish Verma, Senior Assistant during 01.10.2014 to 27.02.2016 and to Shri Munshi Ram, Junior Assistant for the period w.e.f. 01.10.2014 to date i.e. 28.02.2019 while they were/ are also in unlawful occupation of University accommodation during this period and no HRA was required to be paid as per clear cut orders/ instruction from Assistant Registrar (Estate) vide their letter No. 9-1/2002-HPU(Estate)-Vol-1-89 dated 14.01.2015. It had further been intimated to audit that Shri Jagdish Verma, Senior Assistant had vacated accommodation in February, 2016 while Shri Munshi Ram, Junior Assistant was still in occupant of the accommodation and his 'House Rent Allowance' was, therefore, required to be stopped forthwith. Further, ₹ 20400/- and ₹ 64,600/- had been paid in excess to these employees on account of House Rent Allowance as per detail enclosed in "Annexure G" which may now be recovered from them and deposited in University exchequer and compliance be reported to audit.

2. CPS was not being deducted in respect of the following University employees though it was mandatory as per provision of the related rules. This may either be justified to audit with cogent reasons or deduction may be started forthwith in the larger interest of concerned employees and also to avoid any untoward consequences to the University:

Sr. No.	Name & Designation	ECR Reference
1.	Shri Ravinder Kumar, Mess	Vol-1 Department Page-147

	Helper	
2.	Shri Muni Ram, Mess Helper	Vol-1 Department Page-159
3.	Shri Naginder,	Vol-1 Main Page-134
4.	Shri Surya Kant	Vol-1 Main Page-121
5.	Shri Sushil Kumar	Vol-1 Main Page-122

3. Secretariat Pay was also being included to work out employer's matching contribution for CPS and CPF which may result in overpayment to such employees / subscribers on retirement since the factor of Secretariat Pay was not being admitted by audit in the retirement benefits in case of employees covered under GPF/ Pension under CCS (Pension) Rules, 1972 and likewise uniformity is required to be maintained in case of these employees covered under CPS and CPF.

4. Provisioning for Gratuity, Pension Corpus was also being made after including Secretariat Pay which also does not appear to be in order and may be reviewed in the light of government instructions in this behalf.

5. On test check it was found that Income Tax was also not being correctly worked out and TDS on account of income tax was revised to higher side by ₹ 10,35,435/- (ECR Vol-II Teachers-₹ 4,42,423/- Vol-III Teachers- ₹ 3,27,446/- and Vol-I Officers ₹ 2,65,566/- total ₹ 10,35,435/-) on being detected by audit though it was the subject matter of the Drawing & Disbursing Officer. Therefore, due care is required to be taken in this regard for future in order to avoid any penalty or other adverse consequences for Drawing & Disbursing Officer / University.

The lapse at Point No. 1 and 5 above may also be addressed by plugging the loopholes in the salary software in order to rule out similar overpayment in future.

(Audit Requisition No. RAS/HPU/-2018-19-71, dated 01.03.2019)

48 (C) Regarding checking of Annual Increments of employees.

With reference to HPU college of Evening Studies office order No 3-1/07-HPUCES-189 dated 05.09 2018, it was intimated that all Annual Increments of the HP University employees are being vetted by the Local Audit Department before granting the Annual Increments. But during the Perusal of above office order. it was found that the Annual Increments of Evening Studies were granted without the vetting by Local Audit Department. Therefore, you are requested it may be ensured that before granting Annual Increments of all employees may be pre vetted by the LAD to avoid the discrepancies/irregularities later on.

(Audit Requisition No. RAS/HPU /-2018-19-42,dated 29.11.2018)

49 Regarding inserting advertisement amounting to ₹0.50 lac in the Souvenir brought out by Shri Guru Ravidas Vishnav Mahpeeth ,Vikaspur, New Delhi.

Kindly refer to bill No. 4655 & 4707 dated 22.12.2018 for ₹ 49,428/-&₹ 572/- (TDS) amounting in total to ₹ 50,000 vide which bill related to advertisement in the souvenir brought out by Sh. Guru Ravidas Vaishnav Mahpeeth, Vikaspur, New Delhi

had been presented to audit. In this regard, it was intimated that the guidelines for bringing out advertisement framed by the university may be shown to audit in due course. The bill as above, however, stands admitted in audit in view of sanction of competent authority and being committed liability of the university, but the reply has not been received from university authorities.

(Audit Requisition No. RAS/HPU/-2018-19-54, dated 10.01.2019).

50 Regarding work titled “Electrical Installation to newly renovated computer Cell of Journalism and Mass Communications in HP University, Shimla-5”.

While pre-auditing the 1st and Final bill related to the above work, it has been found that the work was awarded for ₹ 36,158/- against the justified value of ₹ 34,372/- i.e. ₹ 1,786/- above the justified value which is not permissible under the rules. On being pointed out in this regard vide audit observation dated 15.09.2018 recorded on file, it has been replied vide recordings on the related file (N-25 thereof refers) that the work was awarded within the administrative approval and expenditure sanction as the contractor negotiated the rates as per his capacity and did not reduce the rates any further, and so keeping in view the urgency of work, the work was awarded within the administrative approval and expenditure sanction. This position is totally contrary to the factual position at N-18 of the tender file wherein it has been recorded – “now the amount of lowest tenderer comes to ₹ 36158/- only (i.e 1.445% below the amount put to tender) which is well within the justified amount & Technically Sanctioned amount” meaning thereby that the lapse remained on the part of your office which is now being justified / covered up as per reply referred to above. Thus, overpayment of at least ₹ 1,786/- is involved solely due to lapse at the end of your office which needs to be made good from the concerned at fault under intimation to audit. It would be appropriate that the fresh tender should have been called in case the contractor had refused to reduce his rates any further.

In addition to above, neither any deduction on account of GST has been made in this bill nor the amount has been withheld on this account unlike other bills received in audit from the Construction Division and as such onus for any untoward consequences including penalty etc. anytime in future shall lie solely with your office and the o/o Finance Officer as no clear-cut decision has been conveyed to audit despite repeated request/ queries from audit in this regard.

(Audit Requisition No. RAS/HPU /-2018-19-56, dated 29.01.2019)

51 Regarding implication of GST etc. on work bills.

On the subject cited above it was pointed out that no decision had been conveyed to audit from your office regarding deduction/ non-deduction of GST from bills of works completed up to 30.09.2018 despite the matter being referred to your good self by repeated recordings on files related to works mentioned below. The matter was also discussed on 07.01.2019 in the chamber of worthy Registrar and a decision from your side was assured. Still we have been receiving work bills in r/o works completed up to 30.09.2018 in two ways – ones from Construction Division with amount on account of GST being withheld pending final decision while the work bills received from Maintenance and Electrical Division have been received without any withholding on account of GST though it is pertinent to add that all the bills have

been finally processed/ passed by the Accounts Section of your good office. As such the matter is still not clear and payments to third parties for these committed liabilities are being unnecessarily delayed. Now, therefore, in order to avoid any further delay in payment to third parties we had admitted these bills here in audit being committed liability of the University subject to the condition that it may be ensured at your end before release of payment that GST issue had been addressed correctly in order to avoid any untoward legal consequences including penalty etc. anytime in future.

Sr. No.	Name of work	Bill No.	Amount of bill (₹)	Security/ FDR Register
1.	Providing chequered plates at top attic floor below roof of ICDEOL Building in HPU, Shimla-05.	1 st & Final Bill	29,85,730	Not shown
2.	Providing and laying LT underground, cable 150 sq. mm 3.5 core armoured to Dr.Y. S. Parmar Boys Hostel at Potter hill in HPU, Shimla-5	2 nd & Final Bill	47113	-----
3.	Providing copper conductor Electrical installation along with LED accessories in library building in HPU, Shimla-5	1 st & Final Bill	24,00,845	Not shown
4.	Providing and fixing pre-painted sheet roofing over existing RCC Roof of Dr.Y. S. Parmar Boys Hostel in HPU, Shimla-171005.	1 st & Final Bill	22,08,303	Not shown

It is added that FDR Register was also expected to be shown to audit in r/o work bills at Sr. No. 1, 2 4 of the above table but the same has not been shown to audit.

(Audit Requisition No. RAS/HPU/-2018-19-57, dated 30.01.2019)

52 Regarding advance for ₹5.77 lacs on account of purchase of vehicle vide Bill No. 614 dated 24.01.2019 out of Student Fund.

On the subject cited above an advance bill for ₹ 5,76,742/- on account of purchase of Maruti Suzuki Dzire had been submitted to audit and expenditure on this account had been proposed to be met from Student Fund of the institute after approval of Finance Committee and Executive Council. In this regard, it was informed that as per provision contained under Clause 42.2 of Himachal Pradesh University Ordinance (as amended up to March, 2015) providing norms for expenditure from the

Amalgamated Fund (Student Fund), there is no specific / related provision authorising the above expenditure from the aforesaid fund and as such the same does not appear to be a fit charge on the Amalgamated Fund/ Student Fund of the centre. The Director, ICDEOL was requested to therefore, either justify the above purchase from the aforesaid fund quoting the specific provision of the ordinance or approach university authorities for seeking matching replenishment from the appropriate source of the university/ institute and apprise the audit accordingly.

This was in continuation of this office observations on similar lines dated 10.01.2019 recorded on file which had not been adequately replied. The bill as above had, however, been admitted in audit in view of sanctions/ approvals of competent authority(ies) subject to above observations. No proper replies on the observations have been received so far.

(Audit Requisition No. RAS/HPU /-2018-19-58, dated 01.02.2019)

53 Regarding Bill No. 5021 dated 14.01.2019 worth ₹11.23 lacs related to advertisement in various newspapers.

While checking the bill cited in the subject above amounting to `11,22,860/- related to advertisements brought out by the University in various newspapers through M/s Global Network, Sector-34, Chandigarh, it had been noticed that the agreement for bringing out University advertisements had been extended with the above named firm w.e.f. 01.10.2018 to 30.09.2023 without inviting any competitive rates thereof and also without obtaining the comments of the Finance Wing of the University before seeking approval of the authorities in the matter. This does not appear to be in order and is required to be justified with cogent reasons.

The bill as above had, however, been admitted in audit being third party payment and committed liability of the university subject to above observations.

(Audit Requisition No. RAS/HPU /-2018-19-59, dated 01.02.2019)

54 Regarding non production of the toll tax receipts.

During checking of the TA claim submitted vide Bill no.400 dt. 16.10.2018 amounting to ₹7498/- in respect of Sh. Kulwant Singh Pathania it was noticed that Prof. Pathania mentioned in the claim that he had travelled by own car from HPU to Delhi. But he submitted the toll tax receipt of Chandimandir, toll plaza only which falls between Chandigarh and Shimla. The receipt of toll plaza falling between Delhi and Chandigarh have not submitted. However, the claimant was requested to add above receipts in respect of to and fro journey from Delhi to Chandigarh. But he had intimated that the receipts have been lost.

Above matter was also brought to the notice of Finance Officer HPU and thereafter the said bill was admitted as a special case. Therefore, the above matter is again brought to your notice to direct the concerned branches to examine such types of TA claims as per rules and proper checks may be applied in cases of TA bills in future.

(Audit Requisition No. RAS/HPU/-2018-19-60, dated 01.02.2019)

55 Regarding payment of outsourced 4 Nos. Security Guards for the month of June, July & August 2018 engaged at UIIT HPU Shimla.

On checking the bill forpayment of outsourced 4 Nos. security guards & staff for the month of June, July and August 2018 it had been found that the period of agreement made between M/S Trg Guard Force Ltd and Director UIIT had expired on 31.05 2018. To avoid financial hardships to the security staff the payment for these three months had been provisionally admitted in audit on the basis of N 194- 197 at P 63 of the concerned file. Fresh agreement may be entered and shown to audit.

(Audit Requisition No. RAS/HPU /-2018-19-26, dated 10.09.2018)

56 Regarding advance of ₹1.42 lacs bill No. 3902 dated 05.11.2018 for purchase of sanitary Napkin Vending Machines.

With regards to the advance of ₹142191/- cited in the subject above for the purchase of two set of sanitary napkin vending machine/ installation/AMC/Training charges, it is pointed out that the original sanction had not been put up to audit. The advance bill is, however, being admitted subject to the production of original sanction in audit at the time of adjustment it must be ensured that all codal formalities should be completed before purchase of Vending Machine. The unspent amount, if any, may be deposited as per the provisions contained in Accounts Manual. The compliance may be shown to audit.

(Audit Requisition No. RAS/HPU /-2018-19-34, dated 20.11.2018)

57 Regarding production of Pension Bills on submission of “Live Certificates” by the Pensioners.

During vetting of the pension bills of January 2019 payable in the month of February 2019, of the Pensioners, Audit had observed that pension branch had withheld the pension of the individuals who had not submitted their Live Certificates within the stipulated time period for any reason, but the list of the individuals was not attached with the bills. Audit was of view that the pension bills prepared for the release of Pension to the individuals who hadnow submitted their live certificates needs to be submitted for vetting to the Audit so that all cases are verified and vetted before payment of Pension for the selected months of January and July. It is also observed that the bills were submitted late to LAD for pre-audit which gives very less time to Audit to exercise full checks. You are requested to direct the concerned branch that all payment released for the month of January 2019 may be got pre-audited from LAD, so that selection month payment can be completed 100%.

In future the details of pension withheld may be provided to audit along with the reason to withhold.

(Audit Requisition No. RAS/HPU /-2018-19-63,dated feb.2019)

58 Regarding purchase of Chemicals, Glassware, Apparatus and Equipment's on rates approved by the Store Purchase Committee.

During the year 2017-18 tenders were invited from the various firms/suppliers to approve the prices for the purchase/supply of chemicals, Glassware's Apparatus and Equipment's to the various departments of H.P. University. On the recommendation of the Store purchase \Committee the tenders of 15 firm were approved on 29.12.2017 out of 16 firms on the basis of discount offered by them on the price lists.

The following points had not been considered during finalization of the tender process.

1. The Item wise specifying the brand name of the articles to be procured for use in laboratories / practical have not been called to reach the lowest rate.
2. The Prices of the approved materials have not been compared with each other on the basis of price lists provided by the suppliers as the same item has a different rate and different discount.
3. The Tenders have been awarded on the basis of discount offered by the suppliers on a particular brand by ignoring the basic rate of the articles which itself points to the fact that there was no perfect competition. The Store Purchase Officer has recommended the firms without going through the lowest competitive rates of each item.
4. It seems that the committee has just full-filled the formalities and no heed has been given to save the funds of the university.
5. Besides above, it is also noticed that the supply made to the different Sections/ Departments have different rates/discount for the same item, even same department have procured a particular item/items at different rates/discount, which is not acceptable.
6. Hence the quarter concerned is requested to justify the above discrepancies. Although the bills of various departments for procurement of Chemicals, Glass wares, Apparatus and Equipment's are being admitted in audit subject to above said observations, being the committed third-party liability of the University. No action on the observation of the audit have been taken so far.

(Audit Requisition No. RAS/HPU/-2018-19-64, dated 12/2/2019)

59 Regarding work titled "providing copper conductor electrical installation in the residences of Tennis Court and Hutment Buildings in HP University Shimla-5."

While pre-auditing the 1st and final bill related to the above work following discrepancies had been noticed which may be attended to please.

1.As per tender notice bearing No. 13-1/HPU/Const.(Div)-2007 dated 26.12.2017, it was clearly mentioned that tenders should be accompanied with Earnest Money in the shape of NSCs /FDRs / Bankers Cheques duly pledged in the name of Executive Engineer (Maintenance) Division No. –II H.P. University failing which the same will not be entertained. But in the instant case no EMD had been obtained from the contractor along with the tender, which was already standing observed by the LAD/ Audit vide N-29 and 38 of the file. In reply of the ibid observation the construction division had informed the Audit Vide N-33 that an old Earnest Money amounting to ₹7000/- which was lying with the division in the shape of FDR has been adjusted against the current tender, which was highly objectionable as there was no provision to adjust the earnest money of one tender to other works tender nor the DNIT/ NIT allows to do so. Hence the tender without EMD must had been rejected straight away as per the condition of the tender but instead of rejecting the tender the same had been accepted, just to give undue benefit to the contractor by the university authorities.

1. As per N-28 and 37 of the file, the audit had advised to deduct TDS under the provision section 51 of GST act, which was mandatory to be deducted from all payments made to the contractors/suppliers on and after 01.10.2018, but no such deduction on account of TDS under GST had been made in this bill like other bills received in audit from the Construction Division and as such onus for any untoward consequences including penalty etc. anytime in future shall lie solely with the university authorities.

2. The Contractor ledger had not been put up to audit for necessary verification please.

3. Before making the payment to the contractors the bill may be got passed from the Finance wing of H.P. University at the first instance.

The bill as above had however, been admitted in audit being third party payment and committed liability of the university subject to above observations.

(Audit Requisition No. RAS/HPU/-2018-19-65, dated 12/2/2019)

60 Utilisation Certificate in favour of Miss Lalita Kaushal.

An utilisation certificate in respect of the Grant sanctioned, amounting to ₹159778/- vide letter No. 3/1/3/JRF-2016/LS/HRD-55(10979) dated 07.05.2018 for the period 01.04.2018 to 30.09.2018 in favour of Miss Lalita Kaushal, ICMR-JRF, has been presented in audit for its certification.

During the perusal of the said “Utilization Certificate” the audit has made certain observations at N-18 of the file, as the contingent expenditure amounting to ₹10000/- has been shown incurred on Summer Training, which is contrary to the guidelines of the funding agency. In response to the ibid observations, no satisfactory reply has been furnished by the quarter concerned. The chairman of the department vide N-23 of the file has requested to consider the matter as a special case and it is also ensured that, in future the grant would be utilized strictly as per guide lines.

Hence, in order to avoid hurdle in the research work of the individual concerned, due to delay in the issuance of utilization certificate, the same is hereby issued under the condition that the said expenditure under contingency head may be got regularised from the funding agency.

(Audit Requisition No. RAS/HPU/-2018-19-70, dated 6/3/2019)

61 C/O P.C.C. retaining wall from R.D. 0/20.00 to 0/36.00 meters along the road leading to the boys hostel and H.P. health centre in H.P. University. Shimla-5

White pre-auditing the 1" running bill related to the above work following discrepancies has been noticed which may be attended to:-

1. It has been informed by the construction division regarding material extracted/found from the collapsed retaining wall vide N-24(iii) of the file that the wall had collapsed and blocked the road leading to the boys hostel, the road was got through by the Municipal corporation by deploying machinery and labour and the whole material including stone etc. has been carried away by the Municipal Corporation.
2. The university authorities have not cleared the status of land where the above said work is being executed i.e. whether the land belongs to university or corporation. However, if the land belongs to the Corporation in that case the corporation may take away the material but the university authorities has no right to do construction work there execution of above work, in that case the expenditure incurred on the work is not fit charges on the university funds.
3. If the land belongs to the University authorities in that case the corporation had no right to take away the material lying scattered due to the collapse of wall. Hence your kind attention is invited on the matter that an enquiry may be conducted and necessary action may be taken against the defaulters or responsibility may be fixed. The site Engineer is fully responsible for the recovery of stone/ other material found at site, hence necessary recovery may be made good from the defaulters /the official in-charge or cost of stone may be recovered from the MC Shimla please.
4. The university authorities has informed vide N-33 of the file that the cement recovery rate has been written wrongly ₹253/- plus 4% per MT instead of ₹253 plus 4% per bag although the correction has been made in the DNIT with red ink pen but the corrections has been attested /signed neither by the concerned Executive Engineer nor by the contractor.
5. It has been informed vide N-40 that the date for theoretical consumption has been recorded inadvertently 18.11.2017 instead of 28.11.2017. if the same may be considered but up-to the date 28 11 2017 only 440 cement bags were issued while the consumption as per statement has been worked out on the actual execution 525 bags which clearly reflects and witnesses that the work was being executed below specification, so your kind, attention is invited that the factual position may be brought on record, after checking mortar etc. please.
6. The deduction on account of weep whole i.e. item No. of the schedule of quantity is not been made while recording Item No 6,7&8 in the M. B 1075. The deduction may be ensured please.

7. The adjustment vouchers of the material issued to the contractor and security withheld may be added please.
8. Before making the payment to the contractor the bill may be got passed from the Finance wing of HP. University at the first instance.

The bill as above has, however, been admitted here in audit subject to above observations being committed third party liability of the university.

(Audit Requisition No. RAS/HPU/-2018-19-61, dated 05/2/2019)

62 Regarding audit of accounts of HP University Department of Evening Studies.

During the course of post audit the accounts for the year 2018-19 of the HP University, Department of evening studies, Shimla-171001 (HP) the following discrepancies had been noticed:-

1. An amount of ₹207218.21 have been deducted by the banks on account of TDS on interest earned on FDR/TDR with them but the same had not been recovered/ taken credit from the bank. As in the case of HP University, being an educational institute, which is non-Profiting institute and is exempted to pay taxes under Income Tax Act, so wrongful deduction of TDS by the banks on interest of FDRs/TDR may be got recovered after taking the matter with concerned banks. It is also mentioned here that year wise detail of TDS deducted by the banks had not been made available to audit, so same may be got prepared at your own level under intimation to Audit.
2. An amount of ₹24281.86 has been shown as a difference in closing balance as per cash book and actual closing balance of bank as on 31.03.2019. Detail of which is given below:-

Closing balance as per cash book as on 31.03.2019	₹491141.39
Closing balance as per bank statement	₹515423.25
Net difference	₹24281.86

This difference of ₹ 24281.86 is required to be reconciled under intimation to audit.

3. During post audit it was also noticed that an amount of **₹8388/-** have been deducted as TDS on income tax by banks on interest earned on FDRs during 2018-19. Out of which an amount of **₹2308/-** have been credited by the banks and rest of the amount to the tune of **₹6080/-** was still recoverable. So, efforts may be made to take the credit of **₹6080/-** from the banks under intimation to audit.

(Audit Requisition No. RAS/HPU /-2018-19-04, dated 11/2/2022)

63 Regarding audit of accounts of University Institute of Legal Study.

During the course of post audit of the accounts for the year 2018-19 of the **University Institute of Legal Study**, the following discrepancies have been noticed,

1. **Showing a balance of ₹ 5.81 lacs without deposit details:-**An amount of ₹580799.00 had been shown under the head opening balance as on 01.04.2018 “**by mentioning as sub-head as 1(iii) Previous years difference**” but no details, thereof, has been provided to audit. It is also mentioned here that this amount should be either in the shape of **cash or bank balance** but neither it is shown as cash balance nor as bank balance. By showing the balance in such a way, the possibility of misappropriation or embezzlement cannot be ruled out. This amount was also shown as closing balance as on 31.03.2019 without any detail. Thus, the figure seems to be fictitious. So, the matter is brought to the kind notice of the authorities that an enquiry may be conducted to trace out the facts related to the figure mentioned above.

2. **Non-collection of GST on the rent of smart shop and canteen amounting to ₹7181/-:-** It is noticed during the course of audit that a sum of ₹ 25376/- and ₹ 14520/- had been realized on account of rent charges from the tenants of smart shop and cafeteria respectively but the GST had not been charged on the rent realized, while as per the provisions of the GST Act. 2017, GST @ 18% was required to be realized from the tenants. In this way an amount of ₹ 7181/- has been less realized on account of GST, which was also payable to the Commissioner GST. So, ₹ 7181/- may be now realized from the tenants and be deposited with the concerned authority.

3. **Non production of utilization certificate to the tune of ₹ 5.43 lacs :-** A sum of ₹ 542700/- was paid to the construction division on account of deposit works but the utilization certificate thereof had not been made available to audit. So, it is suggested that the utilization certificate may be obtained from the executing agency and be made available to the audit.

(Audit Requisition No. RAS/HPU /-2018-19-08, dated 08/03/2022)

64 Regarding Post Audit of Annual Account of faculty house for the Year 2018-19.

The following observations have been noticed during the post audit of the account of HPU Faculty House for the year 2018-19

1. Short deposit of faculty house charges of ₹5100/=

As per visitor register vide Page-172, 11 and 12, a sum of ₹ 300/= 2400/= and 2400/= were received/ collected from the visitors, Sh./Prof. Harish Kumar, Sh. Neeraj Kumar and Sh. Arunesh Singh respectively but same had not been deposited in the University account till date of audit, which is a very serious lapse on the part of In-charge of the faculty house. So, the amount collected and not deposited till date to the tune of ₹ 5100/= may be deposited in the university account along with the penal interest under intimation to the audit.

2. As per visitor register vide Page/Sr. 146, 150, 230 and 234, the following guest/visitors had been provided free of cost accommodation but no proof/authority letters regarding providing free of cost accommodation were made available to audit, so it could not be verified that the visitors, who were allowed to stay free of cost, were genuine university guests or routine visitors from whom the staying charges were not collected.

Visitor register (Sr. No.)	Name of the Visitor	Period of stay	Room No. allotted
146	Sh. Baryam Singh	30.04.2018 to 01.05.2018	08
150	Prof. R. Banerjee	30.04.2018 to 02.05.2018	17
230	Smt. Feeroj Khan	17.05.2018 to 25.05.2018	11
234	Sh. Madan Lal	17.05.2018	09

If the above were university guests, then the proof thereof may be made available to audit or the amount chargeable as staying charges may be collected from the person at fault/right source under intimation to audit.

3. Late deposit of funds received on account of staying charges from the visitors:

During the course of audit, it was noticed that the funds received from the visitors on account of staying charges were not deposited on the next working day while as per existing rule, these were required to be deposited well in time, in some cases it was also noticed that funds collected were even deposited after a couple of weeks or months. All such cases, where the funds were deposited late have been given in **Annexure “E”** attached. So, it is advised that this practice may be avoided in future.

4. Besides above it is also noticed that the In-charge of the faculty house had not counter signed the visitor register, so it could not be ensured that the entries in the visitor register have been accurately made or not. It was also noticed that in the visitor register the timing such as AM/PM had not been mentioned with the date of entry / check-in and check-out, in absence of that, it could not be verified that the charges of the staying in the faculty house had been realized in right way or not. Hence the discrepancy is brought to the kind the notice of authorities to do needful in the matter.

(RAS/HPU/AR-Annual Acctts-2018-19/09, dated 08.03.2022)

65 Regarding audit of Annual Accounts of construction Division for the year 2018-19

While auditing the Annual Accounts of The Executive Engineer, Division No. II for the year 2018-19, it was found that a sum of ₹7250/- as per detailed herewith in **“Annexure-F”** has been realized short as the tender forms had been sold at a rate lesser than the rates prescribed/ notified by government in this regard 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 was supplied to the audit party by your office during the course of audit. The amount, thus short realized may be recovered from official(s) at fault/right source and be deposited in university exchequer at the earliest under intimation to audit.

Besides above, In the annual accounts, a payment of ₹826/- under the head **Accounts keeping fee** i.e., actually “bank charges” has been shown, So, the matter

may be taken up with the bank to take the credit of the bank charges as no bank charges are levy-able on the university accounts.

(RAS/HPU/AR-Annual Acctts-2018-19-11 the 11th March, 2022)

66 Regarding information of fees realized by the main University funds during the financial year 2018-19.

The following information regarding main University funds collected during the financial year 2018-19 was requisitioned to be provided on the below mentioned Performa.

Sr. No.	Particulars	Amount
1	Nos. of students got registered during 2018-19	Registration fee realized
2	Nos. of students (course wise) whose examination form received during 2018-19	Examination fee realized (course wise)
3	Nos. of application received for issue of transcript during 2018-19	Fee realized
4	Nos. of cases of late fee / penalty during 2018-19	Late fee / penalty realized
5	Nos. of new college affiliated with HPU during 2018-19	Fee realized
6	Nos. of new created during 2018-19	Fee realized
7	Details marks card correction fee during 2018-19(UG/PG)	Fee realized
8	Duplicate marks card fee during 2018-19(UG/PG)	Fee realized
9	CMC(PG) during 2018-19	Fee realized

The above information was not received till the drafting of this Audit Report. Hence the fee and funds collected form the students or other sources as mentioned above could not be verified.

(Audit Requisition No.RAS/HPU/AR-Annual Acctts-2018-19-13, dated:11.04.2022)

67 Information required to ascertain the viability of General Provident Fund, Contributory Provident Fund and Contributory Pension Scheme.

On the subject cited above and requested to supply the information on the following format in order to ascertain the viability of CPF, GPF and CPS as on 31.03.2019 which is to be incorporated in the Annual audit Report for the year 2018-19.

Sr. No.	Name of Fund/ Scheme		No. of Subscribers as on 31.03.2019	Total amount outstanding at the credit of subscribers as a whole as per ledgers as on 31.03.2019 (inclusive of interest)
1.	<u>2</u>		<u>3</u>	<u>4</u>
1.	GPF			
2.	CPF			
3.	CPS			
Total amount available in the fund (both in Saving bank A/c plus Fixed deposit) (₹)	Amount receivable from other funds accounts (₹)	Amount payable to other funds/accounts	Net assets of the Fund (Col. 5 + Col. 5 less Col (7))	Surplus / Deficit of net assets available over amount due to subscribers (+)/(-)
(₹)	(₹)	(₹)	(₹)	(₹)
5	6	7	8	9

The above information was not received till the drafting of this Audit Report.

(RAS/HPU/AR/Annual Accounts/2018-19-18, Dated 03.07.2023)

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

1. The Annual Accounts of Construction Division, Maintenance Division and Electrical Division were not submitted to audit by the concerned departments despite repeated requests while information sought regarding Earnest and Security Deposit received / deducted from works bill in the year 2017-18 was also not supplied to audit. As a result the position regarding **works completed** as well **Works-in-progress** could not be known and certified/verified. Besides 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. Besides annual accounts of IIHS were neither presented to audit nor these are being accounted for in the University's books of accounts. The compliance of the observations made by the audit in previous reports vide Para No. 26.6 of 2015-16, 33.1 of 2016-17 and 24.1 of 2017-18 was not put up to audit beside repeated requests.

2. The record related to income on account of Affiliation & Counselling Fees was not provided to audit and, hence, income on this account could not be verified. It is added that this record is not being supplied to audit for the past several years {2012-13-Para 26, 2013-14-Para-26, 2014-15-Para-8 para 26(6)2 of 2015-16, para 33.2 of 2016-17 and 24.2 of 2017-18 refer}. The Officials in charge of record may be asked to

explain their position in this regard as it was a serious lapse on their part and needs to be viewed seriously by the University authorities.

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 31.03.2018 was neither intimated to audit nor incorporated as income receivable in the annual accounts which should have been there now that the accounts are being maintained on accrual basis. The issue was also raised vide Para no. 26.(6)5 of 2015-16, Para No. 33.3 of 2016-17 and 24.3 of 2017-18 but no compliance has been shown in this connection.

69 Loss of ₹1552.20 lacs to the Transport wing.

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

Year	Income (₹ in Lacs)	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
2017-18	6.93	202.44	(-)195.51
2018-19	6.59	219.60	(-)213.01
	76.93	1629.13	(-)1552.20

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 nine years the transport wing had suffered accumulated losses ₹1552.20 Lacs 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 losses sustained by providing subsidized transport facility. Further it is also advised that the transport facility may either be provided on no profit no loss basis or the option to provide the said service on out sourced basis may also be explored. 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 every year.

70 Loss of ₹2957.83 lacs for providing Hostel facilities

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

Year	Income (Hostel fee, Water and Electricity charges) (₹ In Lacs)	Expenditure (Salary, Water, electricity & other) (₹ In Lacs)	Deficit (₹ In Lacs)
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
2017-18	44.46	520.70	-476.24
2018-19	44.84	480.69	-435.85
Total	324.98	3282.81	(-)2957.83

The analytical study of figures of income and expenditure as stated above revealed that the HP University during the last eight years received **₹324.98** lacs as water, electricity charges and hostel rent from the students to whom hostel facilities were provided. But the University incurred expenditure **₹3282.81** lacs for running and maintenance of hostels and payment of salary for lower staff which resulted a net loss of **₹2957.83** lacs. 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 on 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.

71

Pension Fund

Financial Position

The financial position of the pension fund for the year 2018-19 is as under

Sr. No.	Particulars	₹
1	(a) Opening Balance as percash book on 01.04.2018	4892879.20
	(b) Opening Balance of FDR A/c on 01.04.2018	99196868.00
	Total (a+b above)	104089747.2
2.	Receipts from University through redrawls	98761237.00
	Other Receipts during the year	103765.00

	Interest on Saving Bank & FDRs (including by transfer from Corpus)	97447755.00
	Transfer from CPS	0
	Transfer from Main Account (current a/c)	283000000.00
	Transfer from gratuity fund	600000.00
	Receipt from leave salary/ pension contribution	5868330.00
	Total receipts during the year	485781087.00
3.	Grand Total (1+2)	589870834.2
4	Expenditure during the year	488852568.00
	Transfer to Gratuity Fund	600000.00
	Transfer to corpus fund	0
	Amt not credited due to insufficient balance & penalty thereof	0
	Total(4)	489452568.00
5	Closing Balance as on 31.03.2019 as per Cash Book (3 - 4) (i) In Saving Bank Account ₹1221398.20 (ii) In FDRS ₹ 99196868.00	100418266.2
6	Total 4+5	589870834.2
	Difference	Nil

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.

72

Gratuity Fund
Financial Position

The financial position of the Gratuity fund for the year 2018-19 is as under:-

Sr. No.	Particulars	₹
1	(a) Opening Balance as per cash book on 01.04.2018	4283358.55
	(b) Opening Balance of FDR A/c on 01.04.2018	5000000
	Total (a + b above)	9283358.55
2.	Receipts during the year	1736304.00
	Interest on Saving Bank & FDRs	525328.00
	Transfer from main Account/ICDEOL/PRC	69557090.00
	Transfer from pension fund	600000.00
	Total (2)	72418722.00
3.	Grand Total (1+2)	81702080.55
4	Expenditure during the year	48706467.00
	FDRs made during the year	27000000.00

	Transfer to Pension Fund (wrong debit by bank)	600000.00
	Total(4)	76306467.00
5	Closing Balance as on 31.03.2019 as per Cash Book (3-4) (i) Saving Bank Account ₹5395613.55 (ii) FDRS ₹27000000.00	32395613.55
6	Closing Balance as on 31.03.2019 as per Bank (i) Saving Bank Account ₹5395613.55 (ii) FDRS ₹27000000.00	32395613.55
7.	Difference	Nil

FDR Investment Account	
Opening balance of FDR,s as on 01.4.2018	5000000
Less: FDR,s encashed during the year	5000000
Add: FDR,s made during the year	27000000
Closing balance of FDR,s as on 31.03.2019	27000000

From the perusal of above it has been noticed that there is improvement in the financial position of this fund as compared to the previous years but more efforts are needed to make this fund self sufficient to meet out the growing liabilities on account of increase in the maximum limit of Gratuity to ₹20 lacs. Therefore, it is advised that sufficient balance may be maintained in this fund.

73

Corpus Funds
Financial Position

The financial position of the corpus fund for the year 2018-19 is as under:-

Sr. No.	Particulars	₹
1	Opening Balance as on 01.04.2018	
	In Saving Account as per Cash Book	296.86
	Total:-	296.86
2	Receipts during the year	11472273.00
	Interest on Saving Bank & FDRs (of various departments plus on those made from corpus)	8604.00.00
	Transfer from pension fund	172211.00
	Amt. Of FDR received from the Deptts. and accounted for.	39931437.00
	FDR,s encashed during the year	841513871.00
	Total (2)	893098396.00
3.	Grand Total (1+2)	893098692.86

4	PAYMENTS:-	
	Actual expenditure	70.80
	Transfer to pension fund	172211.00
	Amount invested in FDR,s	892736840.00
	Total (4)	892909121.80
5.	Closing Balance as on 31.03.2019 as per Bank /cash book i.e. (3-4)	189571.06

FDR Investment Account		
1.	Opening balance of FDR,s as on 01.4.2018	1219587424.00
2.	Less: FDR,s encashed during the year	841513871.00
3.	Add: FDR,s made during the year	892736840.00
4.	Closing balance of FDR,s as on 31.03.2019	1270810393.00

74 Source and Application of Fund

The corpus fund was created in the university from the financial year 2008-09 vide notification No. 3-2/98 dated 16.07.2007 in view of executive council resolution No. 19 of meeting dated 20.06.2007. The main source of corpus fund was contribution/transfer of funds from NRI/SFS @ 10% of total income and interest from saving bank and FDR made from the fund. The application of the fund was to meet out liability on account of Pension and Gratuity. The closing balance of the fund as on 31.03.2019 is ₹1270999964.06 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 strengthening 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.

75 General Provident Fund Financial Position

The financial position of the General Provident Fund for the year 2018-19 is as under:-

Sr. No.	Particulars	₹
1.	Opening Balance as on 01.04.2018	11636982.66
2.	Receipts during the year	209588507.00
	Interest on Saving Bank & FDRs	73220950.00

	Transfer from CPS	8800000.00
	Encashed FDR,s during the year	1018947025.00
	FDR,s pre matured during the year	20000000.00
	Total of receipts	1330556482.00
3.	Grand Total (1+2)	1342193464.66
4.	Expenditure during the year	203859395.00
	Transfer to pension	0
	Transfer to Main Account	8881600.00
	Investment made (New)	21400000.00
	Investment of pre matured FDR,s	20000000.00
	To fixed deposit	1072881792.00
	Total(4)	1327022787.00
5	Closing Balance as on 31.03.2019as per Cash Book (3- 4) =15170677.66 i) As per cash book ₹15170677.66 plus FDRs ii) ₹1146319443.00 iii) (i +ii)=1161490120.66	1161490120.66
	Balance as per Bank Statement Saving bank ₹14533849.66 FDR ₹1146319443.00	1160853292.66
	Difference in closing balance between saving bank account and cash book (₹15170677.66- ₹14533849.66=636828.00) TDS deducted by the banks on maturity of FDRs	636828.00
	Balance as per bank statement of saving bank account ₹14533849.66 Plus Difference ₹ 636828.00 Total ₹15170677.66(balance as per cash book)	15170677.66

75.1 Difference of ₹636828/- as pointed out vide Para No. 30.2 of Audit Report 2017-18 remains unsettled and requires immediate reconciliation.

75.2. Negotiation with banks/ better financial management to earn more amount of interest:-

As per GPF viability statement supplied by your office during the post audit against the liability of ₹1065894590/- as per ledger accounts of the subscribers, the fund has the assets of ₹1161490120/- only, thus, resulting in a surplus of ₹95595530/- which is just 8.96% over and above the amount payable to the subscribers and with majority of investments having been made at 6.75% to 7.11% vis-à-vis the interest of 7.50 % awarded to the subscribers during the year 2018-19, it is advised that either negotiations should invariably be held with the banks to obtain higher rates of interest to keep the fund viable or the rate of interest being granted to the subscribers be restricted at par with the return on investment to make the fund viable in the long run.

76 Contributory Pension Scheme.**Financial Position**

The financial position of the Contributory Pension Scheme for the year 2018-19 is as under: -

Sr. No.	Particulars	₹
1	Opening Balance as on 01.04.2018	
	As per Cash Book in Saving Bank	9504467.78
	Investments in FDRS	164940362.00
	Total (1)	174444829.78
2.	Receipts during the year	42133719.00
	Interest on Saving Bank & FDRs	11069589.00
	Receipt from GPF a/c	8800000.00
	Total (2)	62003308.00
3.	Grand Total (1+2)	236448137.78
4	Expenditure during the year	NIL
	Transfer to GPF	8800000.00
	Total (4)	8800000.00
5	Closing Balance as on 31.03.2019 as per Cash Book (3-4)	227648137.78
	iv) In Saving Bank ₹ 144253.78	227648137.78
	v) FDRs ₹ 227503884.00	
	Grand total	227648137.78
	Closing Balance as on 31.03.2019 as per pass book	
	vi) In Cash Book ₹ 144253.78.78	
	vii) FDRs ₹ 227503884.00	
	Difference	Nil

77 CPS funds deficit arrived at ₹123.04 lacs

As per CPS viability statement supplied by the Deputy Registrar Finance H.P. University vide letter No.1-54/86-HPU(PF) dated 07.07.23, there was a liability of ₹239953084.00 as per ledger accounts of the subscribers, against the assets of ₹227648137.00 thus, resulting in a deficit of ₹12304497.00. The observations were also raised vide Para No. 31.2 in the previous year audit report i.e. 2017-18, where-in the deficit was ₹7778703.00 and just after a year it has been arrived at ₹12304497.00, which itself reflects that the funds are not being managed properly. So, it is once again advised that tough negotiations should invariably be made 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 as well as the interest earned.

Contributory Provident Funds**Financial Position**

The financial position of the Contributory Provident Fund for the year 2018-19 is as under:-

Sr. No.	Particulars	₹
1	Opening Balance as on 01.04.2018	50571170.56
2.	Receipts during the year	1142664.00
	Interest on Saving Bank & FDRs	3562169.67
	Total (2)	4704833.67
3.	Grand Total (1+2)	55276004.23
4	Expenditure during the year	119700.00
	Total(4)	119700.00
	Closing balance (3-4)	55156304.23
5	Closing Balance as on 31.03.2019 as per Cash Book (3- 4) (i) Saving Bank Rs 487707.23 (ii) FDRs Rs 54668597.00	55156304.23
6	Balance as per Bank Statement : i) Cash book = Rs 487707.23 ii) FDRs = Rs 54668597.00	55156304.23

- 78.1** Adjustment entry made to rectify the difference of ₹80 as 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.
- 78.2** It has been found that entries recorded in individual ledger accounts are not being neither 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 above reasons.
- 78.3** Moreover, the Reconciliation Statement to verify that 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. Therefore, Reconciliation Statement may be prepared at the earliest and shown to audit.
- 78.4** Difference of Rs 80 as pointed out vide Para No. 41.2, 32.1, of Audit Report 2016-17 and 2017-18 respectively, which remains unsettled and requires immediate reconciliation.

79 Irregular payment of Secretariat Pay of ₹63.47 lacs plus Dearness Allowance to the tune of ₹91.37 lacs (approximate)- total ₹154.84 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 the fact, the benefit has irregularly been released in favour of various categories of University employee's w.e.f. July, 2012. No doubt, Secretariat allowance was being received by the University employees in the past on the analogy of the staff of Himachal Pradesh Secretariat, but the Secretariat pay is definitely not an allowance but will be treated as part of basic pay for calculation of various types of allowances and pensionary benefits. It is re-iterated again that instruction contained in Special Secretary (Finance)-cum Director LAD office letter No. Fin(L.A.)H(2)-C(15)(14)212/2001-Vol-4-8825 dated 26-12-2012 addressed to the Registrar H.P. University provides that Secretariat Pay should not be allowed to University employees. It is pertinent to mention here that the financial position of the University is not healthy at present and is almost dependent on Government grants to clear the pending liabilities, salary and pensionary benefits etc. Obviously, the adoption of aforesaid order will further involve financial stress on the Institution and State Government as well as such prior approval/clarification should have been sought by the University Authorities from the Government before releasing this benefit in favour of certain categories/posts of employees in H.P. University. The Secretariat Pay amounting to ₹63.47 lacs plus Dearness Allowances amounting in all to ₹91.37 lacs (approximately as worked out below) were paid to the employees of H.P. University during year 2018-19 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	5.25
2.	Rest of the University	58.22
	Total	63.47
	Approximate Dearness Allowance thereon DA rates of 140%,144% & 148% in 2018-19)	91.37
	Grand Total	154.84

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

The irregularity was also pointed out vide Para No. 25, Para 23, Para 36, Para No. 42 and para No.33 of audit Reports for the year 2013-14, 2014-15, 2015-16, 2016-17 and 2017-18 respectively when overpayment to the extent of ₹180.73 lacs, ₹187.39 lacs ₹142.49 lacs, 146.28 & 142.03 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.

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 in case of employees covered under Contributory Provident Fund and Contributory Pension Scheme which is irregular though 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 discrepancy in 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 irregular when the retirement benefits are not being admitted in this manner i.e. after including Secretariat Pay.

(Audit Requisition No. RAS/HPU/AR-AnnualAccts-2018-19/06 dated 22.02.2022)

80 Retrenchment / Recoveries ₹32.56 lacs

Retrenchment /recoveries to the tune of ₹32.56 lacs were made during the course of pre-audit during the financial year 2018-19 from various Bills, Payments Vouchers, 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 checks are 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 required adequate 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 cases/pension fixation cases resulting in saving to the University.

In the cases presented for vetting/ pre-audit recurring savings of lacs of rupees to the University has been made at the instance of audit.

Conclusion:

The above discrepancies and huge figures of retrenchments by audit year after year reflect adversely, 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 has created a mess in the accounts leaving a huge scope for embezzlement and misappropriations. There is also absence of internal control and internal checks in the system which are 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 of huge advances for the last several years and further non-compliance/non-settlement of Old Audit Para(s)-812 in number also indicates lack of seriousness on the part of the University authorities regarding follow up action on the discrepancies pointed out by audit.

**Sd/-
Joint Controller (Audit)
Resident Audit Scheme,
H.P. University, Shimla-05**

**Sd/-
Joint Director,
HP State Audit
Department,
Shimla-171009 (H.P.)**

**Sd/-
Director,
HP State Audit Department,
Shimla-09**

ANNEXURE-A

Paras settled in the audit report for the Financial Year 2018-19

Report on settlement of old outstanding Audit Paras w.e.f. Audit Report year 1988-89 to 2000-2001				
Sr. No.	Audit Report year	Para No.	Status	Remarks
1.	1988-89	17	Settled	On the basis of reply and record submitted, which is verified in audit.
2.	1990-91	23	Settled	Amount of ₹ 1232/- stand recovered. (₹ 889/- already stand recovered and balance ₹ 343/- recovered vide receipt No. 44887 dt. 09.03.2021). Hence Para settled.
		35	Settled	On the basis of reply and record which is verified in audit.
		39	Settled	-----Do-----
		40	Settled	-----Do-----
		41	Settled	-----Do-----
		42	Settled	Compliance seen.
		44	Settled	On the basis of reply which is verified with record.
		45	Settled	-----Do-----
		48	Settled	On the basis of reply which is verified with record.
4.	1992-93	24	Settled	On the basis of reply which is verified with record.
		33	Settled	-----Do-----
5.	1993-94	13	Settled	Full and final recovery has been made as per reply which is verified with record.
		23	Settled	Para updated in current audit report.
6.	1994-95	16	Settled	Para updated in current audit report.
		17	Settled	As per reply submitted. Moreover, latest position of outstanding advances reflected in current Audit report.
		29(ii)	Settled	On the basis of reply which is verified.
		29(iv)	Settled	On the basis of reply.

7.	1995-96	17	Settled	On the basis of reply which is verified with record.
		20(K)	Settled	On the basis of reply.
		27	Settled	On the basis of reply which is verified with record.
		28	Settled	-----Do-----
		32	Settled	-----Do-----
		33	Settled	-----Do-----
		38	Settled	-----Do-----
		39	Settled	-----Do-----
		49	Settled	On the basis of reply which is verified with record.
		50	Settled	-----Do-----
		53	Settled	-----Do-----
		31	Settled	On the basis of reply which is verified with record.
		41	Settled	On the basis of reply which is verified with record.
		43	Settled	-----Do-----
		53	Settled	-----Do-----
		55	Settled	-----Do-----
		63	Settled	-----Do-----
		64	Settled	-----Do-----
		65	Settled	-----Do-----
		66	Settled	-----Do-----
		71	Settled	-----Do-----
9.	1997-98	3	Settled	Para updated in current audit report.
		14	Settled	Compliance seen.
		27	Settled	On the basis of reply which is verified with record.
		38	Settled	On the basis of reply which is verified with record.
		43	Settled	On the basis of reply which is verified with record.
		45	Settled	-----Do-----
		52	Settled	-----Do-----
		55	Settled	-----Do-----
		57	Settled	-----Do-----
		59	Settled	-----Do-----
10.	1998-99	9	Settled	On the basis of reply which is verified with record.
		10	Settled	-----Do-----
		20	Settled	On the basis of reply which is

			verified with record.
	22	Settled	-----Do-----
	25	Settled	On the basis of reply which is verified with record.
	29	Settled	On the basis of reply which is verified with record.
	30	Settled	Recovery of ₹ 1059/- already stand affected. Hence Para settled.
	15	Settled	On the basis of reply which is verified with record.
	16	Settled	-----Do-----
	24	Settled	On the basis of reply and record submitted, which is verified.
	27	Settled	-----Do-----
	31	Settled	-----Do-----
	12	Settled	Compliance seen.
	14	Settled	On the basis of reply submitted, which is verified with record.
	16	Settled	On the basis of reply which is verified with record.
	17	Settled	-----Do-----
	18	Settled	-----Do-----
	20	Settled	On the basis of reply which is verified with record.
	29	Settled	On the basis of reply submitted, which is verified with record.
	39	Settled	On the basis of reply submitted, which is verified with record.
	43	Settled	-----Do-----
	44	Settled	-----Do-----
	45	Settled	-----Do-----
	46 (1 to 3)	Settled	-----Do-----
	47	Settled	On the basis of reply submitted and keeping in view the order of Hon'ble High Court and arbitration award.
	48	Settled	On the basis of reply submitted, which is verified with record.
	52	Settled	On the basis of reply submitted, which is verified with record.
	53	Settled	-----Do-----
	54	Settled	-----Do-----
	55	Settled	-----Do-----

		59	Settled	On the basis of reply and keeping in view the decision of E.C. vide item No. 3 of meeting dated 05.02.2021
		63	Settled	On the basis of reply submitted, which is verified with record.
		67	Settled	-----Do-----
		73	Settled	-----Do-----
		79	Settled	On the basis of reply submitted, which is verified with record.
		80	Settled	-----Do-----
		84	Settled	-----Do-----
		86	Settled	-----Do-----
		87	Settled	-----Do-----
		88	Settled	-----Do-----
		89	Settled	-----Do-----
		90	Settled	-----Do-----
		93	Settled	On the basis of reply submitted, which is verified with record.
		99	Settled	Recovery with Panel interest of ₹ 1239/-(1050+239) already effected from salary of 7/2001 which is verified with record. Hence Para settled.
		100	Settled	On the basis of reply which is verified with record.
		101	Settled	-----Do-----
		104	Settled	-----Do-----
		105	Settled	-----Do-----
		106	Settled	-----Do-----
		107	Settled	-----Do-----
		108	Settled	-----Do-----
		111	Settled	-----Do-----
		116	Settled	On the basis of reply submitted, which is verified with record.
		118	Settled	-----Do-----

ANNEXURE-B**Unsettled/Outstanding paras upto 2017-18****(Referred to Part-I of Audit Report of H.P. University for the year 2018-19)**

Sr. No.	Period of Audit report	Details of outstanding paras	Total No. of Paras
1	1981-82	11(G)	1
3	1983-84	13 (b)to 14, 17 to 18	4
4	1984-85	12, 20, 22(b) & 22(c), 23 & 28	5
6	1986-87	12	1
7	1987-88	22	1
8	1988-89	8,16, 21, 36	4
9	1990-91	14, 18, 21, 29(k) & 29(kh)	4
10	1991-92	12, 18, 20, 31,43, 46 to 47	7
11	1992-93	11(I&II),13, 17(k, kh), 19, 26, 30, 32	7
12	1993-94	7, 15, 24, 28(2)(k), 28(2)(kh), 28(2)(7)(G) & 28(GH)	4
13	1994-95	11, 22, 24(KH), 25, 27 & 29 (i&iii)	6
14	1995-96	8, 9, 10, 11, 12, 15, 18, 20, 29, 30, 42, 48, 54	13
15	1996-97	8 to 10, 12 to 14, 16, 24, 30,33, 34, 39, 46 to 48, 51, 60, 61, 67, 72	20
16	1997-98	8(K,KH), 21,22, 24, 25, 28, 33, 34,36 ,37, 39, 41 ,42, 44 , 46, 48 ,49, 54, 61,63,64, 66	22
17	1998-99	11 to 13,15,17 to 19,21, 23,24(g) 26,27,28	13
18	1999-2000	5, 7, 10(3), 12 to14,17, 18, 20,22,23,26,28 to 30	15

19	2000-01	6(2)(C to F), 6(3)(A to AF) & 6(4)(AB), 7(1), 8(3), 9(1,2) to 11, 13,15,19,21, 22 (KA to YAN), 23 (1 to 8),24(1 to 9), 25(K,KH)(2 to 4), 26(K & KH), 27(1),28 30 to 37, 41,49, 50(3), 51,56, to 58,60, 61,64,66,68 69,72,74, 75,77,78, 81,83 ,85,91,92, 94,97,98,110 ,112 to 114,117, 119	57
20	2001-02	6 to 10, 12 to 22, 24 to 27, 29 to 140	132
21	2002-03	9 to 25, 29 to 85	74
22	2003-04	7 to 15, 17 to 19, 21 to 28,30 to 44, 46 to 50,52 to 61	50
23	2004-05	7, 8, 10, 11, 13, 14, 16, 17, 20 to 23, 25 to 29, 32 to 38, 40, 42, 44 to 49	32
24	2005-06	7 to 15, 17 to 22, 24 to 30, 32 to 36, 38 to 48	38
25	2006-07	Part-I 1(i) & (iv) to I(viii) Part-II 1, 2(a),2(b),2(b)(3), 2(b)(4), 2(b)(5), 2(d)(1), 2(d)(3)(I to III), 2(d)(4), 2(d)(5)(I & II), 2(d)(6), 2(d)(7)(i to iv), 2(d)(8), 2(e)(iii to v), 9 to 12, 14, 16 to 22, 23(1) to 23(5), 24, 26, 27 to 29 31 to 34	25
26	2007-08	2(except 2.3), 4, 8 to 10, 12 to 15, 18, 19, 21, 22, 24 to 26, 28, 30, 31, 33 to 36	23
27	2008-09	2(a) to 2(c), 2(d)(I) to (5), 2 (e) (except 2(3), 4,8 to 17, 19 to 24, 26 & 27	28
28	2009-10	2(1) to 2(2), 3(b) (ii), 3(c), 3(f) (except 3(1,2), 6(a) to 6(p),	

		12 to 24	33
29	2010-11	2, 3 (except 3.1.7, 3.1.9), 5, 11 (except 11.10(1), 11.11 & 11.10(2), 12, 13 (except 13.3 & 13.4), 14 to 21 (16 Partly settled), 24 to 28	19
30	2011-12	3 (except 3.1.4, 3.1.7), 11, 13, 16 to 20, 22 to 26, 28, 29 to 40, 43	27
31	2012-13	2(a), 3 {(except 3.4, 3.5, 3.7, 3.7.1, 3.7.2, 3.7.3, 3.7.4(2), 3.9)}, 12(b), 13.3, 16 to 26, 28 to 32, 35, 37, 40, 41 & 42 (except 42.2.1)	24
32	2013-14	5.5 to 5.12, 5.14(1),(2),(6), 5.15 to 5.17, 5.19, 5.20, 5.22, 5.23, 7, 10, 11.1, 12.1, 13.2, 14.1, 17, 17.1 & 18 to 27	18
33	2014-15	5.4 to 5.7, 5.9, 5.10(1)(4) & (9), 5.11, 5.21, 5.25 to 5.28, 6, 7, 8, 9, 11, 16, 17, 18, 20, 22, 23, 25	13
34	2015-16	5, 7 to 26, 29, 32, 34.2, 36	25
35	2016-17	5, 6 to 16, 17(1, 2, 4), 18.2, 19, 22(1 to 5, 7 & 8), 23(1 & 8), 25, 26(1, 2, 4, 5, 6), 28(2, 3, 5), 29 to 37, 39.2, 40(1, 2), 41(2, 3, 4, 6), 42	33
36	2017-18	1 to 34	34
		Total	812