



Government of India
Ministry Of Finance
O/o Chief Controller of Accounts
Internal Audit Wing, 4th Floor
A.G.C.R, Building, Room NO-413, New Delhi- 110002.
Telephone -011-23702289 Email.id.:- iaw-finance@gov.in

No. G-25014/MOF/CCA/IAW/IR-37/22-23/ 22/

Dated: 05.12.2022

To

The Registrar,
Rajiv Gandhi University
Rono Hills
Doimukh
Itanagar
Arunachal Pradesh -791112

Subject: - Internal Audit Report on the accounts of Corpus Fund to Rajiv Gandhi University, Itanagar for the period from 2012-13 to 2021-22

Sir,

I am to enclose herewith a copy of Inspection Report on account of your office for the period from 2012-13 to 2021-22. It is requested that replies, to various points raised therein may please be furnished to this office within a period of one month of its receipt. The Report contains 08 observations in all

Kindly acknowledge the receipt of this letter.

1- PS (VC)

2- FO

3- AR(P)

4- Coordinator, C&S

Bansi Dham
Sr.Accounts Officer [IAW, HQ]

Office of the Registrar
Diary No. 1877
Date: 21/12/22

Singh
22/12/22
444
21/12/2022

for n/a
20/12/2022



सत्यमेव जयते

Government of India
Ministry of Finance
O/o the Chief Controller of Accounts
Internal Audit Wing
New Delhi

*Internal Audit Report
Of Corpus Fund to
Rajiv Gandhi University,
Itanagar,
Arunanchal Pradesh*

For the period F.Y.-2012-13 to 2021-22

Internal Audit conducted by
Sh. Bansi Dhar, Sr. AO,
Sh. R.S. Jha, AAO,
Sh. Alok Ranjan Rai, Sr. Acctt.

From 14.11.2022 to 18.11.2022 (5 working days)
Report Issued on _____

Executive Summary

This is an Internal Audit Report for Corpus Fund of Department of Economics, Rajiv Gandhi University (RGU), Itanagar, Arunachal Pradesh. The audit has been conducted by Internal Audit Wing, O/o Chief Controller of Accounts, Ministry of Finance, New Delhi, from 14.11.2022 to 18.11.2022.

Rajiv Gandhi University (formerly Arunachal University) is the premier institution for higher education in the state of Arunachal Pradesh and has completed twenty five years of its existence. Late Smt. Indira Gandhi, the then Prime Minister of India, laid the foundation stone of the university on 4th February 1984 at Rono Hills, where the present campus is located. Ever since its inception, the university has been trying to achieve excellence and fulfill the objectives as envisaged in the University Act. The University got academic recognition under section 2(f) from the University Grants Commission on 28th March, 1985 and started functioning from 1st April, 1985. It got financial recognition under section 12-B of the UGC on 25th March, 1994. Since then Rajiv Gandhi University then Arunachal University has carved a niche for itself in the educational scenario of the country following its selection as a University with potential for excellence by a high level expert committee of University Grants Commission from among universities in India. The University was converted into a Central University with effect from 9th April 2007 as per notification of Ministry of Human Resource Development, Government of India.

In pursuance of an announcement made by the Union Finance Minister while presenting Union Budget for 2012-13 on 16th March 2012, Department of Economics Affairs (DEA), Ministry of Finance, conveyed the sanction for releasing a special grant of Rs. 10 crore to Rajiv Gandhi University for carrying out Research and Training Work by developing the Department of Economic, RGU and also for the establishment of Center for Development Studies.

The Center for Development Studies (CDS) was set up in 2013 as a Research Centre adjunct Department of Economics, RGU. The objective of the Center include the creation of high quality research infrastructure for students, researchers and faculty members, in addition to sponsoring and coordinating research on various development issues having policy implications both at the regional and national level. The Centre also aims to publishing working/policy papers based on the research outcomes of the Centre, monographs and edited volumes are among the key activities of the Centre. It aims to upgrade research infrastructure including communication and computing facilities. The

Centre conducts research in high priority and thrust areas such as issues related to agriculture, livelihood diversification, unemployment problems, gender issues and migration, industry and trade, human development, environmental valuation, tourism, education and healthy. The Centre also conducts workshops and training programmes to build and enhance the capacity of the students, research scholars and faculty members.

1. Introduction

1.1 Name of the Auditee, Auditors and Audit period:

This is an Internal Audit Report on the accounts of the Corpus Fund of Rajiv Gandhi University, Itanagar, New Delhi. The audit for the period of Financial Year- 2012-13 to 2021-22 was conducted by Sh. Bansidhar, Sr. AO, Sh. R.S. Jha, AAO, Shri Alok Ranjan Rai, Sr. Acctt. from the office of Chief Controller of Accounts, Ministry of Finance, New Delhi from 14.11.2022 to 18.11.2022.

1.2 Incumbency:

Post(s)	Name & Designation of the Office(s)/Official(s)
Vice-Chancellor	Prof. Saket Kushwaha
Registrar	Dr. Nabam Tadar Rikam
Finance Officer	Prof. Otem Padung
Deputy Registrar(Finance)	Mr. Kurian Thomas
Co-ordinator (Department of Economics)	Ms. Vandana Upadhyay
Asstt. Registrar(Project Cell Branch)	Mr. Hage Kojee

1.3 Sanctioned Strength and Men in position

S. No	Post	Sanctioned Strength	Available Strength	Re-employment	Contractual	Vacant Post	Remarks
1.	Co-ordinator	Nil	Nil	Nil	Nil	Nil	Managing from the existing staff of the University
2.	UDC	Nil	Nil	Nil	Nil	Nil	
3.	Cashier	Nil	Nil	Nil	Nil	Nil	
4.	MTS	Nil	Nil	Nil	Nil	Nil	
	Total	Nil	Nil	Nil	Nil	Nil	

2. Objective and scope of Audit:

2.1 Objectives of Audit

- To ensure compliance of Rules, Regulations, Policies & Procedures.
- To ensure compliance of General Financial Rules and Corpus Fund rules/order.
- To safeguard the interest of Government and to ensure value for money.

2.2 Scope of Audit

The amount of Corpus Fund of Rs.10.00crores released by Department of Economic Affairs, Ministry of Finance is to be maintained by Rajiv Gandhi University, Department of Economics, Itanagar, Arunachal Pradesh subject to the following terms of reference and conditions:

- Before the corpus fund is released, Rajiv Gandhi University is required to submit an agreement bond with two sureties on a non-judicial stamp paper in the name of Secretary, Department of Economic Affairs along with undertaking confirming that (a) it will abide by the conditions of the Corpus Fund and the provisions of General Financial Rules (b) it will not divert Corpus Fund or entrust execution of the schemes or works concerned to another institutions or organizations and (c) in the event of non-compliance with the conditions or committing breach of the bond, the signatories to the bond shall be jointly and severally liable to refund to President of India, the entire amount of Corpus Fund with interest at 10% per annum thereon or

- at such interest rate as may be prescribed by the Government from time to time or the sums specified under the bond.
- (ii) The Corpus Fund of Rs. 10.00 Crores being released by Department of Economic Affairs (DEA), Ministry of Finance should be kept "intact" only the income/interest accrued from the investment of the Corpus Fund would be utilized by Rajiv Gandhi University to carry out Research and Training work by developing Department of Economics in the University and also for the establishment of Centre for Development Studies. The Corpus Fund should be utilized strictly in accordance with the rules being framed separately by this department for establishment and utilization of the Corpus Fund for Rajiv Gandhi University.
 - (iii) Rajiv Gandhi University shall submit utilization certificate and statement of accounts, duly certified by a recognized Chartered Accountant, in respect of utilization of income/interest accrued from the investment of the Corpus fund of Rs. 10.00 Crore to this Department, immediately after the close of the every financial year regularly.
 - (iv) Rajiv Gandhi University shall submit their Annual Reports and statement of accounts (the requisite number of copies) duly audited and certified by a recognized Chartered Accountant to DEA immediately after close of the every financial year, for laying the same on the Table of both the Houses of Parliament, as per the provisions of General Financial Rules.
 - (v) The accounts of Rajiv Gandhi University shall be open to inspection and audit, both by the Comptroller and Auditor General of India under the provision of the CAG (DPC) Act 1971 and the Internal Audit Wing, O/o the Chief Controller of Accounts, Department of Economic Affairs, Ministry of Finance, Govt. of India.
 - (vi) If Rajiv Gandhi University employees more than twenty persons on a regular basis and at least 50% of its recurring expenditure is met from the grants-in-aid from Government of India, RGU should make reservations for Scheduled Castes/Scheduled Tribes and OBCs in the posts or services under its control on the lines indicated by the Government of India.
 - (vii) The assets acquired or created wholly or substantially out of the Corpus fund given by the DEA shall not be disposed of without obtaining the prior approval of DEA as mentioned in the General Financial Rules.
 - (viii) The Corpus Fund should not be a source of profit. If after examination of the Audited Accounts, this Department comes to the conclusion that the Corpus Fund

has been source of profit, Rajiv Gandhi University shall forthwith refund the entire amount of Corpus fund to Government of India.

- (ix) The grant should be spent for the purpose specified above. Any unspent amount of income/interest accrued from the Corpus Fund should be added back to the Corpus Fund.
- (x) Rajiv Gandhi University is required to maintain subsidiary accounts of the Corpus fund released by this Department. The Corpus fund account will naturally form part of the overall accounts of Rajiv Gandhi University. However, the audited accounts of the Corpus fund of the University shall be shown separately in the balance sheet for facilitating its monitoring.

3. Methodology:

- a) Entry conference was done with Registrar on 14.11.2022.
- b) Internal Audit was conducted by scrutinizing the records, files and files related information.
- c) The accounts / records of the office were checked for the period of F.Y- 2012-13 to 2021-22.
- d) Omissions – shortcomings of minor nature were got settled on the spot and only those shortcomings which could not be settled on the spot have been incorporated in the inspection report.
- e) The exit conference was done on the last day of Audit on 18.11.2022 with Dr. Nabam Tadar Rikam, Registrar, and Mr. Hage Kojee, Asstt. Registrar, where major audit findings were discussed with the unit.

Audit Observations

Para 01: Inadmissible payments done for availing helicopter services in TA.

Criteria: As per DoPT O.M. No.31011/4/2007-Estt(A) dated 14.05.2008 regarding clarification on reimbursement of fare in respect of travel by air to visit NER, it is clarified that a government employee cannot avail Helicopter Services.

Condition: On the scrutiny of the records, it is observed that the professors and delegates (resource persons) for various events and seminars hosted by Department of Economics, Rajiv Gandhi University has availed Helicopter services for which the reimbursement has been done by the Department of Economics out of income/interest earned on Corpus Fund. Moreover, It was also revealed on scrutiny of records that there is a regular practice of the Department of Economics to reimburse the fare for bothways even on submission of tickets and vouchers from one side only.

Some of the instances are as under:

S.No.	Name of Resource Person	Helicopter Services Availed for Sector		Ticket submitted (in Rs.)	Reimbursed Amount (in Rs.)
		From	To		
1.	Sh. G.K. Chadha	Guwahati	Naharlagun	3500/-	7000/-
		Naharlagun	Guwahati		
2.	Sh. Atul Sharma	Guwahati	Naharlagun	3500/-	7000/-
		Naharlagun	Guwahati		
3.	Sh. Maila Lama	Guwahati	Naharlagun	3500/-	7000/-
		Naharlagun	Guwahati		

The list is only illustrative but not exhaustive..

Cause: Ignorance of Rules by the office.

Consequences: Undue advantage to the resource persons and loss to the Corpus Fund.

Corrective Action: All such type of claims should be rechecked and the excess payment made to be recovered from the concerned person. Moreover, reimbursement should not be made in anticipation of the fact that the return journey will be done by the same mode of transport.

(39) 205

Para 02: ~~Interest~~ on the Corpus Fund initially earned not credited to the concerned account.

Criteria: As per Ministry of Finance, Department of Economic Affairs, F.NO. A-13012/13/2012-Admn.III dated 15.01.2013; The University shall maintain a subsidiary account of the Corpus Fund released by Department of Economic Affairs.

Condition: On scrutiny of the account statement for the initial year of 21012-13 it was found that Rs. 10.00 Crores released by Ministry of Finance and it was credited in the bank account on 23.03.2013 and the account was in favour of M/s A.U. Project (Acc No. 880201010000968). Later, on 18.04.2013 the corpus was withdrawn from the said account and was credited to Corpus Fund Department of Economics RGU account no. 880201011000768. Interest for 27 days was not credited from the former account to the latter account.

Cause: Account for the Corpus fund was not opened in timely manner.

Consequences: Loss of interest for 27 days was lost.

Corrective Action: Interest for the above mentioned period may be segregated and may be deposited into the Corpus Fund Account.

Para 03: Delay in Submitting Annual Reports and Statement of Accounts.

Criteria: As per Ministry of Finance, Department of Economic Affairs, F.NO. A-13012/13/2012-Admn-III dated 08.01.2013, Rules for the establishment and utilization of the Corpus Fund point 4.

“Rajiv Gandhi University, Department of Economics, shall submit their Annual Reports and Statement of Accounts duly audited and certified by a recognized Chartered Accountant to DEA, Ministry of Finance within 6 months after the closure of every Financial Year for laying the same on the Table of both the Houses of Parliament, as per the provisions of GFR,2005, as amended from time to time.”

Condition: The test check of the records for the year 2019-20 it was revealed that there was a delay in submitting the Audited Accounts to the DEA within a prescribed limit of 6 months. Details are as under:

Financial year	Date of Accounts sent by the University	Delay	
		Months	Days
2019-20	23/03/2021	5	2

Cause: Lapse on the part of Finance Division of Rajiv Gandhi University in delay in submission of the Audited Accounts for the Financial Year 2019-20 to DEA.

Consequence: Procedure is not being followed as per letter no. F.NO. A-13012/13/2012-Admn-III dated 08.01.2013.

Corrective Action: It is suggested to comply with order of DEA regarding submission of Account as it is the matter of Parliamentary procedures.

Coord.
Para 04: Management Committee meetings not convened on regular basis. (41) 206

Criteria: As per Ministry of Finance, Department of Economic Affairs, F.NO. A-13012/13/2012-Admn-III dated 08.01.2013, Rules for the establishment and utilization of the Corpus Fund point 6.

“There will be a Management Committee for the Corpus Fund, with the following composition whose meetings shall be convened at least once in a Financial Year:

- Secretary, Department of Economic Affairs, Ministry of Finance, or his/her nominee.
- Vice Chancellor, Rajiv Gandhi University or his/her nominee.
- Head of Department, Department of Economics, Rajiv Gandhi University.
- Registrar, Rajiv Gandhi University.

Condition: During the test check of records it was found that there is only one instance when the meeting of Management Committee was convened in the year 2016.

Cause: Non compliance to the Rules established by DEA.

Consequence: Undue advantage of important decisions not taken for so many years.

Corrective Action: It is advised to convene the meeting of Management Committee every year under intimation to IAW (HQ) by sending the minutes of the meeting.

corr'd

Para 05: Non submission of performance-cum-achievement reports.

Criteria: As per Rule 242 (2) of GFR 2017, the grantee institution is required to submit performance-cum-achievement report soon after the end of the financial year and in any case, not later than six months from the close of the financial year.

Condition: During the review of the records it was revealed that the performance-cum-achievement report is not submitted by RGU.

Cause: GFR Rule not followed.

Consequences: Performance or achievement cannot be ascertained.

Corrective measures: Performance-cum-achievement report may be submitted within the prescribed time limit.

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Para 06-Delay in remittance of unspent amount of on account advance into government account.

Criteria: As per Rule 6 (1) of Receipts and Payments Rules, all moneys received/ unspent by or tendered to Government officers on account of revenues or receipts or dues of the Government shall, without undue delay, be paid in full into the accredited bank for inclusion in Government Account.

Condition: During the course of audit it was observed that RGU, Itanagar is remitting the unspent government money into the government account after a considerable delay. Some of the instances are as below:

Sr. No	Name	Advance Amount (In Rs.)	Date of drawal of advance	Unspent amount (In Rs.)	Date of deposit into government account
1	Sh. A. Mitra	6,00,000/-	22/07/2013	4,14,100/-	14/08/2013
2	Dr. LijumNochi	1,00,000/-	03/11/2014	1,34,351/-	30/12/2014
		6,50,000/-	05/12/2014		
3	Sh. S.K. Nayak	4,16,000/-	06/02/2017	1,72,773/-	31/03/2017
		1,76,000/-	28/04/2017	50,094/-	06/06/2017
		50,000/-	01/11/2017	1,34,499/-	31/03/2018
		9,58,700/-	30/01/2018		

The list is illustrative not exhaustive.

Cause: Ignorance of Rule position.

Consequences: Interest loss to Government.

Corrective Action: Exhaustive analysis of such cases may be done and Unspent balances may be deposited into Government Account without undue delay under intimation to IAW, HQ, New Delhi.

Para 07: Procurement of Goods not made through GeM.

Criteria: 1. Rule 149 of GFR 2017- Government e-Market place (GeM). DGS&D or any other agency authorized by the Government will host an online Government e-Marketplace (GeM) for common use Goods and Services. DGS&D will ensure adequate publicity including periodic advertisement of the items to be procured through GeM for the prospective suppliers. The Procurement of Goods and Services by Ministries or Departments will be mandatory for Goods or Services available on GeM. The credentials of suppliers on GeM shall be certified by DGS&D. The procuring authorities will certify the reasonability of rates. The GeM portal shall be utilized by the Government buyers for direct on-line purchases.

2. MoFOM No. F6/1/2018-PPD dated 19.01.2018 regarding Procurement through Government e-Marketplace (GeM) wherein it is stipulated that "Rule 149 of GFR provides for the mandatory procurement of common use Goods and Services by Ministries or Departments for Goods or Services available on GeM. Hence only in case of goods and services (of required specification or within required delivery period etc.) are not available on GeM, the procuring entity can resort to Rules 154 and 155 of GFRs i.e. procurement without quotation or procurement on the recommendations of a duly constituted Local Purchase Committee."

Condition: During audit of records, it has been observed that office has purchased some items from local market without following the procedure contained in Rule-149 of GFR-2017 and in contravention of DoE OM dated.19/01/2018 and 04/05/2018. Details which are illustrative are as under:

S. No.	Name of vendor	Bill No.	Bill date	Amount (inRs.)
1.	Green Valley Enterprises	18	13/11/2018	2,51,450/-
2.	Swastik System	05	07/12/2020	22,19,019/-

(44) 208

Cause: Non-compliance of M/o Finance OM No. F6/1/2018-PPD dated 19.01.2018 and OM No. F.13/4/2017-PPD (Pt.) dated 04.05.2018, not followed the procurement contained in Rule 149.

Consequences: Procurement of goods was not implemented in a fair, equitable, transparent, competitive and cost-effective manner.

Corrective Action:

- i. Ex-Post Facto concurrence may be obtained to regularize the expenditure of similar expenditures incurred outside GeM and apprised to audit to avoid any adverse comments of C&AG at later stage.
- ii. It is suggested that in future, purchase of goods/procurement of services may be mandatorily be placed through GeM in terms of Rule 149 of GFR 2017.

Para 08: Difference shown in interest/ income earned as per Utilization certificate and ledger balance of 2013-14 and balance of 2014-15.

Criteria: As per Ministry of Finance, Department of Economic Affairs, F.NO. A-13012/13/2012-Admn.III dated 15.01.2013, clause 2(iii).

“Rajiv Gandhi University shall submit utilization certificate and statement of accounts, duly certified by a recognized Chartered Accountant, in respect of utilization of income/interest accrued from the investment of the Corpus fund of Rs. 10.00 Crores to this Department, immediately after the close of the every financial year regularly.”

Condition: On scrutiny of the ledger and utilization certificate submitted by University to DEA, it is found that the interest/income earned for the year 2013-14 and 2014-15 do not match.

Financial Year	Interest/Income as per Ledger	Interest/Income as per UC	(In Rs.) Difference
2013-14	32,16,000/-	31,16,000/-	1,00,000/-
2014-15	73,73,501	74,73,501	1,00,000/-

Cause: Lapse on the part of Finance Division of Department of Economics, RGU in maintaining correct ledger and in submitting correct Utilization Certificate.

Consequences: The correct amount of the corpus cannot be ascertained after year 2013-14.

Corrective Action: The correct amount of interest/income earned may be ascertained at the earliest under intimation to IAW (HQ).

(47)
(209)

Findings:

During inspection, the audit team found various shortcomings in functioning of Department of Economics who maintains corpus fund of RGU, Itanagar, Arunachal Pradesh like non maintaining of EMD register, non segregation of library books for CDS, improper maintenance of Stock Register etc.

Conclusion:

Despite of acute shortage of regular staff in CDS, Department of Economics, RGU, the work related to maintenance of Corpus Fund and subsidiary work is done satisfactorily.

Department of Economics, RGU should utilize the funds more aggressively for the Research Activity and harnessing the local potential for the development of society in general.

References:

General Financial Rules (GFR)-2017

Sanction Order F.NO. A-13012/13/2012-Admn.III dated 15.01.2013

Sanction Order F.NO. A-13012/13/2012-Admn-III dated 08.01.2013

END OF REPORT

OFFICE OF THE CHIEF CONTROLLER OF ACCOUNTS,
MINISTRY OF FINANCE, DEA (IAW)
4TH FLOOR, AGCW&M BUILDING,
I.P. ESTATE, NEW DELHI-110002
PH NO. 011-23702289
Email.iD.- iaw-finance@gov.in

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No.G-25014/MOF/DEA/CCA/IA/HQ/IR37(2022-23)/2024-25/ 836

Dated: 18.10.2024

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To

The Registrar,
Rajiv Gandhi University,
Rono Hills, Doimukh (Itanagar)
PIN-791112
Arunachal Pradesh

Sub: : Compliance Report on the accounts of Rajiv Gandhi University, Itanagar for the period from 01.04.2012 to 31.03.2022.

Sir,

It is stated that the replies of the outstanding paras of Internal Audit Report submitted by your office letter No.RGU/UGC-256/SG/2023(V-IV) dated 4/07/2024 have been reviewed and the status of paras settled/outstanding in r/o your office is as under :-

Para No	Details of Para	Status
✓ 1.	Inadmissible payments done for availing helicopter services in TA.	Para stands.
2.	Interest on the Corpus Fund initially earned not credited to the concerned account.	Para dropped.
3.	Delay in submitting Annual Reports and Statement of Accounts.	Para dropped.
✓ 4.	Management Committee meetings not convened on regular basis.	Para dropped subject to verification by next audit
5.	Non submission of performance-cum-achievement reports.	Para dropped.
✓ 6.	Delay in remittance of unspent amount of on account advance into government account.	Para stands.
✓ 7.	Procurement of Goods not through GeM.	Para stands.
8.	Difference shown in interest/ income earned as per Utilization certificate and ledger balance of 2013-14 and balance of 2014-15.	Para dropped.

Status of Paras

Total Paras in Report	8
Para dropped in current compliance.	4[2,3,5,8]
Para dropped subject to verification by next audit	1[4]
Paras remain stand	3[1,6,7]

Yours faithfully,

[Signature]
21/10/24.
Sr. Accounts Officer [IAW-HQ]

1409
01/11/2024

Office of the Registrar
Diary No. 5818
Date: 2/10/24

IR(P)
H.
30/10

So (P)
Pl. examine 1, 4, 6 and 7 above.
Sanjiv
01/10/2024
01/11/24