

DIRECTORATE OF AUDIT
EXAMINER LOCAL FUND ACCOUNTS
(GOVERNMENT OF DELHI)

4th floor, C-Wing,
Delhi Sachivalaya, I.P. Estate,
New Delhi.

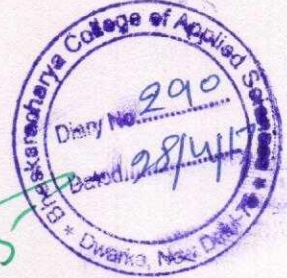
No. 11(11)/LFA/2014-16 /

Dated:

To,

The Director,
Dte. Of Higher Education
Govt. of NCT of Delhi,
5, Sham Nath Marg
Delhi-110054

S.O. Ae
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Sub:- LFA audit report for the year 2014-16 in respect of Bhaskaracharya College of Applied Sciences (University of Delhi), Sector-2, Phase-I, Dwarka, New Delhi.

Sir,

I am directed to forward herewith LFA audit report on the accounts of the above mentioned College for the grant-in-aid of year 2014-16. You are requested that the College may be advised to adhere to the laid down Govt. rules/ instructions in true spirit. The College may also be advised to submit the satisfactory replies to outstanding paras/audit paras raised in this report duly vetted by Administrative Department.

This issue with the prior approval of Spl. Secretary (Finance).

Yours faithfully,

(SURENDER KUMAR)
Dy. Controller of Accounts (LFA)
Tel. No.23392427

No.11(11)/ELFA/2014-16 / 3679-81

Dated: 20-4-17

Copy to -

1. The Principal, Bhaskaracharya College of Applied Sciences (University of Delhi), Sector-2, Phase-I, Dwarka, New Delhi-110075.
2. The Dy. Secretary Finance-III, Finance Department, 4th Level, A-Wing, Delhi Sectt., New Delhi with the request to adjust the unspent balance of at the time of releasing further grant to the College.

(SURENDER KUMAR)
Dy. Controller of Accounts (LFA)
Tel. No.23392427

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**DIRECTORATE OF AUDIT
LOCAL FUND ACCOUNTS
GOVERNMENT OF N.C.T. OF DELHI**

LFA test audit on the accounts of "BHASKRACHARYA COLLEGE OF APPLIED SCIENCES (UNIVERSITY OF DELHI), Sector-2, Phase-1, Dwarka, New Delhi-110075" for the financial year 2014-15 & 2015-16 has been conducted by Audit Party comprising of Sh. Jaspal Singh, IAO, Sh. Suresh Kumar, AAO and Sh. Ramesh Kumar, LDC from 03.02.2017 to 16.02.2017 (10 working days).

INTRODUCTION:

Bhaskracharya College of Applied Sciences is a Co-educational Institute sponsored by the Govt. Of N.C.T. of Delhi. It is affiliated to University of Delhi. The college started functioning from October, 1995. At present following courses are being offered by the College:

Bachelor of Applied Science (Hons.) Electronics
Bachelor of Applied Science (Hons.) Instrumentation
Bachelor of Applied Science (Hons.) Food Technology
Bachelor of Applied Science (Hons.) Computer Science
Bachelor of Applied Science (Hons.) Bio-medical Science
Bachelor of Applied Science (Hons.) Polymer Science
Bachelor of Applied Science (Hons.) Microbiology
Bachelor of Applied Science (Hons.) Physics

During the year 2014-15 & 2015-16 the Accounts and Administration structure of the College was as under:-

Sr. No.	Name of Officer / Official	Designation	Duration
1.	Dr. Manoj Kumar Khanna	Offg. Principal	01.04.2014 to 22.04.2015 (AN)
2.	Dr. Balaram Pani	Acting Principal	22.04.2015 (A/N) to 03.07.2015
3.	Dr. Balaram Pani	Principal	04.07.2015 to till date
4.	Dr. Avneesh Mittal	Bursar	01.04.2014 to 31.03.2016
5.	Sh. Santhanam Iyengar	S.O. (Admn.)	01.04.2014 to till date
6.	Mrs. Ritu Sareen	Sr. P.A.	01.04.2014 to till date
7.	Sh. Surender Kumar Sharma	Consultant (Accounts)	01.04.2014 to 24.08.2014
8.	Sh. Rajiv Kumar Dawar	Offg. S.O. (Accounts)	25.08.14 to 09.08.2015
9.	Sh. Rajiv Kumar Dawar	S.O. (Accounts)	10.08.2015 to till date
10.	Sh. Rajiv Kumar Dawar	Asstt. / Cashier	01.04.2014 to 31.07.2015
11.	Sh. Manish Verma	Asstt. / Cashier	28.09.2015 to till date

PART-I

Old Outstanding Paras :

Sr. No.	Financial Year	Para No.	Particulars of Para	Status
1.	2006-07	3	Refund of Security to the contractor	Outstanding
2.		7	Installation of Water meter	Settled
3.		10	Appointment of daily wages/ contract staff	Outstanding
4.	2007-08	1	ATR on objection raised recoveries detected by Audit	Settled
5.		3	Wrong credit of Rs. 30 Lakhs	Settled
6.		4	Introduction of new courses	Outstanding
7.		6	Purchases	Outstanding
8.		9	Insurance of Assets / Property	Outstanding
9.		10	Security Payable	Settled
10.		11	Leave salary and Pension Contribution	Settled
11.	2008-09	1	Purchases	Outstanding
12.		2	Electricity Charges	Settled
13.		4	Income Tax	Settled
14.		5	Pay Fixation	Settled
15.		6	Non-adjustment of advances	Settled
16.		7	Time barred cheques	Settled
17.		8	Expenditure Sanction	Settled
18.	2009-10	1.	Appointment of SO (A/c)	Outstanding
19.		2	Write off of loss of library books amounting to Rs. 41653/-	Outstanding
20.		3	Non-deduction of TDS on printing and legal charges	Outstanding
21.		4	Review of Pattern of Assistant	Outstanding
22.		5	GIA amounting to Rs. 30 Lac lying unspent.	Settled
23.		6	Non utilization of UGC grant	Settled
24.		7	Wrong debit shown by the Bank	Outstanding
25.		8	Switch over of accounting system from cash basis to accrual basis.	Outstanding
26.		9.	Payment on account of liveries made on pro-forma invoice.	Outstanding
27.	2010-11 & 2011-12	1	Difference in unutilized balance of non recurring grant	Outstanding
28.		5	Honorarium paid to the staff without approval of the Finance Department of Govt. Of NCT of Delhi	Outstanding
29.		6 (1)	Lump-sum amount booked in the liability side under the head provision account without any detail / type.	Outstanding
30.		6 (2)	Amount lying unadjusted on the liability side of the Balance Sheet of the year 2010-11	Outstanding
31.		6 (3)	Advance payment made for purchase of uniform as per the balance sheet 2011-12	Outstanding

32.		7	Non-deduction of TDC (DVAT) on Sanitation Contract	Outstanding
33.		8	Irregular payment of taxi fair while availing LTC facilities	Settled
34.		9	Irregularities / shortcomings noticed in Income Tax deducted from the salary of the officials.	Settled
35.		10	Appointment of private security guards without obtaining the approval of the Finance Department of Govt. Of NCTD.	Outstanding
36.		11	Performance Guarantee / Security	Outstanding
37.		12	New Pension Scheme	Settled
38.		13	Physical verification of assets.	Outstanding
39.		14.	UGC / STAR college grant	Outstanding
40.		15	Non-switching over of accounting from cash basis to accrual basis.	Outstanding
41.		16	Condemnation of assets/equipment	Outstanding
42.	2012-13	03	Procurement from single source as propriety item	Outstanding
43.		04	Purchase of ban items	Outstanding
44.		05	Irregular diversion of Funds	Outstanding
45.		06	Re-imburement of Medical Expenses against the existing provisions.	Outstanding
46.		10	Pattern of Assistance	Outstanding
47.	2013-14	01	Re-imburement of Medical Expenses against existing provisions	Outstanding
48.		02	Purchase of banned items	Outstanding
49.		03	Recovery of FPA amounting to Rs. 3350/-	Settled
50.		04	Non-adherence to the E-procurement system	Outstanding

Summary-

Total old Outstanding – 50 Settled – 17 Balance old Outstanding -- 33

PART-II

FINANCIAL STATEMENT

The Accounts of "Bhaskracharya College of Applied Sciences" for the Financial Year 2014-15 and 2015-16 were audited purely on test check basis. The accounts for the Financial Year 2014-15 were compiled by M/s Hari & Associates, Chartered Accountants and for 2015-16 were compiled by M/s AMC & Associates LLP, Chartered Accountants. The inspection report has been prepared on the basis of information furnished and made available by the Institute. Office of the Directorate of Audit, Local Fund Account, Delhi disclaims any responsibility or any mis-information and non-information on the part of the Auditee. The financial statement for FY 2014-15 & 2015-16 of the College is as under:-

Income for the year 2014-15 & 2015-16:

2014-15 (Recurring)

Head	Amount (in Rs.)
	2014-15
Unspent balance as on 01.04.2014 as per previous Audit Report	3,62,75,840
GIA from Govt. of NCT of Delhi	
F.No. DHE-3(1)100%/Non-Plan/GIA/2014-15/1086 dated 12.06.2014	2,00,00,000
F.No. DHE-3(1)100%/Non-Plan/GIA/2014-15/4059-4077 dated 18.09.2014	6,20,00,000
F.No. DHE-3(1)100%/Non-Plan/GIA/2014-15/783-802 dated 23.02.2015	53,45,000
F.No. DHE-3(1)100%Colleges/Plan/GIA/2014-15/1727-1740 dated 31.03.2015	95,00,000
F.No. DHE-3(1)100%/Non-Plan/GIA/2014-15/1741-1759 dated 31.03.2015	20,00,000
TOTAL GRANT (including unspent balance of 2013-14) (A)	13,51,20,840
Add: Other Income	
Admission Fee	3,900
Tuition Fee	1,82,700
Identity Card	56,800
Laboratory Fee	7,61,250
Library & Reading Room Fees	5,32,000
Computer Lab Fee	2,82,500
Water & Elect. Fee	1,52,250
Garden Fee	2,26,000
Magazine Fee	1,26,875
Computer Fee	15,12,000
Polymer Science	9,60,000
Biomedical Science	10,56,000
Income from Investment / Interest earned	18,20,549
Fine	78,939
Misc. Income	34,050
Canteen Rent	5,750
Licence Fee	13,440
Water Charges	5,660
Electricity Charges	2,24,039
Penal Interest	13,181
RTI	148
Retirement Benefits	44,026
Total (B)	80,92,057
Total Income (A+B)	14,32,12,897

Expenditure for the year 2014-15 (In Rs.)

S.No.	Head of Accounts	Amount (in Rs.)
1.	Establishment Expenses	
2.	Teaching staff – Salary	7,54,84,528
3.	Bursar Allowance	3,600
4.	Non-Teaching Staff – Salary	2,54,07,749
5.	Washing allowance	8,100
6.	Special Allowance (Family)	15,480
7.	Cashier Allowance	1,800
8.	Bonus	1,58,884
9.	Guest Lecture Payment	13,07,000
10.	Reimbursement of Tuition Fee	15,43,422
11.	Medical Reimbursement	8,67,478
12.	Overtime Allowance	36,260
13.	LTC / HTC	17,36,770
14.	Leave Encashment	3,94,801
15.	Reimbursement of News paper Bill	5,317
16.	Pension	12,95,009
17.	Family Pension	1,04,734
18.	Library Contingency	35,480
19.	Library N.Paper / Jou./Mag.	39,880
20.	Science Contingency	1095446292
21.	Biology	29,950
22.	Physics	29,938
23.	Chemistry	14,915
24.	Electronics	34,798
25.	Food Technology	1,20,387
26.	Computer	2,43,664
27.	Instrumentation	34,736
28.	Polymer Science	64,262
29.	Biomedical Science	28,000
30.	Microbiology Contingency	79,717
31.	Educational Innovation (PTAC, Connectivity, AMC & ICT)	14,000
32.	Career & Counselling Cell	560
33.	Administrative Expenses	
34.	Postage & Courier	19,561
35.	Printing	30,160
36.	Stationery	1,28,722
37.	Office Contingency	3,40,765
38.	Conveyance	47,252
39.	Refreshment	24,617
40.	Maintenance of Office Equipments	20,007
41.	Telephone	24,972
42.	Garden Expenses	33,988
43.	Maintenance of Scientific Equipments	74,233
44.	Audit Fees	3,000
45.	Maintenance of Staff Car	34,636

46.	TA to Staff & Others	3,350
47.	Diesel	86,559
48.	Legal Charges	15,350
49.	Sitting Charges	12,000
50.	Repair & Replacement of Furniture	4,880
51.	Sanitation Services	4,46,707
52.	Bank Charges	8,438
53.	Car Insurance	3,691
54.	Uniform	9,943
55.	Water Expenses	2,32,553
56.	Electricity Expenses	31,42,520
57.	Security Services	13,11,601
Total expenditure		11,52,00,725

Calculation of unspent Balance (Recurring) as on 31.03.2015

Income	Expenditure	Unspent Balance
14,32,12,897	11,52,00,725	2,80,12,172

2014-15 (Non-Recurring)

Head	Amount (in Rs.)
	2014-15
Unspent balance as on 01.04.2014	1,03,93,947
GIA from Govt. of NCT of Delhi	
No GIA sanctioned during the year	
Total Income	1,03,93,947

S.No.	Head of Accounts	Amount (in Rs.)
	CAPITAL EXPENDITURE	
1.	Science Apparatus – Electronics	27,988
	Total (B)	27,988

Calculation of unspent Balance (Non-Recurring) as on 31.03.2015

Income	Expenditure	Unspent Balance
1,03,93,947	27,988	1,03,65,959

2014-15 (SPORTS GRANTS)

Head	Amount (in Rs.)
	2014-15
Unspent balance as on 01.04.2014	2,40,150
GIA from Govt. of NCT of Delhi	
No GIA sanctioned during the year	0
Total Income	2,40,150

S.No.	Head of Accounts	Amount (in Rs.)
1.	Sports goods	2,38,182
	Total (B)	2,38,182

Calculation of unspent Balance (Sports) as on 31.03.2015

Income	Expenditure	Unspent Balance
2,40,150	2,38,182	1,968

2015-16 (Recurring)

Head	Amount (in Rs.)
	2015-16
Unspent balance as on 01.04.2015	2,80,12,172
GIA from Govt. of NCT of Delhi	
F.No. DHE-3(1)100%/Non-Plan/GIA/2015-16/2275-89 dated 09.06.2015	2,51,00,000
F.No. DHE-3(1)100%/Non-Plan/GIA/2015-16/4229-4247 dated 07.10.2015	6,60,00,000
F.No. DHE-3(1)100%/Non-Plan/GIA/2015-16/6912-6930 dated 29.02.2016	3,00,00,000
F.No. DHE-3(1)100% Colleges/Plan/GIA/2015-16/8790-8809 dated 30.03.2016	35,00,000
F.No. DHE-3(1)100%/Non-Plan/GIA/2015-16/8932-50 dated 31.03.2016	2,00,00,000
TOTAL GRANT (including unspent balance of 2014-15) (A)	17,26,12,172
Add: Other Income	
Admission Fee	3,860
Tuition Fee	1,72,080
Identity Card	48,000
Laboratory Fee	7,17,000
Library & Reading Room Fees	4,78,000
Computer Lab Fee	2,39,000
Water & Elect. Fee	1,43,400
Garden Fee	1,91,200
Magazine Fee	1,19,500
Computer Fee	13,00,000
Polymer Science	9,00,000
Biomedical Science	8,30,000
Sale of Application forms	2,31,250
Income from Investment / Interest earned	10,84,066
Fine	21,172
Misc. Income	25,840
Canteen Rent	2,750
Licence Fee	13,440
Water Charges	4,460
Electricity Charges	1,70,355
Penal Interest	722
RTI	120
Retirement Benefits	59,700
Total (B)	67,55,915
Total Income (A+B)	17,93,68,087

(3)

Expenditure for the year 2015-16 (In Rs.)

No.	Head of Accounts	Amount (in Rs.)
1.	Establishment Expenses	
2.	Teaching staff – Salary	8,46,20,732
3.	Bursar Allowance	3,600
4.	Non-Teaching Staff – Salary	2,82,67,923
5.	Washing allowance	10,320
6.	Special Allowance (Family)	15,080
7.	Cashier Allowance	6,720
8.	Bonus	1,62,338
9.	Guest Lecture Payment	12,14,000
10.	Reimbursement of Tuition Fee	12,92,414
11.	Medical Reimbursement	25,86,637
12.	Overtime Allowance	2,480
13.	LTC / HTC	7,58,937
14.	Leave Encashment	2,22,054
15.	Reimbursement of News paper Bill	9,705
16.	Pension	13,95,031
17.	Family Pension	1,10,658
18.	Library Contingency	1,45,201
19.	Library N.Paper / Jou./Mag.	52,324
20.	Science Contingency	
21.	Biology	1,15,760
22.	Physics	19,976
23.	Chemistry	62,714
24.	Electronics	30,384
25.	Food Technology	92,752
26.	Computer	2,48,627
27.	Instrumentation	42,027
28.	Biochemistry	86,852
29.	Polymer Science	1,29,789
30.	Biomedical Science	1,26,545
31.	Mathematics Contingency	2,850
32.	Microbiology Contingency	1,07,244
33.	Books & Journals (UGC Grant)	3,68,872
34.	Maintenance of Equipments (UGC Grant)	1,57,241
35.	Administrative Expenses	
36.	Postage & Courier	7,016
37.	Advertisement	1,39,487
38.	Printing	70,289
39.	Stationery	1,87,109
40.	Replacement of Bulbs & Tubes etc.	1,180
41.	Office Contingency	3,47,985
42.	Conveyance	1,51,853
43.	Refreshment	72,607
44.	Maintenance of Office Equipments	400
45.	Telephone	36,401
46.	Garden Expenses	52,376
47.	Audit Fees	6,806

48.	Maintenance of Staff Car	350
49.	TA to Staff & Others	61,850
50.	Diesel	7,456
51.	Legal Charges	22,650
52.	Sitting Charges	1,26,000
53.	Repair & Replacement of Furniture	81,810
54.	Sanitation Services	9,39,289
55.	Bank Charges	10,712
56.	Car Insurance	3,466
57.	Water Expenses	5,70,478
58.	Property Tax	20,71,260
59.	Electricity Expenses	35,51,440
60.	Security Services	23,47,959
Total expenditure		13,33,36,016

Calculation of unspent Balance (Recurring) as on 31.03.2016

Income	Expenditure	Unspent Balance
17,93,68,087	13,33,36,016	4,60,32,071

2015-16 (Non-Recurring)

Head	Amount (in Rs.)
	2015-16
Unspent balance as on 01.04.2015	1,03,65,959
GIA from Govt. of NCT of Delhi	
F.No. DHE-3(1)100% Colleges/Plan/GIA/2015-16/8790-8809 dated 30.03.2016	95,00,000
Total Income	1,98,65,959

S.No.	Head of Accounts	Amount (in Rs.)
	CAPITAL EXPENDITURE	
1.	NIL	NIL
	Total (B)	NIL

Calculation of unspent Balance (Non-Recurring) as on 31.03.2016

Income	Expenditure	Refunded to Delhi Govt.	Unspent Balance
1,98,65,959	NIL	64,34,544.87	1,34,31,414

2015-16 (SPORTS GRANTS)

Head	Amount (in Rs.)
	2015-16
Unspent balance as on 01.04.2015	1,968
GIA from Govt. of NCT of Delhi	
No GIA sanctioned during the year	
Total Income	1,968

S.No.	Head of Accounts	Amount (in Rs.)
1.	Expenditure NIL	Nil
	Total (B)	Nil

Calculation of unspent Balance (Sports) as on 31.03.2016

Income	Expenditure	Refunded to Delhi Govt.	Unspent Balance
1,968	NIL	1,968	NIL

PART III
CURRENT AUDIT REPORT

PARA -01: (A) Non-levy of penalty & recovery of Service Tax paid to contractor towards sanitation services amounting to Rs. 1,50,324/- (Audit Memo No. 09 Dated: 14.02.2017)

During the scrutiny of files of Sanitation Services for the period 2014-15 & 2015-16, it has been observed that as per the Terms and Conditions No. 59 of the Agreement the penalty for Rs. 300/- per day per person for non-reporting was to be imposed. It has been noticed that the College Authorities had made the following payments to the agency after deducting the required penalty as per terms and conditions whereas the emoluments were paid for the full month without deducting the amount for absence days. Hence the following recovery is required to be recovered from the contractor.

Sr. No.	Name of the Agency	Period of Payment	Rate per person for the month (except holidays, i.e. 26 days)	Absent Period during the month	Amount to be recovered
1.	FDS Management Services Pvt. Ltd.	March, 2014	Rs. 9672/-	08 days	2976/- (@ Rs. 372/- per absent)
2.	FDS Management Services Pvt. Ltd.	April, 2014	Rs. 10226/-	11 days	4323/- (@ Rs. 393/- per absent)
3.	FDS Management Services Pvt. Ltd.	May, 2014	Rs. 10226/-	14 days	5502/- (@ Rs. 393/- per absent)
4.	FDS Management Services Pvt. Ltd.	June, 2014	Rs. 10226/-	04 days	1572/- (@ Rs. 393/- per absent)
5.	FDS Management Services Pvt. Ltd.	July, 2014	Rs. 10226/-	16 days	6288/- (@ Rs. 393/- per absent)
6.	FDS Management Services Pvt. Ltd.	August, 2014	Rs. 10226/-	16 days	6288/- (@ Rs. 393/- per absent)
7.	FDS Management Services Pvt. Ltd.	September, 2014	Rs. 10226/-	09 days	3537/- (@ Rs. 393/- per absent)
8.	FDS Management Services Pvt. Ltd.	October, 2014	Rs. 10226/-	13 days	5109/- (@ Rs. 393/- per absent)
TOTAL RECOVERY (A)					35595/-

The work of sanitation was further awarded to M/s Pink House Keeping w.e.f. March, 2015 onwards and on scrutiny of the concerned file it was observed that as per the Terms & Condition No. 5 of the Agreement "Any number of absentee on a particular day will attract penalty i.e. double the wages".

It has been noticed that the College Authorities had made the following payments to the agency after deducting absent period payment but penalty was not imposed for the absent period which is against the spirit of above said condition No. 5 of the Agreement. Hence the following recovery of Rs. 64682/- is required to be recovered from the contractor.

Sr. No.	Name of the Agency	Period of Payment	Rate per person for the month (except holidays, i.e. 26 days)	Absent Period during the month	Amount to be recovered
1.	Pink House Keeping	April, 2015	Rs. 8632/-	18 days	11,952/- (@ Rs. 664/- per absent)
2.	Pink House Keeping	April, 2015	Rs. 9048/-	05 days	3,480/- (@ Rs. 696/- per absent)
3.	Pink House Keeping	May, 2015	Rs. 9048/-	03 days	2,088/- (@ Rs. 696/- per absent)
4.	Pink House Keeping	June, 2015	Rs. 9048/-	07 days	4,872/- (@ Rs. 696/- per absent)
5.	Pink House Keeping	July, 2015	Rs. 9048/-	04 days	2,784/- (@ Rs. 696/- per absent)
6.	Pink House Keeping	September, 2015	Rs. 9048/-	03 days	2,088/- (@ Rs. 696/- per absent)
7.	Pink House Keeping ^a	November, 2015	Rs. 9178/-	34 days	24,004/- (@ Rs. 706/- per absent)
8.	Pink House Keeping	January, 2016	Rs. 9178/-	08 days	5,648/- (@ Rs. 706/- per absent)
9.	Pink House Keeping	February, 2016	Rs. 9178/-	11 days	7,766/- (@ Rs. 706/- per absent)
TOTAL RECOVER (B)					Rs. 64,682/-
G. TOTAL (A+B)					Rs. 1,00,277/-

The College Authorities may recover the above amount of Rs. 1,00,277/- from the concerned agencies after due verification under intimation to Audit.

Para-01 (B) Irregular payment of Service Tax on Sanitation Services – Rs. 50,047/-.
(Audit Memo No. 06 Dated: 09.02.2017)

As per Ministry of Finance, Department of Revenue, Central Board of Excise and Customs, Tax Research Unit, Government of India's F. No. B1/14/2013-TRU dated 19.09.2013 (Point Nos.2) states that Services provided to an educational Institution in respect of education exempted from Service by way of:

- i) Auxiliary educational services like hostels, housekeeping, security services, canteen, etc.; or
- ii) Renting of immovable property.

During scrutiny of records relating to sanitation services, it was however, noticed that M/s FDS Management Services Pvt. Ltd. was deputed for sanitation works in which service Tax @ 12.36% has been paid by the College as per the details given below:

Sr. No.	Name of the Agency	Period of Payment	Amount paid (including Service Tax)	Service Tax paid (@12.36%)	Amount to be recovered
1.	FDS Management Services Pvt. Ltd.	March, 2014	Rs. 73376/-	Rs. 8072/-	Rs. 8072/-
2.	FDS Management Services Pvt. Ltd.	April, 2014	Rs. 76722/-	Rs. 8440/-	Rs. 8440/-
3.	FDS Management Services Pvt. Ltd.	May, 2014	Rs. 75710/-	Rs. 8328/-	Rs. 8328/-
4.	FDS Management Services Pvt. Ltd.	June, 2014	Rs. 79081/-	Rs. 8699/-	Rs. 8699/-
5.	FDS Management Services Pvt. Ltd.	July, 2014	Rs. 75036/-	Rs. 8254/-	Rs. 8254/-
6.	FDS Management Services Pvt. Ltd.	August, 2014	Rs. 75036/-	Rs. 8254/-	Rs. 8254/-
	TOTAL				Rs. 50,047/-

The College Authorities may recover the above amount of Rs. 50,047/- from the contractor after due verification under intimation to Audit.

PARA -02 Irregular expenditure of Rs. 846931/- towards the purchase of (1) Colorimeter Compression Molding Machine, (2) Two Roll Mill and Colorimeter (2) costing Rs. 4,18,915/- and Rs. 4,28,016/- respectively for Department of Polymer Sciences.
(Audit Memo No.3 Dated 07/02/2017)

Test check of the files revealed that the College had invited the two Bid (Technical and Financial) only in sealed envelopes for purchase of (1) Colorimeter Compression Molding Machine, (2) Two Roll Mill and Colorimeter (2) costing Rs. 4,18,915/- and Rs. 4,28,016/- respectively for Department of Polymer Sciences.

The following irregularities have been observed in the procurement process:-

It has been observed that college authorities have not observed the required codal formalities as per GFR and instructions issued by the Govt. Of Delhi regarding implementation of the E-Procurement System for transparency and healthy competition. Hence the payment of Rs. 8,46,931/- made to vendor is irregular.

As per Rule 158 of GFR, Performance Security is to be obtained from the successful bidder and performance security should be for an amount of five to ten percent of the value

of the contract. It has been observed that the work was awarded to the firm without obtaining the performance Guarantee.

The College Authorities is requested to obtain the ex-post facto sanction amounting to Rs. 846931/- from the Finance Department to regularize the expenditure.

Para-03 (A) Non-deposit of Service Tax. (Audit Memo No. 04 Dated 08.02.2017)

During the scrutiny of the AMC of computers and its peripherals of the College for the period of 2014-15 record was provided to the Audit, it was observed that M/s Laksh Computer Services was engaged for providing the AMC Services in the College. As per the Terms & Conditions of the agreement rates quoted will include all kinds of taxes, service charges etc. It has been observed that the contractor had not deposited the Service Tax to the Service Tax Department being the service providing agency whereas the agency had included the elements of taxes in the rates quoted in the Bill to obtain the contract.

The AMC of the Computers of the College had been outsourced through M/s Laksh Computer Services and during 2014-15 total payment made to the agency was Rs. 1,42,250/-.

Total amount paid inclusive of Service Tax : 1,42,250/- (payment paid to agency for AMC of computers w.e.f. 01.01.2014 to 30.06.2014)
Exclusive of Service Tax : 1,26,602/-
Service Tax @ 12.36% : 15,648/-

Hence, the department is requested to confirm from the Agency whether the amount of service tax had been deposited to Service Tax Department, otherwise HOD is requested to direct the concerned agency to deposit the amount to Service Tax Department under intimation to the Audit.

(B) Irregular payment of Rs. 3,70,932/- made to agencies without observing the codal formalities.

As per the orders No. F.3(3) 2004-IT/9323-36 dated 04.11.2010, wherein all government departments and institutions under Govt. of NCT of Delhi desirous of outsourcing AMC services for desktops, printers and UPS (offline) are advised to float limited tenders, calling commercial bids from said empanelled agencies through Delhi Government's e-Procurement platform and this panel was applicable to all autonomous bodies / local bodies under government of NCT of Delhi. During the scrutiny of the records it reveals that the College Authority had not selected the agency through the procedure of IT Department instead the College had called the quotations from the other agencies.

The payment made by the College to the agencies is as under:

Sr. No.	Name of Agency	Period of payment	Amount Paid
1.	M/s Laksh Computer Services	01.01.2014 to 31.03.2014	46375.00
2.	M/s Laksh Computer Services	01.04.2014 to 30.06.2014	46375.00
3.	M/s Laksh Computer Services	01.04.2014 to 30.06.2014	49500.00
4.	M/s Infotech Business	22.07.2014 to 21.01.2015	114366.00
5.	M/s Infotech Business	22.01.2015 to 21.07.2015	114316.00
		TOTAL	370932.00

Hence the total payment amounting to Rs. 3,70,932/- is irregular. The College Authorities are requested to obtain the ex-post facto sanction from Finance Department to regularize the expenditure.

Para-04 Difference of un-spent balance of ELFA and Utilization Certificate.

During the course of audit of the Financial Statement for the period 2014-15 and 2015-16 it is observed that there is difference in the unspent amount worked out by the Audit and as shown in the Utilization Certificate. The difference is as under:

Recurring

Year	Balance as per Audit	Balance as per UC	Difference
2014-15	2,80,12,172	2,54,29,657	25,82,515
2015-16	4,60,32,071	4,39,75,669	20,56,402

Non-Recurring

Year	Balance as per Audit	Balance as per UC	Difference
2014-15	1,03,65,959	64,34,659	39,31,300
2015-16	1,34,31,414	95,00,000	39,31,414

Necessary steps may be taken immediately to reconcile the difference and compliance be shown to the next Audit.

Para-05 Non-initiation of action to fill up the post of Accounts functionary from Govt. Of NCT of Delhi. (Audit Memo No. 08 Dated: 13.02.2017).

As per instructions and guidelines regarding expenditure management in Autonomous Bodies / Grantee Institutions, etc. issued vide Government Order No. F. 12/3/2010-AC/dsfa/DS-III/914-921 dated 18.07.2011, "it has been provided that Autonomous bodies / grantee Institutions receiving grant-in-aid of Rupees 10 crores and above shall initiate action to create posts of accounts functionaries with an appropriate designation with prior approval of FD, so as to ensure stringent control over expenditure and proper financial management. The posts will be filled from the accounts cadre of the Government of NCT of Delhi on deputation basis failing which on contract basis."

In this matter it has been noticed that the College has received grants amounting to Rs. 9.88 crores (approx.) & Rs. 15.41 crores during 2014-15 & 2015-16 respectively. However, it is has been further noticed that the College has not initiated any action to fill up the post of Accounts functionary from Government of NCT of Delhi on deputation basis.

It is advised to take the necessary steps to fill up the posts of Accounts functionary.

Para-06 Non-switching over of accounting from cash basis to accrual basis. (Audit Memo No. 07 Dated: 10.02.2017)

As per GFR-209 (6) (xiii) and the guidelines issued by Government on the subject, every autonomous body should prepare their annual Financial statements on prescribed forms adopted by Govt. of India on accrual basis, whereas the College is still maintaining their accounts on cash basis.

College authorities may switch over the accounting pattern from cash basis to accrual basis so that true and fair picture of the financial position / liabilities of the college could be ascertained. The same observation was also made by Audit Team in F.Y. 2011-12.

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Jas
(JASPAL SINGH)
Inspecting Audit Officer
Audit Party No. XIX

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**TAN-01 Short comings in the maintenance of stock registers (Non-consumable)
(Audit Memo No.2 Dated: 07/02/2017)**

Stock Registers (non consumable) of various departments of the College were test checked in audit and it has been observed that there is no uniformity in maintenance of the stock registers. Non issuance of the items received & entered in Stock Register: It has been observed that Items received in the stock after purchase entered in the stock register. As required all the entries of receipt of stores and further issue have to be attested by the Head of the concerned department / nominated officer. It has been observed during the course of audit that after the entries of receipt no issue of the items have been entered in the stock register. In the absence of which no uniformity maintained in verification of entries by the departments.

It is advised that proper issue of item of stock should be shown in the Stock Register so that Stock can be verified at any time.

TAN-02 Accumulation of unserviceable stores amounting to Rs. 62,63,412/- (Audit Memo No. 05 Dated: 08.02.2017)

During the test Audit of Bhaskracharya College of Applied Sciences, Sector-02, Dwarka for the period of 2014-15 & 2015-16, the unserviceable stock register was asked to produce, the College has produced the list containing the unserviceable items lying in various department of college amounting to Rs. 62,63,412/- since with the passage of time, these items are losing their residual value.

It is advised that the College Authorities may take necessary steps to dispose off the unserviceable items lying in various items as per GFR and guidelines issued to the Autonomous bodies by the Delhi Govt.

DM

Jaspal Singh
17/3/17

(JASPAL SINGH)
Inspecting Audit Officer
Audit Party No. XIX