

Higher Education, Medical Education and Research and Technical Education Departments

2.3 Framework for setting up of Private Colleges and Private Universities

The Higher Education Department framed guidelines for the setting up of Private Colleges under self financing scheme in the State in July 2004. Similarly, Health {now Medical Education and Research (MER)} Department issued guidelines for opening of Nursing Schools and Colleges in July 2007. The State also enacted “The Haryana Private Universities Act-2006” for the setting up of Private Universities (PUs) in November 2006. Performance audit of framework for setting up of Private Colleges and Private Universities brought out the following significant deficiencies:

Private colleges were being recognised without obtaining the comments of State Government/affiliating universities, universities were granting affiliation to the colleges having inadequate infrastructure, faculty, etc. There was no provision for regular inspection by universities.

(Paragraphs 2.3.6.1 to 2.3.6.3)

The Higher Education Department had not maintained proper records of Government receipts. Absence of provision for charging processing fee for setting up of private colleges for the period 2008-14 resulted in loss of revenue of ₹ 97 lakh to the Government.

(Paragraph 2.3.7.1)

No objection certificates were issued by Medical Education and Research Department after obtaining bank guarantee of ₹ one crore instead of ₹ three crore. Similarly, no objection certificates were issued to three private colleges without obtaining bank guarantees of ₹ three crore by Higher Education Department.

(Paragraph 2.3.7.2)

Because of failure of Higher Education Department in exercising proper control, a B.Ed college got recognition on the basis of fake documents and by concealing facts.

(Paragraph 2.3.8.1 (a))

Annual returns to ensure that reservation and fee concession for students of Haryana was being provided by Private Universities, were not being sent regularly to Higher Education Department.

(Paragraph 2.3.8.5)

The private colleges were running with inadequate infrastructure. Four private universities had appointed 51 faculty members without fulfilling eligibility criteria.

(Paragraphs 2.3.8.6 and 2.3.8.7)

2.3.1. Introduction

Education is an essential and vital element for all round development of a person, society or a State. The State plays an active role in education and Government of Haryana recognized that the private sector can play an important role in augmenting education in the State. Accordingly, the Higher Education (HE) Department framed guidelines for the setting up of Private Colleges (PCs) in the State in July 2004. Similarly, Health {now Medical Education and Research (MER)} Department issued guidelines for opening of Nursing Schools and Colleges in July 2007. The State also enacted “The Haryana Private Universities Act-2006” for the setting up of Private Universities (PUs) in November 2006. A total of 1,213 PCs and 18 PUs were opened in the State as of March 2015 (*Appendix 2.10*). The PCs were affiliated with 10 State Government Universities.

A registered society, trust or company intending to establish a PC and having required land, financial capability and expertise in the field can apply to the concerned Government Department or Central Regulating body with Detailed Project Report (DPR) showing proof of land holding (own/lease hold/gift deed), its building/ infrastructure plan, development plan, other facilities/ amenities along with prescribed non-refundable processing fee. After preliminary scrutiny within the department/central agency, review by the expert committees and physical verification of infrastructure available/to be made available, a formal letter of intent/approval (LOI/LOA) is issued to the sponsoring body. After compliance of terms and conditions of LOI/LOA and creation of proper endowment fund/FDRs/ Bank Guarantee pledged with the Government departments, recognition/NOC to establish a PC is issued under the guidelines.

As per the provisions of University Grants Commission (UGC) Act, 1956 and UGC (Establishment of and Maintenance of Standards in Private Universities) Regulations 2003, a PU can be established by a sponsoring body. A sponsoring body applies to the Higher Education (HE) Department with Detailed Project Report (DPR). After completion of all the formalities and creation of prescribed Endowment Fund, PU is allowed to be established through a notification by the Government. Once the PU is established, it is required to apply to UGC for enlistment under the said Act.

2.3.2. Organisational set-up

The HE Department deals with setting up of PCs and PUs. MER Department

deals with setting up of Private Nursing Schools and Colleges and also issues essentiality certificates (ECs)/prior consent for the setting up of Medical, Ayurveda, Dental, Homeopathy Colleges, etc. Technical Education Department (TE) exercises control over the private technical colleges as per the terms and conditions of All India Council of Technical Education (AICTE). National Council for Teachers' Education (NCTE) gives recognition for opening of B.Ed. Colleges. The PCs are required to get affiliated with the concerned universities. The concerned Additional Chief Secretaries/Principal Secretaries are the administrative head at Government level. The Vice Chancellors of the universities are the Principal Executives and Academic Officers and exercise control over the affairs of respective universities.

2.3.3. Audit objectives

The main audit objectives were to assess whether:

- provisions of Acts, rules, regulations, norms and standards and guidelines were adequate to achieve the objectives;
- receipts from PCs and PUs were being accounted for properly as per the extant orders;
- provision of Acts, rules, regulations, etc. were adhered to and land/buildings/infrastructure and qualification and availability of faculty and supporting staff was as per norms prescribed by various authorities; and effective mechanism for monitoring was in place.

2.3.4. Scope of audit and methodology

Records of the directorates of HE, MER and TE Departments relating to setting up of PCs/ PUs and account of receipts there from as per extant orders for the period 2010-15 were test-checked during December 2014 - June 2015. The cases prior to this period, which came to notice during performance audit and irregularities which continued from earlier period, have also been included in the Report. The records of 77 out of 1,213 private colleges (*Appendix 2.11*) relating to their affiliation, fee structure and other controls to ascertain proper functioning of the colleges were also test checked in five²⁵ affiliating Government universities. Records of five, out of 18 PUs were checked in the offices of HE Department and UGC.

An entry conference was held in January 2015 with the Additional Chief Secretary (ACS)/Principal Secretary (PS) to Government of Haryana, HE and TE

²⁵ (i) Chaudhary Devi Lal University (CDLU), Sirsa; (ii) Guru Jambheshwar University (GJU) of Science and Technology, Hisar; (iii) Kurukshetra University, Kurukshetra (KUK); (iv) Maharishi Dayanand University (MDU), Rohtak and (v) Pt. B.D. Sharma University of Health Sciences (Pt. B.D. Sharma UHS), Rohtak

Departments and representatives of MER Department wherein audit objectives, audit criteria and audit methodology were discussed. Audit findings were discussed in the exit conference held in December 2015 with the ACSs of HE and TE Departments alongwith representative of MER Department. The replies of the Departments and deliberations of the exit conference have been suitably incorporated in the Report.

2.3.5. Audit criteria

Audit criteria were derived from following sources:

- Guidelines framed by Higher Education and Medical Education and Research Departments for setting up of Private Colleges;
- Acts, rules, regulations, norms and standards of regulating bodies viz. University Grants Commission, All India Council of Technical Education, National Council for Teachers Education, etc;
- The Haryana Private Universities Act 2006; and
- Ordinances, terms and conditions framed by affiliating universities.

Audit findings

2.3.6. Sufficiency of provisions of Acts, rules, regulations, etc.

2.3.6.1 Lack of control over opening of institutions

The applicants seeking permission to open technical institutions and B.Ed colleges were required to submit online applications direct to the regional offices of AICTE²⁶ and NCTE²⁷ alongwith prescribed processing fee with a copy to State Government and respective affiliating university for submitting their viewpoints to AICTE or NCTE. The State Government/affiliating universities were required to forward their views within a period of 15 days to AICTE and 75 days to NCTE from the date of receipt of applications. In the absence of views from the State Government/affiliating universities, the council would proceed for completion of approval process. The regulations of NCTE also contained provisions for affiliation by the concerned university once the recognition is provided by NCTE. It was noticed that the viewpoints had not been submitted by the State Government/universities to the proposals received individually, as required, in any case. The approach of AICTE and NCTE coupled with improper scrutiny of applications/inspection reports and non-submission of comments by the State

²⁶ Clause 3.1 of Chapter-1 of AICTE Approval Process Handbook

²⁷ Paragraph 5 of notification dated 31 August 2009 regarding amendment for NCTE (Recognition, Norms And Procedure) Regulations 2007

Government/universities to the applications resulted in opening of PCs with inadequate infrastructure and other mandatory requirements as discussed in paragraphs 2.3.8.1 to 2.3.8.2. Adequate infrastructure and other basic facilities in the institutions are vital to provide quality education. In the absence of this, quality of education was adversely affected.

The ACS, HE Department stated during the exit conference that the NCTE did not forward the proposals/applications to the Government for offering viewpoints and NOCs were being issued by NCTE in connivance with the concerned affiliating universities. It was further stated that the matter had been taken up thrice (2009, 2011 and 2014-15) at State Government level with the Hon'ble Minister, Ministry of Human Resource Development (MoHRD), Government of India (GOI) to issue necessary directions to NCTE not to further open B.Ed colleges. Further, the ACS, Technical Education added that the Government had taken up the matter with AICTE (2011) not to further open technical colleges in the districts where saturation had reached. The time window for furnishing viewpoints by the State Government was also found less, being only 15 days. The reply was not convincing as the matter should have been taken up with the AICTE/NCTE if the departments felt that sufficient time was not available or the applications were not being received in the department for offering viewpoint. The Department needed to be more proactive in exercising requisite controls from the outset.

2.3.6.2 Affiliation

After recognition/issue of NOC by the regulatory bodies/State Government, the PC is required to get itself affiliated²⁸ with the university. The universities had promulgated the ordinances containing the terms and conditions of affiliation and had devised an application/inspection proforma containing details of human resources and infrastructure available with requisite documents.

The CDLU, GJU and KUK had allotted 500 marks divided into two parts (Part-A: human resources and Part-B physical infrastructure and other facilities/amenities) each of 250 marks. It was necessary for a college to get at least 50 *per cent* marks in each part to qualify for affiliation, subject to compliance/removal of deficiencies.

The proforma devised by MDU contained 100 marks divided into three parts (a) teaching and non-teaching staff (50 marks); (b) infrastructure and amenities (25 marks) and (c) library and laboratory (25 marks). It was stipulated that colleges getting 70 *per cent* and above marks in each category would be graded 'A', 50 to 70 *per cent* - 'B' and below 50 *per cent* - 'C'. Colleges with 'B' grade

²⁸ KUK: Clause 2 of Chapter-I of Ordinance XVI of Calendar Volume-I, GJU followed the same ordinances of KUK, MDU: Schedule to Statute-37, Pt. B.D. Sharma University: Clause-2 of ordinance regarding conditions of affiliation of colleges and institutions to the privileges of the University and the withdrawal of such privileges and CDLU: Chapter-XVII of the Ordinance (Other than Examination ordinances) of Calendar 2011 Volume-I.

were affiliated with the condition that deficiencies pointed out would be removed before the next academic session.

Audit observed that granting of affiliation to 'B' category colleges led to creation of colleges with inadequate facilities in respect of teaching faculty, class rooms, laboratories and library which were vital for ensuring quality education in 12 colleges out of 77 test-checked (*Appendix 2.12*). Further, the deficiencies continued for years and have been not fully addressed. No mechanism was evolved to monitor the compliance of deficiencies once the affiliation was given by the universities. There was no record with the universities to prove that show cause notices were issued for removal of deficiencies. Thus, the inaction of the universities resulted in running of such institutes with inadequate facilities for a long time having adverse effect on the quality of education imparted.

The ACS, HE Department stated during the exit conference that the Department would call for a conclave of all the affiliating universities in the State to discuss the matter and a standard checklist would be devised incorporating all the essential requirements and would be circulated among the affiliating universities to standardize the specifications for affiliation of PCs.

2.3.6.3 Inspections

On receipt of application from the applicant for affiliation, an inspection committee²⁹ consisting of two or more competent persons is being constituted by the Executive Council (EC)/Vice Chancellor (VC) of the concerned affiliating university. The inspection committee, on the basis of inspection, submits their report to the Registrar and thereafter the report is placed before the Executive Council. It was, however, observed that there was no expert member in the committee to assess the financial capability of the institutes. It was further observed that specific qualification of the members of the inspection committee such as building expert, financial expert and academic expert in particular field for which the institution is to be opened, has not been prescribed in the ordinances. Further, there was no provision in the ordinances for doing videography of inspections nor was it being done to keep their records authentic.

As per guidelines, it was also required to check whether the building conforms to the by-laws of the concerned competent Body/Municipal Body/HUDA and environment clearance and fire safety certificates from the competent authorities were obtained. Audit observed during scrutiny of records of test-checked PCs in affiliating universities that neither the system of obtaining certificate from the competent authority was evolved nor inspection committee ensured the compliance on these aspects as of March 2015 while conducting inspection except

²⁹ KUK: Clause 3 of Chapter-I of Ordinance XVI of Calendar Volume-I, GJU followed the same ordinances of KUK, MDU Schedule to Statute 37 and Pt. B.D. Sharma University: Clause 5 and 6 of ordinance regarding conditions of affiliation of colleges and institutions to the privileges of the University and the withdrawal of such privileges and CDLU: Clause-2 of Chapter XIX of the Ordinance (Other than Examination ordinances) of Calendar 2011 Volume-I

in respect of Om Group of Institutions, Hisar, which had conditional environment clearance certificate (11 July 2012) from State Environment Impact Assessment Authority, Haryana.

Besides, no system was evolved by the universities for surprise checking of running of classes and the attendance of students and faculty, to ensure quality education by PCs. However, taking a lead in the direction, MDU Rohtak conducted (December 2014 and January/February 2015) surprise checking of 47 B.Ed. colleges and noticed glaring deficiencies such as non-availability of faculty, students, infrastructure and other support system in 24 of these colleges. It is recommended that surprise checking should be done to strengthen the system of monitoring the functioning of PCs.

The ACS, HE Department stated during the exit conference that these issues would be discussed in the conclave of affiliating universities and provisions would be made by affiliating universities for inclusion of experts to evaluate financial capability and adherence to building norms as per central building bye-laws in the inspection committees, videography at the time of inspection and surprise checking of PCs. It was also stated that efforts were being made to streamline the number of colleges affiliated with the State universities to reduce the pressure on affiliating universities and enable them to conduct more meaningful inspections.

2.3.6.4 Lack of financial and administrative control

The affiliating Universities were responsible for conducting inspection³⁰ prior to grant of affiliation and annual inspection³¹ to continue the same for succeeding years for academic point of view, but there was no provision to conduct any administrative or financial audit. Further, as per Approval Process Handbook of AICTE, the applicant shall be open to mortgage the land only after receipt of letter of approval (LOA) from AICTE, only for raising the resources for the purpose of development of the institute situated on that land.

Scrutiny of records of KUK showed that SB institute of Engineering and Technology, Fatehpur Pundri (Kaithal) had taken a loan of ₹ 13.79 crore as indicated in the balance sheet of the 31 March 2013 from Punjab National Bank after getting the property (building and equipments) mortgaged. The college failed to repay the loan and the bank got the property attached (April 2015) through the Court of Law during the middle of the academic session, jeopardizing the future of 256 students enrolled in various courses. The university, however, made arrangements for shifting of 20 students only in other institutes. Three other students did not apply for examination while one left the studies. Nothing was on record about the fate of the remaining 232 students. Had there been sufficient provisions in the Act, Rules, Regulations, guidelines and ordinances of affiliating universities for proper control over the activities of the institutes, the situation could have been averted.

³⁰ KUK: Clause 3 of Chapter I of Ordinance XVI of Calendar Volume I

³¹ KUK: Clause 14 of Chapter I of Ordinance XVI of Calendar Volume I

The ACS, TE Department viewed the matter seriously and stated during the exit conference that the matter would be looked into and appropriate action would be taken.

2.3.7. Receipts from PCs and PUs and their accountal

2.3.7.1 Non-maintenance of record for accountal of processing fee/absence of provision for charging processing fee

(a) The guidelines of HE Department framed (July 2004) for setting up of PCs provided for processing fee at the rate of ₹ 25,000 for opening a new college and course fee at the rate of ₹ 10,000 for starting a new course. The price of booklet was also fixed at ₹ 100 per copy. In view of this, the HE Department was required to open a cash book/ledger for maintenance of records of receipts and payments. The Department issued NOCs for setting up of 206 (B.Ed.-116, Degree-76, Law-14) private colleges upto July 2015. The Department had not maintained records such as ledger, cash book, register for recording receipt of bank drafts and their encashment, etc. in respect of processing fee. However, some registers/rough papers were maintained and a perusal thereof showed that processing fee in respect of 301 applications for opening of new colleges and 215 applications for starting a new course were found recorded as received during 2004-10. Besides, 42 applications for opening new colleges and 14 for starting new courses out of pending list received during 2004-08 were also not found recorded. Total amount receivable on this account works out to ₹ 108.65 lakh. Scrutiny of the bank statement for this period showed that there was total receipt of only ₹ 88.10³² lakh on account of processing fee upto October 2008. Thus, there is less receipt of ₹ 20.55 lakh in the bank.

The ACS, HE Department viewed the matter seriously during the exit conference and ordered to the Director, HE Department to fix the responsibility in the matter and to make all the arrangements for the accountal of all the receipts.

(b) The guidelines were revised in 2008-09 for degree colleges wherein no provision for processing fee and course fee was made and the reasons/logic for not charging processing fee were not placed on record. Thus, the system of framing guidelines was erratic. These guidelines remained in force upto 9 January 2014. Thereafter, the guidelines were again revised w.e.f. 10 January 2014 wherein rate of processing fee was fixed at ₹ two lakh for opening a new college. The Department did not notice the lapse of non-provision of processing fee for opening degree colleges framed in 2008-09 even when new guidelines were framed in August 2010 for opening of Law Colleges wherein processing fee of ₹ two lakh was fixed. The Department processed 53 proposals during 2008-15 and issued NOCs for opening of Degree colleges during 2009-16 (upto August

³² ₹ 88,10,000 = {(272 x ₹ 25,000) + (201 x ₹ 10,000)}

2015). The Government had to forgo revenue of ₹ 97³³ lakh during the period from 2008-09 to 2013-14 (upto 8 January 2014) on account of processing fee. Besides, there was revenue loss due to non-fixation of course fee.

The HE Department stated during the exit conference that there was no remedy for recovery of processing fee as it cannot be made applicable retrospectively. The fact remains that the Government suffered the loss of revenue of ₹ 97 lakh due to erratic system in framing the guidelines.

(c) As per records made available, MER Department (Nursing Branch) issued 97 NOCs and processed 544 proposals for setting up of private nursing colleges/schools during 2007-11. The total processing fee receivable including amount realised on sale of brochure worked out to ₹ 1.86 crore. Though records of receipt of ₹ 0.58³⁴ crore was available with the department, the balance amount of ₹ 1.28 crore remained un-reconciled (December 2015). Out of withdrawn amount of ₹ 9.10 lakh, ₹ 6.22 lakh was spent on TA/DA, purchase of tea set, curtain, sofa cover, etc. No account for balance amount of ₹ 2.88 lakh was available with the Department.

The Director, MER Department stated during the exit conference that their directorate came into existence in 2009 and work relating to Nursing branch was shifted in January 2011. Prior to this, the accounts were maintained by DGHS. It was further stated that the matter would be taken up with DGHS for reconciliation.

(d) Bank drafts worth ₹ 10.70 lakh in 43 cases on account of processing fee, received between 31 December 2008 and 14 July 2014 from applicants were not presented to the bank for clearance and were lying with the Department (December 2015). In other 39 cases, bank drafts worth ₹ 1.95 lakh, received between 7 January 2009 and 18 August 2009 were returned (April 2010) to the sponsoring bodies/ management for revalidation. However, no record to establish that these bank drafts were received back was available with the MER Department (March 2015).

The Director, MER Department accepted the facts during the exit conference and stated that NOC had been issued in 10 cases and 33 cases was pending. As regards, bank drafts of ₹ 1.95 lakh returned to applicants for revalidation, it was stated that the position was being gathered from DGHS.

(e) The guidelines of MER did not contain any provisions for processing fee for the issue of Essentiality Certificate (EC) for opening of Medical, Ayurvedic, Dental, Homeopathic colleges, etc. The Government had issued 42³⁵ ECs upto

³³ 2009-10: 4 x ₹ 25,000 + 2011-16: 48 x ₹ 2,00,000 = ₹ 97 lakh. Fee received (2015) in one case.

³⁴ Withdrawn: ₹ 9.10 lakh; Draft rejected: ₹ one lakh and balance in pass books: ₹ 47.73 lakh

³⁵ Medical College: 7, Dental College: 13, Physiotherapy College: 12, Homeopathy College: 1 and Ayurvedic College: 9

March 2015. In the absence of any provision, the Department could not recover processing fee for issue of ECs. The Department may consider fixation of processing fee for issuing ECs in order to generate revenue.

The Director, MER Department stated during the exit conference that proposal for processing fee for the issue of essentiality certificates would be mooted.

Above instances indicate inadequate control of the Departments over the financial transactions, which is fraught with the risk of misappropriation of funds.

2.3.7.2 Irregularities noticed in respect of bank guarantees

(i) As per paragraph 2 (3) of operational guidelines (2007) for opening Nursing Schools/Colleges on Self Financed Basis, the applicant was required to furnish bank guarantee or FDR in original to the MER Department as security renewed from time to time. The State Government further prescribed (August 2008) the amount of bank guarantee at the rate of ₹ 50 lakh for GNM/ANM and ₹ one crore for B.Sc Nursing (Basic and Post Basic)/M.Sc Nursing. In case the institute is not able to run/sustain itself, the BGs/FDRs submitted by the applicants would be forfeited to continue the study of the enrolled students/payment of salary of the staff and other costs of running the institutes.

It was noticed that No Objection Certificates (NOCs) were issued between December 2012 and June 2013 to Dashmesh Educational Charitable Trust for setting up of Dashmesh College of Nursing in Village Budhera, District Gurgaon with sanctioned intake of 290³⁶ students. As per the guidelines, total bank guarantee of ₹ three³⁷ crore was required. However, NOCs were issued after taking bank guarantee of ₹ one crore only in respect of Post Basic B.Sc/B.Sc in January 2012 and no BG was obtained in respect of additional courses. Thus, BG worth ₹ two crore was short obtained (December 2015). Further, the amount of BG was fixed (August 2011) for the basic unit of 40 students in respect of GNM/ANM and 50 students of B.Sc Nursing (Basic and Post Basic)/M.Sc in June 2012. It was observed that no provision was made to increase the amount of BG with the increase of number of seats for different courses. Thus, due to inadequate amount of the BGs, the department would not be able to provide financial security at the time of failure of the management to run the institutes.

The Director, MER Department stated during the exit conference that additional amounts of BGs/FDRs were not being obtained for increase in intake capacity of students and the amount was taken as per policy. The reply was not convincing as additional BGs were required for different courses. Further, as the object of BGs was to provide a financial security in the event of the failure of management to run the institute and responsibility falling on the Department, it was necessary to obtain BGs to protect the interest of students.

³⁶ GNM: 100, ANM: 40, Post Basic B.Sc. /B. Sc: 100; M. Sc: 50

³⁷ GNM: ₹ 50 lakh, ANM: ₹ 50 lakh, Post Basic B.Sc./B.Sc: ₹ one crore and M.Sc.: ₹ one crore

(ii) MER Department obtained BGs/FDRs of the same amount for different courses/ intakes in respect of nursing schools/colleges and medical colleges. It was observed that there was no mechanism to assess the requirement of funds to meet the expenses to run the different type of institutes/courses/intakes in the event of the management fails to run the institute and the responsibility falls on the Government to run the institute. BGs of ₹ five crore was obtained from two MBBS institutions with 150 seats capacity, whereas BGs of ₹ 10 crore was obtained in respect of two other MBBS institutions with 150 and 100 seats capacity. Further, additional BG/FDR was not obtained from three institutions for increasing the intake capacity of the students from 50 to 60, 60 to 100 and 50 to 100. This reflects that no set norms were being applied in fixation of amount of BG/FDR and no norms were prescribed to obtain additional BGs/FDRs for increase in the intake capacity of students.

The Director, MER Department while accepting during the exit conference that fixation of amount of BG/FDR was not on actual requirement or assessment basis, stated that a proper policy would be framed in this regard.

(iii) As per clause 1 of the guidelines of HE Department issued in 2008, for opening a new degree college (Self financed) a bank guarantee amounting to ₹ one crore is required to be obtained from the sponsoring body of the college. Scrutiny of records made available by the department showed that three³⁸ colleges were given (November 2014) NOCs for starting the degree colleges without obtaining the bank guarantees. Thus, the NOCs were issued by the Department in violation of guidelines.

The Departmental officers stated during the exit conference that BGs have been received in respect of two³⁹ cases and efforts are being made to obtain BG in remaining one case also. The ACS viewed the matter seriously and asked the Director, HE to investigate all such cases and to fix responsibility for such a serious lapse. On further verification (January 2016) of two cases where BG was stated to have been received, it was observed that BG in respect of Karnal Degree College, Kunjpura (Karnal) was not in the custody of the Department. The Director, HE Department intimated (January 2016) that the BGs in respect of nine more cases were not obtained, while BGs in respect of two cases were not traceable in their records. Further, BGs in 27 cases amounting to ₹ 26.50 crore were not got renewed upto December 2015 though these were due for renewal between March 2010 and November 2015.

2.3.7.3 *Undue favour*

As per provisions of Section 4 (1) of the Haryana Private Universities Act-2006 and Rules thereunder, an application containing the proposal and the project report with proof of land to establish a university in private sector shall be made

³⁸ (i) CR DAV Girls College, Ellenabad (Sirsa), (ii) Gaurav Degree College, Azam Nagar (Narnaul) and (iii) Karnal Degree College, Kunjpura (Karnal)

³⁹ (i) CR DAV Girls College, Ellenabad (Sirsa), and (ii) Karnal Degree College, Kunjpura (Karnal)

by the sponsoring body to the Government, along with non-refundable fee of ₹ 10 lakh.

An application for setting up a PU (Self financed) at Palwal (Faridabad) was received (16 June 2009) from NIILM Education Trust, Faridabad alongwith processing fee of ₹ 10 lakh. The sponsoring body changed the location from Palwal to Kaithal during presentation of the case on 4 January 2010 before the academic experts committee constituted by the State Government under the Chairmanship of the Vice Chancellor of Kurukshetra University Kurukshetra. The committee did not find (8 January 2010) the proposal in order as the trust failed to furnish the details of land available in Kaithal as also to present the Five-Year Development Plan. It was further observed that no land was available with the sponsoring body in district Kaithal on the date of inspection (8 January 2010) as the land was purchased only on 19 January 2010. Thus, the case was liable to be rejected with forfeiture of processing fee. The sponsoring body submitted (23 January 2010) information about purchase of 21 acres 1 kanal and 8 marla land in Village Mauja (District Kaithal). Thereafter, a committee under the Chairmanship of Chief Secretary, Haryana considered the case on 12 July 2010 and recommended the issuance of letter of intent (LOI) for setting up the university subject to certain conditions and accordingly LOI was issued (September 2010). Thereafter, the matter remained under correspondence for compliance of conditions of LOI and finally approval was granted (August 2011). As the proposal was not in order, the sponsoring body should have been asked to submit a fresh proposal alongwith processing fee of ₹ 10 lakh instead of considering the earlier proposal. This had resulted in loss of ₹ 10 lakh to the State exchequer.

The ACS, HE Department stated (December 2015) that Section 4 (2) (e) of the Act stipulates that "the availability of land and details of buildings and infrastructure facilities, if already existing" which means that the proposal can be considered in both the situations viz. the sponsoring body has land, etc. or not. The reply does not stand to logic as it was the primary condition to provide proof of availability of land with the sponsoring body for establishing a Private University. The words "if already existing" referred here pertain to building and infrastructure not to land. Since the land was not available with the applicant at the time of inspection (8 January 2010), the application was liable to be rejected. By not rejecting the case, the department had extended undue favour to the applicant.

2.3.8. Implementation of rules, regulations, etc. and availability of infrastructure and faculty

2.3.8.1 Recognition on fake documents

Paragraph 5 of notification dated 31 August 2009 regarding amendment for NCTE (Recognition, Norms And Procedure) Regulations 2007 provides that the sponsoring body is required to submit online proposal to Regional Office of

NCTE with complete details of land, building plan, infrastructure, classrooms, laboratories, library, etc. Thereafter, site inspection is conducted by the Regional Committee of NCTE for opening of a new B.Ed. college. The videography of inspection conducted is required to be done. The State Government and concerned universities are also required to submit their recommendations/comments to the NCTE within a stipulated period. Audit observed that the PCs got recognition in violation of rules and regulations as discussed below:

(a) Northern Regional Committee of NCTE granted (February 2014) recognition to open Nehru College of Education (a B.Ed. college) in village Alikan (Sirsa) with an intake of 100 seats. The provisional affiliation was granted (17 September 2014) after conducting inspection (16 September 2014) by Chaudhary Devi Lal University (CDLU). Perusal of the records of building plan, website of institute and site inspection (21 April 2015) alongwith representatives of university showed that the Society was already running an ITI and a primary school in the campus (building) on which the institution managed to get recognition/affiliation for a B.Ed. College by concealing the facts.

Thus, the inspection committee members of the regulatory body as well as of affiliating university had not conducted the inspection of the site properly. Had these committees conducted proper inspection, granting of the recognition/affiliation of B.Ed college based on incorrect information could have been avoided.

On being pointed out, the CDLU had constituted (May 2015) a committee to enquire into the matter.

(b) As per NCTE (Recognition, Norms and Procedure) Regulations 2009, built up area of 1,500 sq. mtrs. (16146 sq. feet) is mandatory for running a B.Ed. course and total built-up area of 25,000 sq.ft. with effect from 10 January 2014 for opening a new degree college as per HE guidelines.

The NCTE granted (December 2010) recognition to C.R.D.A.V. Girls College of Education (an B.Ed college), Ellenabad, Sirsa with intake of 100 seats. The Kurukshetra University also granted (December 2010) provisional affiliation from academic session 2010-11. The jurisdiction of affiliation of the college was transferred to CDLU with effect from the session 2011-12.

Subsequently, the society managed to get Provisional NOC for a Degree college from DGHE (November, 2014) by submitting the building plan of existing B.Ed. College in such a way that a portion of the building was shown for B.Ed. College and the remaining for Degree college. The Provisional NOC (LOI) for Degree college was valid for two years for development of the requisite infrastructure and other facilities. Scrutiny of the plan submitted by the society further showed that covered area for B.Ed. College was 10,882.50 sq.ft. against the requirement of 16,146 sq.ft. and 12,223 sq.ft. for Degree College against the requirement of 25,000 sq.ft. The CDLU, however, granted provisional affiliation (16 July 2015) in respect of Degree College also from the session 2015-16 in July 2015 whereas extension of provisional affiliation in respect of B.Ed. College for the session 2015-16 was under process as of September 2015.

Thus, extension/grant of affiliation to both the colleges by CDLU for inadequate building/infrastructure was in violation of the guidelines defeating the very purpose of quality education.

(c) As per instructions (20 August 2009) of the Health and Medical Education Department, for opening more than one Nursing Schools/Colleges within the same campus, 4 Acre of land was required. Similarly, as per appendix 2 of notification dated 31 August 2009 (NCTE regulations), 2,500 sq.metre (5 kanal) of land was required for opening a B.Ed college.

Joint site inspection by audit alongwith the representatives of CDLU of an Institute in Ellenabad (Sirsa) in April 2015 disclosed that a B.Ed. College along with Nursing School and College was running in the same building with total availability of land of 4 acre 0.60 kanal which was sufficient only for running of the Nursing School and College. Total land requirement for these institutions was 4 Acre 5 Kanal (Nursing school: 4 Acre and B.Ed college: 5 Kanal). Thus, these institutions were not fulfilling the norms of land requirement.

On being pointed out, the CDLU issued (May 2015) show cause notice to the institute for clarification and removal of deficiencies. Further, developments were awaited (December 2015).

The ACS, HE Department agreed during the exit conference to streamline the system of inspections by devising the proper checklists and rationalization and equitable distribution of colleges amongst the State affiliating universities.

2.3.8.2 Deficiencies noticed during physical verification

Physical verification of Manav Institute of Pharmacy, Manav Institute of Technology and Management and Manav institute of Education (B.Ed. College) located at village Jevra (Hisar) (recognized and affiliated between August 2007 and September 2008) by Audit alongwith representative of affiliating university on 1 May 2015 showed lack of furnished class rooms, laboratories, library and facilities of drinking water, sanitation in these institutions. On the day of visit, there were no classes and faculty in the institute for B.Ed students. The management stated (May 2015) that they had gone for teaching practice for which no proof such as programme of teaching practice was shown to audit. Audit noticed that in spite of the deficiencies, provisional affiliation to these institutions continued during 2010-15 except in case of institute of Pharmacy where UHS, discontinued the provisional affiliation for the session 2014-15. Thus, affiliation of the institutes with deficiencies continued for seven to eight years thereby compromising the quality of education. In spite of the deficiencies, the AICTE not only extended the recognition for post graduate courses of Pharmacy and Engineering and Technology but also increased the intake for undergraduate courses in March 2013 and April 2013 respectively.

UHS stated (May 2015) that the institute was granted extension in provisional affiliation for the sessions 2009-10, 2010-11, 2012-13 and 2013-14, on submission of assurance and undertakings by the institute to rectify the

deficiencies and the inspection committee did not point out deficiencies in 2011-12. The fact remains that the university allowed provisional affiliation for such a long period despite deficiencies.

The ACS, HE Department agreed during the exit conference to streamline the system of inspections by devising the proper checklists and rationalization and equitable distribution of colleges amongst the State affiliating universities.

2.3.8.3 NOC issued without obtaining permission for change of land use

As per the guidelines of HE Department, for opening a PC, the applicant is required to fulfill the requirements and conditions specified in the Letter of Intent (LOI). The LOI further prescribes that permission for change of land use (CLU) should be obtained from the competent authority (Director, Town and Country Planning Department) if the piece of land is situated in the rural area and does not form part of any urban/controlled area.

During scrutiny of records of HE Department, it was noticed that NOC for opening of K D Degree college, Mohindergarh from the session 2014-15 was issued (November 2014) without obtaining the proper CLU. Instead of obtaining CLU, a letter containing some information regarding location of land and conditions to be fulfilled by the applicant such as adhering to provisions of the controlled area and urban area rules of different departments, permission of PWD (B&R) for obtaining access, etc. from District Town Planner, Narnaul was considered as CLU.

The ACS, HE Department stated during the exit conference that the matter would be investigated and appropriate action would be taken.

2.3.8.4 Web Portal

As per instructions of CDLU (December 2012), it was mandatory for every college to display all the necessary information regarding details of teaching and non-teaching staff with their photographs and all infrastructures on its web site with link on University's/ Council's website, which must be updated by 10th of every month. Further, in case of PUs, Section 34 C (1) (k) of the Haryana Private Universities Act 2006 provides that the university shall publish information regarding fee, number of seats, conditions of eligibility of students, process of admission and selection of students, details of teaching faculty, infrastructure, broad outlines of the syllabus, etc. on its website before expiry of sixty days prior to the date of commencement of admissions. It was, however, noticed that out of 11 institutes physically verified (April 2015), Nehru College of Education, Alika (Sirsa) had not developed its website. Further, PCs and PUs were not updating their web sites regularly.

The ACS, HE Department stated during the exit conference that a separate branch viz. Private University Regulatory Branch would be established at the Directorate level to monitor compliance of statutory provisions by the PUs. It was also stated that directions would be issued to affiliating universities to ensure compliance of these provisions in PCs.

2.3.8.5 Implementation of reservation/fee concession policy

The Haryana Private Universities Act-2006 and the rules framed thereunder provide for reservation and fee concessions for students of the State of Haryana as per Government policy in PUs.

It was noticed that the HE Department had prescribed annual returns to ensure that these provisions were complied with by the PUs but these returns were not being submitted by the PUs regularly. As against requirement of submission of 16 annual returns by five selected PUs, only five returns were submitted as of March 2015. Further, the returns were not filled in proper manner as detail of fee concession given to students was not filled in by NIILM University in their return 2011-12 and 2012-13. The PUs had also not uploaded this information on their websites. As such, compliance of these provisions could not be verified by Audit.

The ACS, HE Department stated during the exit conference that a separate branch viz. Private University Regulatory Branch would be established at the Directorate level to monitor compliance of statutory provisions by the PUs.

2.3.8.6 Infrastructure

Perusal of records of HE, MER and TE Departments and affiliating universities as well as joint physical verification (April 2015) alongwith representative of affiliating universities in 11 PCs by audit showed the following deficiencies:

- Barrier free built environment for disabled and elderly persons including availability of specially designed toilets for ladies and gents separately did not exist in any of the PCs. Ramp was provided only in two⁴⁰ institutes;
- In Lord Shiva Group of Institutions, Sirsa, hostel accommodation did not have proper infrastructure, sanitation facilities, mess facilities and other amenities. In Om Group of Institutions, Hisar, ground floor of girl's hostel was being used as residence of staff and there was no boundary wall for the hostel;
- Proper sanitation did not exist in five⁴¹ PCs; and
- Laboratories were not fully equipped in four⁴² institutes while libraries were not fully equipped in five⁴³ institutes.

⁴⁰ (i) Om Group of Institutions, Hisar and (ii) Manav Group of Institutions, Jevra (Hisar)

⁴¹ (i) R.R College of Education, Ellenabad (Sirsa), (ii) Apex College of Education, Ellenabad (Sirsa), (iii) Om Group of Institutions, Hisar, (iv) Lord Shiva Group of Institutions, Sirsa and (v) Manav Group of Institutions, Jevra (Hisar)

⁴² (i) Nehru College of Education, Alika (Hisar), (ii) Chaudhary Chhotu Ram Jat College of Education, Ellenabad (Sirsa), (iii) CR DAV Girls College of Education, Ellenabad (Sirsa) and (iv) Manav Group of Institutions, Jevra (Hisar)

⁴³ (i) Nehru College of Education, Alika (Hisar), (ii) Chaudhary Chhotu Ram Jat College of Education, Ellenabad (Sirsa), (iii) CR DAV Girls College of Education, Ellenabad (Sirsa), (iv) Manav Group of Institutions, Jevra (Hisar) and (v) CSL Institute of Advanced Studies, Sirsa

During the exit conference, the ACS, HE Department assured that the system of doing physical verification of PCs/PUs would be put in place to improve the quality of education.

2.3.8.7 Appointment of less qualified faculty

UGC Regulations (Paragraph 4.4.5) has prescribed the qualification of Professor, Associate Professor and Assistant Professor/Lecturer as under:

- Professor/Dean/Associate Professor: Ph.D. with first class at the Bachelor's or Master's Degree in appropriate branch and experience of 10 or more years (Professor/Dean)/eight or more year (Associate Professor) in teaching, research and industry out of which at least 5 years at the level of Assistant Professor or equivalent grade, or if the candidate is from industry or profession, it was essential to be a first class Master's Degree in the appropriate Branch and significant professional work which can be recognized as equivalent to a Ph.D Degree in appropriate branch.
- Assistant Professor/Lecturer: First class Master's Degree in appropriate branch.

Perusal of information relating to four⁴⁴ out of five selected PUs collected (July 2015) from UGC records and annual reports submitted to HE Department showed that four PUs had appointed 51 faculty members (Professors: 8, Associate Professors: 10 and Assistant Professors: 33) with qualifications upto Graduate level or even less and that too without required experience affecting the quality of education. Further, no Professor/Associate Professor was appointed in a PU located at Kaithal as against the faculty requirement and cadre ratio norms of AICTE of at least one Professor and two Associate Professors in each Department for technical courses. Updated information about the qualification of faculty was neither maintained by UGC nor HE Department (December 2015). Further, the reports of the concerned universities showing the information was not submitted to the HE Department, in the absence of which audit could not verify the present status of the qualification of the faculty posted in the PUs.

The ACS, HE Department stated during the exit conference that the data of PUs in this regard would be collected; examined and appropriate action would be taken against the defaulting PUs and in respect of PCs, directions would be issued to affiliating universities to look into the matter and take remedial action.

2.3.9. Internal control mechanism

Internal control provides reasonable assurance to the Management about the compliance of applicable rules and regulations. The internal control system was inadequate as there was lack of control over opening of private institutions

⁴⁴ (i) Ansal University, Gurgaon (Report of 2012-13), (ii) NIILM University, Kaithal (Reports of 2011-12 and 2012-13), (iii) MVN University, Palwal (Report of 2012-13) and (iv) ITM University, Gurgaon (Report of 2009-10)

regarding recognition, affiliation, inspection, financial and administrative control, obtaining of bank guarantee, etc. as discussed in forgoing paragraphs. Apart from these, the following system failures in redressal of complaints, poor oversight over private colleges and private universities were observed:

2.3.9.1 Redressal of complaints

Response to complaints and their proper disposal by the administrative departments/organizations helps not only in better control over the functioning upto the root level but also brings transparency, accountability and effectiveness. No records relating to complaints were made available by any of the departments/universities. However, details of 44 complaints were provided {UHS: 6, HE (University Branch): 6 and TE: 32}.

Perusal of information received showed that complaint redressal process in the departments was very poor as redressal of complaints was concluded to a logical end only in five cases (HE-1 and TE 4) upto March 2015. However, UHS had concluded all the complaints to a logical end.

The ACSs assured during the exit conference that adequate mechanism would be evolved to streamline the system of redressal of complaints.

2.3.9.2 Other issues

(i) The Haryana Private Universities Act-2006 and the rules framed thereunder provide for an effective control over the PUs. The PUs are required to furnish to HE Department the following documents/returns.

(a) Annual reports containing steps taken by them towards fulfillment of objects along with annual accounts, balance sheets and audit reports.

(b) Disclose compulsorily the information relating to details of fee and charges payable by students, number of sanctioned seats in respect of each course/programme, process of admission of students, details of teaching faculty including their educational qualifications and experience, details of physical and academic infrastructure and other facilities accessible by students and all other relevant information on university's website and in the prospectus published, with a copy to the Government.

(c) Annual academic and administrative audit through HE or any other body or persons authorised by it.

It was, however, observed that the above provisions were not being complied with by PUs. As such, HE Department was not exercising proper control over these issues despite existing mechanism for the same.

The ACS, HE Department stated during the exit conference that the compliance would be monitored by the proposed Private University Regulatory Branch and for academic and administrative audit of PUs, it was stated that this activity would be outsourced after selecting proper agency.

(ii) There was no provision for conducting of audit and inspection of PCs by the Department in the guidelines. On being pointed out, ACS, MER Department stated (December 2015) that department is proposing to carry out inspections of all the institutes under the department.

2.3.10. Conclusion

The rules and regulations for setting up of private colleges were not robust. The recognition were given without obtaining the comments of State Government/affiliating universities; universities were granting affiliation to the colleges having inadequate infrastructure, faculty, etc.; there was no provision for regular inspection by universities. There was no provision for charging processing fee for setting up of private colleges during 2008-14 which resulted in loss of revenue to the Government. The HE and MER Departments had not maintained proper records of Government receipts. No objection certificates were issued by MER Department without obtaining bank guarantee of the requisite amount. Similarly, no objection certificates were issued in some cases without obtaining bank guarantees by HE Department. The private colleges were running with inadequate infrastructure. Four out of five private universities test-checked had appointed less qualified faculty members. The internal control systems were weak.

2.3.11. Recommendations

The Government/affiliating universities may consider:

- ensuring the submission of comments to the AICTE/NCTE within the prescribed period so that only the institutions with adequate infrastructure and faculty get recognition;
- re-look at the system of affiliation of the institutes by the universities to ensure adequate teaching faculty, class rooms, laboratory, etc.;
- making provision for regular inspection of PCs by universities/concerned departments;
- maintenance of proper records of receipts by HE and MER Departments;
- ensuring the receipt of bank guarantees of appropriate amount before issuing NOCs; and
- evolving proper system for complaints redressal, submission of returns and compulsory disclosures by PUs/PCs.

Appendix 2.10

(Reference: Paragraph 2.3.1; Page 50)

Details of Private colleges in the State

Sr. No.	Types of Institutions/ Colleges	Nodal agency/ Department	Number of Institutions
Private colleges			
1	Law	HE	14
2	Degree		76
3	B.Ed	HE/NCTE	619
4	Medical	MCI ³ /MER	10
5	Dental	DCI ⁴ /MER	13
6	Physiotherapy and Homeopathy	IAP/CCH ⁵ and MER	9
7	Ayurvedic	CCIM ⁶ /MER	8
8	Nursing	INC/HNC ⁷ and MER	59
9	Pharmacy	AICTE/TE	27
10	B.Tech		152
11	B.Arch		13
12	BHM		5
13	MBA		161
14	MCA		47
		Total	1,213
Private Universities			
1	PU _s	HE	18

Source: Data compiled from departmental records

³ Medical Council of India

⁴ Dental Council of India

⁵ Indian Association of Physiotherapy and Central council of Homeopathy

⁶ Central Council of Indian Medicine

⁷ Indian Nursing Council and Haryana Nursing Council

Appendix 2.11

(Reference: Paragraph 2.3.4; Page 51)

Statement showing the test-checked private colleges

Name of University	CDLU, Sirsa		GJU, Hisar		KU, Kurukshetra		MDU, Rohtak		Pt. B.D. Sharma UHS, Rohtak		Total	Selected
	Total	Selected	Total	Selected	Total	Selected	Total	Selected	Total	Selected		
Degree	7	2	-	-	22	2	25	3	-	-	54	7
B.Ed	28	9	-	-	164	5	286	17	-	-	478	31
Law	1	1	-	-	4	1	7	2	-	-	12	4
Technical (Engineering, MBA, MCA, Hotel Management and Arch.)	-	-	14	7	87	5	110*	8	-	-	211	20
Medical/Para Medical	-	-	-	-	-	-	-	-	77	15	77	15
Grand Total	36	12	14	7	277	13	428	30	77	15	832	77
Private Universities	-	-	-	-	-	-	-	-	-	-	18	5⁸
* Including Government and private aided college												

Source: Data compiled from departmental records

⁸ (i) Ansal University, Gurgaon, (ii) NIILM University, Kaithal, (iii) BML Munjal University, Gurgaon, (iv) MVN University, Palwal and (v) ITM University, Gurgaon

Appendix 2.12

(Reference: Paragraph 2.3.6.2; Page 54)

List of colleges affiliated without compliance of deficiencies

Sr. No.	Name of College	Session	Deficiencies
MDU			
1.	Meenakshi College of Education, Mohna Road, Ballabhgarh, Faridabad	2008-09 to 2014-15	<ol style="list-style-type: none"> 1. Non-availability of required land, washrooms and other infrastructure such as resource room for handicapped, play ground facilities etc. 2. Inadequate size of office, three classrooms and other rooms such as library (non-furnished with less number of books) and multipurpose hall etc. 3. Very small size of labs not able to serve the purpose 4. Computers with old configuration 5. Non-provision of safe drinking water etc.
2.	I.P.J. College of Education, VPO-Ismaila, Distt. Rohtak	2008-09 to 2014-15	<ol style="list-style-type: none"> 1. Non availability of required infrastructure 2. Non availability of university approved qualified faculty 3. Non availability of supporting staff 4. Non-availability of fully equipped and properly furnished labs and library etc.
3.	I.B. College of Education, Ram Gopal Colony, Near Sector-1 Telephone Exchange, Rohtak	2008-09 to 2014-15	
4.	I.P.S. College of Education, Research and Technology, Nehru Colony, Rohtak	2007-08 to 2014-15	
5.	I.P.S. School of Management, Jind Bye Pass, Nehru Colony, Rohtak	2008-09 to 2014-15	
6.	I.P. College of Education, VPO- Jasia, Distt. Rohtak	2009-10 to 2014-15	
7.	Inderprastha College of Education, Near Power House, Jind Bye Pass, Rohtak	2009-10 to 2014-15	
8.	Manav Rachna College of Engineering, Sector 43, Faridabad	2008-09 to 2014-15	
KUK			
9.	Arya Kanya Mahavidyalaya, Mor Majra, Karnal	2010-11 to 2014-15	<ol style="list-style-type: none"> 1. Need for appointment of more regular teaching staff, regular Principal and support staff. 2. Need for purchasing more computers.
10.	S.B. Institute of Engineering & Technology, Fatehpur Pundri, Kaithal	2008-09 to 2014-15	<ol style="list-style-type: none"> 1. Non availability of university approved Principal and faculty 2. Non-availability of fully equipped labs. 3. Non availability of required non-teaching staff etc.
11.	Manav College of Education, Jewra, Barwala Road, Hisar	2010-11 to 2014-15	<ol style="list-style-type: none"> 1. Not fully equipped labs 2. Library needs more books.
GJU			
12.	Manav College of Management and Technology, Jewra, Barwala Road, Hisar	2010-11 to 2014-15	<ol style="list-style-type: none"> 1. Non availability of university approved Principal and faculty 2. Non-availability of fully equipped and properly furnished labs and library 3. Non availability of required infrastructure

Source: Data compiled from departmental records