

25/16/17

**DIRECTORATE OF AUDIT  
GOVERNMENT OF N.C.T OF DELHI  
4<sup>TH</sup> LEVEL, C-WING, DELHI SACHIVALAYA:NEW DELHI**

**AUDIT REPORT OF Delhi University Social Center Co-Ed School, Block – C,  
Maurice Nagar Delhi-110007 FOR THE PERIOD 2014-2015 To 2016-17**

**INTRODUCTION**

The Internal Audit Report Delhi University Social Center Co-Ed School, Block-C, Maurice Nagar Delhi-110007 on the accounts of for the period 2014-2015 to 2016-17 was conducted by the field Audit Party No. IX Comprising of Shri Deepak Kumar Sharma, IAO/AO, Sh. Vijay Kumar Rajpoot, AAO and Shri Rajiv Singal, Grade-II. The audit was conducted during 15 working days between 23/05//2017 To 07-06-2017.

**AIMS AND OBJECTIVES**

Delhi University Social Center Co-Ed School, Block – C, Maurice Nagar Delhi-110007 is entrusted in importing education up to Class VIII and is under the administration of Directorate of Education, Government of NCT of Delhi. The school is running by Delhi University since 1964. The school gets 95% aid from Delhi Govt. and 5% from Delhi University for class I to V. The Delhi University has provided a building for the school from its own funds.

**H.O.D /H.O.O./ D.D.O's / CASHIERS**

The following officers have served as HOO / DDO / Cashier during 2014-2015 to 2016-17

S. No.	Name of the Officer	Designation	Period	
			From	To
<b>Head of the Institution</b>				
1.	Dr. Garima Bharti	HOS	2014	Till date

**Grants in Aid & Expenditure of the Department for the period: 2014- to 2017**  
**(Amount in Rupees)**

Year	PLAN		
	Grants-in-Aids	Expenditure	Balance
2014-2017	<b>N.A.</b>		

Year	Non – PLAN			
	Grants –in Aids	MCRF deposited	Expenditure	Balance
2014-15	9471940	499095	9971035	Nil
2015-16	11868454	624655	12493109	Nil
2016-17	13327270	701436	14028706	Nil

**Vacancy Statement:**

S. No.	Name of the post	No. of Sanctioned posts	Filled	Vacant	Remarks
1.	Group-A			Nil	
2	Group-B	18	16	02	
3.	Group-C	05	04	1	
	<b>Total</b>	<b>23</b>	<b>20</b>	<b>03</b>	

24/c  
13/c

**Statutory Audit:-**

The Statutory audit of the Delhi University Social Center Co-Ed School, Block – C, Maurice Nagar Delhi-110007 has never been conducted by AG (Audit) Delhi.

**Maintenance of Records:-**

The maintenance of record of Delhi University Social Center Co-Ed School, Block – C, Maurice Nagar Delhi-110007 for the period 2014-2017 was found satisfactory subject to the observations made in the Current Audit Report.

**Audit Reports & Recoveries –**

There were three audit paras outstanding in the previous Audit Report as per the following details:-

S.No.	Period	Details of outstanding paras			Outstanding Para Numbers
		Opening balance	Paras settled	Para Settled Nos.	
1.	2002-09	1	0		1
	2009-14	2	1	1	2
		3	1		

**Details of Old Recoveries**

S. No.	Period	Recovery of Para No.	Details of Recoveries [Amount in rupees]			Remarks
			Raised	Amount Recovered/ Regularized	Balance	
1	2009-2014	1	15297	1327	Nil	After re-calculation of income tax in r/o Mrs. Saroj Devi, TGT Sanskrit amount comes to Rs.1327/ which was deposited by the official.

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**Current Audit Report :**

22/c  
14/c

During the course of current audit, 17 Memos have been issued to Delhi University Social Center Co-Ed School, Block – C, Maurice Nagar Delhi-110007 for the period 2014-2015 to 2016-2017. 8 audit memos have been settled on the spot. Out of 09 observation memo, 3 audit memos have been converted into 3 paras.

Similarly Audit Memo no.10, 12 & 14 have been clubbed together and converted into TAN no.2 Now the total TANs are 4.

**Details of Current Recovery:-**

S.No.	Memo No.	Details of Recoveries [amount in rupees]			Incorporated in Para No.
		Raised	Recovered on Spot	Balance	
1	11	13400	Nil	13400	1
2	16	18781	Nil	18781	2
	Total	32181	Nil	32181	

Internal audit report has been prepared on the basis of information furnished and made available by the Delhi University Social Center Co-Ed School, Block – C, Maurice Nagar Delhi-110007 for the period 2014-2015 to 2016-2017. The Directorate of Audit, GNCT of Delhi disclaims any responsibility for any misinformation and / non-information on the part of auditee.

*(Signature)*  
27/6/17  
**(DEEPAK KUMAR SHARMA)**  
**INSPECTING AUDIT OFFICER**  
**AUDIT PARTY NO. IX**

**PART - I**

~~22/c~~  
13/c

**Old AUDIT REPORT (2002-2014)**

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PART-I (OLD) AUDIT REPORT) ~~17~~  
2002-09

**PART-I: CURRENT AUDIT REPORT OF Delhi University Social Centre  
School C-Block Maurice Nagar, Delhi**

PARA NO. 1

Sub.: - Final A/c's

(2002-09)

The Final Accounts (Balance sheet) of Delhi University Social Centre, Block-C, Maurice Nagar, Delhi shows the following discrepancies :-

1. The Assets and Liabilities total of the balance sheet for the year 2007-08 & 2008-09 were not tallied. The liabilities side total of 2008-09 was 14,49,097.32 whereas the assets side total was 13,74,145.32, it means, that there was a difference of Rs. 74,952/-. The same difference was lying in the B/s of the year 2007-08. (Liability Total 1082080.23 and Assets total was Rs. 1007128.32)
2. The liabilities side showed Rs. 2247/- for audit fee payable during 2007-08 and 2008-09, the Income & Expenses and receipt & payment account not showed any amount on account of audit fee, if noting was paid to Tasky Associates, Chartered Accountant (statutory auditor of the school) then as per the double entry system of the accounting the expenditure of audit fee payable for the financial year, 2007-08 and 2008-09 were to be shown first in expenditure side of income and expenses A/c and then the same amount were to be added in audit fee payable a/c, in the liability side of the concerned year's balance sheet but no entry of the same was made in both the years.
3. The final accounts are showing the value of Furniture & Fixture, Crockery and Science Equipment at its original value since the date of its purchase as per the following details :-

S.No.	Item	Amount	Year of purchase
1	Science Equipment	297151	2002-03
2.	Furniture & fixture	427756.46	2002-03 & 2006-07
3.	Crockery	1000	2001-02

Reasons for not showing depreciation and not showing the assets at Net value after deducting Depreciation in Balance Sheet may be elucidated to audit. Steps may further be taken to write-off the unserviceable assets from the above as per the procedure.

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**AUDIT PARA NO. 2****Memo No. 06  
Dated : 25.06.2014**

**Sub : Non incorporating the 95% Salary Grant of Dte. of Education, GNCT of Delhi in the Final Accounts of the D.U. Social Centre Co-Ed. School.**

During the course of test audit of the D.U. Social Centre Co-Ed. School for the years 2009-14, it has been observed that neither 95% Salary Grant released by Dte. of Education, GNCT of Delhi nor payment of Salary has been incorporated in the Final Accounts of the Institute which is a wrong practice. As per GFR the Institutions or Organisations receiving grants should, irrespective of the amount involved, be required to maintain subsidiary accounts of Government Grant and furnish to the Government a set of audited statements of accounts but in the instant case, 95% salary grant of Dte. of Education has not been properly shown in their final accounts.

School authority may elucidate the reasons for above lapses. Further, advised to maintain the books of accounts in proper manner by incorporating all the receipts and expenditure.

  
**(ASHOK KUMAR SAINI)**  
I.A.O. Audit Party No. XVII



## PART-II

10/c

### CURRENT AUDIT REPORT (2014-15 to 2016-2017)

#### PARA-1

**Sub: - Recovery of DGEHS Subscription of Rs.13400/-**

**Memo No-11**

**Dated: 24-05-2017**

The DGEHS subscription of the employees have been revised w.e.f 01.02.2017 vide GNCTD Order No. F.25 (III)/DGEHS/140/DHS/09/204078-204243 dated 20.05.2017 due to revision of pay & allowance of Delhi Government employees on account of implementation of recommendation of the Seventh central Pay Commission. While scrutiny of PBR for the audit period 2014-2017, it has been noticed that DGEHS Subscription has not been recovered from the school staff as per the revised rates in accordance with the circular issued as above. As such amount indicated against their names may be recovered after due verification under intimation to audit:-

S NO	Name & Designation	Corresponding level in the pay Matrix as per 7 <sup>th</sup> CPC	Periods in months	No. of months	Deducted per month as per PBR	To be deducted per month	Amount to be recovered	Remarks
	1	2	3	4	5	6	7	
1.	Ms. Neelam Mendiratta, Yoga Teacher	Level:11	2/17 to 5/17	4	325	650	1300	Due to revision of pay and allowances on account of implementation of recommendations of 7 <sup>th</sup> CPC
2	Ms. Saroj Devi TGT (SKT)	Level:7	2/17 to 5/17	4	325	650	1300	
3.	Ms. Meenakshi Devi, TGT (Hindi)	Level:7	2/17 to 5/17	4	325	650	1300	
4	Ms.Dhenuka ,TGT (Eng)	Level:7	2/17 to 5/17	4	325	650	1300	
5.	Ms Anupam Baswala TGT (Drg)	Level:7	2/17 to 5/17	4	325	650	1300	
6	Ms. Prerna Kalra, TGT (N. sci.)	Level:7	2/17 to 5/17	4	325	650	1300	
7	Ms Alka Bhardwaj Asstt. Teacher	Level:6	2/17 to 5/17	4	225	450	900	
8	Ms. Geeta Satija, Asstt. Teacher	Level:6	2/17 to 5/17	4	225	450	900	
9.	Ms. Kirti, Asstt. Teacher	Level:6	2/17 to 5/17	4	225	450	900	
10.	Ms. Sonam Gulyani, Asstt. Teacher	Level:6	2/17 to 5/17	4	225	450	900	
11.	Ms. Vellamma, Water Woman	Level:1	2/17 to 5/17	4	125	250	500	
12	Mr. Santosh Kumar, Chowkidar	Level:1	2/17 to 5/17	4	125	250	500	
13	Mr. Rohit Tanwar, Peon	Level:1	2/17 to 5/17	4	125	250	500	
14.	Mr. Tota Ram, Mali	Level:2	2/17 to 5/17	4	125	250	500	
<b>Total amount to be recovered</b>							<b>13400-</b>	

9/c

Hence, recovery of Rs. 13400/- may be made from the above incumbent after due verification of facts and figures at the level of HOO/DDO.

Further, the employees whose DGEHS's subscription have not been recovered, a certificate to this effect may be submitted to the audit that such employees are not availing the facility of DGEHS and the school has never reimbursed them any medical claim.

All other similar cases may also be reviewed on the basis of above observations.

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PARA-2

8/c

**Sub: Recovery of Rs. 18781/- from School Staff towards Income Tax**  
**Audit Memo. No.16 Dated: 05.06.17**

The Section 80 G and CBDT Circular regarding deduction of tax at source provides that donations for charitable purposes fall under two categories,

- (a) those which can be taken into account by the Disbursing Officer and
- (b) those for which assesses can get refund only through their Annual Income Tax Return from the ITO concerned.

During the test-check of Income Tax Calculation sheets and PBRs maintained for the financial year 2014-15 (Assessment year 2015-2016) and financial year 2016-17 (Assessment year 2017-2018), it has been observed that Mrs. Dhenuka, TGT (English) had claimed rebate 100% and 50% for the amount of Rs.1,00,000/- donated to International Society For Krishna Consciousness, Plot No. 3 Institutional Area, Main Road, Sector 25, Rohini, Delhi -110085 for the assessment year 2015-16 and 2017-18 respectively. The further scrutiny of computation of deduction admissible under Section 80 G reveals that International Society For Krishna Consciousness does not fall under the category of (a) as mentioned above in accordance with the Section 80 G of Income Tax Act. As such DDO is not empowered to give benefit of rebate to the official. However the employee could have been claimed her refund from the ITO concerned in his Annual Income Tax Return in the concerned Assessment years.

**Revised Income Tax calculation for FY 2014-2015 (AY 2015-16) is as under:-**

Mrs. Dhenuka TGT (English)

<b>FY 2014-15 (AY 2015-16)</b>	<b>As per Form - 16</b>	<b>Correct Calculation</b>
	<b>Rs.</b>	<b>Rs.</b>
Gross Income	615024	615024
Less Transport Allowance	(-)8800	(-)8800
Less rebate on DGEHS	(-)3900	(-)3900
Net Grass Income	602324	602324
Deduction admissible on saving under 80C	150000	150000
<b>Less deduction 100% under 80 – G (donated Rs, 1.00 Lakh to International Society for Krishna Consciousness)</b>	<b>100000</b>	<b>0</b>
Total taxable Income rounded off	352320	452320
Tax due	10232	20232
Rebate under Section 87-A	2000	2000
Tax after rebate	8232	18232
E. Cess @ 3% on 8232	247	547
Net tax payable ( 8232+247)	8479	18779
<b>Tax Deducted at Source</b>	<b>10300</b>	<b>10300</b>
<b>Short Recovery</b>	<b>Nil</b>	<b>8479</b>
<b>Tax refundable/outstanding</b>	<b>1821</b>	<b>(-)8479/</b>

3/2

**Revised Income Tax calculation for FY 2016-2017 (AY 2017-18) is as under:-**

7/c

Mrs. Dhenuka TGT (English)

<b>FY 2016-17 (AY 2017-18)</b>	<b>As per Form - 16</b>	<b>Correct Calculation</b>
	<b>Rs.</b>	<b>Rs.</b>
Gross Income	733516	733516
Less Transport Allowance	(-)19200	(-)19200
Less rebate on DGEHS	(-)3900	(-)3900
Net Gross Income	710416	710416
Deduction admissible on saving under 80C	150000	150000
<b>Less deduction 50% under 80 – G (donated Rs, 1.00 Lakh to International Society for Krishna Consciousness)</b>	<b>50000</b>	<b>0</b>
Total taxable Income rounded off	510420	560420
Tax due	27084	37084
Rebate under Section 87-A	0	0
Tax after rebate	27084	37084
E. Cess @ 3% on 27083	813	1113
Net tax payable ( 27083+812)	27897	38197
<b>Tax Deducted at Source</b>	<b>27895</b>	<b>27895</b>
<b>Short Recovery</b>	<b>2</b>	<b>10302</b>
<b>Tax refundable/outstanding</b>	<b>Nil</b>	<b>(-)10302</b>

Hence, recovery of Rs.18781/- may be made from the above School staff after due verification of facts and figures under intimation to audit.

Similar cases may also be reviewed under intimation to audit.

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PARA-3

6/c

**Sub: Non-production of Records.**

**Audit Memo No. 17**

**Dated 06-06-2017**

The following records have not been produced before audit for the audit period 2014-2017

1. Unserviceable/Dead Stock Record.
2. Grant-in-aid Register
3. Long/ Short Terms Advances Register
4. Balance Sheet (2014-2017)

The above record should be shown to next audit.

*Deepak Kumar Sharma*  
2/6/17  
**DEEPAK KUMAR SHARMA)**  
**INSPECTING AUDIT OFFICER**  
**AUDIT PARTY NO. IX**

TAN-1

5/c

**Sub: - ECS/RTGS.**

**Audit Memo No 9**

**Dated: 24-05-17**

During the test audit it has been observed that the payments have been made to the student's subsidy after drawing the cheque from the PAO in the name of DDO. The same has been deposited in the bank and the DDO has issued the cheque to the concerned teachers or withdrew cash from the bank to distribute subsidy to the students in cash in various scheme during the audit period 2014-2017.

The necessary steps should be taken for distributing cash payment through ECS in the account of beneficial students.

*me*

(1)

**Subject:-Improper maintenance of Service Book of Government Servants and non-verification of Service from concerned PAO.**

Audit Memo 12

Dated: 25-05-2017

On perusal of Service Book of the staff of **Delhi University Social Centre School, Delhi** for the Audit period 2014-17, a number of discrepancies have been observed by audit.

(A)

**Verification and communication of qualifying service after 25 years of service or 5 years before retirement:**

Further, as per rule 32 of CCS (pension) Rules. Verification of service of the government servant should be done on completion of 25 years of qualifying service or 5 years before the date of retirement whichever is earlier and a certificate be issued in the prescribed form no. 24 to the official/teacher concerned. The said certificate has not been found pasted in the Service Book of following teachers/officials after verification of service from the concerned PAO. For instance: an illustrated is as under:-

**Details of Staff whose retirement is within 5 years and also completed 25 years of service.**

S. NO.	NAME OF THE TEACHER. (S/Sh/Smt..... ..)	DESIGNATION	DOB	DATE OF RETIREMENT	DATE OF INITIAL APPOINTMENT
1	Ms. Neelam Mendiratta	TGT	27-12-1960	31-12-1960	15-07-1983

(B) Further during the text check of the service book of the officials of this school, the following discrepancies have been found:-

- Leave accounts are incomplete
- Police Verification have not been obtained when officials joined service.
- Service has not been verified by the HOS.
- No specific order in r/o of special earned leave granted to the teacher for attending seminars/training etc. have been passed in the service book. Further the special earned leaves have been merged with regular earned leaves without showing their separate account.

Reasons for above discrepancies may be elucidated to Audit.

(2)

**Subject:- Improper maintenance of Pay Bill Registers.**

**Audit Memo. No. 14 Dated: 25-05-2017**

During the test check of the PBRs maintained by the **Delhi University Social Centre School, Delhi** for the Audit period 2014-17 following irregularities have been noticed:-

1. Monthly entries of Pay and allowances entered in the PBRs have not been signed by DDO.
2. Several cutting/over-writing made in the PBR which is required to be attested by the DDO concerned.

(3)

3/C

**Sub: - Non-Maintenance of LTC Claims Register / Bill Register and Register of Medical Claim**

**Audit Memo No 10**

**dated: 24-05-17**

While scrutiny of the records provided by the school for the period 01-04-2014 to 31-03-2017, the following observation are made.

**(1) Non Maintenance of Bill Register:-**

As per GFR 2005, Rule 52 Sub-Rule 5(1) DDO shall maintain a Bill Register in Form TR 28-A, and note all bills presented for payment to the PAO in the register. As soon as cheques for the bills presented for payment are received, these will be noted in the appropriate column of the Bill Register and the DDOs will ensure that the amounts of cheques tally with the net amount of the bills presented. In cases any retrenchment is made by the PAO a note of such retrenchments should be kept against the bill in the remarks column in TR-28 A

The necessary steps should be taken to remove the discrepancies.

*M.M.*

**Sub: - Improper Maintenance of Cash Book (School Accounts/PWF)**

**Audit Memo No-13**

**Dated: 25-05-2017**

During the course of test check and scrutiny of Cash Books it has been observed that the cuttings overwriting at so many places have not been signed by the DDO and monthly closing balance certificated have also not been recorded in the proper form.

Test check of the Cash Book pertaining to the audit period revealed the following shortcomings:-

1. The Cash Book is required to be closed regularly and properly checked and at the end of the each month the DDO is required to verify personally the cash balance and should record a certificate to that effect...
2. At the end of each month, DDO should verify the balance in the cash book and record a signed and dated certificate to that effect. In regard to any discrepancy noticed therein, the instructions contained in Section V of Chapter 2 of the General Financial Rules, 2005 should be followed. In case the verification of cash balance is not possible on the last working day of a month on account of disbursement of, monthly salary and allowances, it may be done on the first working day of the next month before making any transactions on that day. It was noticed that the cash book has neither signed by HOS on various occasions nor any certificate was recorded at the end of each month by any officer of the School.

The necessary steps should be taken to remove the discrepancies.

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TAN-4

Subject: - Irregularities in maintaining Pupil's Welfare Fund (PWF)

Audit Memo. No. 15

Dated: 26-05-2017

Test check of the records pertaining to PWF for the audited period revealed the following irregularities:-

1. Excess accumulation in Pupil's Welfare Fund

Rule 149(4)(a) of the Delhi School Education Act, 1973 provides that "The maximum accumulation in the Pupil's Fund should not exceed one year's collection or Rupees Twenty Thousand whichever is more. If unspent balance exceeds one year's collection exceed to this limit, charging of further subscription shall be discontinued and restarted when the balance comes below Rupees Five Thousand.

Test check of Pupil's Welfare Fund Account maintained by the school revealed that during the period of audit the accumulation under the PWF Account was exceeding one year's collection:-

Year	Opening Balance (Cash/Bank)	Amount deposited in Fixed Deposit	Amount collected during the year (Rs.)	Closing balance at the end of year (Rs.)
2014-2015	49512	-	32198	33247
2015-2016	33247	-	16035	46086
2016-2017	46086	-	27065	56885

Reasons for non-utilization of the amount for bonafide purposes be explained and the charging of the fund from the students may be stopped forthwith and started only after the same is brought down at the minimum limit as prescribed in the Delhi School Education Act/ Rules.

2. Non adherence of the guidelines of Dte. of Education on PWF:- As per circular dated 16.08.2004 issued by Dte. of Education, for the proper and meaningful utilization of the Pupils' Fund there should be Pupils' Fund Advisory Committee (PFAC) to assist and advise the HOS in this regard. The functions of PFAC were to discuss and pass budget for expenditure from the fund and to deal with all other matters relating to the proper utilization of the Fund. Minutes of meeting of PFAC were to be maintained by the Secretary of the committee.

It has been observed that no such PFAC has been constituted by the school and the expenditure from the fund is being utilized with the sole approval of HOS.

The following expenditure incurred by school is not in accordance with guidelines issued by dir. Of Education.

S.No.	Particulars / amount	Bill No. & date	Agency	Amount	Remarks
1.	Office stationery	38172 & 08-03-17	DU Co-operative Store	13010/-	In admissible items
2.	Office stationery	1884 & 25-03-2015	M/s Kunal Enterprises	3544/-	

To avoid the monopoly of HOS in utilizing the Pupil's Welfare Fund, the audit strongly recommends that the above said committee as per guidelines of the Dte. of Educations be immediately constituted and all the expenditure is incurred after approval of passing the budget from PFAC.

As per rules the Head of Schools (HOS) have been vested with powers of utilization of e Pupils' Welfare Fund, it is his duty to ensure that all the expenditures are made out of this fund as per rule provisions/guidelines issued from time to time.

HOS is advised to take remedial steps to streamline the utilization of PWF.

*Deepak Kumar Sharma*  
26/5/17  
**DEEPAK KUMAR SHARMA)**  
**INSPECTING AUDIT OFFICER**  
**AUDIT PARTY NO. IX**