

Chapter-2

Performance Audit

DEPARTMENT OF HIGHER EDUCATION

2.1 Private Universities and Private Colleges

With a view to develop and implement a fair and transparent framework that provides sufficient opportunities to the deserving private institutes and educational promoters for higher education, Government of Punjab notified (June 2010) 'The Punjab Private Universities Policy, 2010' for establishment of Private Universities (PUs). Private Colleges (PCs) of the Punjab State are to be affiliated with Government Universities only.

Some of the significant findings of the Performance Audit are given below:

- *No regulatory mechanism for private universities was set up at State Government level to safeguard the interests of stakeholders.*

(Paragraph 2.1.6.1)

- *Deficiencies were noticed in the process of establishment of seven Private Universities (PUs) in violation of Punjab Private University Policy, 2010.*

(Paragraph 2.1.6.2)

- *Five PUs and 12 PCs were established without obtaining the permission for change of land use and seven PUs and six PCs were approved without the approval of building plans leading to non-recovery of external development charges and licence fee and thus extending undue financial favour of ₹7.95 crore to promoters/sponsoring bodies. Further, there was loss to the Government due to non-recovery of labour cess of ₹ 1.48 crore in four cases where building plans were not approved.*

(Paragraph 2.1.6.3(ii & iii))

- *Five PUs commenced academic operations without obtaining clearance from the University Grants Commission (UGC).*

(Paragraph 2.1.7.1)

- *Six PUs and 16 PCs had appointed 148 and 440 faculty members respectively without following eligibility criteria and State Universities were granting affiliation to the private colleges having inadequate infrastructure, facilities, etc.*

(Paragraphs 2.1.8.1 (i & ii) and 2.1.8.4)

- *No periodical inspection was conducted for any of the PUs by UGC. Punjab Technical University had conducted academic audit of 92 colleges out of 292 during 2010-14 whereas Punjabi University, Patiala had not conducted periodic inspection of any of 194 PCs affiliated with it.*

(Paragraphs 2.1.9.1 and 2.1.9.4(i&ii))

2.1.1 Introduction

Higher Education is recognized as an invaluable instrument for sustainable human development through both creation and dissemination of knowledge. Universities have a pivotal role in facilitating the achievement of these objectives. Private Universities (PUs) are established through State Act by societies registered under the Societies Registration Act, 1860 or any other corresponding law for the time being in force in a State or a Public Trust or a Company registered under Companies Act, 1956. Government of Punjab (GOP) notified (June 2010) ‘The Punjab Private Universities’ Policy, 2010’ (PPUP, 2010) for establishing Private Universities. As of March 2015, 11 PUs (nine¹ under the PPUP, 2010 and two² prior to its coming into force) have been established through State Acts. Further, 923³ Private Colleges (PCs) (including B.Ed., M.Ed., Law, Technical and Degree Colleges, Nursing and Medical Colleges) affiliated with different Government Universities, were established in the State up to March 2015.

2.1.2 Organizational set-up

(i) Private Universities

The Governor of the State is the Visitor of all the PUs. Principal Secretary, Higher Education, Punjab (PSHEP) maintains the record of approval of all the PUs. Chairperson of the sponsoring body is the Chancellor of the university concerned and is also the head of the Governing body, Vice-Chancellor (VC) appointed by the Chancellor is the overall in-charge and the Registrar is the Member Secretary of the Governing body.

(ii) Private Colleges

The Governor of the State is the Chancellor of the Government Universities. The PCs in Punjab are to be affiliated with the State Universities after obtaining ‘No Objection Certificate’ (NOC) from GOP (Department of Higher Education) and clearance from the concerned Regulatory bodies viz. All India Council for Technical Education (AICTE), Dental Council of India (DCI), Indian Nursing Council (INC), National Council of Teachers’ Education (NCTE), etc. The PCs are being managed by the respective society or trust.

2.1.3 Audit Objectives

The Performance audit was conducted to assess whether:

- appropriate policy/guidelines were framed and followed while according approval to Private Universities/Colleges;

¹ (i) Chitkara University (November 2010); (ii) Guru Kashi University (December 2011); (iii) DAV University (February 2013); (iv) Adesh University (July 2012); (v) Desh Bhagat University (Notified in February 2013 enactment October 2012); (vi) Chandigarh University (July 2012); (vii) GNA University (August 2014); (viii) Rayat Bahra University (August 2014); and (ix) Sant Baba Bhag Singh University (February 2015)

² (i) Lovely Professional University, (December 2005); (ii) Sri Guru Granth Sahib World University (Notified in April 2008 enactment May 2008).

³ Data collected from the Punjabi University Patiala, PTU and BFUHS; and from the website of Punjab University (www.puchd.ac.in 10 April 2015); Guru Nanak Dev University (www.gndu.ac.in 10 April 2015).

- the academic activities/programmes and research activities were efficiently managed in accordance with the prescribed norms;
- the human resources, infrastructure and estate management were adequate and as per norms to improve the quality of education; and
- effective internal control mechanism was in place.

2.1.4 Audit Criteria

The audit findings have been benchmarked against the criteria derived from the following sources:

- The Punjab Private Universities Policy, 2010.
- University Grants Commission (UGC) Regulations (establishment and maintenance of Standards in Private Universities), 2003, UGC (affiliation of colleges by universities) Regulation, 2009 and UGC (National Assessment Accreditation Council) Regulation, 2012.
- Guidelines issued by the UGC and different State Universities from time to time.
- Norms fixed by the Regulatory Bodies (MCI, AICTE, DCI, INC, etc.).
- Acts of the concerned PUs.

2.1.5 Scope and methodology of audit

The Performance Audit conducted (February 2015 to July 2015) covered the period 2010-15. 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. Eight⁴ PUs out of nine established under PPUP, 2010 and two⁵ PUs established before PPUP, 2010 have been covered under PA (file of one⁶ PU was under process and was not available with Department). Records of the establishment/approval of PUs maintained in the office of the PSHEP and records related to enlistment of PUs with UGC were test checked. Records of 58 out of 619 PCs affiliated with Punjab Technical University (PTU) (23 out of 292 PCs), Punjabi University, Patiala (PUP) (23 out of 194 PCs) and Baba Farid University of Health Science (BFUHS), Faridkot (12 out of 133 PCs) were test-checked at university level. Fifteen PCs (six affiliated with PUP and nine with BFUHS) were also selected for Physical verification. The Performance Audit commenced with an entry conference with the PSHEP in March 2015 in which audit objectives, criteria and scope of audit were discussed. Audit observations of the PA were

⁴ (i) Chitkara University; (ii) Guru Kashi University; (iii) DAV University; (iv) Adesh University; (v) Desh Bhagat University; (vi) Chandigarh University; (vii) GNA University; and (viii) Rayat Bahra University.

⁵ (i) Lovely Professional University (December 2005); and (ii) Sri Guru Granth Sahib World University (April 2008).

⁶ Sant Baba Bhag Singh University (12 February 2015).

discussed with the department in the exit conference held on 17 December 2015 and replies have suitably been incorporated in the PA.

Scope limitations

In the absence of enabling provision for assessment of the PUs (after establishment) in the PPUP, 2010 and in the relevant Acts of the universities, it was not possible for audit to examine the compliance of the provisions of various statutory regulations related to establishment of PUs. Records pertaining to the approval of Lovely Professional University (LPU) was not produced to audit despite repeated requests (23 February 2015, 02 March 2015, 17 April 2015 and 29 June 2015). In the absence of requisite data for statistical sampling, samples of approval files of PUs at PSHEP office and PCs affiliated with State Universities were selected on judgmental basis.

Further, audit team was unable to physically inspect the selected nine PCs affiliated with BFUHS due to lack of cooperation by the PCs, despite direction (September 2015) of GOP/BFUHS to these PCs to co-operate with audit during physical inspection.

Audit findings

2.1.6 Non-observance of Policy/guidelines/Acts

2.1.6.1 Lack of a regulatory mechanism for the oversight of PUs

Clause (iv) of UGC's 'Establishment and Maintenance of Standards in Private Universities Regulations, 2003' provides that for private universities belonging to a separate category altogether, a suitable regulatory mechanism is essential for safeguarding the interests of the student community with adequate emphasis on the quality of education and to avoid commercialization of higher education, etc. Further Under clause 4 of UGC Regulations, 2003, UGC may cause periodic inspection of PUs offering their programmes.

Audit observed (February 2015) from the records relating to the establishment of PUs at PSHEP that GOP had granted approval (2010-2014) to establish eight PUs based only on undertakings/affidavits submitted by the promoters to comply with the norms of PPUP, 2010, such as, a) admission on merit basis, b) appointment of qualified staff as per UGC norms, c) providing type of programme and research, d) conduct entrance test, e) establishment of library with books worth ₹ 50 lakh, f) purchase of computers and other moveable assets worth rupees two crore, g) fee concession/ free ship to not less than five *per cent* of total students, h) establishment of fair and transparent system for charging of fees from the students, and i) creation of endowment fund. However, no suitable regulatory mechanism was available at the State

Government level to monitor the compliance of the norms mentioned in the undertakings by the PUs. Audit also observed that none of the PUs set-up in the State had been re-inspected by the UGC after its initial inspection at the time of establishment. As a result, the functioning of the PUs was bereft of any independent oversight. Thus, the system was fraught with the risk of compromising the quality of education due to lack of monitoring of adherence to the conditions under which these PUs were allowed to be set-up.

In the exit conference, the Department admitted that there was a need for a regulatory mechanism to keep watch on the working of the private educational institutions. It was also suggested by the Department that there should be an accreditation agency like National Board of Accreditation at State Level.

2.1.6.2 Deficiencies noticed in the process of establishment of Private Universities

(i) Clause 4.4 of PPUP, 2010 provides that the Administrative Department, after the preliminary scrutiny of the detailed project report, would intimate the deficiencies noticed in it to the sponsoring body, who after the removal of deficiencies submit a compliance report which would be placed before the Chief Secretary. A sub-committee constituted by the Chief Secretary would then make physical inspection of the compliance of provisions so mentioned in the proposal for adjudging the credibility of the sponsoring body and feasibility of establishment of the proposed University. Deficiencies observed during the inspection, if any, would be communicated to the sponsoring body for removal thereof. The sponsoring body would submit the report regarding the removal of deficiencies. The case would then be placed before the committee⁷ for recommendations for issuance of Letter of Intent (LoI). Under clause 4.5 of PPUP, 2010, the State Government may issue LoI subject to the compliance of certain conditions. The sponsoring body would fulfill the conditions of LoI and submit the report of the compliance to the State Government within a period of two years. The sub-committee, as already constituted under clause 4.4 (C), would make physical inspection in respect of the compliance of LoI issued. Further, clause 4.5 (J) of PPUP, 2010 provides that in case of satisfactory compliance by the sponsoring body, approval of the Chief Minister would be obtained, in principle, for the establishment of the University.

Audit observed from the approval file of Adesh University, maintained at PSHEP office, that the sub-committee did not recommend the establishment of the University after its physical inspection (July 2011). Further, thirteen member high power committee formed (December 2011) to take a decision on the matter also agreed with the observations of inspection committee. On the

⁷ Committee chaired by Chief Secretary and the other members would include nominee of the UGC, Administrative Secretaries looking after the department of Finance, Planning, Technical Education, Medical Education and VCs of Punjab University, PUP, Guru Nanak Dev University, PTU and BFUHS. Secretary Higher Education would be the member secretary of this committee.

basis of NOC issued (March 2012) by the Department of Medical Education & Research, Punjab though NOC was not required as per prescribed process for establishment of private universities, a conditional⁸ LoI was issued in June 2012 and the University was established (July 2012) by the Government.

In the exit conference, the Department admitted the audit observation but stated that the approval to the University was granted under clause 12 of the PPUP, 2010 which provides that the State Government may, for reasons to be recorded in writing, relax any of the conditions contained in this policy for the purpose of grant of approval. The reply was not tenable as no written reasons were found recorded in the approval file of this University.

(ii) Clause 4.5 (a) of the PPUP, 2010 provides that the State Government would issue LoI to the sponsoring body subject to the fulfillment of the following conditions:

(a) construction of 10,000 square metres (Sqm) of covered area marked for administrative purpose, 50,000 Sqm for academic purpose and a minimum of 20,000 Sqm in case of any other domain, besides provision of adequate residential accommodation, hostels and other facilities;

(b) sponsoring body would ensure the purchase of equipment, computers, furniture, other moveable and immovable assets and infrastructure facilities (other than building) worth ₹ two crore; and

(c) the proposed university would purchase books of at least rupees one crore within three years of its establishment.

Audit observed from the scrutiny of approval file of the DAV University, Jalandhar, at PSHEP, that availability of infrastructural facilities as provided in the policy was not ensured by the Government. The proposed building of the University was under construction (July 2013). Only quotations invited by the sponsoring body was taken as evidence in support of purchase of books worth ₹50 lakh. Despite these deficiencies, an ordinance authorising the setting up of this University was issued in October 2012 and the Act of the University passed in February 2013.

In the exit conference the Department stated that during special inspection (December 2015) of the DAV University it was found that area for administrative and academic purpose had been earmarked and books worth ₹ 51 lakh were purchased. The reply was not tenable as the building was required to be completed at the time of approval of university and books of Rupees one crore were to be purchased.

⁸ (i) creation of endowment fund (ii) ownership of 35 acre land (iii) 60 thousand sq. meter built up area (iv) Purchase of books for ₹ one crore within three year of establishment of PUs (v) purchase of computer/infrastructure for ₹ two crore (vi) appointment of faculty as per the conditions of regulatory bodies (vii) undertaking regarding conduct of co-curricular activities (viii) provide the requisite information to the regulatory bodies and equivalent authorities established by the Central Govt. (ix) affidavit regarding no criminal case was against the sponsoring body.

(iii) Audit further observed that GOP had issued LoI to eight sponsoring bodies with certain conditions (clause 4.5 of PPUP, 2010) which were to be complied with within two years. However, the approval for establishment of seven (except one⁹) PUs was granted by the GOP only on the basis of compliance report submitted by the sponsoring bodies. No physical inspections were carried out by the Department, as required under clause 4.5(e) of PPUP, 2010, to ensure compliance of the conditions. On being pointed out in audit, special inspection of the DAV University was carried out by the Department (December 2015) which showed that conditions of the LoI were not fulfilled.

In the exit conference, the Department admitted the audit observation and stated that they were now conducting the second inspection to monitor the compliance of the conditions of the LoI.

2.1.6.3 Establishment of PUs/PCs without CLU, EDC, LF and approval of building plans

(i) Education Department, Punjab required (October 2003) that approval of Change of Land Use (CLU) should be obtained by the concerned sponsoring body before granting NOC to the new PCs for establishment from the competent authority (Chief Town Planner/District Town Planner (CTP/DTP). Government of Punjab, Department of Housing and Urban Development (DHUD) had written (August 2008) to the Chief Administrator, Punjab Urban Development Authority (PUDA) directing the regularization of buildings built outside the periphery of Municipalities. PUDA Building Rules were made applicable to the buildings outside the periphery of Municipalities from January 2005.

Audit observed from the information collected from Chief Town Planner (CTP) (April 2015), Punjab and website¹⁰ of the LPU that it had been established on six hundred acres of area, with 10 lakh square feet built up area (up to 2006) on Phagwara road, Jalandhar. Neither the sponsoring body of the University had obtained permission for CLU¹¹ from the CTP (which was the designated competent authority at that time) nor deposited the External Development Charges (EDC), License Fee (LF) and scrutiny fee resulting in an undue financial favour to the promoter.

In the exit conference Department stated that University was established prior to the implementation of CLU policy of GOP. It was also mentioned that LPU had obtained CLU from the competent authority when it was first set up as a college. Audit reiterated that as per directions of the DHUD, the buildings constructed prior to 2005 also required regularization from the competent authority i.e. Chief Town Planner Punjab. Department replied (January 2016) that LPU had applied for CLU (July 2015). However, permission of CLU was not yet granted (January 2016).

⁹ GNA University.

¹⁰ www.lpu.in, (18 March 2015).

¹¹ Educational Institutes are exempted for the payment of CLU charges.

(ii) According to Clause 4.3 (g) of PPUP, 2010, CLU issued by CTP, Punjab is to be submitted by the sponsoring body along with its proposal for establishing a university. Further, sub-clause (k) provides that the conceptual building plans prepared in accordance with the bye-laws of the relevant municipal committee or municipal corporation or such other concerned authority (DTP up to 5 acre and CTP for more than 5 acre) under the DHUD were also to be submitted with the application.

Audit observed from the records of approval of PUs with PSHEP and PUP that four¹² PUs and 12¹³ test checked PCs affiliated with PUP had not obtained mandatory permission for CLU from the competent authority. Consequently, ₹ 4.01 crore and ₹ 1.02 crore towards EDC and LF respectively were not deposited with PUDA. Similarly, seven¹⁴ PUs and six¹⁵ out of 12 test checked PCs affiliated with BFUHS had not got building plans approved, resulting in non-deposit of ₹ 2.70 crore and ₹0.22 crore respectively. Despite non-compliance of the conditions, GOP had approved establishment of these PUs/PCs which resulted into undue favour of ₹ 7.95 crore to the sponsoring bodies at the expense of the State exchequer.

In the exit conference, Additional Dean (PUP) and Sub-Dean (BFUHS) admitted the audit observation and stated that they were now insisting on the institutions already affiliated with the universities to apply for CLU. However Department was silent in respect of PUs.

(iii) Government of Punjab, Department of Labour vide notification (November 2008) issued instructions regarding levy of labour cess at the rate of one *per cent* of the cost of construction. It was to be ensured that henceforth, no building plan was approved by local authorities without collecting the aforesaid cess.

Audit observed from the records/information provided by the BFUHS, that out of 12 test-checked PCs, four¹⁶ who constructed buildings between 2009-2014 had not submitted their building plans of ₹148.47 crore to PUDA for approval. The University had never asked the institutions to submit the approved building plans which resulted into loss of ₹1.48 crore to the Government on account of non-recovery of labour cess.

¹² (i) Adesh University; (ii) Desh Bhagat University; (iii) Guru Kashi University; and (iv) Rayat Bahra University.

¹³ (i) Akal College of Education; (ii) Barkat College of Education; (iii) Colonel College of Education; (iv) Desh Bhagat college of Education; (v) Guru Nanak College of Education; (vi) Guru Teg Bahadur College of Education (Women); (vii) SASM College of Law; (viii) Sant Kabir College of Education; (ix) Guru Teg Bahadur College of Education; (x) Shivam College of Education; (xi) SRSM Mukat College of Education; and (xii) Vidhya Sagar College of Education.

¹⁴ (i) Chitkara University; (ii) Guru Kashi University; (iii) Chandigarh University; (iv) Adesh University; (v) DAV University; (vi) Desh Bhagat University; and (vii) Rayat Bahra University.

¹⁵ (i) Adarsh College of Nursing; (ii) Life Guard College of Nursing; (iii) VMS Institute of Nursing; (iv) Mother Merry's Institute of Nursing; (v) Chintpurni College of Nursing; and (vi) Baba Mangal Singh College of Nursing.

¹⁶ (i) Adarsh College of Nursing; (ii) Life Guard Nursing Institute; (iii) Mother Mary's Institute of Nursing; (iv) and Chintpurani Institute of Nursing.

In the exit conference, the Department admitted the audit observation. However, any proposed action in this regard has not been intimated by the department.

2.1.6.4 Irregularities in creation/maintenance of Endowment Fund

As per PPUP, 2010 and affiliation guidelines for the PUs/PCs were required to create an Endowment Fund (EF) as a perpetual deposit in a scheduled commercial bank so as to safeguard the interests of students as well as of employees in case of winding up of the PU/PC. Audit noticed the following irregularities:

(i) Clause 6 of PPUP, 2010 provides that on receipt of LoI from the State Government, the sponsoring body would establish an endowment fund of three crore in case of a domain specific¹⁷ University and ₹ five crore in case of multi domain¹⁸ University within two months. However, Provision for creation of EF was not made in the relevant Act of LPU (file of LPU was not provided to audit).

(ii) No record related to creation of EF was found in the approval file of the SGGSWU. Despite provision of EF of Rupees one Crore in its Act, no EF was maintained.

(iii) The Academic Council directed (April 2001) PTU to maintain EF of ₹ 25 lakh for all non-AICTE course colleges affiliated with the University. The amount of EF was reduced (April 2011) to ₹10 lakh. However, out of 154 PCs (non-AICTE), 104 PCs (including 21 test checked PCs) had not created EF (₹ 10.40 crore). Moreover, PTU had allowed four¹⁹ PCs to create EF of ₹ 5 lakh each instead of ₹ 10 lakh as required. It was further noticed that fixed deposits/bank guarantees (BG) (₹ 2.30 crore) in respect of 23 out of 50 PCs who had created the EF, expired between June 2012 and November 2014 and were not renewed (May 2015). On being asked by audit (May 2015), no reasons for non renewal of BGs/non maintenance of EF was submitted by the PTU (February 2016).

(iv) Clause 4 of affiliation orders issued by PUP provides that in case of any revision in EF/affiliation fee/continuation fee by the Syndicate, the PC has to pay the difference. The Syndicate enhanced (September 2010) the endowment fund amount from ₹10 lakh to 20 lakh (boys/co-educational colleges) and 5 lakh to 10 lakh (Women colleges) from August 2010. Out of 194 PCs affiliated with PUP, only 34 PCs (including four²⁰ test checked PCs) affiliated during 2010-15 had created EF at revised rate. Remaining 160 PCs were maintaining EF at old rates resulting in short creation of EF of ₹ 14.31 crore besides loss of service charges²¹ (three *per cent*) of ₹2.15 crore

¹⁷ University having single stream of study (Arts, Science or Commerce, etc.).

¹⁸ University having multi domain i.e. multiple streams of studies.

¹⁹ (i) Lala Jagat Narain IIM; (ii) GNIMT; (iii) GTBIMT; and (iv)GGNIMT.

²⁰ (i)Colonel Degree College; (ii) Pearl institute of Hotel Management; (iii) RIMT Academic College; and (iv) Vidhya Sagar College for girls.

²¹ Service Charges at the rate of three *per cent* for maintenance of FDs of EF as per direction/orders of Syndicate of PUP.

to PUP. On being asked by audit (June 2015), no reply was submitted by the PUP.

(v) The Board of Management of BFUHS approved (April 2007) the course wise quantum of EF ranging between ₹ 20 lakh and ₹ 125 lakh for affiliation of new colleges and addition of seats/courses in existing colleges. Accordingly, all the PCs had to create EF in four equal annual instalments in the form of FDs for five years. Further, BFUHS enhanced (April 2007) its interest share from 5 to 20 *per cent* per annum from the interest earned on the EF.

Forty six PCs (including seven test checked PCs) out of 133 affiliated PCs had not submitted their installments (2006-07 to 2014-15) of EF of ₹5.57 crore. Further, 67 PCs (including 11²² test checked PCs) created EF (₹25.28 crore) with delay ranging between two months and 108 months. In the absence of a provision for levy of interest/penalty for delayed creation of EF, BFUHS suffered loss of ₹ 69 lakh²³ on account of interest share.

In the exit conference the Department admitted that endowment fund should be created by each Educational Institution.

2.1.6.5 Loss of interest to the Government/State University due to late deposit of University establishment fee

As per the Clause 4.5 (k) of the PPUP, 2010 the sponsoring body is to make a demand draft in favour of DPI (Colleges), Punjab, of ₹ one crore on account of establishment fee at the time of issuance of approval to establish a University.

(i) Audit observed from the records of PUs at the office of the PSHEP that the promoters of eight²⁴ out of ten PUs had submitted their establishment fee late by a period ranging between 20 days and 20 months. Two demand drafts in respect of Guru Kashi University and Chandigarh University remained with PSHEP office for two and five months respectively. The undue delay and late deposit of establishment fee by PSHEP resulted into loss of interest of ₹ 44.63 lakh (at the rate of 9 *per cent*) to the Government.

(ii) Out of 67 NOCs issued to the PCs affiliated with PTU during 2013-14, three²⁵ NOCs were issued without levying interest on outstanding amount of ₹58.18 lakh on account of continuation fees, sports fees, youth festival fees

²² (i) Chintpurni Medical College; (ii) Sri Sukhmani Dental College; (iii) Dashmesh College Physiotherapy; (iv) Dr. Shyam Lal Thaper College of Nursing; (v) Dashmesh College of Nursing; (vi) Anil Baghi College of Nursing; (vii) Mother Mary institute of Nursing; (viii) Aman Bhalla Nursing; (ix) Baba Mangal Singh Nursing College; (x) Swami Vivekanand Nursing College; and (xi) Chintpurni Nursing College.

²³ 20 *per cent* share out of the interest of ₹3.45 crore earned on ₹25.28 crore @ 9 *per cent* per annum.

²⁴ (i) Chitkara University; (ii) Guru Kashi University; (iii) DAV University; (iv) Adesh University; (v) Desh Bhagat University; (vi) Chandigarh University; (vii) GNA University; and (viii) Rayat Bahra University.

²⁵ (i) Swami Vivekanand Institute of Engineering & Technology; (ii) Rayat Bahra Institute of Engineering.& Bio Technology; and (iii) Sant Baba Bhag Singh Institute of Engineering.& Technology.

and provisional affiliation fees (since 2004-05). This resulted into loss of interest of ₹ 56.43 lakh to PTU.

(iii) Further, as against ₹72.65 lakh recoverable on account of continuation fee, provisional fee, sports and youth festival fee from 12 PCs (including one²⁶ test checked PCs) out of 292 PCs affiliated with PTU, only ₹ 51.63 lakh was recovered (2010-15), which led to short levy ₹ 21.02 lakh.

In the exit conference the Department admitted the audit observation and stated that interest amount from six Private Universities had been recovered (₹ 18.57 lakh) and recovery in respect of two PUs was under process. However, no reason was given for short levy of continuation/provisional fee.

2.1.6.6 Short/non-recovery of university dues from PCs

As per guidelines of PTU and BFUHS, application fee, inspection fee, provisional affiliation fee, affiliation continuation fee, admission fee, examination fee, etc., were to be collected annually from all the affiliated PCs. The fee was to be deposited in the respective State University's account as per the prescribed schedule.

Audit observed from the information provided by the PTU for the year 2013-14 that ₹9.84 crore was outstanding against 208 PCs. The University expressed its inability in providing details of outstanding dues for the year 2010-11 to 2012-13 and 2014-15. Further, scrutiny of records at BFUHS showed that an amount of ₹0.79 crore for the period of 2013-15 had not been deposited by 29 PCs (including seven²⁷ test checked PCs). This resulted into non-recovery of University dues of ₹10.63 crore.

Similarly, record of examination branch of PUP showed that 27 PCs (including four²⁸ test checked PCs) out of 194 affiliated PCs, had deposited their examination fee for the year 2014-15 short by ₹0.06 crore. Further, continuation affiliation fee of ₹14.60 lakh was not collected from 52 PCs (including three²⁹ test checked PCs) for the period 2010-15.

In the exit conference Department admitted the audit observation and stated that they would recover all the dues pending with affiliated colleges.

²⁶ CT institute of Pharmaceutical Science.

²⁷ (i) National Dental College; (ii) Chintpurni Medical College; (iii) Adarsh College of Nursing; (iv) APS Nursing College; (v) Swami Vivekanand Nursing College; (vi) Chintpurni Nursing College; and (vii) Dashmesh Physiotherapy college.

²⁸ (i) Asra Institute of Advance Studies; (ii) Continental College of Higher Studies; (iii) Asian Educational Institute; and (iv) Desh Bhagat College.

²⁹ (i) Vidhya Sagar Education College for girls; (ii) Asian Education Institute; and (iii) Desh Bhagat College of Education.

2.1.6.7 Other irregularities

(i) Affiliation to the PCs without having appropriate land

Audit observed from the records provided by the BFUHS that three³⁰ out of 12 test checked PCs (Nursing) affiliated with BFUHS had been established on land less than that prescribed in the guidelines (INC Guidelines, 2005 (IX)). Similarly, three³¹ out of 23 test checked PCs of PUP were affiliated despite having insufficient land as per UGC guidelines (clause 3.1.1 of the UGC Regulations, 2009 for affiliation of colleges).

In the exit conference the Department admitted the audit observations and stated that the Department would conduct inquiry against the inspection committee that recommended affiliation to institutions having less land as compared to norms.

(ii) Continuation of affiliation of the PCs without removal of deficiencies

The BFUHS, Faridkot had allowed continuation of affiliation during 2010-15 of seven³² PCs despite persistent deficiencies³³ pointed out by the inspection teams of BFUHS every year. On the basis of compliance reports submitted by the defaulting colleges, continuation of temporary affiliation was allowed despite non-removal of deficiencies resulting into violation of Clause 4.10 of UGC Regulations, 2009 and could affect the quality of education.

(iii) Irregular grant of affiliation to Private Dental Colleges

As per DCI Regulations January 2006 (in supersession of the Dental College Regulation, 1993) dental Colleges were required to have not less than 100 bedded Hospital with necessary infrastructure facilities for teaching aides. Further Regulations provided that it should be assessable by the transport.

Audit observed from the reports of annual inspection of PCs carried out by the inspection teams of the BFUHS for availability of infrastructure, teaching faculty and equipment (March 2015) of National Dental College, Dera Bassi that there was shortage of three lecturers and four dental mechanics in medical faculty. Its own hospital was not 100 bedded. The audit team physically verified that road connectivity to the hospital/institute was not available.

³⁰ (i) Adarsh College of Nursing (20 kanal); (ii) International College of Nursing (2 acre); and (iii) Baba Mangal Singh Nursing Training Institute (1.45 acre).

³¹ (i) Vidhya Sagar College of Management & Technology (4.67 acre); (ii) S A S M college of Law (4.5 acre); and (iii) Colonel Degree College (4.8 acre).

³² (i) Dashmesh College of Physiotherapy; (ii) Life Guard Nursing Institute; (iii) Dr. Shyam Lal Thaper College of Nursing; (iv) Sandhu Institute of Nursing; (v) Lala Lajpat Rai Institute of Nursing; (vi) Mother Marry's institute of Nursing; and (vii) Adarsh College of Nursing.

³³ (i) Teaching and non teaching staff, (ii) Equipment in labs, (iii) Library books, (iv) Registration of teaching staff etc.

In the exit conference Sub-dean, BFUHS stated that this came to their notice now and the lapse was on the part of the University. He further explained that corrective measure would be initiated.

(iv) Continuation affiliation without clearance of dues

Audit observed that out of 292 affiliated PCs, PTU had allowed 225 PCs (including 16 PCs test-checked PCs) to continue functioning as affiliated colleges without clearance of their dues (provisional affiliation fee, continuation affiliation fee, sports and youth festival fee) for the year 2013-14 and without getting continuation affiliation for the year 2014-15, which was against the instructions.

In the exit conference the Department admitted the audit observation and stated that matter would be sorted out.

(v) Excess fee charged by the PCs

Audit found from the records and physical inspection of PCs affiliated with PUP, that 14 out of 23 test checked PCs charged fee for session 2014-15 in excess of prescribed fees (ranging between four and 141 *per cent*). This resulted into violation of clause 3.4.8 of UGC Regulation, 2009 (Affiliation of Colleges by Universities) and clause 5 of affiliation orders, PUP.

In the exit conference Additional Dean, PUP stated that they were not aware of excess charging of fee from the students and there was no complaint from the student side. Reply was not tenable, as the PUP was responsible for ensuring that no excess fee is charged by the PCs from the students.

(vi) Contradictory provision of off-campus facility in the PU's Acts

Rule 3.3.1 of UGC Regulation, 2003 provides that the off-campus centre(s) and/or the study centres(s) shall be set up with the prior approval of the UGC and that of the State Government(s) where the centre(s) is/are proposed to be opened. Further Clause 5.5 of the PPUP, 2010 provides that the PUs would have a single-campus and the University would not be permitted to affiliate colleges other than the institutions owned and managed by the same sponsoring body within the main campus, which was contradictory to UGC's Regulations/PPUP, 2010.

A contradictory provision of off-campus/study centre facility for their own Trust's/Society's institutions was made by the GOP in the Acts of seven³⁴ PUs. However no document related to availability of off campus/study centre was available in the affiliation files of PUs.

In the exit conference the Department stated that matter of having "off-campus" facility if any, will be examined according to relevant rules and regulations.

³⁴ (i) Adesh University, (ii) Chandigarh University, (iii) DAV University, (iv) Desh Bhagat University, (v) Sri Guru Granth Sahib World University, (vi) Lovely Professional University and (vii) Rayat Bahra University.

2.1.7 Academic activities

2.1.7.1 Commencement of academic operations without obtaining clearance from the UGC

As per clause 5.2 of PPUP, 2010 after the establishment of the University by State Legislature, the University would seek formal approval from the UGC under section 2(f) of the UGC Act, 1956 or any other authority so constituted by the GOI under any law for the time being in force, before starting academic operations of the University, such as admissions, commencement of programmes and teaching activities. Further, on receipt of intimation from State Government regarding establishment of PU along with the Act of the respective PU, UGC issue a letter to the PU for submission of detailed information in the proforma for getting the approval of UGC.

Audit observed from the records of PUs with UGC that Rayat Bahra University and GNA University had not submitted (May 2015) relevant documents and information for inspection with regard to availability of academic and physical infrastructure facilities to the UGC. Both the universities were established in August 2014 and had commenced their academic programmes during 2014-15 and 2015-16 respectively. Further, Adesh University, Desh Bhagat University and DAV University established in July 2012, October 2012 and February 2013 respectively had submitted the applications for inclusion in the UGC list (June 2013, October 2013 and January 2014 respectively)³⁵ but no approval to the fulfillment of UGC criteria had been granted to these PUs by UGC (September 2015).

In the exit conference the Department admitted the audit observation. However, any proposed action in this regard had not been intimated by the department.

2.1.7.2. Running of unspecified courses by the PUs and PCs

In exercise of the powers conferred under sub-section 3 of Section 22 of the UGC Act, 1956 (3 of 1956), UGC with the approval of Central Government, specified the nomenclature of degrees, which can be offered by Universities through Gazette notification dated July 5, 2014.

Audit observed (May 2015) from the records of PUs maintained in the office of PSHEP and scrutiny of information available in the websites of the PUs that eight PUs³⁶ were running between 2 and 31 unspecified courses as compared with UGC list, two³⁷ PUs had not provided online information of its courses as required in the UGC guidelines. Further, it was observed that 34, 19 and 25 different unspecified courses were being run (2014-15) by 87, 2 and 292 PCs affiliated with PUP, BFUHS and PTU respectively. In the absence of

³⁵ www.ugc.ac.in (28-9-2015).

³⁶ (i) www.chitkara.edu.in (19-5-2015), (ii) www.deshbhagatuniversity.in; (iii) <http://gnauniversity.edu.in> (20-5-2015); (iv) www.sggswu.org/ (20-5-2015); (v) www.gurukashiuniversity.in; (20-5-2015) (vi) www.lpu.in (19-5-2015) (viii) www.rayatbahrauniversity.edu.in (20-5-2015); and (viii) www.chandigarhuniversity.ac.in (19-5-2015).

³⁷ (i) Adesh University, and (ii) DAV University.

non-updation of data by the private universities, Audit could not verify the updated position of unspecified courses being run by them.

In the exit conference, Additional Director, Technical Education stated that Universities could award degrees in generic term courses by specifying in brackets. Reply was not acceptable as per clarification of UGC, Private Universities were empowered to award degrees only as specified under Section 22 of the UGC Act.

2.1.7.3 Irregular admission in private Colleges

Clause 3.4.1 of UGC Regulations, 2009 provides that PCs would impart instructions only in subjects and for the courses/programmes for which affiliation had been granted by the University to the PCs and would not seek retrospective affiliation. Further, clause 3.4.10 provides that no student would be admitted to any programme of study by the college in anticipation of grant of affiliation or in excess of the number of seats sanctioned per programme of study by the University. Some of the instances of non-adherence to the said regulations are discussed below:

(i) Admission without affiliation

Audit observed from records/information available with BFUHS of affiliated colleges that 46 PCs (including 10³⁸ test-checked PCs) affiliated during 2010-15 had admitted students in 57 courses during 2010-15. Out of these, five³⁹ PCs had obtained affiliation after the completion of the courses duration⁴⁰, which was in violation of the UGC Regulations, 2009.

In the exit conference the Department admitted the audit observation and stated that it would be looked into to make sure that no college admits students before affiliation.

(ii) Irregular admissions by the private dental colleges

Government of Punjab (June 2013) issued instructions that BFUHS would conduct centralized counseling for admission in MBBS/BDS courses on the basis of marks obtained in all India pre-medical entrance test-2014 to be conducted by the CBSE, New Delhi. The admissions to the MBBS/BDS courses in all the categories, including NRIs, would be based on the marks obtained in the entrance test. Further, it was clarified that admission made by any institute without adherence to instructions above would be treated as

³⁸ (i) Chintpurni Medical College, (ii) Lala Laj Pat Rai Institute of Nursing, (iii) Mai Bhago College of Nursing, (iv) Dashmesh College of Nursing, (v) Life Guard Nursing Institute, (vi) Anil Baghi College of Nursing, (vii) Mother Marry's Institute of Nursing, (viii) Baba Mangal Singh Nursing, (ix) Swami Vivekanand College of Nursing and (x) Chintpurni College of Nursing.

³⁹ (i) DAV Institute of Physiotherapy, (ii) All Saints Institute of Medical Sciences, (iii) Mahatma Hans Raj DAV Institute of Nursing, (iv) Malwa College of Nursing and (v) Meera Medical Institute of Nursing.

⁴⁰ Duration of Course means time required for completion of degree/course i.e. four years for bachelor degree and two years for Post-Graduation degree.

illegal. DCI also clarified (February 2015) that competitive examination was mandatory for admissions to BDS and MDS courses.

Audit observed that, all the 11 (including 3 test checked PCs) private dental colleges affiliated with BFUHS made 467 (2012-13), 47 (2013-14) and 381 (2014-15) admissions without competitive examination. Admission of 514 students who did not appear in the requisite competitive examination was regularized under the direction of Hon'ble High Court, while plea for regularization of 381 students (2014-15) was rejected by the Hon'ble Court and no registration was made by the University. On being asked by audit (July 2015), no action was taken against the PCs by the University.

In the exit conference the Department admitted the audit observation. However, any proposed action in this regard has not been intimated by the department.

2.1.8 Resource management

2.1.8.1 Lack of senior/qualified faculty in the PUs and PCs

(i) As per clause 3.0.0 of UGC Regulations, 2010 (minimum qualification for teachers) an Assistant Professor should have a Masters degree with good academic record and the candidate should have cleared the National Eligibility Test (NET) conducted by the UGC, CSIR or similar tests accredited by the UGC like SET/SLET⁴¹. Professor and Associate Professor should have Ph. D qualification in relevant discipline and have 10 and eight years of teaching experience respectively in University/college and Professor would have with evidence of published work with a minimum of 10 publications. The AICTE vide notification (2010) had prescribed a ratio of 1:2:6 for Professors to Associate Professor and to Assistant Professor in Under Graduate (UG) courses. Assistant Professor must be qualified with 1st class masters degree in appropriate discipline, Associate Professor should have qualification of Assistant Professor with PhD in the appropriate discipline and Professor having qualification of Associate Professor with post PhD publication and guiding PhD. UGC had also fixed the maximum age of the faculty members as 65 years.

Audit examined the information available in the recognition files submitted by six⁴² PUs to the UGC during 2010-11 to 2013-14 and observed that the faculty appointed did not have the prescribed qualification, as detailed in **Table 2.1.1**. Moreover, five⁴³ PUs had not maintained the appropriate ratio amongst the faculty.

⁴¹ State Eligibility Test/State Level Eligibility Test.

⁴² (i) SGGSWU; (ii) Chitkara; (iii) Desh Bhagat; (iv) Chandigarh; (v) Guru Kashi; and (vi) Adesh University.

⁴³ (i) Adesh; (ii) Chitkara; (iii) Desh Bhagat; (iv) SGGSW; and (v) Guru Kashi Universities.

Table 2.1.1: Faculty appointed without prescribed qualification

Name of the University	Year	No of faculty			Qualification of the available faculty									NET
					Professor (Prof)			Associate Professor (AP)			Assistant Professor (AsP)			
		Prof	AP	AsP	PhD	PG	Graduate	PhD	PG	Graduate	PhD	PG	Graduate	
Desh Bhagat	2013-14	57	76	314	41	15	1	32	34	10	13	209	79	13
Adesh	2012-13	61	58	128	3	58	0	2	56	0	0	128	0	0
Chitkara	2010-11	14	3	185	2	10	2	2	1	0	2	130	44	9
Chandigarh	2013-14	68	127	434	60	8	0	47	79	1	4	421	9	0
SGGSWU	2011-12	4*	7	108	4	0	0	7	0	0	35	51	0	22
GuruKashi	2012-13	8	10	33	8	0	0	4	6	0	0	31	2	0
Total		212	281	1202	118	91	3	94	176	11	54	970	134	44

Source: recognition files submitted by the PUs to the UGC during 2010-11 to 2013-14

* age 70 years and above

The above table showed that out of 212 Professors, 281 Associate Professors and 1202 Assistant Professors appointed by these PUs, three Professors, 11 Associate Professors and 134 Assistant Professors were graduates only. Similarly, 91 Professors, 176 Associate Professors and 970 Assistant Professors were post graduates only. All four Professors appointed by SGGSWU were aged 70 years and above. In the absence of non-availability of updated position in respect of faculty member in UGC files, audit could not verify present status of appointment of faculty members in the PUs.

(ii) Audit observed from the records of 23 test checked PCs affiliated (2013-15) with PTU, that in five⁴⁴ post graduate (PG) PCs, Professors and Associate Professors were not appointed, in six⁴⁵ PCs graduate faculty was appointed for PG courses and in 16 PCs, 440 (27 per cent) faculty was only graduate. Moreover, all the 23 PCs were running their academic programme without having appropriate ratio amongst the teaching faculty. Twenty-two PCs (UG) maintained a ratio of 1:1.6:30 (Total 1338 faculty: 41 Professors, 66 Associate Professors and 1231 Assistant Professors). Similarly, 18 PCs imparting PG courses had not maintained the stipulated ratio.

(iii) Audit observed from the records provided by the PUP for the year 2014-15 that 11⁴⁶ PCs (PG) out of 23 test-checked PCs had not appointed Associate Professor or Professor for PG courses and 88 per cent faculty was only Post Graduate. Twenty PCs were running without Professors and Associate Professors. Three⁴⁷ PCs had appointed only one Professor each for

⁴⁴ (i) Ferozpur Institute of Management; (ii) CKD Institute of Management; (iii) Ideal Institute of Management & Technology; (iv) Arya Institute of Management & Technology; and (v) Northern India Institute of Fashion Technology.

⁴⁵ (i) Ferozpur Institute of Management; (ii) Doaba Khalsa Group of Institute; (iii) Adesh Institute of Engineering; (iv) CT Institute of Engineering and Management; (v) Banda Singh Bahadur Engineering Institute; and (vi) GNA Institute of Management and Technology.

⁴⁶ (i) Asian Educational Institute; (ii) Continental College; (iii) Cordia College; (iv) Asra Institute of Advance Studies; (v) Guru Teg Bahadur College for women; (vi) Sant Kabir College of Education; (vii) Colonel Degree College; (viii) Colonel College of Education; (ix) Vidhya Sagar College for girls; (x) Akal College of Education; and (xi) Pearl IHM.

⁴⁷ (i) Vidhya Sagar College of Management; (ii) RIMT College of Education; and (iii) Shivam College of Education.

PG courses. All the test checked colleges were running their UG and PG courses without having the appropriate ratio amongst the faculty.

(iv) Audit observed from the records (2014-15) of BFUHS of 12 PCs that in three⁴⁸ PCs (information of nine PCs was not provided by BFUHS) 65 *per cent* of faculty were under qualified and in seven⁴⁹ PCs adequate number (as per INC guidelines) of teaching staff was not available. Lack of qualified faculty in the PUs/PCs could adversely affect the quality of education.

In the exit conference Department admitted that shortage of senior faculty in the region made maintenance of appropriate ratio difficult and agreed to take necessary action. Sub-Dean, BFUHS agreed to initiate corrective measures.

2.1.8.2 Non-availability of regular Principal and faculty in PCs

Punjabi University, Patiala had directed (October 2006) all the B.Ed colleges in the State to appoint regular Principal, any violation would attract a penalty of ₹50,000 per month on the defaulting institution. Further, according to the norms fixed (April 2007) by PUP, the affiliated PCs were required to have at least 67 *per cent* regular teaching staff. Provision of penalty (₹ 25000 each per month) for non-availability of regular teaching staff and non-teaching staff was also made.

Audit observed from the information (June 2015) provided by the PUP that, out of 80 PCs (B.Ed), five⁵⁰ PCs had no Principals and 33 PCs (including six⁵¹ test checked PCs) had only officiating Principals.

Audit further observed from the information provided by the PUP that nine⁵² out of 23 PCs had not appointed regular Principals during 2014-15. Similarly, in four⁵³ out of 23 these PCs, all the faculty was on adhoc/contract basis, and in other 19 PCs more than 50 *per cent* faculty was on contract basis. The University had not imposed the stipulated penalty.

⁴⁸ (i) Adarsh College of Nursing; (ii) Aman Bhalla College of Nursing; and (iii) VMS Institute of Nursing & Paramedical Sciences.

⁴⁹ (i) Lala Lajpat Rai Institute of Nursing; (ii) Guru Nanak College of Nursing; (iii)APS College of Nursing; (iv) Aman Bhalla College of Nursing; (v)Life Guard Nursing Institute; (vi) Mother Marry's Institute; and (vii) Swami Vivekanand College of Nursing.

⁵⁰ (i) Guru Nanak College of Education; (ii) Mata Gurudev Kaur Memorial Educational Institute (Girls); (iii) Meera College of Education; (iv) SS College of Education; and (v) Rattan Professional Education College.

⁵¹ (i) Sant Kabir college of Education; (ii) RIMT college of Education; (iii) Akal College of Education; (iv) Colonel College of Education; (v) Guru Teg Bahadur College of Education; and (vi) Guru Teg Bahadur College of Education for Women.

⁵² (i) Continental College of Higher Studies; (ii) Asian Educational Institute; (iii) Cordia College; (iv) Guru Teg Bahadur College of Women; (v) Guru Nanak College of Education; (vi) Barkat College of Education; (vii)RIMT College of Education; (viii)Akal College of Education; and (ix) Pearl IHM.

⁵³ (i)Vidhya Sagar College of Management and Technology; (ii) Guru Teg Bahadur College of Education; (iii) Guru Teg Bahadur college of Education for Women; and (iv) Guru Nanak College of Education.

In the exit conference the Department admitted the audit observation and stated that they would try to rectify the situation.

2.1.8.3 Payment of salary to teaching/non-teaching staff by PCs

(i) Clause 14 of model guidelines of UGC provides that the members of the teaching and non-teaching staff shall be regularly and fully paid as per the pay scales, dearness allowance, etc. prescribed by the State Government/University. The PUP in its affiliation orders directed the colleges to pay salary to the faculty as per the UGC grades as adopted by the University.

Audit observed from the information provided by the PUP that salary to the teaching staff of 21 PCs (out of test checked 23 PCs) had not been paid as per UGC scales and non-teaching staff of 20 PCs had not been paid as per State Government pay scales during 2014-15.

(ii) Audit observed from records maintained by the BFUHS that 10 out of the 12 test-checked colleges (two did not furnish the information) were not disbursing salary as per UGC scales to the teaching faculty and non teaching staff were not being paid as per State Government pay scales.

In the exit conference the Department admitted the audit observation. However, remedial action proposed, if any, was not intimated.

2.1.8.4 Physical Inspection

Under appendix 5 of UGC Regulation (for affiliation of colleges) 2014, colleges were required to maintain computer laboratories, science laboratories, good library, residence for Principal/staff, hostel facility, co-curricular activities and good building.

Physical inspection of six⁵⁴ PCs, affiliated to PUP, carried out along with the representatives of the university, showed the following irregularities with reference to UGC/Punjabi University guidelines, in respect of their building and infrastructure.

(i) *Computer laboratory*

No computer laboratory was available in Sardar Amarjit Singh Memorial Institute of Law, Denthal (Patiala). In two⁵⁵ colleges more than 50 *per cent* computers were non-functional or damaged.

(ii) *Maintenance of library*

Regular librarian, assistant librarian, attendant and restorer were not appointed in two⁵⁶ colleges. In three⁵⁷ colleges (Vidya Sagar, Continental and

⁵⁴ (i) Sardar Amarjit Singh Memorial Institute of Law; (ii) Vidya Sagar College of Management and Technology; (iii) Asian Education Institute; (iv) Asra Group of Institutions; (v) Continental College of Higher Studies; and (vi) Cordia College.

⁵⁵ (i) Asian Education Institute; and (ii) Vidhya Sagar College of Management and Technology.

⁵⁶ (i) Vidya Sagar and (ii) Asian College.

⁵⁷ (i) Vidya Sagar, (ii) Continental College and (iii) Cordia College.

Cordia) running post graduate library science courses, library was not computerized and their libraries had no catalogue system.

(iii) Science laboratory

Science laboratory was not available in Vidya Sagar college and Chemistry laboratory was non-functional in Asian college where only one laboratory attendant was available for all the laboratories.

(iv) Residence for Principal, staff and hostel facility

Residential facility to the Principal and staff was not provided in all the inspected colleges. No hostel facility was available in three⁵⁸ colleges.

(v) College Building

Two⁵⁹ college buildings were in a dilapidated condition.

(vi) Co-curricular activities.

Four⁶⁰ PCs had not appointed any Lecturer/Assistant Professor of physical education, whereas in two⁶¹ PCs indoor games facility was not provided.

Above noted deficiencies were prevailing ever since the affiliation of the colleges. Inspection teams deputed by the University for physical inspections had not presented clear and true reports and recommended for affiliation of college/approval for new courses despite deficiencies. This resulted in affiliation of colleges without sufficient infrastructures required for imparting quality education.

In the exit conference the Department admitted the audit observation but the action proposed, if any, has not been intimated to audit.

2.1.8.5 Non-maintenance of EPF/CPF of the staff of PCs

Government of India had made (September 2014) it mandatory to maintain EPF for individuals drawing salary less than ₹15,000 per month. Further, EPF rules provide that firms with twenty or more employees fall under the purview of Employees' Provident Fund Organization, which administers the contributory provident fund schemes.

(i) Audit observed from the affiliation files and information provided by

⁵⁸ (i) Asian College; (ii) SASM; and (iii) Vidhya Sagar College.

⁵⁹ (i) SASM; and (ii) Vidhya Sagar College.

⁶⁰ (i) Vidya Sagar; (ii) SASM Asian; (iii) Continental; and (iv) Cordia college.

⁶¹ (i) Sardar Amarjit Singh Memorial Institute of Law; and (ii) Vidya Sagar College of Management.

the BFUHS, Faridkot for 2014-15 that six⁶² out of twelve test checked PCs were not maintaining EPF/CPF (March 2015) of their teaching and non-teaching staff. One college (Mother Merry's Institute of Nursing) was maintaining EPF of non-teaching staff only.

(ii) Audit observed from the affiliation file and information provided by the PUP that 11 out of 23 PCs had not maintained EPF/CPF (March 2015) of their entire staff. Out of remaining 12, six⁶³ PCs had partially maintained EPF of only 49 out of 63 non-teaching staff and 59 out of 438 teaching staff whereas other six⁶⁴ PCs had maintained EPF in respect of 41 out of 128 non-teaching staff only. PTU had not provided the information of the affiliated PCs regarding maintenance of EPF/CPF of its staff.

In the exit conference the Department admitted the audit observation and stated that the matter would be taken up with the concerned institutions to ensure compliance with statutory provisions.

2.1.9 Internal control mechanism

2.1.9.1 Non-conducting of periodic inspections of PUs by the UGC

Under clause 4 of UGC Regulations, 2003, UGC may cause periodic inspection of PUs offering their programmes.

Audit observed from the information collected from UGC that no periodic inspection of any PUs of the State had been conducted by UGC up to May 2015 except an initial inspection of eight PUs (two PUs had not submitted information for inspection purpose) at the time of enlistment of the PU in the UGC list.

2.1.9.2 Non-assessment of PUs by statutory bodies

Section 25, 28, 29 of the Acts of all the PUs provide that it shall be mandatory for the Universities to follow UGC Regulations, 2003 and regulations made by other regulatory bodies. Clause 3.4 of the UGC Regulations, 2003 provides that PU shall fulfill the minimum criteria in terms of programmes, faculty, infrastructural facilities, financial viabilities, etc. as laid down from time to time by the UGC and other concerned statutory bodies (AICTE, DCI, INC, NCTE, etc.).

Audit observed from the establishment files of PUs at the office of the PSHEP and information obtained from AICTE and NCTE that no clearance from these regulatory authorities had been obtained by any of the PUs of Punjab. As such, Audit could not verify whether the PUs were following the norms of the regulatory bodies or not.

⁶² (i) Adarsh College of Nursing; (ii) Chintpurni Institute of Nursing; (iii) Life Guard Institute of Nursing; (iv) Mother Merry's Institute of Nursing; (v) Sandhu Institute of Nursing; and (vi) VMS Institute of Nursing.

⁶³ (i) Continental College; (ii) Cordia College; (iii) Barkat College; (iv) SRSM; (v) Akal College of Education; and (vi) Pearl IHM.

⁶⁴ (i) Asian Education Institute; (ii) Guru Teg Bahadur College for women; (iii) Guru Teg Bahadur college of Education; (iv) Guru Nanak College; (v) RIMT College of Education; and (vi) Vidya Sagar College.

In the exit conference the Department stated that PUs were not required to undergo periodical inspection by the statutory bodies. Audit reiterated that as per PUs Act, they were nevertheless bound to follow the norms of all the statutory bodies and there ought to be a mechanism to ensure this.

2.1.9.3 Non-assessment and accreditation of PUs from NAAC

Under the provision 4.1 of UGC Regulation, 2012 (Mandatory Assessment and Accreditation of higher Educational Institutions) it is mandatory for each higher educational institution to get accredited by the accreditation agency after passing out of two batches or six years of establishment, whichever is earlier, in accordance with the norms and methodology prescribed by such agency or the commission as the case may be.

Audit observed from the record of PUs at UGC that three⁶⁵ PUs had passed out two batches and two⁶⁶ PUs had completed six years of establishment but no PU of Punjab had been accredited by National Assessment Accreditation Council (NAAC) up to May 2015 as per the information collected from NAAC.

In the exit conference the Department admitted the audit observation and stated that they were insisting that PUs get NAAC accreditation. Further mentioned that Chitkara University was going to apply for NAAC accreditation. Additional Director, Technical Education stated that the deadline for the accreditation of LPU had been fixed as 31 December 2015.

2.1.9.4 Non/poor availability of periodical inspection system in PCs

Clause 21 of Model guidelines of UGC (regarding conditions of affiliation of colleges), provides that the affiliated colleges would be inspected by the University from time to time, but at least once in three years by one or more competent persons authorized in this behalf and report of the inspection would be made to the Executive Council.

(i) Audit observed from the records of PCs at Punjabi University, Patiala (PUP) that the University had affiliated 194 PCs but no periodical inspection was carried out even of a single college during 2010-15. Further Audit observed from the affiliation files of PCs affiliated with PUP that the University had a practice of forming separate inspection committees for granting affiliation of new colleges, to start a new course in already affiliated colleges and for the enhancement of seats in existing courses. In 23 test checked colleges, inspection committees had not submitted their point wise report on each instruction/guideline, (issued by PUP for each course) verifying the factual position for creating additional infrastructure, coping with the additional courses, providing separate building/class rooms for enhanced student strength or availability of additional faculty for the students/courses. Evidently affiliations were being granted without fulfillment of basic criteria fixed by the University and without provision of requisite facilities.

⁶⁵ (i) LPU; (ii) Chitkara; and (iii) Sri Gurugranth Sahib World University.

⁶⁶ (i) LPU; and (ii) Sri Gurugranth Sahib World University.

(ii) Audit observed from the record of PCs at PTU that out of total 292 affiliated colleges, the University had conducted the academic audit of 92 (including 12 test checked PCs) colleges during 2010-14. All the affiliated PCs could not be covered during the last five years. Non/short inspections deprive the PCs from taking remedial measures based on the recommendations of inspection reports. It was also observed that no monitoring mechanism was set up to recover the outstanding dues (₹ 58.18 lakh and ₹ 9.84 crore in paragraphs 2.1.6.5(ii) and 2.1.6.6) from the concerned institutions.

(iii) Audit observed from the inspection reports carried out by the BFUHS for the year 2013-14 and 2014-15 of the 112 PCs and 99 PCs including 12 and 9 test checked PCs respectively showed that four inspections were carried out by single member committee⁶⁷ and 225 committees were formed with only two members, resulting into violation of clause 4.6 of UGC Regulation, 2009 providing formation of committee for inspection.

In the exit conference the Department admitted the audit observation and stated that they would conduct periodical inspection from this year and they would incorporate all important matters in the inspection proforma and compliance would be made. Further, Department stated that they would do 100 *per cent* inspections during 2015-16.

2.1.9.5 Monetary benefits to the inspecting staff resulting into violation of TA Rules

Government of Punjab (Department of Finance) circulated TA/DA rules as recommended by the Fifth Punjab Pay Commission (December 2012), PUP adopted the same. As per TA rules, daily allowance ranging between ₹ 60 and ₹ 160 was admissible to the staff.

(i) Audit observed from record of PUP that the Syndicate of the University had granted permission to collect cash from the entity (PC being inspected) by the inspecting staff at the rate of ₹ 2000 per member with effect from April 2014 (earlier it was ₹ 1000) and TA at the rate of ₹ 10 per km. During the period 2013-15, 621 faculty members were deputed for a single day for the inspection of the PCs. They collected ₹ 2.52 lakh and ₹ 7.38 lakh at the rate of ₹ 1000 and ₹ 2000 per member from the PCs on the day of visit by irregular deviation of Government instructions. This resulted in undue financial advantage to the University employees.

(ii) Syndicate of the University had also permitted collection of cash from the PCs by the selection committee members, deputed by the University for selection of faculty in the PCs, at the rate of ₹ 750 per member and TA at the rate of ₹ 10 per km. During 2012-13, 160 selection committees consisting of 915 members were formed and sent to different PCs and the members had taken ₹ 6.86 lakh at the rate of ₹ 750 per candidate from the PCs.

⁶⁷ One Expert for each of the subject areas proposed; Dean, College Development Council/an equivalent academician of the University; A representative of the higher education department of the Government not below the rank of Deputy Director; An Engineer from the PWD/CPWD or the University not below the rank of Executive Engineer; and One of the subject experts at the level of Professor, as nominated by the VC, shall be the Chairperson of the Committee.

The record related to formation of inspection committee and selection committees for the year 2010-12 & 2013-15 was not produced to audit team and amount taken by the inspection teams from private colleges for this period could not worked out.

In the exit conference the Department admitted the audit observation and stated that they were acting as per decision of the Syndicate. The Principal Secretary, Technical Education and Secretary, Higher Education were of the view that the practice of collecting cash from Private Colleges was not healthy. Further they stated that PUP should charge requisite fee and deposit it in its accounts like other two universities selected for Performance Audit. However, the action proposed, if any, has not intimated to audit.

Conclusions

There is no regulatory mechanism to ensure compliance of the conditions of the PPUP, 2010/Act under which the PUs were established. Instances of establishment of PUs without removal of deficiencies, permission for change of land use and approval of building plans were noticed. Despite non-availability of sufficient staff as well as land, as required under the guidelines of UGC, many PCs were affiliated with Government Universities. Irregularities in creation of Endowment Fund were noticed. Functioning of PUs without mandatory clearance from the UGC, admission to BDS course without conducting pre-medical entrance test, non-appointment of regular Principals and running of courses with under qualified faculty, non-conducting of periodical inspection of PUs/PCs was also noticed and internal control system was weak.

Recommendations

The State Government/Universities may consider:

- (i) fulfillment of prescribed criteria of Punjab Private Universities Policy, 2010 through formation of regulatory mechanism prior to granting the permission for establishing a private university;
- (ii) verification of the approval of change of land use/building plans from the competent authorities before granting approval/affiliation to the private universities/colleges;
- (iii) creation/ maintenance of Endowment Fund in respect of all the private universities/colleges.
- (iv) to build suitable control mechanism to check excess charging of fee from the students by the private colleges;
- (v) amendment in the Acts of private universities in context of off-campus facilities provided in certain private universities; and
- (vi) formation of the inspection teams as per University Grants Commission's norms.

The matter was referred to the Government in August 2015: reply was awaited (January 2016).

Appendix 2.1

(Referred to in paragraph 2.2.10.2, page 42)

Statement showing major works executed by Engineering Department during the period from 2010-11 to 2014-15

(₹ in lakh)

Sr. No	Name of work	Name of Contractor	Estimated cost of the work	Expenditure incurred	Date of start of work	Actual date of completion
1.	Construction of Institute of Emerging Life Sciences Technology, GNDU, Amritsar	M/s J.K.Builders, Amritsar	240.40	225.36	03.01.2011	02.04.2012
2.	Construction of 4 th storey and some part construction 1 st and 2 nd floor at Chemistry Department, GNDU, Amritsar	M/s Batra Construction Company, Bathinda	155.45	151.89	10.11.2010	25.08.2011
3.	Construction of 3 rd storey partial and 4 th storey in I.T Block at Regional Campus, Jalandhar	M/s Batra Construction Company, Bathinda	186.00	169.25	13.09.2010	25.08.2011
4.	Construction of class rooms (4 th storey) at Maharaja Ranjit Singh Bhawan at GNDU, Amritsar	M/s Prashant Associates, Amritsar	181.91	153.69	10.11.2010	20.12.2011
5.	Construction of Electronics Technology 2 nd floor (IInd phase) at GNDU, Amritsar	M/s Bhupinder Singh and Associates, Batala	137.00	104.67	24.10.2011	23.07.2012
6.	Construction of Lecture Theatre Building Three storey, GNDU, Amritsar	M/s Batra Construction Company, Bathinda	598.00	461.01	21.10.2011	15.02.2013
7.	Construction of New Girls Hostel 6 th storey at GNDU, Amritsar	M/s Bhupinder Singh and Associates, Batala	1900.00	1358.02	28.03.2012	15.10.2013
8.	Construction of Various buildings at GNDU, Regional Campus, Sathiala	M/s Bhupinder Singh and Associates, Batala	1638.00	1277.79	08.12.2011	31.01.2014
9.	Construction of I.T Building 4 th storey at GNDU, Regional Campus, Gurdaspur	M/s Ravinder Mohan Uppal and Company, Gurdaspur	144.00	116.13	07.05.2012	06.02.2013
10.	Construction of School Building at ASSM College at Mukandpur	M/s Rohit Kumar, Kartarpur	229.00	201.47	07.05.2012	15.10.2013
11.	Construction of Guru Granth Sahib Bhawan at GNDU, Campus, Amritsar	M/s MukeshRanjan contractor, Dasuya	1208.39	861.93	17.10.2012	28.02.2015
12.	Construction of I.T Building at GNDU, Regional Campus, Fattudhingra	M/s Batra Construction Company, Bathinda	900.00	809.69	06.05.2012	28.02.2014

Sr. No	Name of work	Name of Contractor	Estimated cost of the work	Expenditure incurred	Date of start of work	Actual date of completion
13.	Construction of Academic Building 1 st and 2 nd floor at GNDU College, Jalandhar	M/s Rajesh Tuli, contractor, Jalandhar	685.39	582.04	28.11.2013	15.02.2015
14.	Construction of ICT Building at GNDU, College, Verka	M/s Batra Construction Company, Bathinda	332.00	302.39	22.05.2013	21.05.2014
15.	Construction of Boundary wall at Regional Campus, Fattudhingra	M/s Batra Construction Company, Bathinda	100.00	94.94	21.05.2013	01.03.2015
16.	Construction of new floor 4 th storey at Maharaja Ranjit Singh Bhawan at GNDU Campus, Amritsar	M/s Batra Construction Company, Bathinda	469.00	431.35	28.11.2013	01.03.2015
17.	Construction of part second floor at Architecture Department at GNDU Campus, Amritsar	M/s Batra Construction Company, Bathinda	440.00	172.85	23.08.2013	31.03.2015
18.	SITC of 750 KVA Transformer Diesel Generator Set at GNDU, Amritsar	M/s SSPL Engg. and Contractor, Chandigarh	128.00	123.88	05.11.2013	15.08.2014
19.	Providing and laying 20 MM thick premix carpet and repair of roads at GNDU campus, Amritsar	M/s Narula Builders Pvt. Ltd Amritsar	144.00	109.43	28.03.2013	27.04.2013
20.	SITC of 3 Nos. fully automatic 10 passenger lifts at Girls Hostel 6 th storey at GNDU, Amritsar	M/s Johnson Lifts, Pvt. Ltd. Chandigarh	74.50	74.50	24.01.2013	23.07.2013
Total				7782.28		

Source: Departmental records