

Chapter 18

Other Useful Information

CIHM conducts following courses related to Hospitality & Hotel trade

- a) Three year B.Sc. in Hospitality & Hotel Administration under NCHMCT & IGNOU
- b) 1½ year Trade Diploma in Food Production, Bakery & Confectionery, F&B Service, Front Office and Housekeeping under NCHMCT.
- c) Various short term skill development programmes and Hunar-Se-Rozgar Tak programme of Ministry of Tourism, Govt. of India.
- d) In future the Institute will start Post Graduation Programme in Hospitality Management under NCHMCT & IGNOU and other Trade Diploma Programmes under NCHMCT

Frequently Asked Questions

Sl. No.	Query	Reply
1.	Who can apply for hotel management courses?	The programmes are open for students of all streams i.e. Arts/Commerce / Sciences/ Others. With English as a compulsory subject.
2.	How much percentage is needed for Hotel Management?	Minimum of 45% marks in 10+2 with English as compulsory subject, from a recognized educational board. (Students of all streams can apply)
3.	How many courses are offered by the Institute?	We offer two courses – BSc. In HHA (3 year degree) and Diploma in Food Production, Bakery & Confectionery, F&B Service, Front Office and HK (1.5 years)
4.	Where is the Institute located?	It is situated in one of the prime location of the beautiful city Chandigarh (Sector 42D Chandigarh). 5 minutes drive from IBST sector 43
5.	What is the Admission process for foreign students?	The student from foreign origin can apply for admission after qualifying The National Council for Hotel

		Management and Catering Technology Joint Entrance Exam (NCHMCT JEE) for degree and on Merit List of Plus two for Diploma Courses.
6.	What are the age criteria for applying for the course?	No age limit
7.	Does Institute have a hostel facility for B.Sc. and Diploma students?	Yes, there is hostel facility for both boys (108 seats) & girls (51 seats).
8.	What is the duration of Industrial Training?	The duration for the industrial training differ in both the courses BSc. In HHA - 17 weeks training For Diploma in - 6 months
9.	Is there a separate course for vegetarian students?	There is NO Separate course, however there is a provision to choose Vegetarian option for cooking practical in BSc. HHA (3 year degree programme)
10.	No. of seats available in BSc. HHA (3 year degree programme) & Diploma in Food Production (1.5 year course)	There are 120 seats available in the BSc. HHA programme and the reservation policy is followed accordance to the policy laid down by State Govt. There are total 260 seats available in which 70 in Diploma in Food Production, 70 in F&B Service, 50 in B&C, 35 in Front Office, 35 in Housekeeping and the reservation policy is followed accordance to the policy laid down by State Govt.
11.	What are the other facilities available in the institute?	There are many facilities available in the institute: - <ul style="list-style-type: none"> - Well equipped labs for all the practical classes - Hostel facilities - Parking facilities - Medical facilities - Photo copy facilities - Library and Canteen for students - Gym for Hostellers
12.	Who are your top recruiters?	Our top recruiters are reputed hotel chains, QSR's & Retail Chains like Taj, oberoi, Marriott, Hyatt, McDonalds, Dominos, Reliance, Aditya Birla etc

13.	What kind of job opportunities are there	Global growth and development of tourism has opened up innumerable
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	after completion of degree from CIHM Chandigarh?	openings. As a result, the graduating students in Hotels can look forward to career opportunities as; Indian Navy Hospitality services, Hospital and Institutional Catering, Cabin crew in airlines, Flight kitchen, faculty in hotel management colleges, Guest/Customer Relation Executive in Hotel Shipping and Self-employment through entrepreneurship.
14.	What are careers in Hospitality & Tourism?	<p>Global growth and development of tourism has opened up innumerable openings. As a result, the graduating students in Hotel & Tourism can look forward to career opportunities as;</p> <ul style="list-style-type: none"> - Airline Ticketing & Reservations; - Faculty in Hotel Management/Food Craft Institutes/ Tourism Institutes/ University Departments; - Flight Kitchens and on-board flight services; - Guest/Customer Relation Executive in Hotel and other Service Sectors; - Hospital and Institutional Catering; - Hospitality Marketing & Sales in Hotel & Travel Firms - Indian Navy Hospitality services; - Kitchen Management/ Housekeeping Management positions in Hotels after initial stint as trainee; - Railways hospitality and catering services; - Self-employment through entrepreneurship - Shipping and Cruise lines; - State Tourism Development Corporations; - Tour Operations & Travel Agencies - Tour Escorts Domestic & International
15.	What Procedure is	The institute follows the

	followed for the recruitment of faculty and staff?	Recruitments rules of central Institutes of Hotel Management (CIHM) set up as Autonomous Body under the Ministry of Tourism and the revision/amendments issued from time to time.
16.	What measures are taken to create awareness for curbing the menace of ragging?	The Institute has taken adequate measure against ragging as per Clause (e) of Regulations 6.4 of the UGC Regulations. Also Anti-ragging committees are formed to monitor the implementation of the set guidelines.
17.	Which service rule is applicable for the faculty and staff?	The Central Civil Services (Conduct) Rules, 1964 are applicable for the faculty and staff.
18.	What is the statutory status of the Institute?	The Institute is an Autonomous Body under the aegis of Dept of Tourism, Chandigarh Administration
19.	Provide information about the Institute affiliation.	<ul style="list-style-type: none"> - The B.Sc. H&HA is offered in a collaborative mode jointly by NCHM and JNU. - The Diploma is offered by NCHM which awards Diplomas.

CHANDIGARH INSTITUTE OF HOTEL MANAGEMENT, SECTOR 42-D, CHANDIGARH
Reply to Old outstanding Audit Paras in r/o of
Food Craft Institute / Chandigarh Institute of Hotel Management, Sector 42-D, U.T., Chandigarh

Period of LAR	Para No.	Title of Para	Reply by the Department	Remarks by Audit
2010-15	1-A	Undue Delay in construction of Hostel Block resulted loss to the tune of Rs. 36.72 lakh and cost overrun to the tune of Rs. 1.09 crore		
		<p>Chandigarh Institute of Hotel Management & Catering Technology sought approval for construction of Hostel Block at a rough estimate Rs. 9.15 crore during the year 2009-10. Consequently the approval for the above work was accorded on 29.12.09 by the Home Secretary-cum-Secretary Tourism, Chandigarh Administration & Chairman, Board of Governors, CIHM, Chandigarh. As per the approval order the work was to be allotted after calling bids as per rules after giving wide publicity and no variation in terms of material or cost or scope of work shall be carried out. Outlay and plans of the hostel block have been prepared by UT Department of Urban Planning and the work was assigned to UT Engineering Department for Rs. 9.15 crore on deposit work basis.</p> <p>The work was awarded to Engineering Department of Union Territory as executing agency without the following the tendering process and no agreement was entered into with Engineering Department Union</p>	<p>It is intimated that the matter for undue delay in construction of Hostel Block resulted loss to the tune of Rs. 36.72 lakh and cost overrun to the tune of Rs. 1.09 crore was taken up with the office of the Chief Engineer, U.T., Chandigarh in the year 2015 and after repeated reminders, the office of the Executive Engineer, CP Division No. 2 (Roads), Chandigarh has conveyed vide Memo No. 1309 dated 19.01.2019 which is reproduced below for your kind perusal, please:-</p> <p>The work for construction of Hostel Block in Institute of Hotel Management & Catering Technology. Sector-42, Chandigarh was allotted M/s. Gautam Builders vide this Office memo No. 3811 dated 05.04.2011 with the time limit of 12 months but due to some hindrances at site the work completed on 25.01.2013. Final payment has made to the agency vide voucher No. 10 dated 27.01.2015 by Sub Divisional Engineer, Road Sub Division No. 3, Chandigarh.</p> <p>A photocopy of above referred memo received from the Executive Engineer, U.T., Chandigarh is also enclosed herewith for your kind perusal,</p>	

	<p>Territory Chandigarh for execution of the above work which is against the approval order.</p> <p>Despite deposit of Rs. 50 lakh with Executive Engineer, CP Division, U.T., Chandigarh on 04.02.2010, the work was commenced more than one year later i.e. on 05.04.2011. During the construction period of the hostel block an amount of Rs. 8.84 crore had been deposited with the executing agency Utilization Certificate for Rs. 6.56 crore has been received by the institute from Executive Engineer. The Executive Engineer vide its Letter/Memo No. 3962 dated 27.03.14 mentioned that the work has been completed and requested CIHM & CT to receive the hostel block. However, CIHM & CT refused to receive the building block stating that the work is still incomplete. In this regard audit observed that:</p> <ol style="list-style-type: none"> 1. The work was awarded to the executing agency for Rs. 9.15 crore which includes 14.3 percent Departmental Charges & 3 Percent Contingency Charges. However an amount Rs. 8.84 crore has been paid by the executing agency and as per records approx Rs.1.40 crore are yet to be deposited with executing agency. This shows that there is cost overrun to the tune of Rs. 1.09 crore (8.84 crore+1.40 crore-9.15 crore). Further more than the 90 percent 	<p>please. ANNEXURE-'A'</p> <p>In light of above, Para needs to be dropped. Subsequently, it is also stated that all the relevant record in the matter rests with the office of Chief Engineer, U.T., Chandigarh for more clarification and this audit Para may be transferred to the Chief Engineer, U.T., Chandigarh to settle the same.</p>	
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		<p>work had been completed as per letter dated 27.03.14 and in absence of maintenance the building is deteriorating.</p> <p>2. In absence of agreement/work order, there is no stipulated date of completion from the side of CIHM & CT for the above work. As per CPWD Manual Standard Schedule of Contract Periods for Building Works (Appendix 17), the building having up to 4 storeys should be completed within 8 to 12 months. The above work was awarded by the institute on 04.02.2010 which should have been completed by 03.02.2011 as per the standard schedule of CPWD. However, the building has not been handed over till date.</p> <p>3. The hostel block is having 3 floors & 51 rooms (17 rooms each floor) & 3 students are staying in every room of existing hostel cost of Rs. 3000 per student (excluding electricity and water charges) per semester (2 Semester in a year). Due to delay in construction of Hostel Block, CIHM & CT lost an opportunity to earn accommodation Charges/Hostel charges Rs. 36.72 lakh (51*3*3000*4*2) for 4 years viz. 2011-12, 2012-13, 2013-14 & 2014-15, from the students which is loss to</p>		
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	<p>the organisation. Had the building got completed in time i.e. by 03.02.11 the same could be avoided. Further despite delay in completion of project no correspondence with executing agency after 01.0414 was found on record.</p> <p>A part from the above, in absence of the agreement between the CIHM & CT and Executive Engineer, there is uncertainty with respect to the following:</p> <ol style="list-style-type: none">1. The stipulated date of completion of the project.2. Liquidated damage in case of delay in completion of the project.3. The extent of variation to be permitted in case of increase in rates of material, labour etc.4. Actual expenditure incurred by the sub-contractor as actual bills from the executing agency were not found in record.5. What is the Defect Liability Period of the project? <p>Facts and figures may be confirmed and reply of the Management along with the reasons for not revising the rates may please be furnished to audit within 7 days.</p>		
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Period of LAR	Para No.	Title of Para	Reply by the Department	Remarks by Audit
2010-15	2	Excess Payment made towards Departmental charges-Rs. 56.73 lakh.		
		<p>According to the Para 12.1 of the CPWD Account Codes, no departmental charges are to be levied for the Government works and those of autonomous bodies fully funded by the Central Government. For works done by CPWD other than above, departmental charges are to be levied. The rates of departmental charges are prescribed in appendix -14 of the CPWD Account Code Manual, which for construction work costing up to Rs. 2 crores, between Rs. 2 crore to 5 crore & more than 5 Crores are 12%, 8% & 7% respectively of the estimated cost of the work to be constructed.</p> <p>Chandigarh Institute of Hotel Management & Catering Technology, Chandigarh is an autonomous body constituted by the GOI registered under the Indian Society Act through Ministry of Tourism as a charitable institute. The Govt. of India gives grants for capital works only & for remaining day to day expenses institute manages from its own resources. The institute has been getting civil capital works executed through CPWD/Engineering department of U.T., Chandigarh and releasing payment to the engineering department on the basis of estimated cost of each work to be executed & utilization certificate given by the concern</p>	<p>It is intimated that the matter for Excess Payment made towards Departmental charges-Rs. 56.73 lakh was taken up with the office of the Chief Engineer, U.T., Chandigarh in the year 2015 and after repeated reminders, the office of the Executive Engineer, CP Division No. 2 (Roads), Chandigarh has conveyed vide Memo No. 1309 dated 19.01.2019 which is reproduced below for your kind perusal, please:-</p> <p>ANNEXURE-'B'</p> <p>Regarding revision of Departmental charges, the matter is under process, The Departmental charges shall be revised as 14% to 7% on approval of the same from the competent authority.</p> <p>The reply in this regard from the office of the Chief Engineer, U.T., Chandigarh is yet to be received. As and when the outcome is received from office of the Chief Engineer, U.T., Chandigarh the same will be conveyed to the Audit Party.</p>	

	<p>Executive Engineer from time to time.</p> <p>During audit it was noticed that Chandigarh Institute of Hotel Management & Catering Technology (CIHM) sought approval for construction of Hostel Block. Administrative approval to the Rough Cost Estimate amounting to Rs. 9,14,86,000/- (including departmental charges of Rs. 1,11,12,350/- @ 14.3% at the estimates cost of Rs. 7,77,08,743/-) was conveyed by the Executive Engineer vide their Endst. No. 477 dated 08.01.2010. Chandigarh Institute of Hotel Management & Catering Technology has deposited amount of Rs. 8.84 crores with the Engineering Department upto 29.08.2013 & balance payment of Rs. 31.00 lakh is lying with CIHM. As per CPWD Account Code Manual department charges works out to Rs. 54,39,612 (7,77,08,743x7%) instead of Rs. 1,11,12,350/- (14.30% of Rs. 7,77,08,743). Thus CIHM has paid excess amount of Rs. 56,72,738/- as departmental charges to Engineering Department.</p> <p>During the review it was also noticed in audit that through the estimated cost of the works under execution exceeded Rs. 5 crore yet the Executive Engineer has charged Departmental Charges @ 14.3% Against 7% prescribed in the CPWD accounts code. The management of the institute was required to take up the matter with concerned Executive Engineer for charging the correct Departmental Charges on the works being</p>		
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	<p>executed by him. However, no such action has so far been taken in this regards. Reasons for the same may be intimated to audit and immediate steps may be taken to rectify the overcharging of Departmental Charges. Action may also be taken recover excess Departmental Charges of Rs. 56.73 lakh with the Executive Engineer.</p> <p>Facts and figures may be confirmed and reply of the Management along with the reasons for not revising the rates may please be furnished to audit within 7 days.</p>		
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Period of LAR	Para No.	Title of Para	Reply by the Department	Remarks by Audit																											
2017-18	1	<p>Excess payment of honorarium Rs.2.02 lakh</p> <p>In terms of provisions of FR 46 (b), the central Government may grant or permit a Government servant to receive an honorarium as remuneration for work performed which is occasional or intermittent in character and either so laborious or of such special merit as to justify a special reward. Except when special reasons, which should be recorded in writing, exist for a departure from this provision, sanction to the grant or acceptance of an honorarium should not be given unless the work has been settled in advance. Guidelines for payment of honorarium under FR 46 (b) have already been laid down inter alia vide this department's OM No. 17011/9/85-Estt. (AL), dated 23.12.1985 and OM No. 17020/1/91-Estt. (AL), dated 18.11.1991. It has also been clarified that no honorarium should be granted for temporary increase in work.</p> <p>The Ministries/Departments can grant honorarium upto Rs. 5000/- p.a. per employee and the Head of Department can grant honorarium of Rs. 2500/- p.a. per employee. O.M. No. 17011/9/85-Estt. (Allowance), dated 23.12.1985 refers.</p> <p>During the test check of records of the Principal, Chandigarh Institute Of Hotel Management & Catering Technology for the year 2017-18, it was noticed that eight staff of the department were paid honorarium for duty performed in respect of Mid Day Meal (MDM). The limit of honorarium exceeded much more than the prescribed limit as mentioned above in the rules.</p> <p>The total amount of honorarium granted to the eight staff of the Institute during the year amounted to Rs. 2,22,400/- which was in excess for Rs. 2,02,400/- as per rules as given below:-</p> <table border="1" data-bbox="359 1097 1167 1359"> <thead> <tr> <th data-bbox="359 1097 432 1312">S.No.</th> <th data-bbox="432 1097 527 1312">Name of officer</th> <th colspan="4" data-bbox="527 1097 842 1240">Amount of honorarium disburse</th> <th data-bbox="842 1097 919 1312">Total Amt. in Rs</th> <th data-bbox="919 1097 1045 1312">Honorarium admissible during a financial yr.</th> <th data-bbox="1045 1097 1167 1312">Excess payment of honorarium</th> </tr> <tr> <td></td> <td></td> <th data-bbox="527 1240 604 1312">Qtr June 17</th> <th data-bbox="604 1240 682 1312">Qtr Sep 17</th> <th data-bbox="682 1240 760 1312">Qtr Dec 17</th> <th data-bbox="760 1240 837 1312">Qtr Mar 18</th> <td></td> <td></td> <td></td> </tr> </thead> <tbody> <tr> <td data-bbox="359 1312 432 1359">1.</td> <td data-bbox="432 1312 527 1359">Sh. T.K. Razdan</td> <td data-bbox="527 1312 604 1359">10000</td> <td data-bbox="604 1312 682 1359">10000</td> <td data-bbox="682 1312 760 1359">10000</td> <td data-bbox="760 1312 837 1359">10000</td> <td data-bbox="842 1312 919 1359">40000</td> <td data-bbox="919 1312 1045 1359">2500</td> <td data-bbox="1045 1312 1167 1359">37500</td> </tr> </tbody> </table>	S.No.	Name of officer	Amount of honorarium disburse				Total Amt. in Rs	Honorarium admissible during a financial yr.	Excess payment of honorarium			Qtr June 17	Qtr Sep 17	Qtr Dec 17	Qtr Mar 18				1.	Sh. T.K. Razdan	10000	10000	10000	10000	40000	2500	37500	<p>It is informed that the incentive paid to the 8 regular employees of this Institute for the year 2017-18 under Mid Day Meal Scheme after the decision of the Board of Governors in the meeting held on 19.09.2007 under item No. 16. A copy of the decision is enclosed herewith for your kind information. ANNEXURE-'C'</p> <p>It is further informed that being an Autonomous body, the Board of Governors is fully competent to sanction the incentive to the regular staff as per decision taken in the BOG meeting held on 29.11.2006 under item No. 13. A copy of delegation of powers of the Board of Governors is also attached herewith for your kind perusal, please. ANNEXURE-'D'</p> <p>In light of above, Para needs to be dropped.</p>	
S.No.	Name of officer	Amount of honorarium disburse				Total Amt. in Rs	Honorarium admissible during a financial yr.	Excess payment of honorarium																							
		Qtr June 17	Qtr Sep 17	Qtr Dec 17	Qtr Mar 18																										
1.	Sh. T.K. Razdan	10000	10000	10000	10000	40000	2500	37500																							

2.	Sh. Rajesh Sharma	3200	3200	3200	3200	12800	2500	10300
3.	Sh. Munish Julka	8000	8000	8000	8000	32000	2500	29500
4.	Sh. Devinder Singh	8000	8000	8000	8000	32000	2500	29500
5.	Sh. Ashok K Verma	8000	8000	8000	8000	32000	2500	29500
6.	Sh. Vishal Kalia	8000	8000	8000	8000	32000	2500	29500
7.	Sh. Ram Kiran	2400	2400	2400	2400	2400	2500	7100
8.	Sh. Kuldeep Singh	8000	8000	8000	8000	32000	2500	29500
	TOTAL	55600	55600	55600	55600	222400	20000	202400

On being pointed out in audit, the department stated that the honorarium has been disbursed to the staff as per the decision of the Board of Governors taken in the meeting held on 19.09.2007. However, the department did not submit the copy of the decision of the Board of Governors. Further, in view of the General Financial rules the reply of the department is not tenable as the decision of the Board of Governors is in contravention of Financial Rules. Final reply of the department will be awaited in audit.

Period of LAR	Para No.	Title of Para	Reply by the Department	Remarks by Audit
2017-18	2	<p>Sale of items at discounted price in restaurant without any criterion/policy resulting in loss Rs. 12.16 lakh.</p> <p>The Chandigarh Institute Of Hotel Management & Catering Technology has a hotel cum restaurant by the name of Chandigarh Beckons attached to it which offers training to the students of the Institute as well as offers the general public the boarding and lodging facility on the rate fixed by the management from time to time. During the test check of records of the Principal, Chandigarh Institute Of Hotel Management & Catering Technology for the year 2017-18, it was noticed that the above mentioned hotel cum restaurant of the Institute, offered discount ranging from 10 to 25 per cent on the food items being served at the restaurant. The total sales of the above period amounted to Rs. 1,46,73,849/- while discount on the sales amounted to Rs. 12,15,726/- which is about 8.28% of the total sale of the restaurant.</p> <p>On being pointed out in the audit:-</p> <ul style="list-style-type: none"> (i) whether any policy/rule exist to offer discount to the customers. (ii) Written order of the criteria of discount offered to the customers. (iii) Order of selection of customers to be offered discount. (iv) Total number of customers/bills during the year and the Total number of customers offered discount. (v) whether any checking system exists where bills given to customers are checked as after payment customers generally leave the bill at the restaurant. <p>The department did not submit any reply. Reply of the department is awaited in audit.</p>	<p>It is informed that as per the decision of the Board of Governors meeting held on 19.09.2007 under item No. 9, the Manager Operation Hotel Chandigarh Beckons and the Principal/Secretary cum General Manager of Hotel Chandigarh Beckons had been authorised to offer the discount on sales of items in restaurant under policy framed for promotion of business sale of the Hotel as per detail given below:-</p> <ul style="list-style-type: none"> i) Manager Operation- 15% ii) Principal/ Secretary cum General Manager- 25% <p>A copy of the decision of the Board of Governors is also enclosed herewith for your kind perusal, please.</p> <p>It is also informed that being an autonomous body, the Board of Governors fully competent to offer the discount on sales of items in restaurant. Hence In light of above, Para needs to be dropped. ANNEXURE-‘E’</p>	

Period of LAR	Para No.	Title of Para	Reply by the Department	Remarks by Audit																												
2017-18	3	<p>Diminishing Sale at Hotel Chandigarh Beckons resulting in continuous losses Rs. 214.74 lakh</p> <p>Hotel Chandigarh Beckons was incepted in the year 2007 for imparting on the job training to the students of the Chandigarh Institute Of Hotel Management. It has restaurant and exclusive pastry shop. In addition to that hotel is having 22 deluxe rooms, 4 suites, multi cuisine restaurant Atithi, Banquet hall Greetings, Conference hall- Summit & 24 hour business centre. The Hotel provides the perfect venue for conference, meetings & events for upto 300 people.</p> <p>The Hotel Chandigarh Beckons is a subsidiary unit of CIHM and runs on commercial pattern. Principal, CIHM is discharging role of General Manager of the Hotel. Being a commercial entity the Hotel should be intended to make profits.</p> <p>During the scrutiny of records of the office of the CIHM for the year 2017-18, it was noticed that the sale at the Hotel is Diminishing year after year and Hotel is running in losses detailed as under:-</p> <p>Status of sale & profit and loss for last five years</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Sale in Rs</th> <th>Decline in sale w.r.t. previous year in Rs</th> <th>Profit or loss incurred in Rs</th> </tr> </thead> <tbody> <tr> <td>2012-13</td> <td>41477259.52</td> <td></td> <td>3657956 (profit)</td> </tr> <tr> <td>2013-14</td> <td>37022313.62</td> <td>4454945.90</td> <td>2891362 (profit)</td> </tr> <tr> <td>2014-15</td> <td>35338073.04</td> <td>1684240.58</td> <td>6359585 (loss)</td> </tr> <tr> <td>2015-16</td> <td>35253390.34</td> <td>84682.70</td> <td>1312234 (loss)</td> </tr> <tr> <td>2016-17</td> <td>28103311.04</td> <td>7150079.30</td> <td>4806792 (loss)</td> </tr> <tr> <td>2017-18</td> <td>17384918.76</td> <td>10718392.28</td> <td>8995217 (loss)</td> </tr> </tbody> </table>	Year	Sale in Rs	Decline in sale w.r.t. previous year in Rs	Profit or loss incurred in Rs	2012-13	41477259.52		3657956 (profit)	2013-14	37022313.62	4454945.90	2891362 (profit)	2014-15	35338073.04	1684240.58	6359585 (loss)	2015-16	35253390.34	84682.70	1312234 (loss)	2016-17	28103311.04	7150079.30	4806792 (loss)	2017-18	17384918.76	10718392.28	8995217 (loss)	<p>As per the observations of the audit party regarding rooms occupancies for the year 2017-18, it is informed that the Hotel Chandigarh Beckons was started its functioning in the year 2007 and earned profit since its inception but after the period of five six years. Necessity was felt for renovating the Hotel to upgrade the better facilities for clients in view of continuous losses. In order to recover the losses the management of the Hotel decided to renovate the Hotel. After renovation of the Hotel, the sale was gradually increased again and the Hotel had again been increased the sale and came out with good result/profit. Further it is informed that due to strenuous efforts of the Hotel Staff had earned a profit during the year 2018-19 amounting to Rs. 30.06 lakhs and 2019-20 amounting to Rs. 53.20 lakhs. A copy of income & expenditure for the same is enclosed herewith for your ready reference. The figures taken by the audit party from the year 2012-13 to 2017-18 regarding the loss, it is informed that during the above years actually there was operational profit excluding depreciation.</p> <p>In light of above, Para needs to be dropped.</p> <p>ANNEXURE-'F'</p>	
Year	Sale in Rs	Decline in sale w.r.t. previous year in Rs	Profit or loss incurred in Rs																													
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Status of occupancy at Hotel last five years

Years	Rooms occupancy	% occupancy
2012-13	5617	59.19 %
2013-14	4662	49.13%
2014-15	4341	45.74%
2015-16	4280	45.10%
2016-17	3961	41.74%
2017-18	794	8.36%

It is evident from above tables that the rooms occupancies is decreasing year after year resulting in diminishing sale and further increase in losses.

In this connection following audit observation were being made:-

1. Hotel is following rigid approach in room allocation. Had the Hotel Followed flexible approach in deciding rates of rooms as per booking seasons it would have resulted in more occupancy and more revenue collection.
2. Had the Hotel Management engaged any online site or agency for booking of the rooms it would have resulted in more rooms occupancy.
3. Hotel should have made advertisement in media for wide publicity so that occupancy and sale can be increase.
4. Hotel should adopt various management and marketing tactics to attract more clients for banquet hall, summit rooms and business center.

Strenuous efforts made for increase in room occupancy/sale at hotel may be intimated to audit.

Reply of the department is awaited in audit.

Period of LAR	Para No.	Title of Para	Reply by the Department	Remarks by Audit																																																			
2017-18	4	<p>Loss incurred in provision of Mid Day Meals. The National Programme of Nutritional Support to Primary Education (NP-NSPE) popularly known as Mid Day Meal (MDM) scheme aimed to cover all the students in classes (I-VII) in Govt./Govt. aided schools & madarsas. The MDM scheme began with dry meals in the form of fruit bread, baked porridge, raw wheat and sweet/salted mathies. In January 2006, the scheme was converted to provide cooked meals on a trial basis, subsequently District Education Officer, Chandigarh Administration vide Memo No. DEO/UTMDM/Cooked Meal/2006-07/4095 dated 31.03.2006 asked Chandigarh Institute Of Hotel Management, Chandigarh to provide ready to eat food with effect from 04.04.2006 @ Rs 5.12 per portion. Rates of MDM were revised twice wef 01.04.2008 @Rs 7.13 per portion and wef 01.12.2009 @Rs 8.94 per portion. Since last eight years Mid Day Meal rates had neither been revised nor CIHM asked education department to revise the rates. On scrutiny of records pertaining to the Chandigarh Institute Of Hotel Management for the year 2017-18, it was noticed that the Institute is incurring a continuous loss from MDM scheme year after year detailed as under:-</p> <table border="1"> <thead> <tr> <th>S.No.</th> <th>Year</th> <th>Mid Day Meal Receipt (in Rs.)</th> <th>Expenditure incurred on Mid Day Meal(in Rs.)</th> <th>Savings or Loss (in Rs.)</th> <th>% Loss or savings</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>2012-13</td> <td>24046518</td> <td>26484295</td> <td>- 2437777</td> <td>9.2% loss</td> </tr> <tr> <td>2.</td> <td>2013-14</td> <td>27534689</td> <td>28533391</td> <td>-998702</td> <td>3.5% loss</td> </tr> <tr> <td>3.</td> <td>2014-15</td> <td>29152633</td> <td>28305524</td> <td>847109</td> <td>2.99% saving</td> </tr> <tr> <td>4.</td> <td>2015-16</td> <td>29022143</td> <td>29138771</td> <td>-116628</td> <td>0.4% loss</td> </tr> <tr> <td>5.</td> <td>2016-17</td> <td>25686680</td> <td>30656623</td> <td>- 4969923</td> <td>16.2% loss</td> </tr> <tr> <td>6.</td> <td>2017-</td> <td>24171905</td> <td>20878472</td> <td>-</td> <td>13.6%</td> </tr> </tbody> </table>	S.No.	Year	Mid Day Meal Receipt (in Rs.)	Expenditure incurred on Mid Day Meal(in Rs.)	Savings or Loss (in Rs.)	% Loss or savings	1.	2012-13	24046518	26484295	- 2437777	9.2% loss	2.	2013-14	27534689	28533391	-998702	3.5% loss	3.	2014-15	29152633	28305524	847109	2.99% saving	4.	2015-16	29022143	29138771	-116628	0.4% loss	5.	2016-17	25686680	30656623	- 4969923	16.2% loss	6.	2017-	24171905	20878472	-	13.6%	<p>In this regard, it is informed that the Institute authorities had requested many times to the Director School Education, UT, Chandigarh for revision of rates of the Mid Day Meal supplied to various schools of Chandigarh Administration by the Institute. In response to repeated efforts of the Institute, the office of the Director School Education, UT, Chandigarh had revised the rates of Mid Day Meal supplied to the various schools of Chandigarh Administration as per detail given below:-</p> <table border="1"> <thead> <tr> <th></th> <th>Previous Rate</th> <th>Revised Rate</th> </tr> </thead> <tbody> <tr> <td>Primary</td> <td>7.20</td> <td>9.26</td> </tr> <tr> <td>Upper Primary</td> <td>9.17</td> <td>11.80</td> </tr> </tbody> </table> <p>A Photocopy of revised rates of Mid Day Meal received in the Institute is enclosed herewith for your kind perusal, please. It is further informed that after revision of rates under Mid Day Meal the Institute had earned a profit of Rs. 11.91 lakhs during the financial year 2019-20. A Photocopy of Income & Expenditure is also enclosed herewith for your kind perusal, please. In light of above, Para needs to be dropped. ANNEXURE-'G'</p>		Previous Rate	Revised Rate	Primary	7.20	9.26	Upper Primary	9.17	11.80	
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	18		3293433	loss
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In this regard following audit observation are made:-

1. Despite of huge rise in the prices of provision items & substantive increase in wage of working/supporting staff, rates of meals were not revised.
2. Expenditure on account of water and electricity consumed on account of preparation of MDM in the Institute's kitchen has not been included in the total expenditure incurred of the scheme as such cost needs to be revised and correct statement may be supplied to the audit.
3. Rent of the premises utilized for the purpose of storage of raw materials (store), preparation of meals (kitchen) and any other part of the Institute being utilized for the purpose has not been evaluated and included in the total expenditure of the MDM.
4. Further increase in expenditure, on provision of MDM without increase in cost, "may defeat very purpose of the scheme to provide Nutritional Support to Primary students."
5. Steps taken by the Institute for taking up the matter with Chandigarh Administration to increase the cost of meals may be appraised to Audit.

Further basic function of CIHM is to provide education to students in field of hotel & catering. Providing mid day meal is not major function of CIHM as contract staff from contractor has been provided for this function and some staff of CIHM i.e. Principal, Administrative Officer, Clerical & Teaching Staff is doing duty for MDM besides their regular duty. This injudicious decision is resulting in loss to CIHM besides defeating main purpose of CIHM i.e. imparting education to students.

Reply of the department is awaited in audit.

Period of LAR	Para No.	Title of Para	Reply by the Department	Remarks by Audit																																							
2017-18	5	<p>Outstanding Advances against Deposit works, Misc Advances amounting to Rs 1114.27 lakh.</p> <p>During the scrutiny of records pertaining to the office of Chandigarh Institute Of Hotel Management, sector-42-D, Chandigarh, it was noticed that the huge amount Outstanding as advance given to various department of UT, Chandigarh was pending relating to various Deposit works and other Misc Advances detailed as under:-</p> <table border="1"> <thead> <tr> <th>S.No.</th> <th>Name of Executing Agency</th> <th>Amount in Rs.</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Fastway Communication</td> <td>2400</td> </tr> <tr> <td>2.</td> <td>Eureka Forbes Pvt. Ltd.</td> <td>12467</td> </tr> <tr> <td>3.</td> <td>Jai Gas Centre</td> <td>33400</td> </tr> <tr> <td>4.</td> <td>M/s. Chd Bottling Co.</td> <td>9853</td> </tr> <tr> <td>5.</td> <td>Newspaper & Priodicals</td> <td>51210</td> </tr> <tr> <td>6.</td> <td>CP Division No 3</td> <td>2290400</td> </tr> <tr> <td>7.</td> <td>CP Division No 4</td> <td>80800</td> </tr> <tr> <td>8.</td> <td>CP Division No 2</td> <td>95353000</td> </tr> <tr> <td>9.</td> <td>CREST for SPV Plant</td> <td>5000000</td> </tr> <tr> <td></td> <td>XEN PH Division No 1</td> <td>8578000</td> </tr> <tr> <td></td> <td>Misc Advances</td> <td>14960</td> </tr> <tr> <td colspan="2">Total</td> <td>11,14,26,570</td> </tr> </tbody> </table> <p>Any strenuous efforts made to get the pending Advances settled against various departments and vendors may be intimated to the audit.</p> <p>Reply of the department is awaited in audit.</p>	S.No.	Name of Executing Agency	Amount in Rs.	1.	Fastway Communication	2400	2.	Eureka Forbes Pvt. Ltd.	12467	3.	Jai Gas Centre	33400	4.	M/s. Chd Bottling Co.	9853	5.	Newspaper & Priodicals	51210	6.	CP Division No 3	2290400	7.	CP Division No 4	80800	8.	CP Division No 2	95353000	9.	CREST for SPV Plant	5000000		XEN PH Division No 1	8578000		Misc Advances	14960	Total		11,14,26,570	<p>In this regard, it is informed that the Institute had deposited funds to the office of Chief Engineer, UT, Chandigarh and CITCO, UT, Chandigarh for the construction of new hostel Building, renovation of Institute Building and Hotel Chandigarh Beckons respectively from time to time. The Institute had repeatedly requested the above departments to submit the consolidates utilisation certificates in this Institute. However the same are yet to be received. The photocopies of last reminders are enclosed herewith for your kind perusal, please.</p> <p>It is further informed that as and when the above UC's are received in the Institute the same will be forwarded to your office for settling the Para.</p> <p>ANNEXURE-'H'</p>	
S.No.	Name of Executing Agency	Amount in Rs.																																									
1.	Fastway Communication	2400																																									
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Period of LAR	Para No.	Title of Para	Reply by the Department	Remarks by Audit
2017-18	6	<p>Non conduction of Peer Review. As per Rule 229 of General Financial Rules,2017 Ministry shall put in place a system of internal & external peer review of autonomous organization of every three or five years depending on the size and nature of activity. Such review should focus on objectives, activities, nature of activities similar functions in other organization, whether staff kept at minimum level, user charges are kept at appropriate rates, scope for maximizing internal resource generation so that dependence upon government budgetary support is minimized.</p> <p>Test check of the records of office of the Principal, Chandigarh Institute Of Hotel Management for the year 2017-18 revealed that grant of Rs. 230 lakh (Rs. 57.50 lakh x 4 instalments) was received by the Institute but no peer review of the Institute was got conducted and no achievement report (as per sr. no. 6 terms and conditions of sanction order) submitted to the Chandigarh Administration.</p> <p>Reply of the department is awaited in audit.</p>	<p>In this regard, it is informed that the Para does not pertain to us. However, being an autonomous body/Independent unit the accounts of the Institute are audited as per Bye Laws by the Chartered Accountant empanelled on CAG appointed by the Board of Governors of the institute being registered Society. It is also informed that the proprietary audit is done by your department. Being an autonomous body, there is no other unit as such for conduction of Peer Review.</p> <p>In light of above, Para needs to be dropped.</p>	

Period of LAR	Para No.	Title of Para	Reply by the Department	Remarks by Audit																											
2017-18	7	<p>Delay in deposit of Rs. 81.44 lakh and retention of heavy cash upto Rs. 7.189 lakh</p> <p>Rule 6(1) of Receipt & Payment Rule, 1983 provides that all money received by or tendered to Government officers an 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. Money received as aforesaid shall not be utilized to meet Departmental Expenditure except as authorized in sub rule (2) nor otherwise kept apart from the accounts of the Government. During the scrutiny of records of the office of the Principal cum Managing Director, Chandigarh Institute Of Hotel Management & Catering Technology for the year 2017-18, it was noticed that the cash on account of sale of food items/room rent etc. from the Hotel Beckons, a subsidiary of CIHM, was being received on day to day basis. Further scrutiny revealed that the sale proceeds were not being deposited as per rules and were being deposited in the bank account after a lapse of period ranging from two-three days to more than ten days. (Annexure A) It was also observed during audit that a large amount of cash was retained at any time of the month during the year as detailed below:-</p> <table border="1" data-bbox="373 1036 1010 1339"> <thead> <tr> <th>S.No.</th> <th>Day/Months</th> <th>Maximum Amount (in Rs.)</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>30 April, 2017</td> <td>171155</td> </tr> <tr> <td>2.</td> <td>8 May, 2017</td> <td>170765</td> </tr> <tr> <td>3.</td> <td>20 June, 2017</td> <td>171216</td> </tr> <tr> <td>4.</td> <td>28 July, 2017</td> <td>150982</td> </tr> <tr> <td>5.</td> <td>26 August, 2017</td> <td>22673</td> </tr> <tr> <td>6.</td> <td>25 September, 2017</td> <td>266531</td> </tr> <tr> <td>7.</td> <td>5 October, 2017</td> <td>311346</td> </tr> <tr> <td>8.</td> <td>11 November, 2017</td> <td>248543</td> </tr> </tbody> </table>	S.No.	Day/Months	Maximum Amount (in Rs.)	1.	30 April, 2017	171155	2.	8 May, 2017	170765	3.	20 June, 2017	171216	4.	28 July, 2017	150982	5.	26 August, 2017	22673	6.	25 September, 2017	266531	7.	5 October, 2017	311346	8.	11 November, 2017	248543	<p>In this regard, it is to inform you that cash received in the Hotel usually deposited next day in the State Bank of India. However, sometimes due to holidays for 2-3 days the cash could not be deposited in the Bank on the next day. However, the observations of the audit party have been noted for future compliance and Instructions have been conveyed to the accounts department. It is also certified that the same thing will not be repeated in future.</p> <p>In light of above, Para needs to be dropped.</p>	
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9.	19 December, 2017	262804
10	31 January, 2018	529070
11.	02 February, 2018	718103
12.	22 March, 2018	273000

Misuse of government money cannot be ruled out in view of undue delay in the deposit of cash held with counter incharge of sales.

The reasons was called for:-

- (i) retaining heavy cash balance and undue delay in deposit in bank account,
- (ii) Non observance of time limit in depositing the cash in bank account,
- (iii) Whether the department has sufficient security for retaining heavy cash in the premises,
- (iv) Handling the cash by contract employee,
- (v) Utilisation of cash received for meeting out day to day expenses of the hotel,

On being pointed out in audit the department did not submit any reply.

Final reply will be awaited in audit.

Period of LAR	Para No.	Title of Para	Reply by the Department	Remarks by Audit
2017-18	8	<p>General Irregularities.</p> <p>1.Shortcomings in the maintenance of Cash Book & Other Issues</p> <p>As per Receipt & Payment Rule General Instructions for handling cash, the following short comings were noticed in the Cash Book during the scrutiny of records of the office of the General Manager, Chandigarh Institute Of Hotel Management & Catering Technology (Hotel Chandigarh Beckons) for the year 2017-18:-</p> <p>(1) Surprise check/verification of cash balances has not been done since as required under the rules. Reason for the same may be elucidated to audit.</p> <p>(2) Cash at counter as well as for deposit in bank is being handled by a contractual employee instead of permanent employee of some service. Reason for the same may be elucidated to audit.</p> <p>(3) The billing, receipt, the Cash Book & store inventory is being maintained on the computer system in digital form. It may, therefore, be intimated to audit whether any steps have been taken to safeguard/recover the digital data in case of crash of hard disk.</p> <p>Whether competent/trained staffs has been engaged to recover/protect the important digital data in case of emergency.</p> <p>2. Non conducting of Physical verification of consumable & perishable items</p> <p>(4) It was observed form the records that Physical verification of consumable & perishable items was not carried out during the period under audit under the rules. as such the difference in the number of goods or goods missing from the store, if any, during the period, could not be discovered and promptly investigated and brought to account. Further store is being handled by contract employee.</p> <p>On being pointed out in audit, the department did not submit any reply.</p>	<p>In this regard, it is informed that the case for appointment of regular employees in place of outsourcing staff in Hotel Chandigarh Beckons was put up in the Board of Governors meeting held on 16.11.2018 under item No. 25 and after consideration the Board of Governors did not agree with the proposal for appointment of regular staff. A photocopy of the minutes is attached herewith for you kind perusal, please. As far as backup is concerned, the software has been installed in the Hotel for daily transactions. All the consumable and eatables stock taking was conducted every year and report for the 2017-18 is enclosed herewith for your ready reference.</p> <p>In light of above, Para needs to be dropped.</p> <p>ANNEXURE-'I'</p>	