

Shaheed Sukhdev College of Business Studies
(University of Delhi)

Enquiry No. 482
Date 17/7/23 Sign. Rana

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**कार्यालय प्रधान महालेखाकार (लेखापरीक्षा) दिल्ली
डी जी ए सी आर भवन, आई पी एस्टेट, नई दिल्ली-110 002**

संख्या: पी.ए.जी.(ले.प.)दि./ए.एम.जी.-III/IR/SSCBS(6)/2023-24/ 234

दिनांक- 12.07.2023

सेवा में,

**The Principal
Shaheed Sukhdev College of Business Studies, GNCTD
University of Delhi, Dr. K N Katju Marg, Rohini,
Sec-16, New Delhi-110089**

महोदय/महोदया,

मैं आपके कार्यालय के वर्ष 2019-20 to 2022-23 के लेखाओं का निरीक्षण प्रतिवेदन प्रेषित कर रही हूँ। आपसे अनुरोध है कि निरीक्षण रिपोर्ट की प्राप्ति की पावती एक सप्ताह के भीतर एवं तत्पश्चात् इसमें वर्णित विभिन्न आपत्तियों के उत्तर पत्र की प्राप्ति के 4 सप्ताह के भीतर इस कार्यालय को सुलभ कराएँ।

भवदीय

व. लेखापरीक्षा अधिकारी (AMG-III)

संख्या: पी.ए.जी.(ले.प.)दि./ए.एम.जी.-III/IR/SSCBS(6)/2023-24/

दिनांक- 12.07.2023

निरीक्षण रिपोर्ट की प्रतिलिपि सूचनार्थ एवं आवश्यक कार्यवाही हेतु प्रेषित की जाती है:-

The Director, Directorate of Higher Education, GNCTD, BTE Block, DTTE complex, Muni Maya Ram Marg, Pitampura, New Delhi -110034

आपसे अनुरोध है कि कृपया उपरोक्त से प्राप्त उत्तर को अपनी टिप्पणी सहित इस कार्यालय को अग्रेषित करें।

व. लेखापरीक्षा अधिकारी (AMG-III)

प्रमाणित किया जाता है कि व. उपमहालेखाकार (ए.एम.जी.-III) द्वारा अनुमोदित इस लेखापरीक्षा प्रतिवेदन में Nil पैरा पार्ट II A, 14 पैरा, पार्ट II B एवं TAN-02 शामिल किए गए हैं।

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**OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT)
DGACR BUILDING, I P ESTATE, NEW DELHI-110 002**

Inspection Report on the accounts/records of the office of the Shaheed Sukhdev College of Business Studies for the period 2019-20 to 2022-23

Part-I

INTRODUCTION

i. General :

The accounts/records of Office of the Shaheed Sukhdev College of Business Studies (SSCBS), GNCTD, University of Delhi, Dr. K N Katju Marg, Rohini, Sec-16, New Delhi-110089 for the period 01.04.2019 to 31.03.2023 were test checked by the Audit Party comprising Sh. Shambhu Sharma, Asstt. Audit Officer, Sh. Devender Prasad, Asstt. Audit Officer and Sh. B.S. Bisht, Sr. Auditor under the supervision of Sh. Pankaj Vaid, Sr. Audit Officer of the Office of the Pr. Accountant General (Audit), Delhi w.e.f. 07.06.2023 to 23.06.2023.

ii. General set-up and activities:

SSCBS was set up in 1987 by the Govt. of NCT of Delhi for imparting education in the field of Business Management at the undergraduate level in order to successfully meet the industries growing need for young minds, training in the art of management of computer skills etc. The college also offers post graduate diploma course in cyber security and law.

iii. Organization Setup:

Governing body of the college is the highest decision making body and acts as the executive authority of the college. It holds, controls and administers the property and funds of the college as well as other funds placed at the disposal of the college for any specific object. The Principal SSCBS is the Member Secretary of the Governing body.

iv Objectives:

To provide a learning and teaching environment for preparing responsive and ethical managers, technocrats, entrepreneurs, and researchers.

To develop and enhance the decision-making skills and administrative competence of our students and teachers through innovative and cutting-edge education and research.

To establish linkages between industry and academics for fostering leadership in quality education, research, and consultancy.

v. Budget:

The Budget allocation, fee & other receipts and Actual Expenditure for the period from 2019-20 to 2022-23 is detailed below :-

(Amount in lakh)

Year	opening balance as on 1 st April	Actual Budget allocation received	Fee & other receipts	Total Receipts (GIA & Fees etc.)	Actual Expenditure	Closing Balance As On 31 March
(1)	(2)	(3)	(4)	(2)+(3)+(4) = (5)	(6)	(5)-(6)=(7)
2019-20	305.62	1450	152.58	1908.20	1618.63	289.57
2020-21	289.57	1241.04	150.04	1680.65	1531.66	148.99
2021-22	148.99	1680.28	126.7	1955.97	1837.43	118.54
2022-23	118.54	1791.8	116.24	2026.58	1904.21	122.37

vi. Overall financial performance and relative significance of the unit in overall hierarchy of the department in pursuance of organization goals:

As per Inspection Report

vii. Scope of audit:

Audit covered the period of April 2019 to March 2023, during test check of the department, records of various schemes were test checked including vouchers relating to salary, TA, Contingency, OE, Purchase of consumable and non-consumable items.

viii. Sampling technique adopted:

The audit adopted judgmental method for selecting its sample size based on the expenditure incurred under various heads of the auditee unit. The audit observations are based on the records of selected cases furnished by the auditee.

ix. Internal Audit:

Internal Audit was conducted by the Directorate of Audit, Government of NCT of Delhi for the period upto March 2022.

PART-II
(Audit Findings)

PART-II-(A)
(Significant Audit Findings)
Nil

PART-II-(B)
(Other incidental Audit Findings)

Para No. 1: Under utilization of Solar Power Plant and loss of opportunity to save electric consumption (Reference Number: OBS-740989)

As per Delhi Solar Policy, 2016, the Government of NCT of Delhi (GNCTD) considers solar power to be the most viable form of green energy in Delhi. It has the potential of lowering the state's expenditure on energy, strengthening its energy security, and reducing its reliance on unsustainable fossil fuels. To attain this potential, rapid capacity addition in solar power is needed. Hence, it is deemed necessary to have a Delhi Solar Energy Policy for the promotion of solar power plants.

Delhi is blessed with almost 300 sunny days. Further, Ministry of New and Renewable Energy (MNRE) considering 5.5 sunshine hours for Delhi and 1 KWP solar rooftop plant generate an average over the year 4.6 KWh of electricity per day, however as per Solar Rooftop Calculator of MNRE, 1KWP Solar Panel generates 3.78 units a day.

M/s Hero Solar Energy Private Ltd (HSEP Ltd) had installed solar photovoltaic power plant of 76 KW capacity at roof top of SSCBS. The power producer was notified as successful bidder by IPGCL for design, Engineering, manufacture, supply, storage civil work, erection, testing & commissioning of the solar power project including operation and comprehensive maintenance of the project for a period of 25 years after commissioning of the project. The plant was commissioned on 30 September 2016.

Audit noted that Shaheed Sukhdev College of Business Studies (SSCBS) entered into a Power Purchase Agreement (PPA) with M/s Hero solar Energy Private Ltd. on 01 June 2016 for a period of 25 years and solar energy generated through plant was to be sold to SSCBC @ Rs.5.80 per unit for term of agreement.

Audit noted that besides solar power purchased from M/s HSEPL, the power requirements of college, were met through electric connection from DISCOM (M/s TPDDL) for which payment based on consumption was being made by the SSCBS at the rate of Rs.8.00 per unit besides other fixed charges.

On scrutiny of register maintained by SSCBS for solar power energy purchased from M/s HSEPL for the period from 1.8.2017 to 31.3.2023, it was observed that the Solar Plant on the roof top of SSCBS was being underutilized during the period upto 31 March 2023 for at least 1,44,534 units by considering minimum 3.78 units per day per KW capacity as suggested by Ministry of New and Renewable Energy (MNRE) as shown below:

Calculation of loss due to underutilisation of solar power generation unit installed at Saheed Sukhdeve College of Business Studies Delhi					
Period	Number of days	total units generated by M/s HSEPL	units to be generated @3.78 per KW for 76 KW installed capacity =No. of daysX3.78 per kw per day X76 KW)	under utilisation/generation of solar power	Loss of opportunity to save power expenditure due to underutilisation of solar generation @ Rs. 2.20 per unit (Rs.8-Rs.5.80 per unit)
1.4.2018 to 31.3.2019	365	73923	104857	30934	68055
1.4.2019 to 30.4.2020	395	81041	113476	32435	71356
1.5.2020 to 31.3.2021	335	69744	96239	26495	58289
1.4.2021 to 30.4.2022	395	89139	113476	24337	53541
1.5.2022 to 31.3.2023	335	65905	96239	30334	66734
	1825	379752	524286	144534	317975

Tata power Delhi Distribution Limited (TPDDL) tariff rate-Rs.8.00 per unit.

Since the College was making payment for energy charges to TPDDL @ Rs.8.00 per unit, every unit generated/consumed through solar power plant would have contributed in lowering the power expenditure of the SSCBS. From the above table it can be observed that the optimum capacity utilization of the solar power plant was not done and due to underutilization of installed capacity, the SSCBS lost the opportunity to save expenditure on electric consumption amounting to Rs.3.18 lakh. Thus, it was prudent to optimally utilize the installed capacity of 76 KW of solar power plant to safeguard the financial interests of the institution and urgent steps need to be taken by SSCBS in this regard.

Further, inadequate solar power generation by the solar power plant also reflected that the same was not being properly maintained by M/s Hero Solar Energy Private limited. It is noted from the records made available to audit that due to certain hurdles like TIN shed, pillar shadows, AC plant the generation was reported low. The College need to take appropriate action in this regard to have optimum utilization of solar power generation unit.

Para No. 2: Non- availing of full rebate on property tax demands of MCD (Reference Number: OBS-741037)

North Delhi Municipal Corporation, Assessment & Collection Department (GRP CELL) raised demand for payment of outstanding dues of Property Tax/ Service Charges alongwith FY 2019-20 in respect of Shaheed Sukhdev College of Business Studies, PSP –IV, Dr. K. N. Katju Marg, Sec. -16, Rohini, Delhi – 110089. Wherein it was requested to make payment of property tax in r/o above mentioned property on or before 30.06.2019 for the year 2019-20 to avail timely rebate of 15%.

Scrutiny of records/files of property tax of the SSCBS revealed that the college had not availed any rebate from North Delhi Municipal Corporation for the Financial Year 2019-20 as per details given below.

Financial Year	Property Tax (Rs.)	Rebate @ 15%	Date of payment/receipt	Avoidable Loss (Rs.)
2019-20	33,17,294/-	4,97,594/- (if paid before 30.06.2019)	09.12.2019 & 31.03.2020	4,97,594/-
Total rebate not availed due to non-payment of property tax on time				4,97,594/-

Thus, due to not making timely payment, the SSCBS lost the opportunity to avail the rebate of Rs. 4.98 lakh on property tax for the FY 2019-20.

Para No. 3: Loss of interest due to delay in investment of surplus funds (Reference Number: OBS-741098)

Shaheed Sukhdev College of Business Studies (SSCBS) made investments in FDRs at various banks on excess of funds in the saving bank accounts maintained by SSCBS and after maturity of the FDRs. Audit scrutinized the records of FDRs provided to audit from the period 2019-20 to 2022-23.

It is observed that:-

SSCBS has not formed any investment policy for the utilisation of surplus fund lying in the saving banks. It was noticed that SSCBS has not called for the quotations of all the nationalised bank. They are taking higher interest rate on FDRs only out of three banks of their choice. A fair chance should be given to all the nationalised banks to get a higher rate of interest from a more number of banks instead of three number of bank accounts.

SSCBS has Five saving bank accounts (Three saving bank accounts and Two auto sweep saving bank accounts). Audit observed that investments, made through Provident Fund Bank Account and ACB Bank account, was delayed ranging from 03 days to 213 days and funds remained idle and kept in the Saving Account instead of investing in FDs.

The college during the period from April 2019 to March 2023, kept the surplus funds idle in saving account and delayed in investment which resulted in loss of interest of Rs. 167372.56 as below:

Sl. No.	FDR No.	Investment in bank	Date of investment	Amount available with SSCBS dated	Delay in investment	Amount Invested	FDR Rate of interest	Saving bank interest rate	Differential rate	Loss of interest	Account
1	38591483366	SBI	09.07.2019	06.06.2019	28	120800	7%	3.25%	3.75%	3475.07	PF
2	39708670940	SBI	05.10.2020	09.06.2020	118	593000	5.40%	2.70%	2.70%	5176.16	PF
3	39712083163	SBI	06.10.2020	09.06.2020	117	634065	5.40%	2.70%	2.70%	5487.70	PF
4	39794725071	SBI	10.11.2020	20.10.2020	21	690878	5.40%	2.70%	2.70%	1073.23	PF
5	39794723368	SBI	10.11.2020	20.10.2020	21	786066	5.40%	2.70%	2.70%	1221.09	PF
6	39816319727	SBI	20.11.2020	11.11.2020	9	698395	5.40%	2.70%	2.70%	464.96	PF

7	39962636691	SBI	27.01.2021	11.11.2020	77	1877000	5.40%	2.70%	2.70%	10691.19	PF
8	40101103800	SBI	26.03.2021	17.03.2021	9	607000	5.40%	2.70%	2.70%	404.11	PF
9	40170442650	SBI	06.05.2021	01.05.2021	5	153900	5.40%	2.70%	2.70%	569.22	PF
10	40219121226	SBI	09.06.2021	31.05.2021	10	574000	5.40%	2.70%	2.70%	424.60	PF
11	40239783832	SBI	21.06.2021	11.06.2021	10	990000	5.40%	2.70%	2.70%	7323.29	PF
12	40239784326	SBI	21.06.2021	11.06.2021	10	990000	5.40%	2.70%	2.70%	7323.29	PF
13	40239784767	SBI	21.06.2021	11.06.2021	10	192348	5.40%	2.70%	2.70%	1422.85	PF
14	40435414862	SBI	13.09.2021	02.09.2021	11	531460	4.40%	2.70%	1.70%	2722.82	PF
15	40586327690	SBI	18.11.2021	08.11.2021	11	304329	3.90%	2.70%	1.20%	1100.59	PF
16	40645594528	SBI	09.12.2021	29.11.2021	11	254100	5.40%	2.70%	2.70%	2067.61	PF
17	40673541424	SBI	28.12.2021	24.12.2021	4	334100	5.40%	2.70%	2.70%	988.57	PF
18	40759353182	SBI	03.02.2022	31.01.2022	3	205701	5.40%	2.70%	2.70%	456.49	PF
19	40864550248	SBI	21.03.2022	01.03.2022	20	772500	5.50%	2.70%	2.80%	1185.21	PF
20	41153406182	SBI	25.07.2022	24.12.2021	213	750000	5.30%	2.70%	2.60%	113794.52	AP C
										Total	167372.56

It may be seen from the above that SSCBS had suffered loss of interest amounting to Rs. 1.67 lakh due to non-investment of surplus fund timely.

In the financial interests of the college, the SSCBS need to formulate a investment policy and take appropriate action to timely invest the surplus funds lying in Saving Bank Account.

Para No. 4 : Short recovery of Electricity bills from Employees/canteen staff (Reference Number: OBS-741129)

SSCBS have single electricity meter of TDDPL in the premises being single building. Besides, a solar power plant of 76 KWp is installed by M/s Hero Solar Energy Private Ltd. on the rooftop of the college for which SSCBS is charged @ Rs. 5.80 per unit for units billed to SSCBS. Audit noted that for electricity consumption through TDDPL connection, bill for basic unit consumption was @ Rs. 8.00 per unit apart from other fixed charges.

During scrutiny of records it was noticed that SSCBS has been charging electricity @ Rs. 3.90 from the employee's/canteen staff for per unit consumption as per the sub-meter installed for them at their accommodation in SSCBS premises.

Charging of Rs. 3.90 per unit for electric consumption from staff as compared to payment of Rs. 5.80 per unit to M/s Hero Solar Energy Pt Ltd and Rs. 8.00 per unit to TPDDL lacked

justification. The details of under charging from staff on account of electricity charges amounting to Rs. 1.13 lakh is shown below:

Sr. No.	Name	Period		Meter Reading		Total Units consumed	Charging rate	Minimum* rate paid by SSCBS	Shortcum claimed	Total shortcum
		From	To	Initial reading	Last reading					
1	Tapan Mandal	03.08.2017	25.05.2023	724	12877	12153	3.90	5.80	1.90	23090.7
2	Chandra Pal	01.02.2021 26.03.2023	25.03.2023 25.05.2023	75 0	2658 253	2836	3.90	5.80	1.90	5388.4
3	Tulsi Ram Sharma	03.08.2027	25.05.2023	724	14468	13744	3.90	5.80	1.90	26113.6
4	Rakesh Kumar	02.07.2018	24.12.2020	0	3174	3174	3.90	5.80	1.90	6030.6
5	Mayank Sahni	03.04.2022	25.05.2023	5543	13477	7934	3.90	5.80	1.90	15074.6
6	Nidhi Kesary	01.07.2017	31.12.2019	0	602	602	3.90	5.80	1.90	1143.8
7	Amit Kumar	01.08.2017	25.05.2023	357	9799	9442	3.90	5.80	1.90	17939.8
8	Deepak Tiwari	01.09.2019	25.05.2023	100	6906	6806	3.90	5.80	1.90	12931.4
9	M/s Laxman Kr. & Sons Canteen	01.08.2019	31.05.2020	1128	3867	2739	3.90	5.80	1.90	5204.1
* Solar energy rate paid by SSCBS @ Rs. 5.80									Total	112917

The justification for charging of electricity consumption rate @ Rs. 3.90 per unit from the employees/canteen staff may please be furnished and appropriate action to recover the amount be made from the concerned persons.

Para No. 5: Excess payment for solar power energy to a private party (Reference Number: OBS-741144)

M/s Hero Solar Energy Private Ltd (HSEP Ltd) had installed solar photovoltaic power plant of 76 KW capacity at roof top of SSCBS. The power producer was notified as successful bidder by IPGCL for design, Engineering, manufacture, supply, storage civil work, erection, testing & commissioning of the solar power project including operation and comprehensive maintenance of the project for a period of 25 years after commissioning of the project. The plant was commissioned in 30 September 2016. Shaheed Sukhdev College of Business Studies (SSCBS) entered into a Power Purchase Agreement (PPA) with M/s Hero solar Energy Private Ltd. on 01 June 2016 for a period of 25 years and solar energy generated through plant was to be sold to SSCBC @ Rs.5.80 per unit for term of agreement.

Scrutiny of records relating to solar power generated and bills paid by SSCBS for the period from 1.4.2018 to 31.3.2023[1] revealed that the M/s Hero Solar Pvt. Ltd generated 3,79,752 units during the period from 1.4.2018 to 31.3.2023, however, the SSCBS had made payment for 3,89,507 units during the same period as shown below:

Period	Total units generated by M/s HSEP ltd	Total units billed to SSCBC during the period	Excess units paid by SSCBC (units)	Rate per units paid by SSCBS (in Rs.)	Total excess payment made (in Rs.)
1.4.2018 to 31.3.2023	3,79,752	3,89,507	9,755	5.80	56,579

It may be seen from the above that there was excess payment of Rs. 56,579/- towards 9775 solar power units which were even not generated by the M/s Solar Power Pvt. Ltd. Reasons for the above be furnished and excess payment made to M/s Hero Solar Power be recovered under intimation to Audit.

Para No. 6 : Non signing of Memorandum of Understanding with the administrative Department (Reference Number: OBS-741165)

Shaheed Sukhdev College of Business Studies is funded by Directorate of Higher Education, the Government of NCT of Delhi The annual financial assistance during the period 2019-20 to 2022-23 ranged between Rs. 12.41 crore and 17.92 crore.

As per instructions issued by the Finance Department, Government of NCT of Delhi vide letter no. F.12/3/2010-EC/Stu/205 dated 03 March 2021 forwarding therewith Order of Finance Department of July 2011, *all the autonomous bodies/grantee institutions having budgetary support of more than 5 crore per annum from the government are required to enter into a memorandum of understanding with the administrative department clearly spelling out targets in respect of the activities/programmes/schemes being carried out and qualitative improvements in output, alongwith commensurate input requirements Where the output targets, prescribed in measurable units of performance, shall form the basis of budgetary support extended to these organization*.

Audit noticed that no MOU had been entered into by the Shaheed Sukhdev College of Business Studies, Delhi with the Administrative Department (Directorate of Higher Education, GNCTD). As such measurable units of performance for qualitative and quantitative improvements/achievements do not exist. Thus, instructions of finance Department, GNCTD had not been complied with by the SSCBS.

The reasons for not signing the MoU with the Administrative Department so far be furnished. The steps taken with regard to formulate and enter into an MOU by Shaheed Sukhdev College of Business Studies with the Administrative Department be furnished to Audit.

Para No. 7 : Non creation of post of accounts functionaries with an appropriate designation (Reference Number: OBS-741199)

Shaheed Sukhdev College of Business Studies is funded by Directorate of Higher Education, the Government of NCT of Delhi. The annual financial assistance during the period 2019-20 to 2022-23 ranged between Rs. 12.41 crore and 17.92 crore.

As per instructions issued by the Finance Department, Government of NCT of Delhi vide letter no. F.12/3/2010-EC/Stu/205 dated 03 March 2021 forwarding therewith Order of Finance Department of July 2011 that *'all the autonomous bodies/grantee institutions having budgetary support of more than 10 crore per annum from the government shall initiate action to create posts of accounts functionaries with an appropriate designation (i.e. as equal in terms of pay scale as well as duties and responsibilities to the post of DCA and accounts officer of GNCTD with prior approval of finance department so as to ensure stringent control over expenditure and proper financial management. The said posts will be filled from the accounts on deputation basis failing with on contract basis'*.

Audit however, noted that no posts of accounts functionaries had been created in Shaheed Sukhdev College of Business Studies, Delhi so far. Any proposal moved by the college in this regard was also not on records produced to Audit. However, vide office order dated 17.02.2021, the Finance Department assigned the additional charge of the SSCBS to the Sr. Accounts Officer, Babu Jagjeevan Ram Medical Hospital (BJRMH) for a period of 6 months. Further, vide order dated 07.02.2022, another Sr. Accounts Officer, who joined BJRMH was given the additional charge of SSCBS w.e.f from 07 February 2022. Audit observed that involvement of the Sr. AO having additional charge in day to day functioning of the college for stringent control over expenditure and proper financial management was not on records, however, budget proposal for 2022-23 sent to Department of Higher Education, GNCTD, were routed through Sr. AO (additional charge).

Reasons for not creation of posts of accounts functionaries be furnished and the steps taken in this regard by Shaheed Sukhdev College of Business Studies be intimated to Audit.

Para No. 8: Non submission of annual reports/statement of accounts to the Department concerned for placing before Legislative Assembly of Delhi (Reference Number: OBS-741305)

Shaheed Sukhdev College of Business Studies is funded by Directorate of Higher Education, the Government of NCT of Delhi. As per instructions issued by the Finance Department, Government of NCT of Delhi vide letter no. F.12/3/2010-EC/Stu/205 dated 03 March 2021 forwarding therewith Order of Finance Department of July 2011, 'all the autonomous bodies/grantee institutions shall prepare Annual Reports alongwith the audited statement of accounts. The said reports/Statements will be submitted to the Administrative Department concerned for placing it before placing the same on the table of Delhi Legislative Assembly every year'

Audit noted that though the SSCBS had prepared annual reports/statement of accounts for the year 2019-20 to 2021-22, however, the same had not been submitted to the Department of Higher Education for placing it before placing the same on the table of Legislative Assembly of Delhi.

The reasons for not forwarding the annual reports/statements of Accounts, to the Department concerned, for placing it before placing the same on the table of Legislative Assembly of Delhi, be furnished.

Para No. 9: Avoidable payment of Late payment surcharges in Water bills (Reference Number: OBS-741323)

Test check of records, relating payment of Water bills to Delhi Jal Board, revealed that due to not making timely payment of water bill of Rs. 2,66,390 for the period 14 May 2021 to 18 June 2021, Shaheed Sukhdev College of Business Studies had paid late payment charge of Rs. 13,320 while making payment for subsequent water bill with arrear during August 2021.

The details are shown below :

Sl.	Bill period	Bill amount	Late payment charge for previous bill	Total	Remarks
1	14 May 2021 to 18 June 2021	266391	0	266391	Bill not paid
2	18 June 2021 to 26 July 2021	155958	13320	169278	Bill paid alongwith arrear and late payment charge
	Total	422349	13320	435669	

Since bill of Rs. 266391 had not been paid, the college made payment of Rs.435669 including current bill of Rs. 155958 , arrear of Rs. 266391 and late payment charge of Rs.13320 thereon.

Thus timely payment of water bill would have avoided additional expenditure towards late payment charge of Rs.13320. In case, there was delay in receipt of bill, the matter need to be taken up with Delhi Jal Board to get the waiver and adjustment of late payment charge paid by college.

Para No. 10: Non-capitalization of Fixed Assets and Non-charging of Depreciation on existing assets (Reference Number: OBS-741333)

A. Non inclusion of fixed assets in the books of accounts :

The SSCBS has prepared its financial statement viz. Balance Sheet, Income & Expenditure A/c, Receipt & Payment A/c but the cost of following assets pertaining to the campus at Rohini has not been shown in the Balance Sheet of the college.

1. Cost of Land
2. Construction Cost of Building
3. Cost of centrally air conditioning system
4. Cost of STP Plant
5. Cost of rain water harvesting system

The college needs to include all the fixed assets in the fixed assets schedule properly. The action in this regard be initiated and intimated to Audit

B. Non charging of Depreciation :

As per the approved uniform format of Financial Statements for Autonomous Bodies, depreciation is to be provided on Straight Line Method as per rates specified in Income Tax Act, 1961. On review of records it is noticed that SSCBS has not provided any depreciation on value/cost of Assets during the year 2019-20 to 2022-23. Non- charging of depreciation and showing fixed assets at cost since date of purchase/construction/completion/creation by SSCBS is in violation of the approved uniform format of accounts. As such there was over depiction of college assets in the books of accounts. The college need to take immediate action in this regard and reflect depreciation against each category of assets.

C. Fixed Assets Register :

SSCBS has maintained Fixed Asset Register for recording the details of Assets purchased/constructed/completed/created which do not match with assets disclosed in respective schedule of the Balance Sheet for the years 2019-20 to 2022-23. Audit noted that many fixed assets acquired during 2019-2023 were not recorded in the fixed assets register.

Further, as per physical verification report for the year 2020-21 following items were missing :

1. HP office JT-J3608 all in one printer
2. D Link USB Adopter 108 Mbps
3. D Link wireless Lan card 1098
4. Switch 8 port POE
5. Samsung tab 4 T231
6. Four HP Pro book 445 G1 Laptop

7. Four number of laptops untraceable
8. Three laptops given to EWS students were missing

Besides above one speaker was also missing as per physical verification report for the year 2021-22.

Action taken in this regard needs to be intimated to Audit. Further physical verification of Fixed Assets and stores/spares had not been conducted for the year 2022-23 till date.

Para No. 11: Pending demands (for Assessment Year 2015-16 & Assessment Year 2019-20) due to not obtaining income tax exemption certificate and loss due to non refund of TDS by IT Department for AY 2021-22 (Reference Number: OBS-741387)

As per the Income tax Act, 1961, Section 10 (23c) Income of any university or other educational institution existing solely for educational purposes and not for purposes of profit, and which is wholly or substantially financed by the Government would be exempted under section 10(23C) (iiiab). Audit observed the following in respect of Income Tax Returns required to be filed with CBDT:

SSCBS has applied Income Tax Exemption Certificate from Income tax Department under 10 (23C) in August 2022 and received the same in September 2022 for the period from AY 2022-23 to AY 2026-27. Audit noted that prior to AY 2022-23 SSCBS did not have income tax exemption certificate.

SSCBS filed income tax return for the assessment year 2019-20 & 2015-16 under section 154 and 272 A(2)(e) of Income Tax Act, 1961 respectively, A demand amounting to Rs. 5,68,77,890 for the assessment year 2019-20 and Rs. 57500 for the assessment year 2015-16 was raised by Income Tax Department and was pending till date for want of Income tax Exemption Certificate.

Though the Income Tax Department was providing exemption to the SSCBS under section 10 (23C) of the Income Tax Act, 1961 on year to year after filing ITR. Audit noted that the Income Tax Department has finalised the ITR for AY 2020-21 to AY 2022-23 but adjusted the refund of Rs. 1544920 Rs. 2850 & Rs. 1445390 for AYs 2020-21, 2021-22 & 2022-23 respectively. with the pending demands of earlier assessment years.

Audit observed that for AY 2021-22 though SSCBS reflected refund of Rs. 11,22,126 towards TDS in its ITR, but the Income tax department finalised the assessment u/s 143(1) by making refund of Rs. 2850/- only which was also adjusted with demands of earlier years. As such SSCBS could not get the refund of TDS deposited Rs. 11.22 lakh and thus suffered loss to that extent. There was no document on records to show that the matter was taken with IT Department for refund of TDS of Rs. 11.22 lakh.

Since the above being financial matter and non-compliance of mandatory provisions of CBDT, is considered as serious lack of internal control in the institute. The SSCBS needs to take up the matter with the Income Tax Authorities as well as GNCTD/GoI for refund of Rs.11.22 lakh and withdrawal of tax demands of Rs. 5.69 crore. Further progress on the matter of rectification acceptance and refund of deducted amount by Income Tax Department to SSCBS may be intimated to audit.

Para No. 12: Governing Body Meeting (Reference Number: OBS-741401)

As per Memorandum of Association (MoA) of Shaheed Sukhdev College of Business Studies, the Governing Body shall meet at least once in every quarter or four times in each year and subject as hereinafter provided, shall have general supervision and control of the affairs of the college and shall maintain records of its own proceedings.

During scrutiny of register related to the Governing Body meeting following were observed:

Sl. No.	Meeting held in 2019-20	Meeting held in 2020-21	Meeting held in 2021-22	Meeting held in 2022-23
1	12.04.2019	05.06.2020	11.08.2021	13.04.2022
2	28.05.2019	15.06.2020	04.09.2021	06.07.2022
3	09.09.2019	30.06.2020	07.10.2021 (11 am)	28.11.2022
4	20.09.2019	20.07.2020	07.10.2021 (12 pm)	23.12.2022
5	19.11.2019	11.01.2021	31.12.2021	27.01.2022
6	29.11.2019	---	15.03.2022	10.03.2023
Total Meetings	06	05	06	06

From the above, it may be seen that the Governing Body meetings held by SSCBS were on uneven interval and criteria of quarterly gap between 02 meetings was not adopted by the college. Further, it was seen that:

Out of 06 meetings held in 2019-20, gap in first two meeting was around one and half month though the gap in other two meetings were 11 days and gap between last two meetings was 10 days.

Out of 05 meetings held in 2020-21, first meeting was held in June 2020, and the last meeting was held in previous financial year in November 2019 which shows a gap of about seven months in two meetings. Also the first four meetings of 2021-22 were held within the period of one and half month and difference between fourth and fifth meetings was around six month.

Similarly, out of 06 meetings held in 2021-22, first meeting was held in August 2021, though the last meeting was held in previous financial year in January 2021 which shows a difference of around seven months in two meetings. Further, first three meetings were held on monthly basis. Third and fourth meeting were held on the same day having a difference of only one hour.

This shows lack in consistency of meetings held by the college and shows pretentiousness to fulfil the directions of MoA of the SSCBS. As it the sole responsibility of the Governing Body to make binding decisions, the meetings should be held on equal intervals as these meetings seeks to build on the strength of institution so that everyone can learn from each other's best practices.

Para No. 13: Unrealistic Budget Estimates prepared and non utilisation of funds released by Government (Reference Number: OBS-741458)

Scrutiny, of Budget estimates, budget allocation and statement of expenditure for the period 2019-20 to 2022-23 prepared by SSCBS in respect of Grants in Aid released by Directorate of

Higher Education, GNCTD and utilisation certificates, revealed that substantial balances remained unspent as detailed below

(Rs. in lakhs)

Year	BE sent to Govt.	opening balance as on 1 st April	Actual Budget allocation received 23	Fee & other receipts	Total Receipts (GIA & Fees etc.)	Actual Expenditure as per statement by SSCBS	Closing Balance As On 31 March	Actual Expenditure as sent in Budget proposals to Govt.
(1)	(2)	(3)	(4)	(5)	(4)+(5) = (6)	(7)	(3)+(6)-(7) = (8)	(9)
2019-20	2469.35	305.62	1450	152.58	1908.2	1618.63	289.57	1756.66
2020-21	2811.62	289.57	1241.04	150.04	1680.65	1531.66	148.99	1635.26
2021-22	2783.56	148.99	1680.28	126.7	1955.97	1837.43	118.54	1895.10
2022-23	3104.39	118.54	1791.8	116.24	2026.58	1904.21	122.37	2020.47

Source : Details and documents provided by the SSCBC

It may be observed from the above that :

Audit observed that in each year during 2019-20 to 2022-23, substantial balance ranging from 118.76 lakh to 289.57 lakh was lying unspent at year end and carried forward to next year.

Unrealistic assessment of funds is not conducive to a proper budgeting system. The wide variations between the original budget estimates and the actual expenditure incurred lead to an obvious conclusion that the entity had not properly anticipated/assessed and projected a realistic requirement of funds. Audit noted that there was substantial gap between Budget estimates sent to Government for release of funds vis a vis funds actually released and spent. Audit noted that though, funds released during 2019-23 were only 44% to 60% of funds demanded, the unspent amount ranged between 6.43% and 17.89 % to the GIA released during 2019-20 to 2022-23. As such the budget estimates prepared by the college were unrealistic and college even could not utilised the funds released to it every year. The Finance Department also issues instructions from time to time to ensure that these are on realistic basis and not influenced by undue optimism so as to avoid unnecessary or excessive supplementary grants/re-appropriations. As such, these instructions were also not adhered to by the college.

Further, GIA receipts on account of Capital head, an amount of Rs. 59.97 lakh was lying unspent as on 31.3.2019 and during the period 2019-2023, Rs. 19.20 lakh was added through fees component, of which Rs. 10.23 lakh could be spent during the period upto 31.3.2022 and balance Rs, 68.94 lakh was refunded to Government. Reasons for non-utilisation of funds needs to be furnished to Audit.

Whereas, under the head GIA promotion of sports facilities, an amount of Rs. 12.13 lakh was lying unspent as on 1.4.2019 of which Rs. 10.00 lakh was lying unspent as on 31.3.2023 without any further receipts during the period 2019-23 as such no significant expenditure has been incurred from the head, which needs to be elucidated.

Audit further observed that the closing balance at year end as mentioned in the statement furnished to Audit and Actual expenditure shown in the Budget Demands sent to the Government did not match with the figures reflected in Utilisation certificates submitted by the college.

Reasons for the same may be elucidated to Audit. This matter need to be looked into and curative action be taken by the college under intimation to Audit. Further utilisation certificate for the year 2022-23 was not provided to Audit, the same may also be provided.

Para No. 14: Lack of mechanism to provide Completion certification by college for works performed by PWD (Reference Number: OBS-741489)

Audit noticed for various Maintenance works/AMCs were being done by Public Works Department, Delhi for SSCBS building/premises for which funds were released by Directorate of Higher Education, GNCTD directly to PWD. As per details provided to Audit in respect of 10 works having tendered value of Rs.278.42 lakhs, were stated to be completed by incurring expenditure of Rs.291.72 lakh till date (16.6.2023) by PWD.

Audit however observed that there was no mechanism to check the quality of work by the College authorities as no certificate for successful completion of work to the satisfaction of SSCBS authorities was provided by the college. SSCBS has neither any role in release of payment to PWD nor have any control on quality of work performed by the PWD/contractors.

Since the works were being performed in the college premises, a mechanism to obtain completion certificate from college authorities need to be established.

PART-III

(Follow up on findings outstanding of previous Inspection Reports)

A. List of paras settled/taken afresh

Sl. No.	Year	Para No.	Title of Para	Status
1.	2014-19	Part IIB-01	a. Unspent Balances due to non-finalization of Pattern of Assistance. b. Non-capitalization of land and building and other assets etc. c. Depreciation in accounts not applied on the Capital assets	Taken afresh
2.	2014-19	Part IIB-02	Avoidable expenditure of Rs. 8.33 lakh due to injudicious assessment of sanctioned load of electricity supply.	Para settled
3.	2014-19	Part IIB-03	Non-availing of full rebate on water bills amounting to Rs 8.68 lakh.	Para settled
4.	2014-19	Part IIB-05 (b)	b. Non-creation of posts of accounts functionaries	Taken afresh
5.	2014-19	Part IIB-08	Medical reimbursement to staff without deducting subscription of CGHS/DG	Para settled
6.	2014-19	Part IIB-09	Non-deduction of licence fee after revision of rates.	Para settled
7.	2014-19	IIB-13	Loss of govt. money due to short recovery of water charges from government accommodation to officials/officers	Para settled

B. List of Outstanding Paras

Sl. No.	Year	Para No.	Title of Para	Status
1.	2009-14	Part IIB-03	Unspent Grant-in -Aid	Para stands
2.	2014-19	Part IIB-05 (a)	a. Irregular payment of Pension.	Para stands
3.	2014-19	Part IIB-06	Purchase of IT equipment of Rs. 73.00 lakh without approval of IT Department.	Para stands
4.	2014-19	Part IIB-7(b)	Unauthorized expenditure from Imprest	Para stands
5.	2014-19	Part IIB-14	Non furnishing of records/information.	Para stands

PART-IV (Best Practice)

Nil

PART-V (Acknowledgement)

The Principal and college staff rendered cooperation to audit.

Hierarchy

The following officers/officials have held charges of the posts indicated below for the period mentioned against each:

Sl. No.	Name & Designation	Period	
		From	To
HOD/DDO			
1.	Dr. Poonam Verma, (Professor Principal)	01.04.2019 to 19.07.2022 12.11.2022 to 31.03.2022	
2.	Dr. Sameer Anand (Vice Principal)	20.07.2022	11.11.2022
Officer Incharge Accounts			
1	Sh. S.K. Dagar (Sr. Asstt.)	08.03.2019	01.07.2020
	Sh. Ankur Aggarwal (SO, Accounts)	02.07.2020	31.03.2023
Cashier/UDC			
1	Sh. Sanjay Batra (Cashier)	01.04.2019	11.06.2020
2	Miss Champa Negi (Cashier)	12.06.2020	31.03.2023

General

The general condition of the accounts/records of the Shaheed Sukhdev College of Business Studies (SSCBS), GNCTD, University of Delhi, Dr. K N Katju Marg, Rohinin, Sec-16, New Delhi-110089 for the period 01.04.2019 to 31.03.2023 was found to be satisfactory to the extent the record produced to audit and subject to the observations made in the Inspection Report.

The Inspection Report has been prepared on the basis of information/records supplied by the Shahid Sukhdev College of Business Studies. The office of the Pr. Accountant General (Audit), Delhi does not take any responsibility for any mis-information/non-information on the part of the audited entity.


12/13/23
Sr. Audit Officer (AMG-III)

Test Audit Note

TAN 1 : Improper maintenance of Register for recording pay and allowances to employees (Reference Number: OBS-741417)

Shaheed Sukhdev College of Business Studies is maintaining Acquaintance Register for recording payment of pay and allowances to employees instead of Pay Bill Register as prescribed in form No. GFR 17.

During scrutiny, it has been noted that the complete details of the employees were not filled in the register. Thus, Register maintained by the College was improper to that extent and proper register with complete details need to be maintained.

TAN 2: Non-updating of service books (Reference Number: OBS-741436)

The Service Book of a Government servant is a document to record all the events in his/her entire service period and career recording each and every administrative action of the Government servant right from the stage of his recruitment till his retirement to reflect the history of service of a Government employee. As per SR 198 & 199 such a Service Book is to be maintained for a Government servant from the date of his/her first appointment and is required to be kept in the custody of the Head of Office in which he is serving and transferred with him from office to office.

During the course of Audit, service book of 7 employees were called who are going to retire during next five years i.e. upto 31.03.2028. On reviewing the service books of these employees it has been noted that verification columns are left totally blank in case of 3 employees namely Sh. Krishan Pal, Ms. Kishori Ravi Shankar and Mr. Bhupal Chand whereas verification columns of Dr. Poonam Verma is not updated for the year 2022-23.

It is suggested that services books of all the employees be checked and take appropriate action to complete the service books wherever required.

12/07/23
Assistant Audit Officer (AMG-III)