

**PUBLIC ACCOUNTS COMMITTEE
(1968-69)**

(FOURTH LOK SABHA)

SIXTY-FIRST REPORT

[Action taken by Government on the Recommendations of the Public Accounts Committee contained in their 61st Report (Third Lok Sabha) and 14th Report (Fourth Lok Sabha) relating to the Ministry of Education.]



**LOK SABHA SECRETARIAT
NEW DELHI**

April, 1969 Chaitra 1891 (Saka)

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Page	Para	Line	For	Read
2	-	2	principal	Principal
4	1.7	17	-auditori	-auditorium
9	S.No.6	3	delete "for the purpose"	
		11	Revenue	Revenues
	S.No.3	3	formation	information
		14	book-shalves	book-shelves
		6	Grant	Grand
		12	next ha	next half
		10	overdrawn	overdrawal
		17	tired	tried
		5	note the	note that the
		11	office	officer
		6 from bottom	entitle	entitled
21		5 from bottom	froth	from
27	2.3(iii)	1	- delete the line -	
	2.3(iii)	2	replies which require	replies which have not been accepted and which require reiteration
29		8	on	own
39		35	effective work	effective check
41		20	Technology	Terminology
		27	did also	did not also
54	(v)	1	profit to	profit of
65		8	vide	wide
67		17	that it is	that if it is
75		9	made any	made on any
103		1	if finally	are finally

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PUBLIC ACCOUNTS COMMITTEE
(1968-69)

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Shri Avtar Singh Rikhy—*Joint Secretary.*
Shri K. Seshadri—*Under Secretary.*

* Declared elected on 19th August, 1969 vice Shri M. M. Dharia, who resigned from the Committee.

INTRODUCTION

I, the Chairman of the Public Accounts Committee, as authorised by the Committee, do present on their behalf this sixty-first Report on the Action Taken by Government on the recommendations of the Public Accounts Committee contained in 61st Report (Third Lok Sabha) and 14th Report (Fourth Lok Sabha) relating to the Ministry of Education.

2. On 12th June, 1968, an "Action Taken" Sub-Committee was appointed to scrutinise the replies received from Government in pursuance of the recommendations made by the Committee in their earlier Reports. The Sub-Committee was constituted with the following Members :

1. Shri D. K. Kunte—*Convener*.
2. Shri C. K. Bhattacharyya.
3. Shri K. K. Nayar.
4. Shri Narendra Kumar Salve.
5. Shrimati Tarkeshwari Sinha.
6. Shri N. R. M. Swamy.

3. The draft Report was considered and adopted by the Sub-Committee at their sitting held on 8th April, 1969 & 22nd April, 1969 and finally adopted by the Public Accounts Committee on 21st April, 1969 & 28th April, 1969.

4. For facility of reference the main conclusions recommendations of the Committee have been printed in thick type in the body of the Report. A statement showing the summary of the main recommendations/Observations of the Committee is appended to the Report (Appendix).

5. The Committee place on record their appreciation of the assistance rendered to them in this matter by the Comptroller and Auditor General of India.

NEW DELHI.
April 28, 1969.

Vaisaka 8, 1891 (S).

M. R. MASANI,
Chairman,
Public Accounts Committee.

I

**REPORT ON ACTION TAKEN ON 61ST REPORT
(THIRD LOK SABHA)**

CHAPTER I

REPORT

1.1. This Report deals with Action Taken by Government on the recommendations contained in the Sixty-First Report of the Public Accounts Committee (Third Lok Sabha) on paragraph 147(ii) of Audit Report (Civil), 1966, relating to the Ministry of Education regarding utilisation of grants given to the Rajasthan Mahila Vidyalaya, Udaipur, for the construction of a Women's Hostel, etc.

1.2. The Action Taken notes/statements on the recommendations of the Committee contained in this Report have been categorised under the following heads :

- (i) *Recommendations/observations that have been accepted by Government :*
S. Nos. 1, 2, 3, 14, 19, 20, 24.
- (ii) *Recommendations/observations which the Committee do not desire to pursue in view of the replies of Government :*
S. Nos. 8, 15.
- (iii) *Recommendations/observations replies to which have not been accepted by the Committee and which require reiteration :*
S. Nos. 16, 18.
- (iv) *Recommendations/observations in respect of which Government have furnished interim replies :*
S. Nos. 4, 5, 6, 7, 9, 10, 11, 12, 13, 17, 21, 22, 23, 25.

Utilisation of Grant by Rajasthan Mahila Vidyalaya.

1.3. In their Sixty-First Report (Third Lok Sabha), the Public Accounts Committee had commented on the fact that a grant-in-aid of Rs. 1.54 lakhs given by the University Grants Commission to the Rajasthan Mahila Vidyalaya, Udaipur for construction of a women's hostel was "not utilised for the purpose for which it was sanctioned." The Committee suggested that "Government should refer all the irregularities in this case for a thorough probe to the Special Police Establishment who should *inter alia* examine :

1. How much expenditure out of the total grant of Rs. 1,54,000 has actually been incurred even on the renovation, additions and alterations to the building in connection with the construction of Women's Hostel.
2. How much amount out of this grant of Rs. 1,54,000 has been mis-utilised/misappropriated.
3. The amount mis-utilised/mis-appropriated in the case of grants given by the Ministries of Food and Agriculture/ Education and the Central Social Welfare Board.

4. Circumstances in which over-drawal of pay and allowances for the revision of the salary of the principal was made by the Institution."

1.4. In an O.M. No. F. 9-48/66-U2, dated 27-8-68, the Ministry of Education informed the Committee as follows :

"(i) The Central Bureau of Investigation was originally approached in October, 1966 for conducting an enquiry into the allegations of misappropriation by the Rajasthan Mahila Vidyalaya. On receipt of Sixty-First Report of the Public Accounts Committee, a copy thereof was sent to the Ministry of Home Affairs in December, 1966 with the request that the same may be forwarded to the Central Bureau of Investigation. The Central Bureau of Investigation in their letter dated 28-1-67 intimated that the case had been registered as No. RC/63 66-JPR, dated the 6th December, 1966. S.P.E. Rajasthan also reported in December, 1966 that case against the Secretary Mahila Vidyalaya, Udaipur and others has been registered under the very aforesaid Number.

(ii) The Central Bureau of Investigation in their last letter of April, 1968 stated that the investigation of the case has been completed but in consultation with their Law Officers, it has been found necessary to check-up a few points further before putting the case in Court."

1.5. The Committee asked for a note from the Central Bureau of Investigation about the date the case was referred to them for investigation, the date of completion of investigation and the progress made in filing suits, with reasons for delay, if any, at various stages. The note, which was sent to the Committee by the Ministry under their O.M. No. F. 9-48/66-U2, dated 18th October, 1968 is reproduced below :

"Ministry of Education vide their letter dated 28th October 1966 forwarded to the Central Bureau of Investigation papers including the Audit Report, from which it appeared that certain grants obtained by Rajasthan Mahila Vidyalaya, Udaipur from Ministries of the Government of India and the University Grants Commission had been misutilised/misappropriated or inflated expenditure had been shown in order to obtain these grants. It also appeared that false utilisation certificates were furnished by the institution to the Government of India and the University Grants Commission. The Ministry wanted the Central Bureau of Investigation to investigate the matter.

After careful examination of the available material and after consulting law officers of the CBI, S. P. Jaipur was directed on 23-11-66 to register a Regular Case U/s 120 B, 420 & 406 IPC against the Secretary and others of Rajasthan Mahila Vidyalaya, Udaipur. Case RC 63/66 was accordingly registered in Jaipur Branch on 6-12-66.

After completion of investigation charge-sheet was filed in the court of Special Magistrate, Jaipur on 19-7-68 against Shri Secretary and Miss..... Principal of Rajasthan Mahila Vidyalaya, Udaipur U/s 120 B read with Section 420 IPC and Section 420 IPC.

Soon after registration of the case the concerned authorities were approached for handing over the relevant records without which no investigation could be started. The records of the University Grants Commission became available sometime in February, 1967. The Ministry of Education intimated on 18/20-2-67 that the relevant original files had been sent to the Ministry of Law for advice and could therefore be made available after these were received back. These records eventually could be collected only on 15-3-67. The records of Rajasthan Mahila Vidyalaya did not appear to have been kept in a very systematic manner and it was necessary to have those thoroughly scrutinised by the Technical Officer (Accounts) of the Central Bureau of Investigation. The Chief Technical Examiner under the Central Vigilance Commission had been requested for technical inspection of the various buildings in respect of which grants had been obtained by the institution. The Technical Officer (Accounts) submitted his report on 7-6-67. After examination of some witnesses by the Investigating Officer a further scrutiny of the records by the Accounts Officer became necessary and his final report of scrutiny was submitted on 19-10-67. The report of Technical Examiner who had inspected the buildings from 19th to 21st July, 1967 and again from 29th August to 1st September 1967 also became available only in the 1st week of October, 1967. The case was finalised and the report of investigation was received in the Head Office of the CBI on 30-12-67.

The examination of the report of investigation running to about 240 pages took some time. The legal adviser to the CBI recorded his opinion on 15-3-68 but advised further investigation on certain points before the case was put in court. This further investigation could be completed by the Branch by about the middle of July, 1968. The charge-sheet was filed in court on 19-7-68.

It will be seen that although the case was registered on 6-12-66, even the records did not become available until the middle of March, 1967. Investigation could be taken up in earnest only after the scrutiny report of the Technical Officer (Accounts) became available in June, 1967. The Secretary of the Mahila Vidyalaya could be examined only after receipt of the technical report which became available in the first week of October, 1967. Further investigation which was advised by the Law Officers of the CBI before putting the case in court, also took some time.

On 29-7-68 the Court ordered the two sureties to furnish security to the tune of Rs. 10,000 with sureties and personal bonds for Rs. 20,000 each. Copies of the documents were

furnished to the accused on 7-9-68 and the case now stands adjourned to 18-10-1968."

1.6. The Committee note that a suit based on investigations conducted by the Central Bureau of Investigation has been filed. The Committee would like to be apprised of the outcome of the suit.

1.7. The Committee observe from the note furnished by the Central Bureau of Investigation that though the case was registered in December 1966, "even the records did not become available (to CBI*) until the middle of March, 1967." Again though the case was "finalised" by the C.B.I. in December, 1967, it was not till July, 1968 that court proceedings could be launched as the legal adviser's opinion on the C.B.I.* Report did not become available till March, 1968 and this advice indicated the necessity for "further investigation on certain points before the case was put in court." The Committee would like Government to issue instructions to ensure that records needed for investigations by the C.B.I.* are made available to that agency promptly and that investigations are completed within the shortest possible time so that necessarily legal proceedings could be promptly launched.

Over-drawal of pay by Lady Principal and recovery of overdrawn grants paid in respect of swimming pool and recreation-hall-cum-auditori. Paras 1.79 and 1.80—S. No. 16 and 18 of Sixty-First Report :

1.8. In para 1.79, the Committee have made the following observations about the over-drawal of pay by the Principal of the Rajasthan Mahila Vidyalaya :

"1.79. The Committee note that the University of Rajasthan informed the University Grants Commission in September, 1965 that the College (Mahila Vidyalaya) had erred in both fixing the pay scale of the Principal at higher stage as well as in continuing to draw assistance from the University Grants Commission even after the scale of the Principal had been further revised and made higher than the grade recommended by the University Grants Commission and accordingly that University recommended the recovery of the amount drawn in excess by the Principal. The Committee take a serious view of over-drawal of salary on wrong premises by this Institution. They desire that the U.G.C. should take steps to get refund of the over-drawn amount. In the course of his evidence the Secretary, University Grants Commission admitted that if they had known that the Rajasthan Government had already paid for the revision of the salary scale of the Principal, the University Grants Commission would not have given any amount. The Committee are left with the impression that the Institution has tried to obtain assistance both from the University Grants Commission as well as Rajasthan Government for the same purpose. They take a serious view of this case and desire that the Ministry of Education

* Central Bureau of Investigation.

should bring this to the notice of the Government of Rajasthan for suitable action. In any case the University Grants Commission should take immediate action to get the refund of the over-drawal of the salary by the Principal so far as their portion is concerned."

1.9. The Ministry of Education in their reply dated 3-1-1969 have indicated the position in this regard as under :

"As desired by the Public Accounts Committee, this has been brought to the notice of the Government of Rajasthan on 22-12-1966. The University Grants Commission is already examining the question of refund in consultation with Ministry of Law. The delay is due to the fact that all the relevant record required by Ministry of Law to examine the question is in the custody of S. P. (Special Police Establishment), Jaipur."

1.10. The Committee had in para 1.81 commented on overdrawal of grants by the institution for the construction of Recreation Hall-cum-Auditorium and Swimming Pool. In para 1.84, the Committee made the following observations :

"The Committee would like to be informed of the steps taken by the Ministry of Education to get refund of excessive grants paid to the Vidyalaya in respect of construction of swimming pool and recreation hall-cum-auditorium."

1.11. In their reply dated 3-1-1969, the Ministry of Education have appraised the Committee of the following position in this regard :

"(i) *Recreation Hall-cum-Auditorium* :

The excess grant of Rs. 3,442 as pointed out by the Accountant General, Rajasthan, Jaipur has been refunded by the Rajasthan Mahila Vidyalaya, Udaipur *vide* Treasury Chalan No. 18 in the State Bank of India, Udaipur on 7th January, 1967.

(ii) *Swimming Pool* :

Out of the aggregate grant of Rs. 30,000 approved for this project a total sum of Rs. 25,000 has been released in three instalments of Rs. 7,000 in 1961-62; Rs. 9,000 in 1962-63; and Rs. 9,000 in 1963-64. The project is still incomplete. The Vidyalaya has been requested repeatedly to refund not only Rs. 6,813.55P as the excess grant as pointed out by the Audit but the entire amount of Rs. 25,000 paid so far for the project. The Institution is not prepared to refund any amount. They have asked for an extension of time to complete the project in one year's time and have executed a bond with two sureties on 9-1-67. We have however, not accepted the bond as yet. The Ministry referred the case of refund (of the entire grant of Rs. 25,000 from the Institute) to Ministry of Law for legal advice, on 5-1-67 alongwith the relevant files. As the Special Police Establishment who were entrusted with the investigation of the fraud involved in this case, also required the concerned Government of

India files, the relevant documents were withdrawn after one and a half months on 22-2-67 from the Ministry of Law and sent to the Special Police Establishment.

The case was referred to the Ministry of Law on 24-8-67. The information desired by them for the examination of the case, however, had to be called for from the Rajasthan Mahila Vidyalaya, Udaipur to whom a reference was made *vide* Ministry's letter No. F. 15(17)/62-YSI, dated 11-9-67. The Institution has stated that their records, files and receipts etc., are at Jaipur with the Special Police Establishment and a detailed reply will be sent only after they are received from Jaipur. In view of this position, the Ministry of Education will be able to furnish the information to the Ministry of Law for obtaining their legal advice in the matter only after the court case is settled. This is bound to take some time."

1.12. The Committee observe that the question of recovery of overdrawn pay by the Principal of the Institution as well as overdrawn grants in respect of a swimming pool, the construction of which was undertaken by the Institution, are still under the consideration of the Ministry of Education, who are consulting the Ministry of Law in the matter. As the issue has been awaiting decision for over two years, the Committee would like action to be taken without further delay.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS THAT HAVE BEEN ACCEPTED BY GOVERNMENT

Recommendation

The Committee note that the grant-in-aid in this case was given by the University Grants Commission for the construction of a new hostel building.

[Serial No. 1 of Appendix II to 61st Report, 3rd Lok Sabha]

Action Taken

The observation has been noted.

Recommendation

The Committee find it surprising that though the U.G.C. sanctioned the grant expressly for the purpose of the construction of a new hostel building and approved the plans for the same, at no time did it satisfy itself before releasing the grant that the Institution was in possession of or had acquired the necessary land. While noting the Ministry's contention that the U.G.C. was at that time in the early stages of its development and there was hurry and anxiety on its part to encourage the cause of Womens' education and to provide them with accommodation buildings, staff etc., as speedily as possible, the Committee find it difficult to understand how so elementary and essential a pre-requisite as the possession of land escaped the notice of the U.G.C. The Committee can hardly be convinced by the statement made in extenuation during evidence that there was no provision in the scheme for the condition that the land must be acquired and specified. They believe that it is this lacuna which has partly led to the misuse of the grant. The Committee, however, note that this lacuna has since been removed and the procedure of ascertaining the availability of land etc., before releasing grants for construction is being followed.

[Serial No. 2 of Appendix II to 61st Report, 3rd Lok Sabha]

Action Taken

As already noted by the Public Accounts Committee in their report the Commission now requires that the colleges seeking grants for building projects furnish a certificate to the effect that they are in undisputed possession of the land on which the building is to be constructed with assistance from University Grants Commission. The proposals of the colleges are considered by the Commission subject to this certificate.

Recommendation

The Committee regret to note that Rajasthan Mahila Vidyalaya, Udaipur utilised the grant, given for construction of a new hostel

by the U.G.C., for renovation and making additions and alterations to an old building. The Committee take a serious view of this misuse of the grant by the Mahila Vidyalaya. It is all the more disquieting to note that this amount on repairs and renovations was spent on the property which belonged to the Government of Rajasthan and which had not been transferred to the Udaipur Mahila Vidyalaya. In the absence of transfer of property rights, the Rajasthan Mahila Vidyalaya was carrying out repairs, additions and alterations to a building which did not belong to them.

[Serial No. 3 of Appendix II to 61st Report, 3rd Lok Sabha]

Action Taken

This is an observation of the Committee which has been noted. This has also been brought to the notice of the Government of Rajasthan.

Recommendation

The Committee hope that learning from the experience of this case, the University Grants Commission will be extra careful in watching the utilisation of the grants given by them; also that the U.G.C. would streamline their procedure with a view to removing any loophole in the same.

[Sl. No. 14 of Appendix II to 61st Report, 3rd Lok Sabha]

Action Taken

The revised conditions of grants are indicated in the annexure.

Recommendation

The Committee take a serious view of the utilisation of the Provident Fund contribution of the employees by the management of the Institution. As the contribution in the Provident Fund has been made in this case either by the employees or by the Government of Rajasthan substantially, the Committee feel that the utilisation of the contributory Provident Fund amounts by the Institution is a serious lapse which requires immediate remedial measures. They desire that the Ministry of Education should bring this to the notice of the Government of Rajasthan for suitable remedial action.

[Sl. No. 19 of Appendix II to 61st Report, 3rd Lok Sabha]

Action Taken

As desired by the Public Accounts Committee, this has been brought to the notice of the Government of Rajasthan on 22-12-1966.

ANNEXURE

(S. No. 14)

Conditions of grants sanctioned by the University grants commission to Colleges

General.

1. The College will contribute its share of the expenditure on the basis indicated in the sanction letter.
2. The grants alongwith the matching share of the College, if any, should be utilised for the purpose for which these are sanctioned.
3. The assistance should not be utilised for meeting any expenditure already incurred by the College prior to the date of actual sanction of the scheme and for the fulfilment of the conditions of affiliation or for maintenance of the laboratories and purchase of routine chemicals and glass-ware and appointment of non-teaching staff and contingencies.
4. The amounts paid should be spent as far as possible during the financial year in which the payment has been made. The instalments of non-recurring grant released are generally to be utilised within a period of six months from the date of sanction and any unutilised amount *will be refunded to the Commission.*
5. A report on the progress of expenditure and the implementation of the scheme should be sent to the Commission in the prescribed form (copy attached) at the end of each half year i.e., ending September and March. Progress reports are also to be sent as and when requests are made for release of grants for the projects sanctioned.
6. A statement of accounts duly audited and a certificate from the auditors of the rank of a Chartered Accountant or Government auditors for the purpose to the effect that the amount has been fully utilised for the purpose for which it is given and that the College has contributed its share of the total expenditure incurred should be supplied to the Commission as soon as possible at the end of each financial year. The accounts of Private Colleges receiving grants in excess of rupees one lakh (Recurring) and rupees five lakhs (Non-Recurring) shall be subject to test check by the Accountant General Central Revenue or State Accountant General.
7. The assets acquired wholly or substantially out of the U.G.C. grants shall not be disposed encumbered or utilised without prior sanction of the U.G.C. for purposes other than those for which grant was given and should at any time the grantee cease to function such assets shall revert to the U.G.C.
8. The College will maintain a register of permanent and semi-permanent assets acquired wholly or mainly out of the grants sanctioned in the prescribed proforma. The certificate given below may be sent to the Commission annually

in respect of the assets acquired out of grants paid by the Commission.

"It is certified that inventories of permanent or Semi-permanent assets created/acquired wholly or mainly out of the grants given by the University Grants Commission are being maintained in the prescribed form and are being kept up-to-date".

This certificate should be signed by the Principal of the College and the College Auditors. The Certificate should be sent within a year of the close of the financial year to which it relates.

9. If the college fails to implement the Scheme within a year of its sanction it will be considered as lapsed. Fresh consideration of the proposal by the Commission would be necessary if it is to be taken up again.
10. If in any case the college due to some special reasons does not comply with any of the rules prior permission of the U.G.C. may be obtained for relaxation of relevant condition.

Recurring

1. The College will make provision on a permanent basis for the posts sanctioned by the U.G.C. as part of the development programme unless otherwise specified and an assurance to the effect that the posts will be continued and maintained entirely by the College when assistance from the Commission ceases will have to be given.
2. The Commission does not share expenditure on contingencies, maintenance of laboratories and appointment of non-teaching staff.
3. Proposals for the payment of recurring grants for salaries of additional staff and when appointments are made should be accompanied with the following formation about the appointments made :—
 - (a) Designation of the post filled and the grade of the post;
 - (b) Name of the person appointed;
 - (c) Full academic qualifications and experience of the person appointed;
 - (d) Initial salary offered and any other allowance attached to it;
 - (e) Certificate to the effect that the staff appointed is in addition to the existing strength.
4. The grant for meeting the expenditure towards the appointment of staff will be released in two instalments in a year. The first instalment will be released in May on receipt of the information required in the statement attached. The second instalment will be released in October on receipt of a statement of expenditure actually incurred during the first half of the year and the estimated expenditure during the second half of the year. This information may be supplied as per statement referred to above.

Buildings.

1. The building for which assistance is given by the U.G.C. shall not be named after any person without the prior approval of the Commission and used only for the purpose for which it was constructed.
2. The College should send for acceptance by the Commission the plans (in duplicate) and detailed estimates drawn up by a duly qualified engineer architect. A certificate from the State P.W.D. to the effect that the rates provided in Estimates are according to P.W.D. schedule of rates may also be sent.
3. Any change in the building plans accepted by the Commission may be made with the concurrence of the Commission.
4. While forwarding the plans and estimates the College may indicate the period within which the construction is expected to be completed.
5. Where land for construction is involved it should be certified that the College has undisputed possession of the land and no part of the grant shall be used for purchase acquisition of the land.
6. If the actual expenditure on the buildings as certified by the College auditors falls short of the estimates accepted by the Commission the Commission's share shall be proportionately reduced. Any amount paid in excess shall be refunded by the College to the Commission.
7. The college may intimate to the Commission if the construction of the building will be undertaken departmentally or by inviting tenders. In the latter case the following information may be submitted :—
 - (a) Value of the estimates put to tender;
 - (b) Number of tenders received;
 - (c) Value of lowest tender;
 - (d) Value of the tender accepted;
 - (e) If the lowest tender is not accepted the reason for the same.
8. A certificate from the qualified engineer/architect to the effect that the building has been constructed in accordance with the plans and estimates accepted by the U.G.C. countersigned by the Principal of the college and Registrar of the University is to be sent to the Commission on the completion of the building. The completion cost of the building may also be included in the certificate.
9. The audited accounts of the work completed and utilisation certificate signed by the Chartered Accountant Government Auditors (in the case of Government College) will be sent as soon as possible but in no case later than a year after the completion of the work.

Equipment.

1. The equipment grant (and the college's matching share thereto) should be utilised for the purchase of equipment) apparatus, instruments needed for teaching/research in the department concerned, grants should not normally be utilised for providing consumable articles. But in special cases upto 10% grant may be utilised for purchase of special chemicals and glassware needed by the Department for teaching/research work.
2. The college may utilise up to 5% of the grant for storage facilities for purchase of almirahs, cupboards etc.

Library Books.

1. Grant for the library should be utilised for purchase of books, including text books, reference books and journals.
2. It will be permissible to utilise a part of the library grant not exceeding 10% for book-shelves.

Progress report for release of Funds

..... College.

1. Name of the Scheme Building Equipment Library books etc.
2. No. and date of the sanction letter of U.G.C. approving the scheme.
3. Total cost approved.
 - (a) share of the U.G.C.
 - (b) share of College/State Govt.
4. Total amount received.
 - (a) from U.G.C. and
 - (b) from College/State Govt. against 3 above.
5. Total expenditure actually incurred i.e. Bills paid for work done or supplies received.
6. Balance if any on hand from amounts received.
7. Amount required to be released to meet expenditure likely to be incurred in the next three-six months.

N.B.—This may not include any amounts relating to orders placed or likely to be placed, commitments entered into, or amounts earmarked for specific items likely to be obtained in future.

Principal

Half yearly progress Report

..... College.

Progress Report for the Half Year Ending—

1. Name of the Institution :
2. Total Non-Recurring Grant received so far (Year-wise).
3. Matching share by the College/Amount paid by the College during the last three years for the purchase of books and journals on Scientific and Technical subjects.

4. Total grants available.
5. Expenditure incurred (amount actually paid out) during the half-year under report;
6. Progressive total of grant spent upto the end of the half-year (i) Commission's share (ii) From College's share (iii) Grant total.
7. Net unspent balance in the hands of the College on the last day of the half-year.
8. Description of the steps taken in implementation of the schemes for which grants have been paid and the progress achieved (including commitments made and orders placed)
9. Estimated non-recurring expenditure during the next ha. year.

Principal

Recommendation

The Committee are perturbed to note that in this case an Educational institution utilised the grant for the purpose which was not specified or also claimed excess grant on the basis of false certificates obtained from the Executive Engineer and a Chartered Accountant. The grant was given for new construction, but was actually utilised for construction of an old building not owned by the Institution. After examining the various facts placed before them, the Committee are left with the impression that the Vidyalaya authorities had played a financial trick on the U.G.C. This is strengthened by the fact that even though the U.G.C. have released their total grant of Rs. 1,54,000 for the construction of a women's hostel, the Vidyalaya has not made its matching contribution of 25 per cent so far. To make things worse, even a part of the grant of Rs. 1,54,000 given by the U.G.C. as admitted by the Secretary of the Vidyalaya, has been utilised for other purposes of the Institution. It is still more surprising that at no stage between the year 1960-65 the Vidyalaya authorities had made a disclosure that they had utilised a part of this grant for purposes other than the one envisaged in the UGC's scheme as circulated in the circular letter dated 1st April, 1959. They have neither admitted nor made a clean breast of it in spite of the special audit and various enquiries, though this fact was well within the knowledge of the Executive Committee of the Vidyalaya. In the view of the Committee, this is highly deplorable, especially for an educational institution which is to set up high standard of ethics, honesty and morality. While the Committee is mindful of the fact that this was till recently the only Institution of its kind in Rajasthan catering to the much felt needs of the women's education, they cannot help feeling that the results achieved so far have neither been encouraging nor are they commensurate with the amount spent. While the Committee do not want any harm to be done to the cause of the education, they cannot approve the conduct of such people who were responsible for running the Institution and who have tried to claim excess grants on the basis of false certificates.

[Sl. No. 20 of Appendix II to 61st Report, 3rd Lok Sabha]

Action Taken

This has been brought to the notice of the Government of Rajasthan on 22-12-1966.

Recommendation

The also desire that the Ministry of Education should bring this case to the notice of the Government of Rajasthan for suitable action.

[Sl. No. 24 of Appendix II to 61st Report, 3rd Lok Sabha]

Action Taken

As desired by the Public Accounts Committee, this had been brought to the notice of the Government of Rajasthan on 22-12-1966.

CHAPTER III

RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE REPLIES OF GOVERNMENT

Recommendation

The Committee take a serious view of the issuing of the wrong certificates by the Chartered Accountant in this case. They desire that the Ministry of Education should immediately bring these facts to the notice of the Institute of Chartered Accountants for suitable action against the party concerned.

[Sl. No. 8 of Appendix II to 61st Report, 3rd Lok Sabha]

Action Taken

A complaint against the Chartered Accountant involved in this case was filed by this Ministry with the Institute of Chartered Accountants of India. The authorities of the Institute after investigating the complaint and hearing the parties, came to the conclusion that the Chartered Accountant was not guilty of any professional or other misconduct. In arriving at this conclusion, the authorities of the Institute mainly relied on the fact that the Chartered Accountant did, in fact, carry out a detailed examination of the books and records and that the examination was reasonable; also that the valuation certificates of the Executive Engineer, P.W.D. Rajasthan, who was undoubtedly an expert in the matter of construction of buildings agreed with the conclusion drawn by the Chartered Accountant.

Recommendation

The Committee would like to be informed of the action taken in this case in due course in regard to the taking over of the management of the Mahila Vidyalaya, Udaipur.

[Sl. No. 15 of Appendix II of 61st Report, 3rd Lok Sabha]

Action Taken

The Registrar, Udaipur University intimated in March, 1968 that the first two years of the Three Year Home Science Course had already been discontinued at the Institute and the provisional affiliation for Home Science Course will cease from the session 1968-69 after IIIrd year Home Science students had appeared at the University, Examination of 1968.

The Vice-Chancellor, Udaipur University intimated in April, 1968 that the College management from which Mr. Durgawat (the then Secretary of the Vidyalaya) seems to have withdrawn, has approached the University for fresh affiliation in Arts & Science (not Home Science) The Executive Committee of the University decided that if and when the University Grants Commission would give clearance the Vice-Chancellor should appoint the usual committee to examine the application.

The U.G.C. informed the Vice-Chancellor on 17-5-1968 that since the matter regarding mis-utilization of grants paid to the College was under Police investigation it was not advisable for the Commission to give clearance in the matter till the final report is available from the police. As regards the question of affiliation, it was left for the University to decide.

CHAPTER IV

RECOMMENDATIONS/OBSERVATIONS REPLIES TO WHICH HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION

Recommendation

The Committee note that the University of Rajasthan informed the University Grants Commission in September, 1965 that the College (Mahila Vidyalaya) had erred in both fixing the pay scale of the Principal at higher stage as well as in continuing to draw Assistance from the University Grants Commission even after the scale of the Principal had been further revised and made higher than the grade recommended by the University Grants Commission and accordingly that University recommended the recovery of the amount drawn in excess by the Principal. The Committee take a serious view of overdrawn of salary on wrong premises by this Institution. They desire that the University Grants Commission should take steps to get refund of the over-drawn amount. In the course of his evidence the Secretary, U.G.C. admitted that if they had known that the Rajasthan Government had already paid for the revision of the salary scale of the Principal, the U.G.C. would not have given any amount. The Committee are left with the impression that the Institution had tried to obtain assistance both from the U.G.C. as well as Rajasthan Government for the same purpose. They take a serious view of this case and desire that the Ministry of Education should bring this to the notice of the Government of Rajasthan for suitable action. In any case the University Grants Commission should take immediate action to get the refund of the over-drawal of the salary by the Principal so far as their portion is concerned.

[Sl. No. 16 of Appendix II to 61st Report, 3rd Lok Sabha]

Action Taken

As desired by the Public Accounts Committee, this has been brought to the notice of the Government of Rajasthan on 22-12-1966. The U.G.C. is already examining the question of refund in consultation with Ministry of Law. The delay is due to the fact that all the relevant record required by Ministry of Law to examine the question is in the custody of S.P. (S.P.E.) Jaipur.

Recommendation

The Committee would like to be informed of the steps taken by the Ministry of Education to get refund of excessive grants paid to the Vidyalaya in respect of construction of swimming pool and recreation hall-cum-auditorium.

[Sl. No. 18 of Appendix II to 61st Report, 3rd Lok Sabha]

Action Taken

(i) Recreation Hall-cum-Auditorium

The excess grant of Rs. 3,442 as pointed out by the Accountant General, Rajasthan, Jaipur has been refunded by the Rajasthan

Mahila Vidyalaya, Udaipur *vide* Treasury Chalan No. 18 in the State Bank of India, Udaipur on 7th January, 1967.

(ii) *Swimming Pool*

Out of the aggregate grant of Rs. 30,000 approved for this project, a total sum of Rs. 25,000 has been released in three instalments of Rs. 7,000 in 1961-62; Rs. 9,000 in 1962-63; and Rs. 9,000 in 1963-64. The project is still incomplete. The Vidyalaya has been requested repeatedly to refund not only Rs. 6,813.55P as the excess grant as pointed out by the Audit but the entire amount of Rs. 25,000 paid so far for the project. The Institution is not prepared to refund any amount. They have asked for an extension of time to complete the project in one year's time and have executed a bond with two sureties on 9-1-67. We have however, not accepted the bond as yet. The Ministry referred the case of refund (of the entire grant of Rs. 25,000 from the Institute) to the Ministry of Law for legal advice, on 5-1-67 alongwith the relevant files. As the Special Police Establishment who were entrusted with the investigation of the fraud involved in this case, also required the concerned Govt. of India files, the relevant documents were withdrawn after one and a half months on 22-2-67 from the Ministry of Law and sent to the Special Police Establishment.

The case was referred to the Ministry of Law on 24-8-67. The information desired by them for the examination of the case, however, had to be called for from the Rajasthan Mahila Vidyalaya, Udaipur to whom a reference was made *vide* Ministry's letter No. F. 15(17)/62-YSI dated 11-9-67. The Institution has stated that their records, files and receipts etc., are at Jaipur with the Special Police Estt. and a detailed reply will be sent only after they are received from Jaipur. In view of this position, the Ministry of Education will be able to furnish the information to the Ministry of Law for obtaining their legal advice in the matter only after the court case is settled. This is bound to take some time.

CHAPTER V

RECOMMENDATIONS OBSERVATIONS IN RESPECT OF WHICH GOVERNMENT HAVE FURNISHED INTERIM REPLIES

Recommendation

The Committee are perturbed to note the Executive Engineer, PWD(B&R) issued a false valuation certificate about the construction of the women's hostel by the Rajasthan Mahila Vidyalaya. What is worse still is the fact that he issued the certificate without seeing the plans approved by the University Grants Commission or even seeing the building itself. To say the least the Committee hardly expected such a thing from a responsible office of the rank of an Executive Engineer.

[Serial No. 4 of Appendix II to 61st Report 3rd Lok Sabha]

Action Taken

This has been brought to the notice of the Government of Rajasthan on 22-12-1966. The Court case is in progress at Jaipur.

Recommendation

The Committee also find that certain items like 15 per cent tender premium etc., were included in the valuation certificate given by the Executive Engineer and they were later disallowed at the instance of Chief Engineer. The Committee feel that by including such items like 15 per cent tender premium and 3 per cent supervision charges etc., the officer concerned misled the University Grants Commission by giving the impression that the amount had been spent on the construction of a new building.

[Serial No. 5 of Appendix II of 61st Report, 3rd Lok Sabha]

Action Taken

This has been brought to the notice of the Government of Rajasthan on 22-12-1966. The Court case is in progress at Jaipur.

Recommendation

The Committee, however, note the contention of the officer in a subsequent letter that University Grants Commission had released bulk of the grants before he furnished that certificate dated 13-11-1963. Even if they agree that furnishing of his valuation certificate was a mere formality, they feel it was an important formality and that did not justify much less entitle the Executive Engineer to issue a false certificate.

[Serial No. 6 of Appendix II of 61st Report, 3rd Lok Sabha]

Action Taken

This has been brought to the notice of the Government of Rajasthan on 22-12-1966. The Court case is in progress at Jaipur.

Recommendation

The Committee take a serious view of the issuing of false certificate by the Executive Engineer to the Udaipur Mahila Vidyalaya. They cannot help feeling that that certificate was issued by the Executive Engineer under some pressure. The Committee hope that necessary inquiries would be made in this regard and responsibility fixed. The Committee, therefore, suggest that the Ministry of Education should bring this case, involving various lapses on the part of the Executive Engineer, to the notice of the Government of Rajasthan for taking suitable action with a view to avoid recurrence of such cases.

[Sl. No. 7 of Appendix II to 61st Report, 3rd Lok Sabha]

Action Taken

As desired by the Public Accounts Committee, this recommendation has been brought to the notice of the Government of Rajasthan on 22-12-1968.

Recommendation

The Committee are not convinced with the evidence given by the principal of the Institution. In the absence of the transfer of the building to Rajasthan Mahila Vidyalaya, it was improper on the part of the principal to have evaluated the portion of the old building and shown the same as contribution of the Institution. It is strange to note that the first progress report dated 18th January 1960 showed the amount actually paid out during the quarter as Rs. 36,000 when the total grant received from the UGC was Rs. 30,000 and the Institution had only incurred an expenditure of Rs. 2,067.57 P. against this. It was therefore, wrong on the part of the Principal to have shown the balance with the Institution as 'nil' in the progress report. The Committee are unfortunately left with the impression that the Principal of the Institution gave the false progress reports from time to time only to mislead the UGC with a view to getting the release of grant by the University Grants Commission. The Committee deplore such an attitude on the part of the head of the academic institution which is supposed to maintain high standards of ethics from which the students and others should draw inspiration.

[Sl. No. 9 of Appendix II of 61st Report, 3rd Lok Sabha]

Action Taken

This has been brought to the notice of the Government of Rajasthan on 22-12-1966. The court case is in progress at Jaipur.

Recommendation

The Committee feel that since the building in question belongs to the Rajasthan Government, the Rajasthan Mahila Vidyalaya should have waited at least for the confirmation of the Chief Engineer to carry out necessary additions and alterations, if not for the actual sale and transfer of the property to the Vidyalaya.

[Sl. No. 10 of Appendix II of 61st Report, 3rd Lok Sabha]

Action taken

This has been brought to the notice of the Government of Rajasthan on 22-12-1966. The Court case is in progress at Jaipur.

Recommendation

The Committee find from the circular letter dated 1st April, 1969 from the UGC (Appendix I) that the grants-in-aid were to be given under that circular for the purpose of construction of women's hostel and not for renovation, additions or alterations to old buildings. The Committee also note that the University of Rajasthan had specifically drawn the attention of the Rajasthan Mahila Vidyalaya, Udaipur, on 16th May, 1959 to the UGC circular dated 1st April, 1959 in reply to the Institution's letter dated 2nd May, 1959 and had asked the Institution to send plans and estimates according to the UGC's conditions. In view of the letter dated 16th May, 1959 from the University of Rajasthan to the Institution, directing them to furnish plans and estimates according to UGC's conditions, the Committee are of the view that the letter of 2nd May, 1959 from the Institution ceases to have any importance. There could have been no doubt about the details of the scheme regarding construction of women's hostel in the mind of the authorities of the Institution after the receipt of letter dated 16th May, 1959 from University of Rajasthan, wherein their attention had specifically been drawn to the UGC's circular dated 1st April, 1959. The Institution should have furnished full details of the building which they proposed either to construct or to renovate with the help of the grant from the UGC in accordance with the UGC's conditions. The Committee find from the plans submitted to the UGC by the Institution that there was no indication to the effect that the grant was required for renovation, additions or alterations of an old building. Non-furnishing of this complete information led the UGC to believe that the grant-in-aid was required for construction of a new building. The Committee feel that the Institution deliberately withheld the information about the details of the building from the UGC so as to get the grant meant for construction of a new building. The Committee are, therefore, not convinced by the arguments put forward by the Secretary of the Institution in defence of getting the grant from the University Grants Commission.

[Sl. No. 11 of Appendix II of 61st Report, 3rd Lok Sabha]

Action Taken

This has been brought to the notice of the Government of Rajasthan on 22-12-1966. The court case is in progress at Jaipur.

Recommendation

The Committee hope that now that the Special Inspection Report has been received from the Accountant General, Rajasthan, the University Grants Commission would take adequate steps to safeguard their interest and they would apprise Rajasthan Government of their dues while dealing with the property of the Institution.

[Sl. No. 12 of Appendix II to 61st Report, 3rd Lok Sabha]

Action Taken

The Director of Collegiate Education, Jaipur has informed the U.G.C. that the State Government has ordered the Rajasthan Mahila Vidyalaya, Udaipur not to mortgage or dispose of any property till the case with regard to grants paid by the U.G.C. is finally settled.

Recommendation

The Committee would like to be informed of the decision taken by the U.G.C. regarding refund of the entire amount of the grant.

[Sl No. 13 of Appendix II of 61st Report, 3rd Lok Sabha]

Action taken

The relevant records relating to the issue of sanction are in the custody of SPE Jaipur in pursuance of the court case. Ministry of Law, who had been requested for favour of their advice regarding feasibility of refund, regretted their inability to advise in the absence of original records. The University Grants Commission is, however continuing its efforts to obtain the records and take further action on the recommendation.

Recommendation

The Committee would also like to be informed of the measures taken by the University Grants Commission to get refund of the amount in respect of construction of a hostel building (about Rs. 60,000) and library (about Rs. 1,000).

[Sl. No. 17 of Appendix II to 61st Report, 3rd Lok Sabha]

Action Taken

This position has been explained above in reply to recommendation at Sl. No. 13.

Recommendation

The Committee understand from the U.G.C. that the Accountant General, Rajasthan has already conducted a detailed audit of the grants-in-aid given from 1959-65 to this Institution by the Governments of India and Rajasthan, U.G.C. and Central Social Welfare Board. The Committee desire that speedy action should be taken on that Audit Inspection Report. The amount which has been claimed in excess by the Institution from Government of India U.G.C. should be got refunded forthwith. In the case of the construction of the Women's Hostel building by this Institution, the University Grants Commission should immediately ask for the refund of overdrawn amount of the grant. The U.G.C. should also explore the possibility of getting back the entire amount of grant-in-aid as it has not been utilised for the purpose for which it was sanctioned.

[Sl. No. 21 of Appendix II to 61st Report, 3rd Lok Sabha]

Action Taken

The University Grants Commission was anxious to have the advice of the Ministry of Law in the matter. The Ministry of Law, however, regretted their inability to advise without a reference to

original records. The records are, however, in the custody of S.P. (S.P.E.), Jaipur in connection with the enquiry recommended by Public Accounts Committee (*Vide* Recommendation at Sl. No. 25) by Central Bureau of Investigation who have filed a suit in the Court at Jaipur.

Recommendation

The Committee feel that the various grants given to this institution have not been utilised properly and there has been an attempt to get excessive grants on misrepresentation of facts, as is revealed in the case of construction of women's Hostel.

[Sl. No. 22 of Appendix II to 61st Report, 3rd Lok Sabha]

Action Taken

As already stated, the case is in progress in a court at Jaipur.

Recommendation

They desire that U.G.C. Ministries of Education and Food & Agriculture should take immediate steps to safeguard their financial interest and try to get back the overdrawn amount of grant-in-aid, wherever such over-payments have been detected.

[Sl. No. 23 of Appendix II to 61st Report, 3rd Lok Sabha]

Action Taken

The position has been explained under recommendation at Sl. No. 21.

Recommendation

Now that the report of the Special Audit by the Accountant General, Rajasthan is available to the U.G.C. and the Ministry of Education, the Committee desire that the Government should refer all the irregularities in this case for a thorough probe to S.P.E. who should, *inter-alia*, examine the following points :

1. How much expenditure out of the total grant of Rs. 1,54,000 has actually been incurred even on the renovation, additions and alterations to the building in connection with the construction of Women's Hostel.
2. How much amount out of this grant of Rs. 1,54,000 has been mis-utilised mis-appropriated.
3. The amount mis-utilised mis-appropriated in the case of grants given by the Ministry of Food & Agriculture/Education and the Central Social Welfare Board.
4. Circumstances in which over-drawal of pay and allowances for the revision of the salary of the principal was made by the Institution.

The Committee desire that immediate action should be taken in this regard.

[Sl. No. 25 of Appendix II to 61st Report, 3rd Lok Sabha]

Action Taken

As desired by the Public Accounts Committee, the matter was referred to the Central Bureau of Investigation on 28-10-1966. C.B.I. has filed a suit in the Court of Special Magistrate Jaipur on 19-7-1968.

II

REPORT ON ACTION TAKEN ON 14th REPORT (FOURTH LOK
SABHA)

CHAPTER—I

REPORT

2.1. This Report of the Committee deals with action taken by Government on the recommendations of P.A.C. contained in their 14th Report (Fourth Lok Sabha) on Appropriation Accounts (Civil) 1966-67 and Audit Report (Civil), 1968 relating to the Ministry of Education, which was presented to the House on 22nd February, 1968.

2.2. The Committee are constrained to observe that Government have furnished interim replies in respect of as many as 15 out of 61 recommendations. The Committee desire that Government should take conclusive action in all these cases at an early date.

2.3. The action taken notes/statements on these recommendations of the Committee contained in the Report have been categorised under the following head :—

(i) *Recommendations/observations that have been accepted by Government :*

S. Nos. 2, 3 (1.22), 8, 11, 12, 13, 15, 16, 17, 18, 24, 25, 33, 34, 35, 36, 37, 38, 41, 43, 47, 48, 49-51, 52, 53, 54, 55, 56 and 58, 59 to 61.

(ii) *Recommendations/observations which the Committee do not desire to pursue in view of the replies of Government :*

S. Nos. 3 (1.38), 9, 10 and 23.

(iii) *Recommendations/observations replies which require*

(iii) *Recommendations/observations replies which require*

S. Nos. 19, 21, 22, 27, 28, 31 and 32.

(iv) *Recommendations/observations in respect of which Government have furnished interim replies :*

S. Nos. 1, 4, 5, 6, 7, 14, 26, 29, 30, 39, 42, 44, 45, 46 and 57.

2.4. The Committee will now deal with action taken by Government on some of the recommendations.

Incomplete implementation of a Project—Paragraphs 1.133—1.35 (S. Nos. 19-21).

2.5. In Paragraphs 1.124 to 1.32, the Committee had referred to incomplete implementation of a project to evolve a standard system of short-hand suited to the genius of Hindi and other Regional languages. The Ministry had entrusted the work of morpho-phonemic analysis of 9 regional languages, viz. Hindi, Assamese, Bengali, Oriya, Tamil, Kannada, Malayalam, Telugu and Gujarati, and to 7 Universities/Colleges from 1957 onwards. The total cost of the Project was estimated to the Rs. 84,460 and against this payment aggregating Rs. 70,588 were made to the Universities/Colleges upto March 1966. The Committee made the following observations in paragraphs 1.133-1.135 :

“The Committee regret to observe that the Ministry did not make a realistic assessment of the work involved in the

project. The project entrusted to various Universities/ Colleges for implementation from 1957 was required to be completed by September 1959, in the first instance and later by 1965, but has not been completed even now.

- 6 In this connection, the Committee find that in the case of three languages, no arrangements were made by the Universities after 1957/1959 to complete the work. In the case of the Fourth language, although the scholar was in India upto January, 1965, no appreciable progress was made during the seven years 1957 to 1964. The Committee cannot, therefore, help feeling that the Universities did not take up these projects seriously and that the Ministry did not pursue them vigorously. The Committee desire the Ministry to examine whether, in future, such projects in which the State would be equally interested would not be undertaken in conjunction with the State Governments and funds made available on a matching basis.

The Committee hope that the Ministry will safeguard their interests adequately while engaging fresh persons for the work that remains and that every effort will be made to get the project completed as early as possible."

2.6. In their reply dated the _____ the Ministry of Education stated :

"The observations made by the Committee have been noted. As desired by them, the Ministry will take suitable steps to safeguard Government's interest in future. The Ministry accepts the Public Accounts Committee's suggestion that in future such projects in which the State Government would equally be interested should be undertaken in conjunction with the State Governments and funds made available on a matching basis.

The Director, Central Hindi Directorate, has also been instructed to ensure that all outstanding projects are completed within the next six months. A copy of the instructions issued *vide* this Ministry letter No. F. 27-4/68-H.I dated the 15th November, 1968 is enclosed."

2.7 The Committee note that the Ministry of Education have accepted their recommendations that in future such Projects in which State Governments would be equally interested, should be undertaken in conjunction with the State Governments from funds made available on matching basis. The Committee, suggest that Government may examine the question of issuing general instructions to all the Ministries regarding sanction and release of grants through State Governments for such Projects on matching basis.

Grants-in-aid issued to Rural Institutes—Paragraph 1.44 (S. No. 22).

2.8. In paragraphs 1.136—1.143, the Committee had referred to irregularities in the utilisation of grants issued to the Rural Insti-

tute, Hanumanmati and made the following observations in paragraph 1.144 :

“The Committee are distressed to note these cases of misappropriation of public funds in educational institutions. The Committee cannot too strongly stress the need for the exercise of proper vigilance by the Ministry. The Ministry should not wait for Audit to bring financial lapses to light but should evolve their own system, in collaboration with the State Governments concerned, of checking and satisfying themselves that the funds advanced by them are in fact to proper use.”

2.9. In their reply dated the 18th March, 1969, the Ministry of Education have stated :

Provision already exists for checking of the accounts of the Rural Institutes by the Accountants General concerned, who conduct the inspection of the accounts of the Rural Institutes and send reports to the Ministry of Education. The irregularities pointed out in these reports are rectified by the Institutes. There is also provision for checking of the accounts by an officer deputed by the Central or State Government. The sanction letters also incorporate the following provision :

“Accounts of this grant in so far as its utilisation is concerned, will be open for a test-check by the Comptroller and Auditor General of India or his representative at his discretion. Intimation about the arrangement to conduct such a check will be sent as and when necessary. The project, as well as the accounts will also be open for a check by an officer deputed by the Government of India or the State Government concerned.”

At present, the accounts of the Rural Institutes are audited by the Chartered Accountants. These accounts are also inspected by the concerned Accountants General who send the report of inspection to the Ministry/Institutes for rectification of the irregularities. The existing provision regarding a check of these accounts by the officers mentioned above is meant to be operated upon only in cases where there are some doubts regarding these accounts. Thus, the word “also” has been used in respect of such checking.

Checking of the accounts by the officers of the Central and State Government would necessitate setting up of a permanent inspection team consisting of accountants and other personnel and the results achieved in conducting such a check will not be commensurate with the expenditure incurred on the team which will have to visit each Rural Institute every year, for this purpose.

Moreover, the case of the Rural Institute, Hanumanamatti, is the only one which has been brought to notice of the

Ministry and which required further investigation. In this case also, both the Secretary and the Accountant-cum-Storekeeper were acquitted by the concerned court.

The only alternative, therefore, is to strengthen the existing system by ensuring that the Accountants General concerned inspect the accounts of the institutes annually and send the report to the Ministry for necessary action. If such a report warrants a further check by an officer of the Ministry or the State Government concerned, this will be undertaken as a special case. The Accountants General concerned have been infomed accordingly.

2.10. The Committee feel that the present arrangement for watching the utilisation of grants given to Rural Institutes are not entirely satisfactory. The Committee would like the administrative Ministries to satisfy themselves that the funds advanced by them have in fact been used by the Institute in furtherance of the specified objective before furnishing the utilisation certificate to the Accountant General. The administrative Ministries should also keep a contemporaneous watch on the working of the Institute by calling for periodical progress reports of the work done and by exercising careful scrutiny of the audited statements of accounts and other available literature regarding the working of the Institute. Surprise/periodical checks should also be exercised by Government officials to make sure that the money is being utilised for the specified objective.

Sale of a chemical—Paragraphs 2.1 to 2.15 (S. Nos. 27 and 28 of Appendix VII) of 14th Report (Fourth Lok Sabha).

2.11. In paragraphs 2.1—2.15 of their 14th Report (Fourth Lok Sabha), the Committee had commented upon the Sale of a Chemical "Pyrethrum Oleoresin" to a private firm. The Committee had pointed out that in selling the Chemical to the firm, no competitive tenders were called for nor any cost analysis conducted by Government. In paragraphs 2.14 and 2.15, the Committee made the following observations :—

"2.14. Now that the use of Pyrethrum Oleoresin has been established in the country, the Committee hope that the Council would ensure that the sale of the chemical is made on a competitive basis so that it does not give rise to monopolistic tendencies and that the rates of finished goods charged by firms from Government Department or agencies and the public are moderate and are in consonance with the price paid by the firm for the chemical purchased from the C.S.I.R.

2.15. The Committee would like the C.S.I.R. to determine the cost of production of Pyrethrum on their farm. The sale price should be reviewed in consultation with the Ministry of Finance (Cost Accounts Branch) so as to ensure that the price is in consonance with the cost of production, the landed

cost of the imported flowers, the demand in the market and the price charged by firms for the end product."

2.12. Dealing with the rates of finished goods charged by firms commented upon in the Report, the Ministry of Education (C.S.I.R.) in their reply dated 1st March, 1969, have stated :

The existing agreement with the Sole Distributors, M/s. Bombay Chemicals (Pvt.) Ltd., has expired in December, 1968. The recommendations of the PAC will be kept in view while making fresh arrangements.

Pyrethrum Oleoresin is one of the ingredients in some formulations. It does not reach the consumer as such. The consumer get the various products manufactured out of it; as such the scope of its sale through quotations is limited, there being only two reputed manufacturers of Pyrethrum products i.e. M/s. Bombay Chemicals and M/s. Tata Fisson. There is a provision in the agreement which safeguards the interest of the trade and the consumers. The relevant clause is reproduced below :—

"If in the opinion of the Director the Sole Distributor failed to meet the demand of the consumers or the traders in reasonable quantities and/or on reasonable prices, the Director shall have the right to supply Pyrethrum Oleoresin to other parties. The Director shall give notice of the same to the Sole Distributors. Such supplies shall be deemed to be outside the scope of this agreement."

As regards the checking of the rates of the finished goods supplied by the firm to the Govt. Departments and public in relation to the prices paid by the Company for Pyrethrum Oleoresin, it is understood that the firm is importing considerable quantity of Pyrethrum from outside. It is, therefore, difficult to keep a check on the prices of the end products vis-a-vis the price charged by Regional Research Laboratory, Jammu for the Pyrethrum Oleoresin.

The sale price of Pyrethrum Oleoresin cannot be linked up with the cost of production of Pyrethrum, as the Farms (taken over from the State Government) are still in the developmental stage. This can only be done when the farms attain self-sufficiency.

The sale price of the Oleoresin was revised on 1-2-68 and was fixed at Rs. 220 per kg of 25% Pyrethrum content. The recommendations of the PAC were received after the revision. The clearance from the Ministry of Finance (Cost Accounts Branch) could not, therefore, be obtained. However, the matter has since been taken up with the Ministry of Finance (Cost Accounts Branch) as recommended by the P.A.C.

2.13. The Committee note that the agreement with the sole distributors for sale of "Pyrethrum Oleoresin" expired in December, 1968. The Committee hope, that while making fresh arrangements for the sale of the chemical, the Council of Scientific and Industrial Research would ensure that the sale is made at most competitive prices, keeping in view also the analysis of cost to be carried out by the Cost Accounts Branch of the Ministry of Finance.

2.14. The Committee note that there is a provision in the agreement that "if the sole distributor failed to meet the demand of the consumers or traders in reasonable quantities and or at reasonable prices, the Director shall have the right to supply the chemicals to other parties." The Ministry have however, expressed difficulty in keeping a check on the price of the end product in view of the fact that the firm is importing considerable quantity of Pyrethrum from outside. The Committee do not consider this to be an insuperable difficulty as the import price is shown both in the import licences and invoices. The Committee would like Government to exercise necessary checks to ensure that prices of end products prepared from Pyrethrum Oleoresin charged from Government Departments or public are not unreasonable.

Scientists' Pool—Paragraphs 2.24-2.49 (S. Nos. 31 to 36 of Appendix VII) of 14th Report (Fourth Lok Sabha).

2.15. The Committee, in paragraphs 2.24 to 2.49, had commented in detail upon the management of the Scientists' Pool. In particular the Committee had made the following points :

The Committee note that a systematic review has been made of the persons who remained in the Scientists' Pool for more than 18 months. They note that out of 66 persons who had stayed for more than 18 months in the Pool in February, 1966, 33 had already left and out of the remaining 33, 25 had been served with a notice of termination varying from 3 to 6 months and that the balance of 8 cases were being reviewed. The Committee feel that if this rule of 18 months stay is strictly adhered to, it would act as a wholesome check, on any tendency on the part of the Pool Officers not to exert their best to find regular placement.

(Para 2.44)

The Committee are not happy that the CSIR who are regulating the scheme, do not even know whether or not the 158 scientists who had left the Pool earlier had found employment. The Committee attach the greatest importance to follow-up of scientists from the Pool who get regular employment so that the CSIR can judge the trend of requirement in regulating future entries to the Pool.

(Para 2.45)

The Committee need hardly emphasise that the Scientists Pool should not be allowed to be treated as a refuge from unemployment particularly for those who are not adequately qualified and therefore not likely to find placement.

The Committee suggest that scientists who leave the Pool once should not be taken back as a matter of course. The Committee also deprecate the practice of allowing scientists to join the Pool during their vacation because that hardly appears to serve any national purpose.

(Para 2.49)

2.16. The Ministry of Education (C.S.I.R.) have stated in reply :

“There is no rule that the tenure of officers in the Scientists’ Pool should be restricted to 18 months. In a majority of cases the tenure of Pool Officers is being fixed at present at one year only except in case where it is felt desirable that in regard to the circumstances a longer period is justified, the appointments for 2 years are made.

“Of the 599 persons selected for Scientists’ Pool in 1968, 358 were appointed for one year only. However, a review of Pool Officers is done on their completion of 18 months stay in the Pool on the basis of their employment efforts, progress of work and their performance.

“The Position as on 1-1-69 is indicated below :—

1. Persons, who completed 18 months stay in the Pool.	48
<i>Among them :</i>	
2. Those under notice of termination.	20
3. Those granted extension.	15
4. Those appointed for a period of 2 years.	11
5. Cases under review.	2

(Para 2.44)

“Letters are sent to the Pool Officers (who leave the Pool without furnishing adequate information regarding their subsequent employment) to supply necessary details. On two occasions :

- (i) during the period from November’ 63 to January’ 64.
- (ii) January, 1967 letters and forms were sent to all the Pool Officers who have left, for a study of their progress after leaving the Pool. In spite of these efforts, it has not been possible to get information regarding all those who have left. However, an analysis of the employment of Pool Officers as available on 1-7-1968 is given below :

Organisations joined :	Number
Universities and other institutions of higher education.	522
Hospitals.	113
C.S.I.R. Organisations	147
Other Research and Development Organisations	113
Govt. and Semi-Govt. Organisations including Defence	162
Industry—Public Sector	137
Industry—Private Sector.	90
Others	25
Went abroad	110
No information	737
Died	8
	2164

“Analysis of vacancy notifications and requirements of various organisations are being made to study the possible requirements for specialised personnel. These are generally better indices of developing requirements than the pattern of off-take from th Pool, because

the recent employment of some persons may reduce employment prospects in specialized fields with limited opportunities."

"It has so far been the policy to offer a placement in the Pool to persons with outstanding qualifications who wished to return to the country irrespective of immediate needs. Shortages in critical areas may not be reflected in the general pattern of requirement. The Advisory Committee for the Scientists' Pool which met on July 11, 1967 was of the view "that highly qualified persons who have specialised in fields of special significance for which sufficient facilities are not available, may be provided with necessary facilities in selected places and teams of such persons built up."

(Para 2.45)

"The standards of selection have been under constant review. Persons who are not adequately qualified are not selected to the Pool, merely because they are unemployed.

"Scientists leaving the Pool whether for taking up positions in India, or abroad, are not automatically taken back into the Pool. The cases are individually considered and a decision taken in the light of all the circumstances.

"Many of the persons who come from abroad are in a position to go back to the same or similar positions abroad. Most of them desire to find suitable positions in the country. Therefore, their cases are considered and placement is offered in appropriate cases.

"The number who left the Pool and went abroad within 3 months was only 6.

"The implications of ban on Pool Officers going abroad within a specified period will be considered in detail by the Advisory Committee for the Scientists' Pool at its next meeting."

(Para 2.49)

2.17. The Committee note that in the majority of cases, tenure of Pool Officers is now being fixed as one year only and that a review of the Officers is done on the completion of 18 months stay in the Pool on the basis of their employment effort, progress of work and their performance. The Committee suggest that the Council should carefully examine the case of each officer remaining in the Pool as soon as he completes nine months period so that a decision about giving him further extension or dropping him from the Pool is taken before he completes 12 months' stay.

2.18. The Committee are perturbed to find that Government have no information about placement of as many as 737 Officers out of 2164 who had joined the Pool, since its inception. This is indicative of the fact that the Council did not maintain a systematic follow-up of each Officer during the period of his stay in the Pool. The Committee need hardly stress the importance of maintaining systematic and contemporaneous record of progress made by each Pool Officer to secure placement so that this vital record is invariably available for purposes of review of policy.

2.19. The Committee also suggest that the Advisory Committee for Scientists' Pool should meet frequently in order to review the position in the light of experience and to lay down guidelines to meet the changing requirements.

Printing of Publications in excess of their requirements—Paragraphs 2.50-2.58 (S. Nos. 37 and 38 of Appendix VII) of 14th Report (Fourth Lok Sabha)

2.20. In paragraphs 2.50–2.58, the Committee had commented upon the wastage that occurred in the printing of publications. In paragraphs 2.57 and 2.58, the Committee had made the following observations :

“The Committee are distressed to note that in spite of the heavy accumulation of unsold publications in the two institutions since 1963 (the percentage of accumulation ranged between 63 and 99 during 1963-65) as mentioned in the Audit para, indicating an avoidable waste of public funds, no effort was made by the CSIR to analyse the reasons for it. It is only recently that, in pursuance of the recommendations contained in paras 4.361 and 4.362 of 41st Report (Third Lok Sabha) and para 2.33 of 5th Report (Fourth Lok Sabha) of the Public Accounts Committee, they have appointed two Expert Committees to examine the publication and pricing policies of the various institutions of the C.S.I.R.

The Committee need hardly stress that the Expert Committees should conclude their deliberations early so that the entire policy of printing by various institutions of the CSIR is placed on sound and realistic footing without undue delay. In the meantime, the CSIR should impress on all the laboratories and Institutions under its control the need to observe the utmost economy in the printing of publications and to avoid further waste of the tax payers' money. At the same time the Committee would like the CSIR to make a sustained effort to dispose of the large number of unsold copies which have accumulated with the institutions of the CSIR.”

2.21. In their reply dated the 1st March, 1969, the Ministry of Education have stated :

“The recommendation of the Committee has been noted. The expert Committees have met and their recommendations are being finalized. The National Laboratories/Institutes of the CSIR have also been requested to take necessary action in the light of the above recommendation/observation of the PAC. *vide* CSIR letters No. 3/15/68-PU dated 8.4.1968 and 10.5.1968 copies attached (Annexures III & IV).”

2.22. The Committee find that the instructions issued by the C.S.I.R. in pursuance of the above observations of the Public Accounts Committee stated inter-alia that

“The Public Accounts Committee had observed that the C.S.I.R. should impress on all the Laboratories and Institutes

under its control the need to observe the utmost economy in the printing of Publications and to avoid further waste of the tax payers' money. It is however, noticed with regret that in some cases no serious consideration seems to have been given to the above recommendation of the P.A.C."

2.23. The Committee feel that the Director General of C.S.I.R. should be in a position to take effective action to eliminate wastage of public money on publications which serve little purpose.

2.24. The Committee also desire that the Expert Committee appointed by the Council to examine the publications and pricing policy of the various institutions of the C.S.I.R. should complete their deliberations expeditiously.

2.25. They have no doubt that the Expert Committee in finalising their recommendations would keep in view the following observations made by the Public Accounts Committee in their 34th Report (Fourth Lok Sabha) on Wasteful Expenditure on Government Publications with a view to effecting all possible economy and obviate waste :

"1.18: The Committee suggest that every Ministry or Department should make a careful and comprehensive review of the books, periodicals, brochures and other publications brought out by them from time to time with a view to determining their utility, public demand and sales prospects and in the light of that review make a careful assessment of the minimum number of copies which should be printed in each case. The Committee feel that, except for publications of historical importance and continuing interest, it should be possible to determine the number of copies to be printed in each case in such a way that the stock is sold out before the publication becomes out of date or loses its utility."

"1.20: The Committee feel that one of the reasons for heavy accumulation of unsold publications is costly production and over-pricing. The Committee, therefore, suggest that the pricing policy may be rationalised."

"1.23: The Committee are of the view that all Ministries and Departments should make a comprehensive review of the quality of the publications brought out by them from time to time with a view to effecting improvements and increasing public demand for them.... The Committee feel that the publication of such journals should be organised on commercial lines as far as possible."

2.26. The Committee also suggest that the Governing Body of the Council of Scientific & Industrial Research should review every year the expenditure incurred by each laboratory/institute on publications so as to exercise a healthy check on 'avoidable expenditure on publications.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS THAT HAVE BEEN ACCEPTED BY GOVERNMENT

Recommendation

The Committee also desire that the failure and negligence on the part of the Drawing and Disbursing Officers to observe the prescribed Financial Rules should be viewed seriously by Government. Suitable instructions should be issued to all the Drawing and Disbursing Officers in the Ministry of Education impressing upon them the necessity of observing strictly the Financial Rules prescribed for them and also making it clear to them that any failure on their part to observe the prescribed rules will entail disciplinary action.

[Sl. No. 2 (Para 1.21) of Appendix VII to the P.A.C's 14th Report (4th Lok Sabha)].

Action taken

The failure and negligence on the part of the Drawing and Disbursing Officers have already been viewed seriously and the Drawing and Disbursing Officers have been charge-sheeted for negligence and laxity in supervision. Instructions have also been issued as desired by the Committee. A copy of the circular issued in this connection (No. F. 10-8/68-Vig., dated the 18th April, 1968) is enclosed.

Recommendation

The Committee note that the Ministry of Education have taken certain measures to avoid the recurrence of such cases in future. They find that it was primarily the non-observance of the various checks prescribed in the rules which led to misappropriation in this case. The Committee hope that the Ministry of Education will take appropriate steps to ensure strict compliance of financial rules by the Drawing and Disbursing Officers and all others concerned.

[Sl. No. 3 (Para 1.22) of Appendix VII to the P.A.C's 14th Report (4th Lok Sabha)].

Action taken

As stated against Sl. No. 2-Para No. 1.21, necessary instructions in this regard have already been issued.

[Ministry of Education OM F. 6-1/68.Acc.II, dt. 26-9-68.]

MINISTRY OF EDUCATION

New Delhi, the 18th April, 1968

No. F. 10-8/68-Vig.

CIRCULAR

Attention of all the Heads of Divisions in this Ministry is invited to circular No. F. 1-3/64-Estt.I, dated the 28th December, 1964, a copy of which is enclosed for ready reference. As stated in the circular it is the responsibility of the Divisional Heads to make sure by periodical checks that the Drawing and Disbursing Officers are

following the detailed procedures laid down in the Central Treasury Rules and the General Financial Rules. It should be impressed upon the Drawing and Disbursing Officers, that the P.A.C. have in the case of defalcation of funds in the erstwhile E.R. Division of the Ministry of Scientific Research and Cultural Affairs, taken a serious view of the failure and negligence on the part of the Drawing & Disbursing Officers to observe the prescribed financial rules and have desired that suitable instructions should be issued to all the Drawing and Disbursing Officers in the Ministry of Education about the necessity of observing strictly the financial rules prescribed for them and also making it clear to them that any failure on their part to observe the prescribed rules will entail disciplinary action.

2. As far as possible and practicable, experienced and seasoned officers should, in future, be recommended to the Admn. Division for appointment as Drawing and Disbursing Officers. In case experienced personnel are not available at any time, the Drawing and Disbursing Officers, as and when they are appointed in future, should immediately after their appointment, be advised to get themselves acquainted with the Central Treasury Rules and the Financial Rules which are required to be observed by them. These rules are summarized in Chap. VI—"Cash and Accounts" at pages 253-282 of the "Notes on Financial Rules" (May, 1966 edition) issued by the Secretariat Training School and a note on "Duties and Responsibilities of a Head of Office" issued by that School. Copies of these notes may be obtained from the Sectt. Training School. The existing Drawing and Disbursing Officers may also be advised to peruse these notes occasionally to revive their memories in regard to their duties and responsibilities as Drawing and Disbursing Officers. Any lacuna or shortcomings pointed out by the local audit parties, which inspect the a/cs every year, should be rectified as soon as the Local Audit submit their report. The defects, once pointed out by local Audit, should not be allowed to continue any longer.

Sd/-

Secretary.

Recommendation

The Committee feel that the submission of utilisation certificates should be insisted upon before releasing further grants. However, in exceptional cases where a formal utilisation certificate is likely to be delayed and a further grant is urgently needed, the granting authority should satisfy itself that the previous grant has been put to the use for which it was intended before sanctioning and authorising further grants.

[Sl. No. 8 (Para 1.82) Appendix VII to the 14th Report (4th Lok Sabha)].

Action taken

The recommendations of the committee have been noted by the Akademi.

[Ministry of Education O.M. F-6-1/68-Acc.II, dated the 23rd December, 1968.]

Recommendation

The Committee cannot but consider it regrettable that a project initiated in 1955, with the expectation of completion in 1959, has remained incomplete till 1967. They are constrained to observe that the Ministry themselves are responsible for this delay as they failed to exercise proper supervision over the execution of the project by the Sammelan. Initially when the project was entrusted to the Sammelan in 1955, the Ministry had not cared to verify whether the Sammelan had competent staff to compile a dictionary. When the special officer had expressed a view in 1957 that the staff engaged by the Sammelan on the work did not know even the fundamentals of the modern principles of lexicography, the Ministry should have satisfied themselves fully about the capacity of the Sammelan to pursue the project. The Committee regret to observe that the Ministry instead of assessing the Sammelan's capacity to complete the work gave further grants amounting to Rs. 37,500 during the period from April, 1958 to February 1961 (Rs. 10,500 each in April, 1958, December, 1959, and February, 1960 and Rs. 6,000 in February, 1961).

Again in 1961, on being informed by the Sammelan that the manuscripts had been completed in all respects in the light of suggestions made by the Ministry, the latter agreed to give further assistance of Rs. 1,38,650 to the Sammelan for printing the dictionary an out of this actually released Rs. 32,800/- as the first instalment in October, 1961.

In 1963, the Sammelan informed the Ministry that the defects pointed out by them had actually not been removed and that the manuscripts required proper revision upon this the amount of Rs. 32,800 was get refunded only in January, 1964. The Ministry have also stated that they did not "entirely depend on the certificate given by the Sammelan" and that their two officers carried out a sample check and found the manuscript to be 'generally satisfactory'. The Committee are unable to understand as to how these two divergent situations came to exist. They feel that the Sammelan did not present a correct picture to the Ministry in 1961 and that the Ministry's officers did not carry out an effective work.

The Committee also suggest that, before entrusting such projects to different organisations in future, the Ministry of Education should satisfy themselves that such organisations have adequate and competent staff to undertake such projects and that such staff is actually employed on the project entrusted by Government to them.

[Serial Nos. 11, 12, 13 & 15 (paras 1.105 1.106, 1.107 and 1.109) Appendix VII of fourteenth Report of Public Accounts Committee (1967-68) Fourth Lok Sabha).

Action taken

The observations made by the P.A.C. in paras 1.105 to 1.109 have been noted and remedial measures have been to avoid recurrence of such lapses in future.

As suggested by the Committee in para 1.109 of the report, necessary instructions have also been issued that in future before

sanctioning any financial assistance to Voluntary Organisations for such projects, suitable steps should be taken to ensure that the grantee institution has adequate and competent staff to undertake the project for which financial assistance has been sanctioned and that such staff is actually employed by them on the project. A copy of the Ministry's letter No. F.27-4/68-H.I dated the 15th November, 1968 conveying these instructions to all concerned is enclosed.

(No. F. 27-4/68-H.I)

[Ministry of Education O.M. No. 6-1/68-Acc.II Dt. 2.1.69]

No. F. 27-4/68-H.I.

GOVERNMENT OF INDIA

MINISTRY OF EDUCATION

New Delhi, dated the 15th November, 1968

To

The Director,
Central Hindi Directorate,
New Delhi.

Sir,

I am directed to say that the Public Accounts Committee in their Fourteenth Report relating to Appropriation Accounts (Civil), 1965-66 and Audit Report (Civil), 1967, relating to the Ministry of Education, have made the following further observations in regard to the publication of Sapt Bhasha Vishwakosh by the Hindustani Hindi Sabha, Hyderabad for which financial assistance was given by the Ministry of Education in 1956.

"The Committee are constrained to observe that in spite of the comments of the Chief Minister of the erstwhile State of Hyderabad that the Sabha's proposals 'needed closer scrutiny in consultation with the State Government', the Ministry did not think it proper to consult them on the ground that the State Government was not required to finance the project and entrusted his work to an unregistered body. Apart from this, the Ministry did not also satisfy themselves about the quality of the work done by the Sabha before releasing the second and third instalments".

"The Committee feel that had the Ministry shown vigilance and examined expeditiously the portion of the manuscript submitted by the Sabha in February, 1957, at least the amount advanced to the Sabha after February, 1957, would have been saved. The Committee suggest that in future, while entrusting work or granting financial assistance to such institutions, the State Government should invariably be taken into confidence and should as far as possible be associated with the work. The State Government being nearer the scene can exercise more effective control than the Ministry at the Centre."

"The Committee hope that with the revised policy of sanctioning grants to non-official-institutions like the Hindustani Hindi Sabha, Hyderabad, such instances will not recur. They further hope that the Ministry will in future satisfy themselves fully as to the suitability of private institutions after consulting the relevant State Government before deciding to entrust any project to them."

In compliance with the directions given by the Public Accounts Committee, it has been decided that in future, while entrusting work or granting financial assistance to Voluntary Hindi Organisations for such projects, the State Government should invariably be taken into confidence as far as possible associated with the work. Their advice should also be sought about the suitability of the institution and whether they have adequate resources and possess competent staff to execute the project.

The receipt of this letter may kindly be acknowledged.

Yours faithfully,

Under Secretary.

Copy forwarded to all Branch officers and sections in the Ministry for information and future guidance.

AEA (MIL) I, AEA (MIL) II and AEA (Sanskrit). The Chairman, Commission for Scientific and Technical Technology, New Delhi.

Under Secretary.

Recommendation

The Committee are constrained to observe that in spite of the comments of the Chief Minister of the erstwhile State of Hyderabad that the Sabha's proposals needed closer scrutiny in consultation with the State Government, the Ministry did not think it proper to consult them on the ground that the State Government was not required to finance the project and entrusted this work to an unregistered body. Apart from this, the Ministry did also satisfy themselves about the quality of the work done by the Sabha before releasing the second and third instalments.

The Committee feel that had the Ministry shown vigilance and examined expeditiously the portion of the manuscript submitted by the Sabha in February, 1957, at least the amount advanced to the Sabha after February, 1957, would have been saved. The Committee suggest that in future, while entrusting work or granting financial assistance to such institutions, the State Government should invariably be taken into confidence and should as far as possible be associated with the work. The State Government being nearer the scene can exercise more effective control than the Ministry at the Centre.

The Committee hope that with the revised policy of sanctioning grants to non-official institutions like the Hindustani Hindi Sabha, Hyderabad, such instances will not recur. They further hope that the Ministry will in future satisfy themselves fully as to the suitability of private institutions after consulting the relevant State Government before deciding to entrust any project to them.

[Serial Nos. 16 to 18 (para 1.121 to 1.123) Appendix VII of Fourteenth Report (Fourth Lok Sabha)].

Action taken

The observations made by the Committee in paras 1.121 to 1.123 of the report have been noted and remedial measures to avoid such lapses in future have been taken. A copy of this Ministry's letter No. F. 27-4/68-H.I dated the 15th November, 1968 conveying these instructions to all concerned is enclosed.

(Ministry of Education O.M. No. 6-1/68-Acc.II, dated 3.2.69.)

No. F. 27-4/68-H.I.

GOVERNMENT OF INDIA
MINISTRY OF EDUCATION

New Delhi, dated the 15th November, 1968

To

The Director,
Central Hindi Directorate.
New Delhi.

Sir.

I am directed to say that the Public Accounts Committee in their Fourteenth Report relating to Appropriation Accounts (Civil), 1965-66 and Audit Report (Civil), 1967, relating to the Ministry of Education, have made the following further observations relating to the publication of the Hindi-English Dictionary Project entrusted to the Hindi Sahitya Sammelan, Allahabad with Central Assistance :—

“The Committee hope that the Ministry will now maintain close liaison with the Sammelan and exercise adequate supervision over the project in order to ensure that the text is revised and printed as early as possible. They would like to be informed of the date of the completion and issue of the dictionary.”

“The Committee also suggest that, before entrusting such projects to different organisations in future, the Ministry of Education should satisfy themselves that such organisations have adequate and competent staff to undertake such projects and that such staff is actually employed on the projects entrusted by Government to them.”

In compliance with the directions given by the Public Accounts Committee in regard to the completion of the Hindi-English Dictionary by the Hindi Sahitya Sammelan. I am to request that a senior officer of the Directorate should be made responsible for exercising constant supervision over the project and he should take such steps as are necessary to ensure the revision of the manuscript of the dictionary by the 30th November, 1968 at the latest. If the Sammelan show any slackness in this behalf, they should be told categorically that if they do not complete the work of the revision of the manuscript of the dictionary by the aforesaid date, they will render themselves liable to refund the entire amount of the grant given by the Government of India for the compilation of the dictionary. Immediate steps should also be taken for the printing and publication of the dictionary in consideration with the Sammelan and a target date for the publication of the dictionary fixed in consultation with them and the same intimated to this Ministry.

I am further to request that in future, before recommending any proposal for financial assistance to Voluntary Hindi Organisations and other academic bodies for compilation of dictionaries, such institutions should be physically inspected by the Directorate to ensure that the institution concerned has adequate and competent staff to undertake the project. While forwarding such proposals to this Ministry for financial assistance, a certificate to the effect that the institution has adequate and competent staff to undertake the project should be furnished. After the project has been approved by the Government of India, it shall also be the duty of the Central Hindi Directorate to ensure that such staff is actually employed by the institution for the execution of the project.

The receipt of this letter may kindly be acknowledged.

Yours faithfully,
N. S. BHATNAGAR
Under Secretary.

Copy forwarded to the Chairman, Commission for Scientific and Technical Terminology for information and guidance. Similar action should be taken by the Commission while sanctioning grants to Voluntary Organisations for production of standard books of University level.

Copy also forwarded to AEA(MIL) (I), AEA(MIL) (II) and AEA(Sanskrit).

Copy to all Branch Officers and Section in the Ministry for information and future guidance.

N. S. BHATNAGAR
Under Secretary.

Recommendation

The Committee are perturbed to note that in this case an educational institution obtained a loan of Rs. 90,000 from the Ministry of Education for a hostel building, a major portion of which had already been constructed before the loan was applied for. The Committee take a very serious view of this attempt of an educational institution to obtain a loan on the basis of false information. They would stress that the Ministry should try to instil a greater sense of responsibility in those who manage educational institutions imparting education to the younger generation so that they function in an exemplary manner. For this purpose the Committee emphasise that such questionable activities in educational institutions should be curbed with a firm hand.

[Sl. No. 24 (Para 1.58) of Appendix VII to the 14th Report (4th Lok Sabha)].

Action taken

As already noted by the Public Accounts Committee in para 1.151 of the Report, the procedure for release of the loans has since been revised, as in the scheme of the Third Five Year Plan period, a copy

of which is enclosed, under which the loans are released not direct to the institutions as heretofore, but through the respective State Governments with a view to ensuring proper utilization of the loans.

Recommendation

The Committee hope that, with the revised procedure for giving financial assistance to educational institutions through the State Governments as outlined by the Ministry's representative during evidence, such cases will not recur.

[Sl. No. 25 (Para 1.59) of Appendix VII to the 14th Report (4th Lok Sabha)].

Action taken

As pointed out in the reply to Serial No. 24 ante, adequate safeguards have been provided as in para 9 of the scheme for the Third Five Year Plan period (a copy of which is attached) to ensure that the applicant colleges have the capacity to repay the loan, that they have the powers to raise the loan and to offer sufficient security, that their record in repayment of the past loans is satisfactory, etc.

(Ministry of Education O.M. No. 6-1/68 -Acc.II, dt. 30.11.68)

GOVERNMENT OF INDIA

MINISTRY OF EDUCATION

New Delhi-1, the 16th August, 1966

No. 22-22/65-U.5.

To

The Secretary (Education Department),
(All State/Union Territory Governments).

SUBJECT: *Scheme of subsidy towards interest charged on loans for construction of hostels by educational institutions.*

Sir,

I am directed to say that the Fourth Finance Commission in its Report has made it clear that in its scheme of Devolution of Central Revenues effective from 1966-67, it has assumed discontinuance of all non-Plan grants to the State Governments except for a few items specified in paragraph 115 of the Report. In estimating the States' liabilities towards payment of interest on loans given by the Central Government, the Commission have also taken into account the liability at full rates not only in respect of loans that may be outstanding at the end of 1965-66 but also those which may be advanced during the Fourth Plan period. The Commission have taken into account all the anticipated items of expenditure of the State Governments, which should be deemed to include payment of subsidies to the educational institutions also towards interest payable on the loans received by them, in accordance with the scheme of subsidy towards interest charged on loans for construction of hostels by these institutions. As such, it has been decided that with effect from 1st April, 1966 no separate subsidy will be payable to State Governments by this Ministry under the above scheme.

2. However, under para 10(3) of this Ministry's O.M. No. 10-23/60-U.5 dated the 9th December, 1961 the State Governments are free to sanction waiver of interest charges in respect of any college in any particular financial year after taking into account the financial capacity of the college concerned. The State Governments are, therefore, free to give subsidies to these educational institutions equal to the interest charged. In substance, therefore, there is no change in the existing provision and the State Governments may continue to provide for subsidies to these institutions, except that the payment of separate subsidy to State Governments in this regard by this Ministry is discontinued, as this has been taken care of in the Finance Commission's award.

Yours faithfully,
Sd/-

Assistant Educational Adviser

Circulated to all State/U.T. Govts. in

ANNEXURE

MINISTRY OF EDUCATION

Letter No. 10-23/60-U.5, dt. 9.12.1961.

Third Five Year Plan—Scheme for Loans to Affiliated and Constituent Colleges for construction of Hostels

I. Introduction

In the Second Five Year Plan of educational development, the Government of India had included a scheme for grant of loans to (i) Colleges affiliated to Universities established by law in India; (ii) High Schools, Higher Secondary Schools, including multipurpose Schools, Teacher Training institutions; and (iii) Institutions concerning Basic and Social Education, to assist in the construction of hostels for students at such institutions in order to improve the living conditions of students and create a suitable academic atmosphere. With effect from 1959-60, Physical Education Training Institutions were also brought within the purview of this scheme.

2. There was no separate scheme of loans for affiliated colleges for the Second Plan period. During the course of the Second Plan, the University Grants Commission assumed increasing responsibility for assisting, not only Universities, but also a large number of affiliated colleges which have been recognised by the Commission for the purpose of granting financial assistance to them. The provision of adequate hostel facilities for students is an essential educational activity, and has a direct bearing both on maintaining standards of education and in creating a suitable academic atmosphere and in instilling discipline into students. The University Grants Commission, therefore, decided to assist the affiliated colleges in building hostels and laid down detailed norms and standards to be followed in preparing plans for hostels. The Commission agreed to take grants for the construction of hostel buildings on the basis of 50% for Men's colleges and 75% for Women's Colleges subject to certain ceilings as University Grants Commission's share the balance being met by the Colleges themselves either out of their own resources or from grants from the State Governments concerned.

3. Although the scheme of grant-in-aid of the University Grants Commission is liberal, certain cases have come to notice, in which

the affiliated colleges have not found it possible to raise their share of the cost of the scheme either directly or through assistance obtained from State Governments. In order to meet the requirements of such colleges, the Government of India have decided to include a modest scheme for loans for the construction of hostels with a total allocation of Rs. 40.0 lakhs in the Third Five Year Plan.

II Scope

4. Barring the colleges belonging to the undermentioned categories, all colleges which are affiliated to, or are constituent members of the Universities, shall be eligible for assistance under this scheme:—

- (1) Teacher Training Colleges;
- (2) Physical Training Colleges;
- (3) Engineering and Technical Colleges;
- (4) Medical Colleges;
- (5) Agricultural Colleges; and
- (6) Any other types of professional colleges.

The colleges that receive assistance from the University Grants Commission for the construction of hostels shall not be considered for grant of loans under this scheme. In including this scheme in the Third Plan, the intention is to supplement the scheme of the University Grants Commission under which grants are payable to the affiliated colleges and will be implemented only to the extent that the colleges are unable to raise, either from within their own resources or through grant-in-aid from the State Governments concerned, matching contribution for a hostel building. The maximum amount of loan payable to a single college under this scheme shall not exceed Rs. 2.0 lakhs.

III Financial Allocation

5. As stated in paragraph 3 above, a sum of Rs. 40.0 lakhs has been earmarked for the scheme in the Third Plan. Assuming that some colleges may require less than Rs. 2.0 lakhs for a hostel, it may be possible to assist about 25 to 30 colleges in all during the third Plan period under this scheme. It is, therefore, essential that the State Government should encourage as many colleges as possible to apply to the University Grants Commission for a grant for the construction of hostels buildings, and also assist them, wherever necessary, in the form of a grant-in-aid to cover the matching contribution.

In recommending applications for loans to the Central Government under this scheme, the State Governments shall certify that the college concerned has not received or applied for any grant from the University Grants Commission for the same purpose, stating the reasons why it does not propose to do so and the circumstances in which it is not possible for the State Government to assist the college in raising its share of the cost of construction of the hostel building.

IV. Procedure

6. Applications for financial assistance under this scheme shall be submitted by the eligible institutions to the State Governments concerned. All loans will be advanced to the State Government who shall reloan the amount to the individual colleges after obtaining suitable security and guarantee regarding repayment. For colleges situated in the Union Territories other than Delhi, applications will be submitted to the Local Administration concerned, but, in the case, the loans will be advanced to the colleges *direct* on the recommendations of the Local Administration. In the case of Delhi Colleges, applications will be submitted through the University Grants Commission. It shall be the duty of the State Government/Local Administration/University Grants Commission to ensure that the loan instalments as well as interest charges are paid on the due dates by the colleges concerned in each financial year. The loan shall be sanctioned only after obtaining a certificate from the University Grants Commission that the college concerned has not received a grant from and/or has not submitted a request to the Commission for the same purpose.

7. Each State Government/Local Administration/University Grants Commission shall recommend to the Central Government the names of *not more than two colleges* for assistance under this scheme. In view of the limited allocation for this scheme, all the applications received shall be registered in the Union Ministry of Education and loans shall be advanced in each financial year, subject to the availability of funds in that year. It will not be possible to meet the demands from all the States, etc. in any single financial year. While every effort will be made to meet the pressing needs of any particular college as early as possible, the proposals received shall be considered and financial assistance provided some time in the course of the Third Plan period if funds for that purpose are available.

8. The following procedure shall be followed in sanctioning loans under this scheme:—

- (i) Except for colleges situated in the Union Territories, all loans shall be advanced to the State Governments concerned on the basis of their recommendations, subject to the availability of funds in each financial year and in the order of priority indicated by each State;
- (ii) Each State Government will be required to include a suitable provision in their own budget for making advances to colleges within the amount allocated by the Central Government; and
- (iii) For colleges located in the Union Territories, the loans shall be advanced by the Central Government to them direct on the recommendations of the Local Administrations concerned/University Grants Commission (in the case of Delhi Colleges), and in the order of priority indicated by latter, subject to the availability of funds in each financial year.

V—*Criteria to be followed by the State Governments, etc. before recommending applications for loans under this scheme.*

9. Before recommending applications for grant of loans under this scheme, the State Governments/Local Administrations/University Grants Commission shall examine the requests from colleges in the light of the principles and considerations set forth below and furnish a certificate to the Central Government to the effect that the State Government etc. are satisfied about the financial position of the college and its capacity to repay the loan with interest, both from legal and financial points of view :—

- (1) It shall be ensured that the college concerned has the capacity under its Constitution and Memorandum of Association to raise and borrow money and to pledge its assets as security for the return of money.
- (2) Profit and loss (or income and expenditure) accounts for the last 3 years.
- (3) the main sources of income of the college and how it is proposed to repay the loan within the stipulated period;
- (4) the security to be offered for repayment of the loan together with a valuation of the security offered by an independent authority and a certificate that the asset offered as security is not already encumbered;
- (5) details of loan or loans taken from the Central Government in the past, rate of interest, stipulated period of repayment, date of original loan and amount outstanding against the loans on the date of the application and the assets, if any, given as security;
- (6) a complete list of all other loans outstanding on the date of application and the assets given as security against them.
- (7) the purpose for which the loan is proposed to be utilised and the economics of the scheme.
- (8) the financial position of the college must be sound. The security offered is adequate and its value is at least 33 1/3% above the amount of the loan. If possible, an independent valuation should be obtained. It is not always sufficient to have what may be considered adequate security, if the financial position of the applicant is not sound.
- (9) if the college produces an undertaking from the management or the trust that any shortfall towards repayment of the loan and interest will be made good by the latter, the financial position of the management (or trust) should be investigated by calling for the aforesaid information in a like manner; and

- (10) it shall be ensured that as far as possible, the scheme for which the loan is given is self-financing and does not throw an additional burden on the general income of the institution e.g. in the case of college hostels rents proposed are adequate.

VI—Conditions of grant of loans

10. All loans sanctioned under this scheme shall be subject to the following conditions :—

- (1) The maximum amount of loan to be sanctioned to a particular college will not, as a rule, be more than Rs. 2 lakhs. Loans may be paid in full or in instalments, as the Central Government may decide.
- (2) The loan shall bear interest at the borrowing rate of the Central Government prevalent at the time the loan is sanctioned.
- (3) It shall be open to the State Government to sanction the waiver of interest charges in respect of any college in any particular financial year after taking into account the financial capacity of the college concerned. Since discontinued w.e.f. 1.4.66 vide Min Edn letter No. 22-22/65U5 dt. 16.8.1966. For this purpose, grants-in-aid will be paid to the State Governments to the extent the interest charges are waived by them. The State Governments shall be required to make corresponding provision in their own budgets for such grants-in-aid.

For colleges situated in Union Territories, requests for waiver of interest charges shall be considered by the Central Government on the recommendations of the Local-Administration concerned University Grants Commission.

- (4) The principal amount of the loan shall be repayable by the State Governments colleges in 30 equal annual instalments and the interest thereon shall be paid separately on the amount outstanding on the anniversary of the payment of the loan.
- (5) The first instalment in repayment of the loan shall fall due in the year following that in which the hostel is completed or in which the loan is disbursed to the institution, whichever is earlier.
- (6) The rates of construction to be adopted shall not be in excess of the schedule of rates of the PWD of the State concerned and a certificate to that effect shall be furnished by the head of the college duly counter-signed by the Head of the State P.W.D. or his nominee concerned, at the time of applying for a loan. The detailed plans for hostel will be drawn up in accordance with the pattern approved by the University Grants Commission. No change will be allowed in the approved plan without the approval of the Ministry of Education.

- (7) The head of the college shall ensure that hostel buildings are thrown open to inspection by the officers of the State P.W.D. or of the C.P.W.D. or any other officers designated for the purpose by the Central or State Government or University Grants Commission both during the period of their construction as well as after the construction is completed. It shall be the duty of the head of the college to carry out any instructions which may be issued in this behalf by the Central Government or the State Government or the University Grants Commission as the case may be.
- (8) The College shall ensure the execution by a person duly authorised in this behalf of an adequately stamped bond in favour of the State Government concerned for the repayment of the moneys advanced and for the observance of these conditions. In the case of a College in a Union Territory, the bond in question shall be executed in favour of the Central Government and it shall be the duty of the authorities sanctioning the loan to ensure that the bond is adequately stamped, and otherwise valid and effective.
- (9) A clause shall be inserted in the Agreement enabling Central or State Government or the University Grants Commission at any time to call for the accounts of the applicant relating to any accounting year with power to depute an officer, especially authorised for the purpose, to inspect the applicant's books if necessary.
- (10) A certificate shall also be furnished at the time of application that a site for the construction of a hostel has been acquired by the college concerned. No loan shall be sanctioned unless a site has already been acquired.
- (11) The buildings shall be completed as soon as possible and in any case not later than the close of the financial year following the one in which the first instalment of the loan is disbursed to the institution unless special extension is granted by the Government of India.
- (12) After completion of the buildings, the State Government/ or the College shall furnish to the Central Government copies of the following documents :—
- (a) A certificate from State PWD to the effect that the buildings have been completed in accordance with the approved plans and estimates; and
 - (b) A statement of expenditure incurred on the construction of buildings, duly audited by the authorised auditors.
- (13) Any unspent portion of the loan shall be refunded to the Central Government at once.

APPENDIX II

Application for Loan under the Central Scheme of Loans to State Governments for construction of Hostels for Affiliated and Constituent Colleges under Third Five Year Plan

From

To

The Secretary to the Government of India,
 Ministry of Education,
 New Delhi.

Through : The Secretary to the Government of _____
 Department of _____

or

The Secretary,
 University Grants Commission, New Delhi.

SUBJECT :—*Loans under the Central Scheme of Loans for construction of hostels.*

Sir,

I submit herewith an application for the grant of a loan for the construction of a hostel. I certify that I have read the scheme and I undertake to abide by its provisions. On behalf of the management, I further agree to the following conditions :—

- (1) The accounts of the hostel building will be maintained properly and separately. These will be open to check by an Officer deputed by the Government of India or the State Government or the University Grants Commission. These will also be subject to a test check by the Comptroller and Auditor General of India at his discretion;
- (2) If the Central Government or the State Government or the University Grants Commission has reason to believe that the loan is not being utilised for the purpose for which it has been advanced, the Government of India may stop payment of further instalments of the loan and will be free to recover the amount already advanced in such manner as it may deem appropriate;
- (3) The college will exercise reasonable economy in the expenditure on construction of the hostel;
- (4) The hostel building will be completed not later than the close of the financial year following the one in which the first instalment of the loan is disbursed, unless special extension is granted by the Government of India;
- (5) No change in the plan of the building will be made without the approval of the Government of India;

PART II

*Recommendation of the State Government/Local Administration/
University Grants Commission*

The application from _____
is forwarded duly recommended to the Ministry of Education,
Government of India, with the following comments:—

- (i) That a senior officer of the _____ Department/
Commission has visited the college and a copy of his report
is attached;
- (ii) That the application has been examined and that it is
found to be covered under the scheme;
- (iii) that the project for which the application is being recom-
mended is absolutely essential for the development/
expansion of the College in the field of education for the
following reasons :

- (iv) That its work has been reported as satisfactory during the
last three years;
- (v) That the College is not run for profit to any individual or a
body of individuals;
- (vi) That the college does not charge capitation or other similar
fees from students of other States;
- (vii) That the land for the construction of building is available;
- (viii) That the accommodation proposed to be constructed and
rates of the proposed construction conform to the standards
laid down by the State Government/University Grants
Commission;
- (ix) That assistance has/has not been given by the State Govern-
ment/University Grants Commission. In the former case,
details of assistance sanctioned during the last five years
for the purpose may be given. If assistance has not been
provided by the University Grants Commission for a hostel
building, the reasons why the College does not propose to
apply for assistance to the Commission as well as the
reasons why the State Government is not in a position to
sanction the matching grants may be indicated.

- (x) That the College has/has not the capacity under its consti-
tution and Memorandum of Association to raise and
borrow money and to pledge its assets as security for the
return of money;
- (xi) That the College is/is not in a sound financial position to
enable it to repay loan with interest charges within the
stipulated period;
- (xii) That the security offered by the College has been properly
investigated by an independent valuation, if necessary, and
its value is atleast 33 1/3% above the amount of the loan
recommended;
- (xiii) That the balance expenditure will be met by the College/
State Government as the case may be.

2. The State Government/Local Administration/University Grants Commission recommend that a loan of Rs.——— may be sanctioned by the Ministry of Education.

(Signature)

(Designation)

(Office Stamp)

Recommendation

The Committee also commend the suggestion that the Pool scientists should be asked to route their applications for placement through the CSIR. If there is likely to be any procedural delay, applicants should be asked to endorse a copy of the application simultaneously to the CSIR so that the CSIR are kept concurrently informed of the efforts being made by the scientists to secure regular placement.

(Sl. No. 33—Appendix VII—para 2.46 of the 14th Report 4th Lok Sabha).

Action taken

The above procedure is already being followed. All Pool Officers are being requested to keep the CSIR informed of all applications for jobs made by them.

In the six monthly progress reports of Pool Officers (Annexure-I) under items 9, 10 and 11 the Pool Officers are to indicate the posts applied for, the posts to which they were called for interview on the recommendation of the CSIR and any other efforts made by them to find a regular position. Thus the CSIR is informed of all the applications for jobs, made by the Pool Officers. But when they leave the Pool, some of them do not always intimate the particular post they have accepted, in spite of request. Pool Officers are free to negotiate for any suitable job, even without formal application.

[CSIR O.M. No. 3 15 68-PU Dated 1st March, 1969].

Recommendation

The Committee would like to draw attention to the fact that, out of 650 scientists working as on 30th June, 1966, 228 belonged to the field of medicine. As regards the absorption of these 228, the Committee suggest that a systematic and earnest effort should be made to find them placement in the health and family planning programmes of Government and in the Army Medical Corps so as to reduce the burden on the Pool.

As regards engineering scientists, the Committee feel that effort should be made for their early absorption. They would particularly stress that the scope for absorbing them in the Ministry of Defence

NOTE: The Officer signing this certificate should be above the rank of an Under Secretary to the State Government Assistant Secretary, University Grants Commission.

(Research and Development Programme) and in the Public undertakings should be fully explored.

[Sl. No. 34-35-Appnedix VII—Paras 2.47 & 2.48 of the 14th Report—4th Lok Sabha].

Action taken

Particulars of medical and engineering scientists selected to the Pool are being regularly sent to the above mentioned organisations. Suitable persons are also recommended for vacancies notified from time to time. In addition, particulars of Pool Officers are periodically referred to them for special consideration. Out of 228 Medical Pool Officers working as on 30-6-66 only 4 Pool Officers are still continuing. Of those who left, 175 were absorbed in regular jobs and in 49 cases, services were terminated.

A Statement showing the number of candidates referred to various organisations for employment during the period from 1st July, 1967 to 30th June, 1968 is enclosed (Page).

[CSIR O.M. No. 3/15 68-PU Dated 1st March, 1969].

Recommendation

The Committee need hardly emphasise that the Scientists Pool should not be allowed to be treated as a refuge from unemployment particularly for those who are not adequately qualified and therefore not likely to find placement.

The Committee suggest that scientists who leave the Pool once should not be taken back as a matter of course. The Committee also deprecate the practice of allowing scientists to join the Pool during their vacation because that hardly appears to serve any national purpose.

[Sl. No. 36—Appendix VII—Para 2.49 of the 14th Report—4th Lok Sabha].

Action taken

The standards of selection have been under constant review. Persons who are not adequately qualified are not selected to the Pool, merely because they are unemployed.

Scientists leaving the Pool whether for taking up positions in India, or abroad, are not automatically taken back into the Pool. The cases are individually considered and a decision taken in the light of all the circumstances.

Many of the persons who come from abroad are in a position to go back to the same or similar positions abroad. Most of them desire to find suitable positions in the country. Therefore, their cases are considered and placement is offered in appropriate cases.

The number who left the Pool and went abroad within 3 months was only 6.

The implications of ban on Pool Officers going abroad within a specified period will be considered in detail by the Advisory Committee for the Scientists' Pool at its next meeting.

[CSIR O.M. No. 3/15/68-PU Dated 1st March, 1969]

Recommendation

The Committee are distressed to note that in spite of the heavy accumulation of unsold publications in the two institutions since 1963 (the percentage of accumulation ranged between 63 and 99 during 1963-65) as mentioned in the Audit para, indicating an avoidable waste of public funds, no effort was made by the CSIR to analyse the reasons for it. It is only recently that, in pursuance of the recommendations contained in paras 4.361 and 4.362 of 41st Report (Third Lok Sabha) and para 2.33 of 5th Report (Fourth Lok Sabha) of the Public Accounts Committee, they have appointed two Expert Committees to examine the publication and pricing policies of the various institutions of the C.S.I.R.

The Committee need hardly stress that the Expert Committees should conclude their deliberations early so that the entire policy of printing by various institutions of the CSIR is placed on sound and realistic footing without undue delay. In the meantime, the CSIR should impress on all the laboratories and Institutions under its control the need to observe the utmost economy in the printing of publications and to avoid further waste of the tax payers' money. At the same time the Committee would like the CSIR to make a sustained effort to dispose of the large number of unsold copies which have accumulated with the institutions of the CSIR.

[Sl. No. 37 & 38—Appendix VII—Paras 2.57 and 2.58 of 14th Report—4th Lok Sabha]

Action taken

The recommendation of the Committee has been noted. The Expert Committees have met and their recommendations are being finalized. The National Laboratories/Institutes of the CSIR have also been requested to take necessary action in the light of the above recommendation, observation of the PAC, vide CSIR letters No. 3/15/68-PU dated 8-4-68 and 10-5-1968 copies attached (Annexures III & IV).

[CSIR O.M. No. 3 15/68-PU Dated 1st March, 1969]

Recommendation

40. The Committee also feel that the Universities State Governments who sponsor grants for colleges should in equity take some responsibility for ensuring that money is properly utilised and that the requisite progress reports and the completion certificates are submitted in time to the University Grants Commission. The Committee would, therefore, like the Ministry to examine this aspect further in consultation with the State Governments/University Grants Commission to evolve a suitable working arrangement.

41. From the information furnished by the University Grants Commission, the Committee note that there were as many as half a dozen cases of furnishing false certificates which have come to notice so far. The Committee take a serious view of the furnishing of false certificates by educational institutions. The Committee would like the University Grants Commission to take stringent action in all those cases where false certificates have been given by educational institutions. The Committee also feel that the progress reports received from educational institutions regarding the construction of buildings need to be examined more critically.

43. The Committee also hope that, with the present procedure evolved for watching the progress of projects financed by the University Grants Commission, there will be no case of diversion of funds and the rendering of false certificates and that the projects undertaken will be completed as far as possible, on schedule.

[S]. No. 40, 41, and 43 of Appendix VII to 14th Report, 4th Lok Sabha]

Action taken

The University Grants Commission has now adopted the procedure for prescribing a time limit for the completion of projects. While conveying the approval the colleges are requested to complete the projects within a specified time. A consolidated record, indicating the total cost of the project approved, the Commission's share of the expenditure, the instalments of grants released, progress of expenditure reported from time to time, the receipt of audited statements of accounts, completion certificates etc., is maintained. No new project is normally sanctioned to a college until the project approved earlier has been completed.

As regards issue of utilisation certificates it is stated that the U.G.C has made a significant progress in respect of projects approved in Second and Third Five Year Plans. The latest position is as follows :—

- (a) Out of the scheme approved in the Second Plan, 57 cases involving UGC share of Rs. 46.64 lakhs are pending against which an amount of Rs. 42.35 lakhs has been paid so far. Out of these 57 cases, 25 pertain to West Bengal Government sponsored colleges involving grants amounting to about Rs. 22 lakhs for hostel buildings. These buildings were completed and are in use. The utilisation certificates from the A. G. West Bengal have not so far been received despite repeated insistence. The P.W.D. West Bengal has, however, sent the completion certificates in these cases, certifying that the buildings have been completed and also indicating the expenditure incurred.
- (b) Out of the Third Five Year Plan Schemes 136 cases involving University Grants Commission share of Rs. 115.93 lakhs are pending against which a sum of Rs. 78.81 lakhs has so far been paid. Most of these projects are in the final stage

of completion, and completion documents are expected to be received in due course.

The University Grants Commission has already been following the practice of retaining a reasonable amount from the final grant and releasing the final instalment only after the completion documents have been furnished, except in the case of small annual grants paid under the scheme of Students' Aid Fund in which Utilisation Certificates are required to be submitted in due course.

The sponsoring authority for grants to the colleges (including Government Colleges) from the University Grants Commission is the University concerned and not the State Government. Such grants are sanctioned to colleges on the recommendations of the University concerned and in the light of the policies and rules approved by the Commission. Copies of the sanction letters issued to the colleges in respect of the projects approved and the instalments of grants released are invariably sent to the University and the Education Department of the State Government Director of Collegiate Education. In the case of new colleges, the University is normally asked to certify that the college has the managerial ability to carry out the project for which the grant is sought, and the college is running on sound lines. When the execution of the project is delayed or a complaint received or any irregularity detected, the University is apprised of this and requested to investigate the matter. Further payments are not released until a clearance is received from the University. In suitable cases the Universities concerned initiate enquiries and appoint their own committees to visit and inspect the colleges. In some cases, the colleges concerned are visited by the Officers of the Commission with the representatives of the University.

The latest position in respect of the 6 colleges mentioned in the report is as follows :

1. *People's College, Nanded*

The completion documents of the hostel building have since been received from the college. The actual expenditure incurred is Rs. 1,20,231. As there was not adequate demand for hostel accommodation from girl students, owing to a decline in their number, the Principal requested that the hostel may be utilised as Men's hostel. The total enrolment of men students in the People's College and Science College, Nanded into which the college was bifurcated in 1966-67 was 460 and 736 respectively. Neither college had a hostel. It was, therefore, felt that a men's hostel would meet a genuine need. This was supported by the University. The matter was placed before the Commission for consideration at its meeting held on 5-4-1967. The Commission accepted the suggestion of the college but resolved that since the University Grants Commission's assistance for men's hostel is on 50 : 50 basis, as against 75% for a women's hostel, the college may refund the excess.

On the basis of actual expenditure of Rs. 1,20,231 the University Grants Commission's share at 50% works out to Rs. 60,115. The college was asked to refund the amount of Rs. 34,885 i.e. difference between Rs. 95,000 already paid and the U.G.C. share of Rs. 60,115

representing 50% of the actual expenditure of Rs. 1,20,231. The college has now refunded the amount of Rs. 10,000 and has stated that the balance will be refunded in 2 or 3 instalments which are being watched.

2. *Lahiri College, Chirimiri (regarding Women's hostel)*

The accounts of the college have since been audited by the A.G., M.P. and copies of the inspection report have been sent to the college and the Ravi Shankar University for comments. Their replies are still awaited. The valuation of the buildings constructed with the U.G.C. assistance has not yet been done by the P.W.D. Madhya Pradesh.

3. *A. K. College, Shikohabad*

On a reference from the U.G.C. made in October 66, the State Government instituted an enquiry into the position of UGC's grants in this college by the Deputy Director (Finance) of Education, U.P. A copy of Report of the enquiry is enclosed Annexure I. The State Government has also sent a reply on the point as to whether the cases should be referred to the CBI a copy of which is enclosed Annexure II. The Commission was unable to accept the suggestion of the State Government that the college be permitted to build the hostel according to revised plan at an estimated cost of Rs. 55,000 and requested the State Government to obtain refund of the hostel grant and completion documents for the non-resident student centre and hobby workshop, which were reported to be completed (vide Commission's letter dated 3rd February, 1968 (copy enclosed) Annexure III. The University also was requested to provide help in settling the matter.

The State Government has informed the Commission on 22-3-1968 that necessary pressure is being exerted upon the college for early compliance with the Commission's decision. The Agra University also has issued a directive to the College to the same effect on 22-2-1968.

4. *Victoria Institution, Calcutta*

The College was visited by an officer of the Commission in January, 1967. The report of the Officer has already been sent to the A.G.C.R.

The grant was sanctioned to the Victoria Institution, Calcutta for the construction of a new hostel building and it has been utilised for the same. The college is a sponsored college of the Govt. of West Bengal. The initiative in obtaining the UGC grant for this project was taken by the West Bengal Govt. When the plans needed to be altered because of the rules of the Calcutta Corporation, the Changes were approved by the West Bengal Government and the Calcutta Corporation.

The Commission has accepted the revised plan for the construction of the hostel at an estimated cost of Rs. 130,000. The completion certificate issued by the Chief Engineer, Construction Board of P.W.D., West Bengal, has been received.

The College has since sent the audited statement of accounts according to which the college has incurred an expenditure of Rs. 1,32,032.70. The college has since been requested to send a revised utilisation certificate for the University Grants Commission's share of assistance amounting to Rs. 97,500, for the release of the last instalment of Rs. 2,500.

5. *Vaish College, Shamli*

At the request of the Commission, the A.G., U.P. agreed to hold a special audit on the accounts, of the College in respect of grants paid by the UGC. The audit was to be conducted in the quarter from January to March, 1968. The Report is awaited. The A.G. is being reminded to send the Inspection Report.

The P.W.D. U.P. has been reminded to expedite valuation of buildings constructed with UGC assistance. The Meerut University is currently engaged in considering disaffiliation of the college.

6. *G. M. N. College, Ambala Cantt.*

The Office of the Accountant General, Punjab has since completed the scrutiny of the accounts of the College. A copy of the Inspection Report is enclosed Annexure-IV. Copies of this report were sent to the College, the Punjab University, and the D.P.I. Haryana for comments. The College has sent its comments on the report which are under consideration. The P.W.D. Punjab has been repeatedly reminded to send in valuation certificates in respect of buildings constructed with U.G.C. assistance.

The Punjab University has sent an extract copy from the minutes of the meeting of the Syndicate held on 7-1-1968 on the affairs of the College. A copy of the same is enclosed Annexure-V.

The matter was discussed by the Secretary, and the Development Officer (Colleges) U.G.C. with the Vice-Chancellor, Panjab University on 30-3-1968. A copy of the minutes is enclosed Annexure-VI. The University has been requested to send the following information :

1. Copy of the notice of disaffiliation served on the college.
2. Copy of the assurance and reply received by the University from the college.
3. The decision of the University regarding (1) above in the light of (2) above.
4. The endowment fund of the college lying with the university

The University has been requested that the endowment fund of the college may not be released till the question of refund of U.G.C. grants to the college is settled.

In cases where the submission of false certificates and progress reports is detected, the following steps are normally taken depending on the facts of each case :

- (i) The Universities are requested to investigate the case.

- (ii) It is insisted that the accounts be audited by the Accountant General concerned and the buildings valued by the P.W.D.
- (iii) In cases of suspected defalcation, the matter is referred to the Ministry of Education with a request that this may be investigated by the CBI, SPE Ministry of Home Affairs.
- (iv) Further payments to the institutions are withheld.
- (v) The advice of the Ministry of Law is obtained through the Ministry of Education regarding the recoveries to be made or other legal action to be taken.

No indemnity bond is being taken from the colleges. The various universities were, however, addressed on 23-8-68 inviting their views, among others, on the specific point of prescribing an Indemnity bond as a pre-requisite condition for the release of funds to the colleges. They have been asked to send reply by 30-9-68. On receipt of replies matter will be considered further by Commission [copy of Commission's letter No. F. 1-2 68(C.II) dated 23-8-68 enclosed] Annexure VII.

Vigorous action is being taken in the cases under report. The Commission has also decided to send Visiting Committees of Educationists to non-professional colleges in the country to study their problems and difficulties in regard to development. 21 colleges under the Delhi University and 62 colleges of Rajasthan University were visited in February-March, 1968. 22 Colleges under Kerala University were visited in April, 1968.

Recommendation

The Committee find that the Visiting Committee appointed by the University Grants Commission to go into the Fourth Plan requirements of Universities have also made some observations about the progress made with these research projects. The Committee hope that the University Grants Commission will keep a careful watch on these research projects so that they are completed without avoidable delay.

The Committee would suggest to the University Grants Commission that, in the light of the experience gained so far in sanctioning grants for research projects to Universities, they should evolve suitable criteria for the guidance of all concerned. In particular, the Committee suggest that the sponsoring Universities should furnish to the University Grants Commission an outline of the project in greater depth together with a realistic time-schedule. The University Grants Commission should also watch the progress made through periodical progress reports so that necessary action may be taken for the timely completion of the assignment.

[SI. No. 47 and 48 of Appendix VII to 14th Report, 4th Lok Sabha]

Action taken

The suggestions contained in the recommendations in SI. No. 47 have been noted for guidance.

It has not been possible for the University Grants Commission to allocate earmarked funds for undertaking research projects by university departments in view of the limited resources at the dia-

posal of the Commission. The proposals received from time to time from the universities and their teaching departments are therefore considered on a selective basis. Generally, the following criteria are kept in view in selecting proposals for implementation :—

- (i) The proposals received from universities as well as the proposals invited by the Commission under programmes sponsored by it specify the relevant details such as the name of the Director, his research qualifications, experience and fields of specialisation, research design-objectives, hypothesis, methodology, duration of the project, financial implications, etc.
- (ii) The proposals are referred to expert committees for detailed examination. The expert committees take into consideration a number of relevant factors such as suitability of the topic, the experience and qualifications of the Director, the expertise in the department concerned, areas of specialisation and interest, and the contribution which the research project is likely to make either to the advancement of knowledge or to problem solving processes in the concerned field.
- (iii) The proposals are sometimes referred back to the universities for further consideration of research design or modification of topic or revision of estimated expenditure etc. in the light of the comments and observations of the expert committee.
- (iv) In so far as release of grants for the research projects under implementation is concerned, the Commission follows the same procedure as in the case of other development schemes, e.g., instalments of grants are released on the basis of periodical progress reports received from the research directors and accounts are finally settled on the basis of utilisation certificates and audited statements of accounts.
- (v) The University Grants Commission permits the payment of T.A. and D.A. for staff employed under the research projects in accordance with the existing university rules for similar categories of staff.

Recommendation

The Committee are surprised that the University Grants Commission launched upon the scheme of a hobby workshop involving an amount of about Rs. 20 lakhs without first ensuring that the scheme would be smoothly implemented. What is more surprising is that, having launched the scheme, the Commission did not ascertain the practical difficulties in its implementation from 1958 to 1966 despite the fact that there was inordinate delay in its implementation. According to the Report of the Evaluation Committee on Hobby Workshops submitted in January, 1966 the scheme ran into difficulties for two main reasons :

- (i) non-availability of suitable instructors; and
- (ii) the lack of time for the pursuit of hobbies by students particularly because of compulsory N.C.C. training.

The Committee feel that these two impediments in the execution of the scheme in various Universities and colleges could have been foreseen and proper safeguards in that respect could have been provided.

The Committee have no doubt that the recommendation made by the Evaluation Committee about the Hobby Workshops will now be implemented by the University Grants Commission and the Universities faithfully. In particular, the Committee would like to stress that the Hobby Workshops, where set up, should be activated. No further grants should, however, be given for setting up new Hobby Workshops till it has been demonstrated from experience that these Workshops serve a useful purpose in fostering hobbies amongst students.

[Sl. No. 49, 50 and 51 of Appendix VII to 14th Report, 4th Lok Sabha]

Action taken

The Commission accepted the report of the Evaluation Committee. As recommended by the Committee, the Commission has decided that fresh schemes of Hobby Workshop may not be approved during the Fourth Plan. The Universities concerned have been asked to finalise the implementation of the scheme as early as possible. They have also been informed that Commission's assistance (recurring) will not be available beyond the Fourth Plan period irrespective of the fact whether the 5-year period of Commission's assistance has been completed or not.

Recommendation

The Committee find that the percentage of the copies sold to the total print order during the six financial years from 1959-60 to 1965-66 has varied from 4 to 11. The Committee feel that this percentage is shockingly low, even taking into consideration that some of the books have to be issued as complimentary copies. Further, the number of copies of the different publications in stock is also distressingly high. The corresponding waste of public funds cannot be overlooked or condoned. The Committee suggest that the University Grants Commission should review their publication policy and evolve a suitable procedure whereby the print order is kept to the essential minimum. The number of books to be issued as complimentary copies should also be drastically reduced. The Committee desire that the University Grants Commission should take suitable measures to boost the sale of unsold copies so that the money spent is not needlessly blocked.

[Sl. No. 52 of Appendix VII to 14th Report, 4th Lok Sabha]

Action taken

The observations of the Public Accounts Committee have been noted for guidance and necessary action. It is, however, stated that as a result of efforts made during 1966 to boost the sale of University Grants Commission publications, the sale proceeds as intimated by the Manager of Publications Delhi, have increased from Rs. 4,509.50

in 1965-66 to Rs. 10,495.70 in 1966-67, showing an increase by more than 133%. Efforts are being made to increase the sale of UGC publications.

Following steps have been taken by the Commission to boost the sale of U.G.C. priced publications :—

1. A half-page advertisement was given in the issue of April 1968 of University News, brought out by the Inter University Board of India and Ceylon. This journal has a wide circulation in universities, colleges education organisation in India and abroad, etc.
2. Copies of the catalogue of priced Publications of U.G.C. brought out recently, have been sent to all the colleges and universities in May-June 1968 with the request that these may be brought to the notice of various heads of the Departments.
3. A list of priced publications alongwith their price and the place from where these could be purchased is printed on the back cover of all the priced publications now being brought out by the Commission.

[Ministry of Education O.M. No. 6-1 68-Acc. II dated 9-1-69]

ANNEXURE-I

COPY OF THE REPORT OF DY. DIRECTOR (FINANCE) OF THE GOVT. OF U.P.

Enquiry report in respect of utilisation of grants sanctioned by the U.G.C. to the A.K. College, Shikohabad.

The position in respect of the sanction and utilization of grants sanctioned by the U.G.C. to the A.K. Degree College Shikohabad affiliated with the Agra University is detailed below :—

2. The following grants were paid to the college by the U.G.C.

1. Men's Hostel	40,000
2. Non-Residence student centre building	30,000
3. Hobby Workshop	5,000

3. The position in respect of each of the above grants is as under :

(a) Men's Hostel.

The U.G.C. sanctioned a project (on 28-12-59) for the construction of boys hostel for 112 students at an estimated cost of Rs. 2,52,000 with U.G.C.'s share of Rs. 1,25,000. The U.G.C.'s share was to be paid in instalments subject to the submission of quarterly progress reports of expenditure by the college. The first instalment of Rs. 40,000 representing U.G.C.'s share was drawn by the college on 17-2-60. The first quarter for the submission of the progress reports was to commence from 31-3-1960. The college did not furnish any progress report to the U.G.C. till November 1960. The first progress report was submitted by the College in December 1960. In this very month the college authorities also submitted revised estimates and plans for the construction of this hostel. These were submitted in conformity

with the suggestions and specifications of U.G.C. on hostels. These plans and estimates were approved by the U.G.C. vide their letter No. F. 37-299/59(CUP) dated March, 15, 1961 (Annexure I). According to the revised plans the estimated cost of construction was to be Rs. 2,91,514 but the U.G.C.'s share was to be limited to the extent of Rs. 1,25,000 only. Even after the approval of the revised plans and estimates, the college could not undertake the construction of the hostel speedily. There were allegations against the financial dealings of the college and it was also reported that the hostel was not under construction. The matter was accordingly referred to the Agra University on 29-5-61 for investigations. Accordingly a Committee of the Agra University composed of the Dean of Faculty of Engineering and the University Engineer reported (on 26-7-61) that the hostel work had not by then been started and only some excavation for portion of the building had been done. The Committee also reported that the progress reports did not contain quantum of work done under each item and the cost of those items on the basis of estimated rates. There were irregularities in the maintenance of accounts also. As a consequence of the report the college was asked to refund the grant of Rs. 40,000. The college pleaded that the hostel would be built and sent a progress report for the period ending 30-9-1961, showing an expenditure of Rs. 26,068. This expenditure was reported to have been incurred on the purchase of buildings material for the construction of the hostel.

The U.G.C. desired to know from the Agra University about the financial and managerial ability of the college to complete the various projects for which grants had been sanctioned. Thereupon the University appointed Dr. Bishambhar Sahai, Head of the Commerce Department, St. Johns College, Agra to report about the financial and managerial ability of the college. Dr. Sahai found the financial position of the college to be weak and also came to the conclusion that there was no need for a hostel. The College was therefore again requested to refund the total amount of Rs. 40,000 received as 1st Instalment from U.G.C. The Secretary of the College represented the matter before Chairman of the Commission on 6-8-62 and agreed to refund the unspent amount lying with the College. This unspent amount of Rs. 12,147.74P. has been refunded by the college on 18-8-1962.

The college was again visited by Dr. R. C. Gupta and Sri R. K. Chhabra of the U.G.C. who reported on 18-3-1963 that the college should revise their estimates and plans and submit them to the Commission for consideration. It was also stated by them that since the revision of plans and estimates would take some time the college should complete other projects expeditiously in the meantime.

The college submitted revised plans and estimates etc. on 20-6-63 but these were found defective and certain modifications were suggested. The modified plans and estimates were not sent by the college despite reminder. The College was therefore again asked on 7-7-1965 to refund the balance of grant amounting to Rs. 27,852.26P. This has not yet been refunded by the College. Account records of the college reveal that the amount of Rs. 27,852.26P. has been spent by the college in purchasing bricks etc. coupled with labour charges for digging

plinth (for college Hostel) and putting in of concrete etc. The details of this expenditure are given in (Annexure II). However the material purchased for which vouchers were produced was not shown at the time of inspection and inquiry. It therefore appears that most part of this material has already been used by the college authorities in the construction of other projects.

The college authorities now propose to submit a revised plan for the construction of the Hostel to the U.G.C. This proposal would be for the construction of twenty rooms at an estimated cost of Rs. 55,000 as stated by them. The unspent balance of Rs. 27,852.26P. is proposed to be utilized as U.G.C.'s share and the rest of the amount is proposed to be met by the college from its own resources if this proposal of their's is accepted by the U.G.C. The college proposes to make this request to the U.G.C. because in its opinion the refund of the amount of Rs. 27,852.26P. will mean a punishment to the college as it has already spent some amount in levelling the ground and digging the foundation etc. The college have also submitted that it is ultimately decided by the U.G.C. that the college should refund the unspent balance of Rs. 27,826.52P. It should be required to refund only half of this amount as pointed out by the A.G. in his Audit Report (Annexure III).

There now appear to be only the following three alternatives :—

- (1) The college should be asked to refund the entire amount of Rs. 27,826.62P. to the U.G.C.
- (2) The revised plans of the college for construction of twenty rooms at an estimated cost of Rs. 55,000 be approved by the U.G.C. and the unspent amount of Rs. 27,852.26P. be treated as U.G.C.'s share
- (3) The college should be asked to refund the half of the amount of the unspent balance of Rs. 27,852.26 as pointed out by the A.G. in his Audit Report (Annexure III).

If alternative number one is accepted it would naturally result in a punishment to the college which can be avoided if number two is accepted. As for number two it is for U.G.C. to decide whether or not to sanction the revised plans and estimates in view of the remarks of Dr. Sahai (already quoted herein before) to the effect that a hostel is not needed. However in my opinion the need or otherwise of a hostel should have been examined by the U.G.C. before the proposal for the project was accepted and grant for the same sanctioned and advanced by them.

2. As regards the third alternative it may be submitted that the A.G. in his audit report (Annexure III) has not given any reasons as to why the college authorities should be required to refund only half of the amount of Rs. 27,852.26. The contention seems to be based on the fact that the digging of the plinth and putting in it concrete etc. (and purchase of other raw materials for the construction) was done by the College according to the revised plan duly approved by the U.G.C. and therefore the amount of Rs. 27,852.26 spent by the college should be borne half and half both by the U.G.C. and the

college as the U.G.C.'s assistance to the college was originally intended to be about fifty percent of the total estimated cost.

The A.G.'s recommendation if accepted would place the college authorities in an advantageous position as compared to the U.G.C. in as much as the raw material purchased by the college remains with them.

Under the circumstances analysed above the U.G.C. authorities may choose any one of the above noted three alternatives and thus settle the dispute for good.

Non-Resident Students Centre

The Secretary University Grants Commission New Delhi in his letter No. F. 38-2/56(H) dated January 27, 1960, conveyed the approval of the University Grants Commission to the construction of non-resident students' centre at a total cost not exceeding Rs. 51,385.00 against which the share of the Commission was limited to Rs. 35,000.00 only. The balance of the expenditure on this account was to be met by the College.

Vide para 2 of the said letter the centre was to consist of a canteen, a recreational room, a reading room and one or two bath rooms with a total floor area of a-about 2,000 sq. ft.

The number of the students to be benefited by the scheme was to be informed to the Commission as required in para 3 of the said letter. This was not done. Reasons for the non-compliance are still awaited from the college.

Tenders for the construction of the building in accordance with plans and estimates prepared by a qualified engineer were to be invited by advertisement appearing in two or three daily newspapers of the areas and orders were to be placed with the firm quoting the lowest tender according to the instructions contained in para 4 of the said letter. The following information was also to be furnished to the Commission:—

- (i) Number of Tenders received.
- (ii) Amount of the lowest Tender.
- (iii) Amount of the tender accepted. Tenders were not called for and the above information was also not submitted to the Commission. Reasons for non-compliance have not been furnished by the college, as yet.

It was stated that the building was got constructed through several contractors viz. Sri Dauji Ram, Sri Girdhari Lal, Sri Prem Raj and Sri Ram Chandra etc. but requisite formalities e.g. Agreement of the contractor, amount of the contract, Security of the contractor, etc were not observed. Reasons for non-observance of the

above have not yet been furnished by the college. A total grant of Rs. 30,000 was recorded in the cash book as under :

Date	Amount Rs.	
30-3-1960	5,000.00	First instalment.
2-1-1961	10,000.00	Second instalment.
17-7-1961	10,000.00	Third instalment.
15-2-1965	5,000.00	Fourth instalment.

From the records produced, it was noticed that a total sum of Rs. 46,040.44 paise including an amount of Rs. 25,000.00 (received in three instalments) from the University Grants Commission was spent on the construction work. The fourth instalment of Rs. 5,000 was received by the institution on 15-2-1965 after submitting the utilization certificate from a chartered accountant in respect of the expenditure (Annexure V) audited by him and also a certificate from Shri S. R. Tewari, Engineer (Annexure IV) alongwith a T.R. bill for Rs. 10,000 as is evident from a registered letter No. 562 dated November 13, 1964 to the Secretary, University Grants Commission. The building has since been completed and the college authorities would shortly furnish a valuation certificate from an Engineer to the U.G.C.

It may also be pointed out here that the above building included construction of a preparation room, the cost of which approximately was Rs. 2,314 and its plinth area being 166 sq. ft. as was evident from the concluding lines of the utilisation certificate already submitted to the University Grants Commission alongwith letter No. 562 dated November 13, 1964, from the college authorities. No reference in this regard was found to have been received from the university Grants Commission. In fact the Management should have met this amount from its own resources. If however the valuation certificate which is to be shortly submitted by the college authorities is for more than Rs. 53,700 (51,385 & 2,314 representing cost of one additional room) then evidently the excess amount spent on the construction of one room, has been met by the college authorities out of their own resources and there would remain nothing objectionable. In this respect the only thing that the college authorities have to do now is to produce an authenticated valuation certificate to the tune of Rs. 53,700 of higher.

Hobby workshop.

A perusal of university Grants Commission's letter No. F. 66-7/59(G) dated July 1960 received in the college on July 18, 1960 showed that the University Grants Commission had approved proposals for setting up a Hobby Workshop in (i) Carpentry (ii) Smithy & Metal Work (iii) Clay modelling & paper machine and (iv) Assembling of electronic and electrical appliances at a total cost of Rs. 36,305.00 (N.R.) The estimated cost of the building was Rs. 20,484. The U.G.C.'s share was Rs. 10,000. The rest of the amount was for equipment. The U.G.C.'s share for equipment was also to be 10,000.

In para 2 of the above letter payment of a grant of Rs. 5,000 (N.R.) was sanctioned towards the establishment of Hobby Workshop. The

balance of the amount of Commission's share was to be given in instalments after utilization of the grant thus sanctioned together with a proportionate sum from the funds of the college. The final instalment of the grant was to be paid to the college on submitting a certificate from a qualified engineer that the building had been completed in accordance with the plans approved by the Commission.

The amount of Rs. 5,000 was drawn on September 10, 1960 as was evident from an entry recorded in the Non-recurring fund account Cash Book. From a scrutiny of the relevant records produced it was revealed that a total sum of Rs. 24,656.50P. including the grant of Rs. 5,000 was spent till September 29, 1961 on construction of a Hobby Workshop building under this project and bills for Rs. 305.08P. were pending for payment. Thus total expenditure incurred on the project comes to Rs. 24,960.58P.

The college vide their note dated 31-7-67 (Annexure VI) have stated that the college on this project has incurred an expenditure amounting to Rs. 25,463.37P. including the grant of Rs. 5,000 which they have so far received from the University Grants Commission. The building is now complete and the Chartered Accountant and the Engineer are now being contacted to verify the expenditure and certify the valuation of the building. These certificates would be sent to the University Grants Commission shortly.

Sd. - S. N. Sharma
Dy. Director (Finance)

ANNEXURE II

COPY

Sr. S. N. Mehrotra
Dy. Secretary.

D. O. No. C11/5058
Govt of Uttar Pradesh
Education C(II) Department
Dated Lucknow Aug. 28, 1967

Dear Dr. Nagappa,

Kindly refer to the correspondence resting with your D.O. letter No. F. 10-1. 67-U.I. dated 20-7-1967 regarding certain irregularities in the utilisation of grants sanctioned to A. K. College Shikohabad by the University Grants Commission, New Delhi.

The matter has been inquired into by the Directorate of Education. The report of the Dy. Director of Education (Finance) is enclosed. On page 3 of this report, 3 alternatives have been suggested keeping in view all aspects of the matter, the State Govt. are inclined to recommend the second course suggested therein, namely "The revised plans of the college for construction of twenty rooms at an estimated cost of Rs. 55,000 be approved by the UGC and the unspent amount of Rs. 27,852.26P. be treated as UGC's share."

However, if the Ministry of Education even now decide to refer the matter to the Central Bureau of Investigation, the State Government will have no objection to this.

With kind regards,

Yours faithfully,
Sd/-

Dr.
Asstt. Educational Advisor,
Ministry of Education,
New Delhi.

ANNEXURE III
UNIVERSITY GRANTS COMMISSION
Bahadur Shah Zafar Marg
New Delhi

No. F 37-229 59(C)

3 February 1966.

To

The Secretary to Govt. of U.P.,
Education Department,
Lucknow.

SUBJECT: *Construction of Hostel, non-resident students centre and Hobby workshop building—A.K. College, Shikohabad.*

Sir,

I am directed to invite a reference to this office letter No. F. 37-299/59(C) dated 22-11-1967, on the subject noted above and to state that completion documents of the Non-Resident students Centre and Hobby Workshop buildings are still awaited from the Principal, A. K. College, Shikohabad. The Principal may please be directed to send the documents and refund the balance grant along with interest earned at an early date to this office

Yours faithfully,
Sd - (Mrs) (V. Mazumdar)
For Secretary.

- 1 Copy forwarded for information and necessary action to Registrar, Agra University Agra in continuation of this office endorsement of even No. dated 22-11-67. The College may please impress upon to send the documents and refund the balance grant alongwith interest earned to University Grants Commission at an early date
- 2 Copy forwarded for information to the Educational Adviser to Govt. of India, Ministry of Education, New Delhi with reference to his letter No. F 10-1 67-U.1 dated 23-1-1968.

Sd/-(K. H. SINGH)
For Secretary

ANNEXURE IV

Audit & Inspection note on the Accounts of grants-in-aid to the Gandhi Memorial National College by the University Grants Commission—Period 1960-61—65-66

PART I

PRELIMINARY

A special audit of the grants-in-aid paid during the above period to the Gandhi Memorial National College, Ambala Cantt. by the University Grants Commission was conducted by an audit party consisting of Sh. Dalip Singh Bhatia and Sh. M. N. Gupta, Senior Auditors from 26-6-67 to 3-6-67 and was supervised by Sh. S. S. Grewal, Assistant Accounts Officer. The results of present inspection and test check of accounts are incorporated in the succeeding paragraphs.

The grants paid to the college by the University Grants Commission and the expenditure incurred against them are indicated below :—The year-wise details thereof are given in Annexure 'C'

Sl. No. & date of No. sanction	Purpose of Grant	Total amount sanctioned	Amount actually released	Exp. incurred	Remarks
1. Not available	Students aid fund		2,926/-	6,496.69	
2. Registrar Pb. University's No. 56994/57150 dt. 22-5-60 & No. 9991-10040 dt. 3-4-1961	Introduction of 3 years degree course.	1,50,000/-	1,03,125/-	1,19,498.34	
3. U.G. Commission's No. 37-103/60 (CUP) of 29-12-60	Const. of Library. Building.	16770/- or 2/3rd of actual exp. whichever is less.	14,000/-	21,560.00	
4. U.G. Commission's No. F. 39-1/64(c) of 18-3-64	Estt. of Text Books for Library	15,000/-	14,000/-	13,999.58	
5. U.G. Commission's No. F. 38-21/56 of 23-2-61	Estt. of non-resident students centre.	35,000/-	30,000/-	36,960.41	

(7) REMARKS

*50% of the total expenditure was to be met by the college.

†The total expenditure was to be borne by the U.G.C. the State Govt. and college in the ratio of 3 : 2 : 1. The amount of Rs. 103,125 includes Govt. Share also.

‡The UGC's share was not to exceed 2/3rd of the actual cost or 16,770/- whichever is less.

Audit was greatly handicapped due to the non-availability of the following important accounts records :

- (i) Cash Book
- (ii) Day books and journals
- (iii) Minutes of the Managing Committee meetings
- (iv) Stock register and consumption account of materials.

Records at Sr. No. 1 to 3 were stated to have been removed by some employees of the college who were removed from service. The stock registers at Sr. No. 4 was reported to have been burnt in a fire during 'Punjabi Suba' riots in march, 1966. However, no record of its report having been made either to the Police or any other authority could be shown.

PART II

Important Observations

PARA I

Non-Completion of Buildings under construction

(a) Under the Scheme 'Introduction of Three Year Degree Course' construction of a New Building for the college was started on 26-10-1960. The total grant released for this purpose was Rs. 1,03,125 to which the college was required to contribute Rs. 20,625 as their own share. Against the total amount of Rs. 12,3700 (1,03,125+20,625) the expenditure incurred on this building up to 31-3-1966 amounted to Rs. 1,19,498.34. It will be appreciated that major part of the expenditure on this building has already been incurred but the building is yet incomplete and the construction of a part of the laboratories is yet to be undertaken. The Plan of the building was not on record and the Management was unable to furnish the details of the work yet to be undertaken/completed. The building is not complete and it is not understood as to how and when the college authorities would now be able to complete the building, equip its laboratories etc., and thereby start deriving full advantage of the assistance given by the U.G.C./Govt.

(b) Non-resident students centre

Construction of this centre which was estimated to cost Rs. 42,000 was started in the year 1961-62. A sum of Rs. 30,000 was released up to 30-9-63. Up to 31-3-66 an expenditure of Rs. 36,960.41 had been incurred but the building is yet incomplete. According to the latest progress report, the following works yet remain to be undertaken :

- (i) Sanitary fittings
- (ii) Counter Admirahs for the Canteen
- (iii) Canteen for girls
- (iv) Construction of one additional room for the canteen.

(c) Library Building

The building was started in 1961-62, but is yet to be completed. There has been no construction on it after 12-9-1963 and the up-to-date expenditure (31-3-66) amounting to Rs. 21,560. As per progress report of the college dated 12-9-1963, the following items remain to be completed :

- (i) Electric fittings.
- (ii) Library office to be constructed.

PARA II**Embezzlement/fictitious Payments—Rs. 22,055.25**

The following payments were debited to the grants released by the U.G.C. as shown in the Ledger Accounts kept by the college :

Name of the scheme	Amount debited to Ledger A.C.	Name of payee	Date of issue of cheque	Date of encasement.
Establishment of non-resident students' Centre.	(i) Rs. 3,243.12	Munna Lal	31-3-62	4-9-1962
	(ii) Rs. 698.88	Chamel Singh	31-3-62	4-9-1962
Development of Library	(i) Rs. 8,466.30	Misri Lal	29-11-61	19-3-1962
	(ii) Rs. 2,884.15	Munna Lal	31-3-62	4-9-1962
3 Years Degree Course.	(i) Rs. 360.00	Harnam Singh		Debited to A/c on 28-9-62
	(ii) Rs. 2,854	Munna Lal		"
	(iii) Rs. 2,245.80	Moti Lal		Debited to A/c on 29-9-62
	(iv) Rs. 825.00	"		"
	(v) Rs. 478.00	"		"
	22,055.25			

In none of the above cases the bills, actual payee's receipts and the covering vouchers (prepared by the college in all cases) were available on the records of the college office.

In reply to a reference made in this respect regarding the marginally noted items during the course of audit, it was stated by the President of the Managing Committee that in queries made by them some time back revealed that no person of the name of Misri Lal or Munna Lal to whom the following payments were made had worked as contractor for the buildings being erected with the U.G.C. Grants. The vouchers were also not available at that time. The then Overseer produced one Munna Lal, who made the statement of the President that he worked for a few months as a carpenter in the college and got his wages every week and he did not receive the amounts referred to herein.

Rs. 3,243.12	Sh. Munna Lal
Rs. 2,884.16	Sh. Munna Lal
Rs. 8,466.30	Sh. Mi-ri Lal
<u>14,593.57</u>	

Evidently, the amount of Rs. 14,593.57 has been embezzled which is brought to notice.

(i) In support of the five payments totalling Rs. 6,762.80 under the three years degree course referred to above, no voucher, bill and actual payee receipt was available. Not only that, there was no evidence of the payment having been made as they were not found debited in any of the pass books of the banks or the bank accounts maintained in the ledgers.

In the absence of the proof of payments having been made any service rendered/supplies made by the so called payees, the only inference that can be drawn is that the amounts were debited to the accounts of three years degree course just to show that the college authorities have created the 'assets' to the required extent including the subscriptions to be made by the management from its own resources under the terms of the grant.

(iii) The following are the other important features of these transactions :

- (a) Cheque for Rs. 8,466.30 was drawn in favour of Sh. Misri Lal on 29-11-1961 when the college had only Rs. 337.57 in its account (Building accounts) with the Punjab National Bank Ltd. The cheque could not therefore, be encashed till 19-3-1962 when the following donations were raised :

Date of subscription	Receipt No.	Amount
15-3-1962	1331	1000.00
	1332	1000.00
	1333	1000.00
	1334	1000.00
	1335	2000.00
16-3-1962	1341	1000.00
19-3-1962	-	1000.00
		<u>8000.00</u>

All these donations were made by the respected members of the Managing Committee. It is rather a strange co-incidence that the donations were raised from the members of the Managing Committee, when the alleged payment was shown to have been made.

- (b) Donations of Rs. 6800 were shown to have been received on 4-9-1962 from anonymous source and on the same day the following payments were shown to have been made :

Rs. 3,243.12	Sh. Munna Lal
Rs. 2,884.15	Sh. Munna Lal
Rs. 698.88	Sh. Chame' Singh
<u>6,826.15</u>	

Again the same amount of Rs. 6826.15 was deposited in cash in the bank on the same date in the following two accounts as verified from the Banks pass book and the ledger accounts; the credit of Rs. 6,800 on account of donations was no where traceable in any of the accounts of the college :

(i) 1,119.43,	Building A/c.
(ii) 5,706.72,	Amalgamated fund A/c.

(c) Similarly, Rs. 3200 and 3500 were shown to have been received as donations vide receipts No. 1601 and 1603 of 28-9-62 and 29-9-1962 respectively from anonymous persons of Bombay when on the same dates the following payments were debited to the ledger accounts of the college :

(i) 28-9-62	Rs. 360.00	Sh. Harnam Singh
(ii) 28-9-62	Rs. 2854.00	Sh. Munna Lal
(iii) 29-9-62	Rs. 2,245.80	Sh. Moti Lal
29-9-62	Rs. 825.00	Sh. Moti Lal
(iv) 29-9-62	Rs. 478.00	Sh. Moti Lal
	Rs. 6762.80	

In the later case at (C) above, it was further noticed that neither the amounts of the donations nor those payments were found to have been actually made as these amounts did not appear in the bank Pass Book. In fact, no cheques were found to have been issued for making these payments by the college. Apparently, these fictitious entries were passed in the college accounts simply to increase the amount of expenditure on the 3 year degree course scheme so as to provide the contribution required to be made by the college management from its own recourses.

PARA III

Grant for III Year Degree Course Scheme

An order for the purchase of an Oil Gas Plan with a produce of 150 C ft. and 2 Gas holders of 50 C ft. costing Rs. 13,090 was placed vide G.M.N. College No. 45156 dated 8-5-61, on M/s. Educational Scientific stores, Mathra. Against the above, 2 Gas holders and some material (Not specified) of the producer was received in the college in 8/63. A sum of Rs. 5,000 was paid to the firm as under :

Rs. 500 paid on 27-5-63 by cheque No. 947495

Rs. 4500 paid on 9-9-1963 by cheque No. 12485

The balance items of equipment of the plant had not so far been received. The items already received could not be put to use in the absence of the other items. The firm did not supply the remaining items as the college authorities had not paid in full 80% cost of goods already supplied as required under the terms of the contract.

In the meanwhile two pacca rooms and two pacca tanks had been constructed at a cost of Rs. 4000 from 1961-62 to 1965-66 (This construction formed part of the main building for which the above grant

was given) thus Rs. 9000 out of the above grant have been blocked up by the college authorities and to that extent the purpose of the grant stands defeated.

Of late, proposal was receiving attention of the college authorities, as to whether they should go in for the purchase of the balance items of the plant and instal the same or it should be given up and a Petrol Gas Plant instead be installed in the laboratory which it is held would be economical to the college.

No final decision in this respect has so far been arrived at. If the latter proposal is implemented most of the expenditure out of Rs. 9,000 would go waste. A copy of the order of 8-5-1961 placed on the firm was not made available nor sanction of the Managing Committee to its purchase was made available.

PARA IV

Un-authorized purchase of scientific apparatus—Rs. 9,9596.90

Scientific apparatus worth Rs. 9,596.90 was purchased from M/s. Excelsior Science Apparatus Workshop, Ambala Cantt. on 31-3-1962. The following observations were made :

- (i) No sanction of the managing committee for the purchase was obtained. The bill was passed by the Secretary of his own although under the constitution of the managing committee of the college, he was not competent to incur the expenditure. The circumstances under which this purchase was made needs to be explained.
- (ii) From the bill of the firm (No. 34 dated 31-3-1962) attached with the voucher, it was evident that no written order was placed on the firm and the purchase appeared to have been made on the spot. There was also no evidence to show that the Head of the Deptt. of Physics was ever consulted prior to the purchase with regard to the requirement, the quality of apparatus of their relative prices. Further no quotations had been invited, for making such a heavy purchase which evidently deprived the college the benefit of competitive rates. The circumstances under which the normal procedure of effecting purchase was not followed in this case needs to be justified.
- (iii) There was also no record to show if the articles purchased were according to specifications and had been received in good conditions in the college. It was, therefore, not clear if the apparatus was capable of serving the required purpose.

It was given to understand during discussion that the supplier firms was a concern of the then Secretary of the College Managing Committee.

PARA V

Non production of store accounts for material purchased and consumed for construction work

It was observed during the course of audit that huge quantities of building material were purchased for construction work of the three projects, viz. construction of new building under the "Three year Degree Course Scheme in non-Govt. college", construction of non-resident students recreation club and construction of library building. An attempt was made to collect the figures of expenditure on the purchase of main item viz wood, iron and steel, cement, bricks etc. and it was noticed that an expenditure aggregating to Rs. 75,535 had been incurred up to 31-3-1966 as per annexure A to this Audit and Inspection Note. No store account showing the receipt and disposal of these materials was made available to audit. It was stated that the stores registers had been burnt in a fire during Punjabi Suba disturbance in March, 1966. There was however, nothing on the record to show except a statement from the Munshi of the college that the registers had been burnt. In the absence of this record and the evaluation of the buildings for which the material was mainly purchased, the correctness of the receipt and consumption of the stores material could not be verified in audit.

PARA VI

Allotment of construction work tenders not made available

In terms of condition 4 for the construction of college building under the "Three Year Degree Course Scheme" in Non-Government colleges, as per letter No. Misc. 56994-57150 dated 22-5-60, the college was to allot construction work to a contractor on the basis of open tenders invited for the purpose. These tenders were to be kept for scrutiny as and when necessary. During the course of audit it was observed that the contracts were allotted as follows for which no tenders/quotations were made available :

(i) *Construction contract :*

Sh. Hans Raj Vohra (up to 1961-62).	Amount paid	18,278 52
Sh. Hira Lal (1964-65)	Amount paid	5,031 67

In between the work was got done through labour employed on daily wages.

(ii) *Woodwork contract :*

Sh. Jagat Singh up to 1962-63	Rs.	1,394 98
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The justification for not arranging any building contract during the intervening period viz., 1962-63 and 1963-64 may be furnished and the action of the college authorities got condoned from the University Grants Commission.

PARA VII

Quotations not made available

It was noticed that quotations and tenders from the open market, if invited, were not made available for audit with the result that it could not be vouchsafed that the purchases had been effected at the lowest market rates. A few of such purchases are given below by way of illustrations :

1. Non-resident students recreation centre :

Sl. No.	Date of Vr.	Amount	Name of firm	Items
1.	3-1-63	465.75	Modern Furniture House	25 Armless chairs.
2.	3-1-63	163.12	Modern Furniture House	4 News papers
3.	3-1-63	122.40	Modern Furniture House	1 dining table
2. New building under the 3 year degree course :				
4.	15-11-62	400.00	M s. Salwahan Radio Corp.	Electrical material.
5.	21-3-63	348.60	M s. Modern Furniture	Laboratory sinks etc.
6.	2-2-62	2725.00	M s. Hind Furniture Co. Kartarpur	82 Dual tables.
7.	31-3-62	3058.35	M s. Hind Furniture Co. Kartarpur	92 Dual tables.
3. New building :				
8.	20-1-61	2773.46	Purchase of wood	
9.	21-3-61	2936.38	Purchase of wood	
4. N.R.S.C.				
10.	31-10-61	4831.28	Purchase of wood	

PARA VIII

Incorrect maintenance of measurement books

It was observed that the payments to contractors and daily paid labour on account of construction work were being made on the basis of entries in the Measurement Books. The payments made to contractors have been detailed in a separate para of this audit and inspection note. The measurement books, however, did not indicate the progressive measurements on each work at the time of each payment, with the result that it was not possible to check that no payments for the same work had been made more than once. The measurement books were thus not susceptible to check and as such correctness of the payments made to contractors and labour could not be verified in audit.

PARA IX

Non-Production of A.P.P's. and Sub-vouchers

In the following cases besides those referred to in Para II above, the sub vrs. APR's were not made available for audit scrutiny. In the absence of the same, the correctness of the charge could not be verified in audit.

Sl. No.	Name of scheme	Date of payment	Amount	Name of payee	Particulars wanted
1.	New Bldg. under 3 yr. Degree course.	10-2-61	85·86	Pb. Stores	A.P.R. wanted
2.	Do.	21-3-61	2936·38	Sh. Ghangar Mal etc. Purchase of wood.	APR for Rs. 86·38 only
3.	Do.	31-3-61	500·00	Sh. P. C. Loomba	Advance for design of Bldg. APR only
4.	Development of Library	9-5-62	22·93 65·64	Sh. B. D. Goel M/s. Baldev Glass Co.	Sub. Vrs. & A.P.R.
5.	N.R. Students Centre	30-11-61	76·00 750·00	Sh. Jagan Nath	Do.
6.	UGC Furniture New building.	31-3-62	25.63	Sh. RBL spent the amount	Do.
7.	Development of Library	23-9-61	1226·27	Sh. Nathu Ram	APR wanted
8.	Do.	2-12-61	2·00	Sh. B. D. Goel	Sub. Vr. & APR.
9.	Do.	31-3-62	7·35	Sethi Stores	Do.
10.	New Building	27-1-65	400·00	Hira Lal	Vr. & APR wanted

PARA X

Purchase of Furniture of Rs. 1920.45 for Non-resident Students Recreation Centre : Not covered by sanction

The sanction accorded by the UGC *vide* No. F. 38-21/56(HQ) dated 23-2-61 clearly stated that the grant was meant for the construction of non-resident students recreation centre but it was noticed that expenditure on account of furniture also had been incurred as per details below :

Sl. No.	Date of payment	Amount	Items purchased
1.	3-1-67	465·75	25 Armless chairs
2.	3-1-67	163·12	4 News-paper stands
3.	3-1-67	127·40	1 dining tables
4.	12-6-65	1,164·18	36 steel chairs & 8 steel table
		1,920·45	

The expenditure as detailed above, therefore, could not be admitted in audit as a legitimate charge against the grant.

PARA XI

Conclusion

In the absence of the essential records like Cash Books, Day Book, Journal Stores Account, quotations/tenders invited, if any, to get stocks and work done at the competitive rates, approval of the Managing Committee to the expenditure incurred and measurement books in proper form evaluation of the assets created, detailed estimates of works etc. It is not possible to vouchsafe as to what extent the amount of grants out of the total grants of Rs. 147,125* received by the college authorities was spent for the purpose for which the assistance was given. It was stated that the Cash Book, Day Book files containing quotations and minutes of Managing Committee had been stolen by the then Secretary of the Committee, for which a report was also lodged with the police in 5/1965. The findings of the Police investigation have not so far been made known inspite of reminders by the college authorities.

It may, however, be stated that the college was not at least entitled to the assistance of Rs. 16,372/41 as per calculations below on account of inadmissible items of expenditure which have been discussed in detail in this Inspection Report in Para II also indicated against each item :

New building under T.D.C. scheme :

1. Total expenditure upto 31-3-66	1,19,498-34
Less total of 5 items (disallowed) in para II (iii) (c)	6,762-80
	1,12,735-54
Less 1/6th of the expenditure being the college share of the total expenditure	18,789-25
Grant admissible	93,946-29
Grant actually received	1,03,125-00
Excess received	9,178-71

Construction of New Library :

Total expenditure	21,559-90
Less items disallowed vide Para II (8466-304-2884-15)	11,350-45
Balance	10,209-45
U.G.C. share (2/3rd of total exp.)	6,806-30
Grant actually received	14,000-00
Excess received	7,193-70

*3 Yrs-Degree course Rs. 103125/-

Construction of Library building 14000/-

Establishment of N.R.S.C. Rs 30,000/-

Total : 1,47,125/-

PARA XII

Audit Fee

A sum of Rs. 960 is payable by the U.G.C. as Audit Fee for the special audit of the grants in aid conducted by this office. The amount may please be got deposited into treasury under the Central head "L-II-Misc. Fee for Govt. Audit (Central)" under intimation to this office.

Sd/-

Asstt. Accounts Officer (OAD)

Annexure 'A'

Statement showing material purchased for the building constructed by college

Date of Payment	Wood Rs.	Iron & Steel Rs.	Cement Rs.	Bricks Rs.	Misc. Stores Rs.
1	2	3	4	5	6
15-11-60 (New Bldg.)	---	---	172.12		
22-11-60	---	---	175.25		
1-12-60	---	---	701.35		
5-12-60	---	411.27			
8-12-60	---	---	137.20		
17-12-60	---	---	245.71		
9-12-61	---	---		836.52	
20-1-61	2,773.46	---			
27-1-61	---	5,893.09			
10-2-61	---	---	---	---	85.86
22-2-61	---	---	---	---	123.65
22-2-61	---	---	---	---	176.02
21-3-61	2,936.38	---			
21-3-61	---	---	24.24		
21-3-61	---	754.25			
29-3-61	---	---	688.48		
31-3-61	---	---	5,630.00		
24-4-61	---	---	---	359.77	
25-4-61	---	---	369.55		
16-5-61	---	---	---	284.75	
24-5-61	---	---	---	284.75	
2-6-61	---	---	---	284.81	
10-7-61	---	---	---	283.60	
10-7-61	---	---	181.65		
10-7-61	---	2,667.50			
17-7-61	---	---	---	295.40	

1	2	3	4	5	6
27-7-61	—	—	256.28		
27-7-61	—	—	—	446.00	
4-8-61	—	—	—	564.31	
21-8-61	—	—	132.39		
25-8-61	—	—	—	376.21	
5-9-61	—	—	—	358.00	
5-9-61	—	—	745.40		
23-9-61	—	—	38.95		
3-10-61	—	—	—	—	31.22
3-10-61	—	—	—	—	126.58
3-10-61	—	—	—	—	92.92
3-10-61	—	—	448.80	—	
28-11-61	—	—	—	—	390.15
12-12-61	—	—	—	—	276.81
12-12-61	—	—	—	—	280.00
3-1-62	—	—	—	—	600.00
29-1-62	—	—	612.18	—	
29-1-62	—	—	—	—	115.66
27-3-62	—	—	—	—	91.98
27-3-62	—	—	—	—	208.00
27-3-62	—	—	—	—	120.00
31-3-62	—	—	—	—	130.35
31-3-63	—	—	—	—	51.48
31-3-63	—	—	—	—	118.12
31-3-63	—	—	—	—	19.03
31-3-63	—	—	—	—	100.81
31-3-63	—	—	—	—	200.78
31-3-63	—	—	—	—	187.75
31-10-61 (NRSC)	4,831.28	—	—	—	
31-10-61 (NRSC)	—	—	—	—	210.00
30-11-61	—	—	—	363.30	
30-11-61	—	—	—	366.21	
19-12-61	—	—	—	386.20	
20-12-61	—	—	—	579.32	
23-12-61	—	—	—	579.32	
11-1-62	—	—	—	1158.62	
29-1-62	—	—	—	554.75	
29-1-62	—	—	397.42		
1-2-62	—	—	—	139.20	
31-3-62	—	670.00	785.40		
31-3-62	—	—	—		
23-9-61 (Lib. Bldg.)	—	1226.27			
2-10-61	—	—			

1	2	3	4	5	6
3-10-61	—	—	1,473.81		
12-12-61	—	1327.76	—	366.20	
29-1-62	—	—	774.38		
29-1-62	—	—	—	—	456.00
29-1-62	—	—	—	—	144.00
25-5-62 (New Bldg.)	—	—	—	—	289.00
27-7-62	—	—	—	—	72.00
30-8-62	—	—	—	—	102.00
20-9-62	—	—	—	—	144.00
25-9-62	—	—	—	—	164.60
25-9-62	—	—	—	—	156.97
25-9-62	—	—	88.15	—	
15-11-62	—	—	—	—	400.00
3-1-63	—	—	136.88	—	
3-1-63	—	—	158.95	—	
3-1-63	—	—	73.86	—	
3-1-63	—	—	173.35	—	
8-1-63 & 24-1-63	—	—	—	—	593.58
21 & 23-3-63	—	—	—	—	716.98
25-5-62 (NRSC)	—	—	—	595.69	
31-5-62	—	2012.30	—	—	
4-7-62	—	—	—	397.13	
5-7-62	—	—	—	—	200.00
6-7-62	—	—	—	—	248.00
13-7-62	—	—	—	198.56	
30-7-62 (2 items)	—	—	—	427.93	
20-9-62	—	—	—	—	176.00
25-9-62	—	—	778.06	—	
25-9-62	—	—	—	—	99.25
25-9-62	—	—	—	—	196.25
11-12-62	—	—	781.80	—	
9-9-63 (Library)	—	—	—	—	812.00
9-9-63 (NRSC)	—	—	—	—	3,009.00
10-9-64 (New Bldg.)	—	—	2419.78	—	
10-11-64	—	—	—	—	372.00
3-12-64	—	—	—	—	147.46
3-12-65	—	—	—	—	697.70
3-2-65	—	—	126.88	—	
3-2-65	—	—	—	618.38	
3-2-65	—	—	—	973.94	
27-2-65	—	—	—	—	165.00
27-2-65	—	—	292.35	—	
10-9-64 (NRSC)	—	—	1103.13	—	
22-10-64	—	—	—	—	128.00
22-10-64	—	—	—	—	265.00
23-10-64	—	—	—	325.85	
12-4-65	—	—	—	—	673.10
13-10-65 (New Bldg.)	—	—	—	—	361.83
13-10-65	—	—	—	—	117.28
19-10-65	—	—	591.31	—	
11-11-65	—	—	—	—	624.77
6-1-66	—	—	—	—	331.66
12-6-65 (NRSC)	—	—	—	—	1164.18
6-1-66	—	—	—	—	127.21
	10,541.12	14,962.44	20,682.85	12,404.72	16,943.99

TOTAL : 75,535.12

Annexure 'B'

Statement showing Payments made to daily wages

Date	Hans Raj Construction work Rs.	Jagat Singh Wood work. Rs.
1	2	3
9-2-61	—	117.84
10-2-61	15.00	
10-2-61	2.00	
10-2-61	128.00	
20-2-61	38.25	
20-2-61	403.03	
22-2-61	863.41	
24-2-61	827.34	
27-2-61	—	140.88
21-3-61	20.00	
21-3-61	1,067.57	
21-3-61	297.09	
21-3-61	—	122.84
29-3-61	—	95.81
25-4-61	286.14	
25-4-61	1,225.10	
29-4-61	—	169.88
4-5-61	28.49	
4-5-61	40.85	
4-5-61	162.26	
4-5-61	20.67	
4-5-61	104.70	
24-5-61	1,860.53	
17-7-61	—	
4-8-61	1,399.11	
4-8-61	397.61	
4-8-61	—	84.70
12-8-61	380.90	
11-9-61	123.39	
11-9-61	110.70	
11-9-61	760.30	
11-9-61	379.77	
20-9-61	49.65	
20-9-61	162.14	
20-9-61	189.25	
23-9-61	774.52	
23-9-61	182.23	
23-9-61	356.40	
23-9-61	183.67	
3-10-61	—	57.88
3-10-61	—	41.24
3-10-61	—	24.51
13-10-61	767.76	
13-10-61	292.14	
16-10-61	—	29.25

1	2	3
28-11-61	34.31	
	265.99	
	111.77	
	127.89	
	45.64	
	154.33	
	21.50	
	124.16	
	82.88	
14-12-61	—	91.37
15-12-61	572.48	
20-12-61	—	125.53
18-1-62	507.86	
18-1-62	401.05	
1-2-62	268.57	
17-3-62	166.48	
31-3-62	314.98	
31-3-62	451.59	
31-3-62	158.04	
28-10-61	—	183.50
31-3-62	264.77	
31-3-62	59.28	
27-9-62	102.27	
27-9-62	507.45	
9-9-63	140.66	
	18,278.52	1,394.98

Statement showing payments made to Sh. Hira Lal contractor for the construction of new Building of the college

Date of payment	Amount Rs.
11-11-64	1,152.89
4-12-64	422.47
27-1-65	400.00
31-1-65	985.64
5-2-65	211.27
5-2-65	514.14
5-2-65	389.40
14-3-65	31.96
1-4-65	800.24
1-9-65	77.99
1-9-65	46.16
	5,031.67

Annexure 'C'

S. No.	Date of sanction	Purpose of grant	Total amount sanctioned	Amount actually released		Expenditure incurred
				Rs.	Rs.	
1.	Not available	Students aid fund.		1960-61	926/-	4,403.21
				61-62	2,000/-	2,093.48
TOTAL :					2,926/-	6,496.69
2.	Registrar Pb. University's No. 56994-57150 dt. 22-5-60 & No. 9991-10040 dt. 3-4-1961.	Introduction of 3 years degree course 1,50,000/-		60-61	40,625/-	30,644.35
				61-62	21,875/-	52,463.22
				62-63	21,875/-	13,399.87
				63-64	18,750/-	5,606.52
				TOTAL :		1,03,125/-
			64-65		5,697.86	
TOTAL :						1,19,498.34
3.	U.G. Commission's No. F. 37-158/60 (CUP) of 29-12-60.	Construction of Library building.	16770/- or 1/3rd of actual expenditure whichever is less.	60-61	5,000/-	45.00
				61-62	7,000/-	20,549.66
				62-63	2,000/-	153.34
				63-64		812.34
				TOTAL		14,000/-
4.	U.G. Commission's No. F. 39-1/64(C) of 18-3-64	Estt. of 15000/- text books for library.		64-65	7,500/-	3,020.00
				65-66	6,500/-	10,675.15
				66-67		304.43
				TOTAL :		14,000/-
5.	U.G.C.'s No. F. 38-22/56 of 23-2-61	Estt. of 35000/- non-resident students centre.		61-62	15,000/-	40.53
				62-63	10,000/-	18,114.57
				63-64	5,000/-	10,252.57
				63-64		3,210.79
				64-65		3,795.82
				65-66		875.83
TOTAL				30,000/-		36,560.41

ANNEXURE V

PANJAB UNIVERSITY (CHANDIGARH)

Copy of paragraph 81 from the minutes of the meeting of Syndicate held on 7-1-1968.

81. Considered report on the affairs of G.M.N. College, Ambala Cantt.

The Vice-Chancellor referred to the various reports on the working of the institution which had been circulated. The reports of Shri K. N. Datt and Shri D. I. Lal mainly concerned themselves with the dispute between the Managing Committee of the G.M.N. College at Ambala Cantt. and the parent Body of the D.A.V. College, Rawalpindi before partition. Mr. Lal had stated in conclusion that it was a legal issue, and legal opinion might be obtained. The Vice-Chancellor thought that the University could not involve itself in a dispute of this character and for the time being the management as it existed at Ambala Cantt. might be accepted by the University till such time as this dispute was settled by the two parties in a Court.

of Law or otherwise. However, it might be mentioned that it was not clear to the University how an institution newly established at Ambala Cantt. under a new name after the Partition could obtain rehabilitation grants from the Government, showing itself as an up-rooted institution for the purpose. This seemed to him far from being straightforward. What was more serious and of immediate concern was the continued mis-management of the institution as was obvious from the reports circulated. It was significant that college funds and U.G.C. funds had been misused, and conditions in the college were deteriorating from many points of view. The replies received from the Managing Committee in respect of queries addressed to them in this connection were evasive and far from satisfactory.

All the members felt that the reports revealed a serious situation and called for a drastic remedy.

Principal B. S. Bahl gave notice under section 30, Sub-section (1), that affiliation granted to G.M.N. College, Ambala Cantt., be withdrawn in whole.

Resolved: (a) That a copy of the notice given by Principal B. S. Bahl be sent to the Head of G.M.N. College, Ambala Cantt., and he be asked to send his representation in writing within one month from the date of issue of the letter.

(b) That the Government be requested to stop payment of any grant to G.M.N. College, Ambala Cantt. until the college authorities satisfied the University.

ANNEXURE VI

Discussion on the affairs of G.M.N. College, Ambala Cantt. with the Vice-Chancellor, Panjab University by Dr. R. C. Gupta, Development Officer, University Grants Commission.

The question of the misutilisation of UGC grants by G. M. N. College, Ambala, was discussed by me with Shri Suraj Bhan, Vice-Chancellor, Panjab University, on the 30th March, 1968 in the Commission's Office. The Secretary, University Grants Commission also joined in the discussion.

The Vice-Chancellor, Panjab University stated that the University had issued a notice of disaffiliation to the college and one of the specific charges mentioned in the notice related to the mis-utilisation of UGC grants. The Secretary of the College had met the university authorities and given an assurance in writing that steps would soon be taken to set matters right regarding the completion of the projects undertaken with UGC assistance. The Vice-Chancellor assured us that the University would take all possible steps to see that UGC grants were properly utilised by the college. He also indicated that if necessary the university would nominate its own representatives on the managing committee of the college to ensure that matters were set right in the institution. It was also stated that if eventually it became necessary to disaffiliate the college, the UGC grants could be recovered from the endowment fund lying with the university. The Vice-Chancellor felt it would be helpful if we in detail the University what remains to be done in respect of the

under implementation in the college so that the university may take appropriate action and enforce compliance with the requirements.

The University had earlier recommended to the State Government that the payment of maintenance grants to the college be suspended. However, in view of the hardship it was likely to cause to the teaching staff, the university has suggested that the maintenance grant due to the institution be not withheld.

It was mentioned in the course of discussion that the University had taken similar action against R. K. Arya College, Nawanshahr, which is also stated to have misutilised UGC grants. A notice of disaffiliation has also been issued on this college.

We may now take the following action immediately :—

- (i) Call for copies of the notice of disaffiliation served on the G. M. N. College, Ambala, and R. K. Arya College, Nawanshahr.
- (ii) Obtain copies of the written assurance and replies received by the University from G.M.N. College, Ambala. Copies of such papers if any received from R. K. Arya College, Nawanshahr may also be obtained. (The Vice-Chancellor agreed that we may call for these papers).
- (iii) Examine the details of the projects taken up by the two colleges and the audit report received by us, and send a detailed note to the University indicating our essential requirements in respect of the projects.

The Vice-Chancellor has assured us of the full co-operation and help of the university in settling the issues involved.

Secretary may please see before action as suggested is taken.

Sd/-

(R. C. GUPTA)

1-4-1968

Chairman may like to see. We discussed the case of G. M. N. College, Ambala Cantt., with the Vice-Chancellor, Panjab University. The action proposed may now be taken.

Sd/-

(P. J. PHILIP)

2-4-1968.

Sd/-

(D. S. KOTHARI)

3-4-1968.

L3/128/68-7

ANNEXURE VII
UNIVERSITY GRANTS COMMISSION

Bahadur Shah Zafar Marg
New Delhi

No. F. 1-2/68 (C. II)

Dated 23 August, 1968.

To

The Registrar,

_____.

SUBJECT :—*Recommendations made by the Public Accounts Committee regarding grants to Colleges.*

Sir,

I am directed to say that the Public Accounts Committee in its 14th Report presented to the Lok Sabha on 22-2-1968 have made the following recommendations regarding grants to Colleges :—

- (1) A reasonable amount from the final grant should be retained and released only after the completion certificate has been furnished.
- (2) In consultation with State Government suitable working arrangements should be envolved to ensure that the sponsoring authority takes responsibility for ensuring proper utilisation of the grant.
- (3) Stringent action should be taken against persons giving false certificates, and progress reports regarding the building construction should be examined.
- (4) The question of prescribing an Indemnity Bond as a pre-condition requisite for the release of funds to the colleges may be examined.

The Commission desires to have the views of your University on the above recommendations. It will be appreciated if the same are communicated to this office as early as possible, preferably before 30th Sept., 1968.

Yours faithfully,

Sd/-

T. N. HAJELA
for Secretary

Recommendation

The Committee regret to note that an amount of Rs. 24.49 lakhs representing the unspent balance of the loans lying with the State Governments has not been refunded till 7th July, 1967, though it should have been refunded on 31st March, 1966 i.e. at the end of the financial year. The Committee feel that in such cases, the terms and

conditions of the loan should be strictly enforced and for this purpose every effort should be made to secure the cooperation of State Governments concerned. In case the State Governments do not respond, it should be open to the Central Government to set off the unspent balance against future loans given to the State Governments in question.

[Sl. No. 53 (Para 4.3) of Appendix VII to the P.A.C.'s 14th Report—4th Lok Sabha].

Action taken

The recommendation of the Committee has been accepted.

It may be observed that the States of Gujarat and Madhya Pradesh, have since refunded the amount lying with them. As for Maharashtra, the amount of Rs. 5.63 lakhs lying with them has been set off against the loans advanced to that State in the financial year 1968-69. In fact all unspent balances upto 31st March, 1967 lying with different State Governments have already been recovered from them with their cooperation either by way of refund or by setting them off against the loans advanced in 1968-69. The detailed position in respect of Rs. 47.06 lakhs is given in the statement attached.

The Public Accounts Committee's recommendation has been acted upon from the year 1968-69.

[M. of Edu. O. M. No. 6-1/68-Acc. II dated 2-11-68.]

Name of the State	Amount refunded	Amount set off by the Central Government against subsequent loans
	(Rs. in lakhs)	
Bihar	—	0.40
Gujarat	7.08 (confirmed by A.G.)	—
Jammu & Kashmir	—	2.37
Maharashtra	—	5.60
Mysore	31.61 (awaiting formal confirmation from A.G., Mysore).	—
TOTAL :	38.69	8.37

Recommendation

The Committee appreciate the laudable object for which the Rangshala was built. They find, however, from the note furnished by the Ministry that the estimate of the Rangshala rose from Rs. 20

lakhs to 36.43 lakhs. The construction of the Rangshala proper (Auditorium and stage block) was completed in February, 1966 as against the target date for the completion of the theatre in May, 1962. The Ministry's note indicates that the former Ministry of SR&CA agreed to pay a grant of Rs. 10 lakhs to the RTCC without ascertaining the complete details of the memorial proposed to be set up and the ability of the RTCC to provide the remaining amount and complete the theatre. The Committee are surprised to note that for the completion of the project a further payment of Rs. 17 lakhs had to be made as loan and finally the Government had to take over the Rangshala with effect from 1st April, 1967.

The Committee hope that the Rangshala will be put to the use for which it had been built and that the Government will not only be able to meet the recurring expenses but also get back the capital expenditure incurred on it.

[S. Nos. 54 and 55 (Paras 4.10 and 4.11) of Appendix VII to the 14th Report (4th Lok Sabha)]

Action taken

As a part of the Tagore Centenary Celebrations held in 1961 the RTCC constructed an open-air theatre known as the Rabindra Rangshala on the Upper Ridge Road near 'Bholi Bhatiari-ka-Tank' New Delhi. From the very beginning, it was the intention of the RTCC (Rabindranath Tagore Centenary Committee) to hand over the Rangshala to the Government of India after it was built since the Rabindranath Tagore Centenary Committee which was set up for a specific purpose had to be wound up after that purpose was served. The Rangshala was taken over by the Govt. of India in the Ministry of Works, Housing and Supply from the Committee on 1-4-67 by way of purchase along with the liability for the repayment of the Government loan of Rs. 17 lakhs and interest thereon.

2. The Rangshala has a seating capacity of 2000 to 8000 persons and can be used for legitimate dramas, ballets, dance shows, spectacular shows etc. It can thus be let out on rental basis to art/literary and other analogous societies or individuals who want to hire it for *bona fide* purposes. An Advisory Committee has been set up with the Chairmanship of the Minister of Works, Housing and Supply to assist the Government in running the Rangshala. The Rangshala was inaugurated by the President of India on the 24th October, 1968. It is hoped that the Rangshala will become self-supporting in due course.

[O.M. No. 16-10/67-CA.II(3) dated the 2nd Jan., 1969.]

[M of Edu. O.M. No. 6-1/68-Acc.II 7-1-69]

Recommendation

While the Committee have not been able to appreciate the way in which it was sought to protect his emoluments, especially when he had held combined charge of two posts for a period of seven months only, the Committee feel that, if the financial adviser could not attend the meeting of the Selection Committee for some reason,

his advice about the fixing of the pay should have been obtained before taking final decision. The Committee hope that normal rules will be followed by the CSIR in determining the pay in such cases and that a deviation will be made only in exceptional cases and that the reason for such a deviation will be recorded.

(Sl. No. 56, Appendix VII Para No. 4.20 of 14th Report—Fourth Lok Sabha).

Action taken

The observations made by the Committee have been noted for future guidance.

The above replies have been vetted by Audit (A.G.C.R.) vide their letter No. RR5-11/68-69/1009 dated 17-2-1969 (copy enclosed—Annexure V).

[Ministry of Education (C.S.I.R.) Note No. 3/15/68-PU.]

ANNEXURE I

Council of Scientific and Industrial Research Half-yearly Report of Pool Officer for the period ending 30th June

Pool No.....

1. Name of Pool Officer
2. Organization to which attached
3. Details of Assignment No. of hours per week.

Teaching.....	
Laboratory work.....	
Research.....	
Design or Development.....	
Technical or Professional work.....	
Any other duties.....	
4. Details of Research Assignment if any
5. Progress made by the Pool Officer
6. Title of Publications on the work undertaken in the Pool so far, with references
(Please attach a list of your publications during the last 5 years).
7. Titles of unpublished Papers or Reports
 - (a) Prepared
 - (b) Under preparation
8. Patents taken or applied for (on the work in the Pool).

NOTE : Use additional sheet if necessary giving reference of the items.

9. Posts applied for :

Particulars of Post & Organisation	Grade	Date of Application	Date of Interview	Present Position of Selection.
------------------------------------	-------	---------------------	-------------------	--------------------------------

10. Posts, if any for which you were called for interview without any application from you :

Particulars of Post & Organisation.	Grade	Date of Interview	If attended, Present Position of Selection.
-------------------------------------	-------	-------------------	---

11. Other efforts, if any, made to find a regular position.
12. Posts offered during stay in the Pool, Please give designation, organisation, scale of pay, starting salary and date of offer.
13. Are you engaged in private practice ?
14. Are you registered for any degree, diploma, certificate course of training ? If yes, please give details.

Date.....

Signature of Pool Officer

Remarks of the Reporting Officer

Signature
Name in Block letters.

Date.....

Designation

ANNEXURE II

Number of Candidates Suggested from 1st July 1967 to 30th June, 1968

Organisations	No. of vacancies against which candidates were suggested				No. of candidates Pool Officers				Suggested against notified vacancies.	
	Science	Engg. & Tech.	Med.	Total	Science	Engg. & Tech.	Med.	Total	Others	Total
									I.A.&G.*	Grand Total
Govt. Organisations (including enquiries from D.G.E.T.)	178	273	47	498	203	238	241	682	803	1,485
Educational Institutions	69	36	27	132	137	146	88	371	122	493
Private Organisations	11	23	3	37	60	56	9	125	114	239
Enquiries from U.P.S.C.	77	176	77	330	133	133	110	376	404	780
C.S.I.R.	14	17	1	32	50	18	1	69	39	108
C.S.I.R. Laboratories.	3	11	—	14	10	13	—	23	48	71
TOTAL :	352	536	155	1043	593	604	449	1,646	1,530	3,176

*I.A. = Perhaps enrolled in Indian Abroad Section, i.e. persons who had their education and/or training abroad.

G. = Persons enrolled in General Section who had education and Training in India only.

ANNEXURE III

COUNCIL OF SCIENTIFIC & INDUSTRIAL RESEARCH

No. 3/15/68-PU

Rafi Marg,
New Delhi, the 8th April 1968

From

The Secretary,
Council of Scientific & Industrial Research

To

The Heads of the National Laboratories/Institutes.

SUBJECT :—*Observations/recommendations made by the Public Accounts Committee (1967-68) in their 14th Report (Fourth Lok Sabha)—printing of publications in excess of requirements.*

Sir,

The Public Accounts Committee (Fourth Lok Sabha) in their 14th Report has made certain observations/recommendations on printing of publications in excess of requirements. An extract from para 2.58 of the Report is reproduced below in this connection :—

“.....In the meantime, the CSIR should impress on all the Laboratories and Institutions under its control the need to observe the utmost economy in the printing of publications and to avoid further waste of the tax payers' money. At the same time, the Committee would like the CSIR to make a sustained effort to dispose of the large number of unsold copies which have accumulated with the institutions of the CSIR.”

It is requested that necessary action may kindly be taken in the light of the above observations of the Public Accounts Committee and also steps taken to ensure that utmost economy in the printing of the publications is maintained with actual need.

An acknowledgement of the letter is requested.

Yours faithfully,

Sd/-

Under Secretary.

ANNEXURE IV

COUNCIL OF SCIENTIFIC AND INDUSTRIAL RESEARCH

No. 3/15/68-PU

Rafi Marg,
New Delhi-1, the 10th May, 1968

From

The Secretary,
Council of Scientific & Industrial Research

To

The Heads of the National Laboratories/Institutes.

SUBJECT :—*Publication of Research Periodicals by National Laboratories/Institutes.*

Sir,

I am directed to refer to this office letter No. 3/15/68-PU dated 8th April, 1968 forwarding the observations/recommendations made by the Public Accounts Committee (1967-68) in their 14th Report (Fourth Lok Sabha) on printing of publications by the C.S.I.R. and its National Laboratories/Institutes in excess of requirements. The P.A.C. had observed that the C.S.I.R. should impress on all the Laboratories and Institutes under its control the need to observe the utmost economy in the printing of Publications and to avoid further waste of the tax payers' money. It is, however, noticed with regret that in some cases no serious consideration seems to have been given to the above recommendation of the P.A.C.

2. In this connection, your kind attention is invited to the decision taken by the Governing Body of the C.S.I.R. at its meeting held on 25th October, 1963 on the question of printing of research periodicals by the National Laboratories/Institutes which is quoted below :—

“The publication of research periodicals should be the responsibility of the Publications and Information Directorate of the C.S.I.R., which has been organised and staffed to meet the needs of the Council as a whole. Individual laboratories may issue Bulletins containing information of value to industry and also of House Journals”.

3. I am to request you to kindly keep in view the observations made by the P.A.C. and the decision of the Governing Body of the CSIR and not to undertake publication of any research periodical that contravenes the observations of the P.A.C. and decision of the Governing Body. Also, printing of publications, their pricing, the number of copies to be printed, distribution of complimentary copies etc. may please be carefully considered and prior approval of the competent authority obtained in each case.

Please acknowledge receipt of the letter.

Yours faithfully,
(L. RAMANATHAN)
Under Secretary.

ANNEXURE V

D.O. No. RR5-11/68-69/1009.

P. R. P. Panikar,
Accounts Officer (RR).

OFFICE OF THE ACCOUNTANT GENERAL REVENUES

New Delhi-1, the 17th February 1969

Dear Shri Ramanathan.

Please refer to your D.O. letter No. 3/15/68-PU dated 7.2.1969 regarding action taken notes in respect of the P.A.C.'s recommendations in their 14th Report (4th Lok Sabha).

2. The revised draft note on the PAC's recommendations in Serial Nos. 27 to 38 of their Report *ibid* has been examined and we have no further comments to offer except that the word "remaining" which appears in sub-para 3 of the Council's reply to Sl. No. 29-30 may be deleted. The note may please be submitted to the Lok Sabha Sectt. after making this correction.

3. The other draft note relating to the PAC's recommendation in Sl. No. 56 may please also be submitted to the Lok Sabha Sectt. We have no remarks to offer thereon.

4. The revised draft note and a copy of the draft note on recommendation in Sl. No. 56, together with other papers received with your d.o. letter under reference are returned herewith. Annexure I (copy of the form of Half yearly Report of Pool Officers) has been retained in my office for future reference and record.

Yours sincerely
Sd/-

Shri L. Ramanathan,
Under Secretary,
Council of Scientific & Industrial Research,
Rafi Marg, New Delhi.

Recommendation

Before implementing the decision taken in May, 1967 in regard to the waiving of the formality of the auditing of accounts for grants not exceeding Rs. 2,000, the Committee would like the Council to devise suitable means to ensure that no undue advantage is taken of the relaxation by anyone.

(Sl. No. 58 of Appendix VII to the PAC's 14th Report—4th Lok Sabha).

Action taken

As a safeguard against any undue advantage being taken by the grantee institution getting grant not exceeding Rs. 2,000 on account of waiving the formality of audit, the Council has issued on 29.6.1968 the following instructions to all concerned :—

1. While issuing sanction for payment of grant-in-aid to an institution/organization a statement giving its break-up in terms of items on which the grant is to be utilised should be sent to the grantee;

2. A statement of accounts be obtained from the grantee.
3. Before issuing a utilization certificate in respect of grant, the statement of accounts be scrutinised with a view to ascertaining the fact that the grant has been utilised for the purposes for which it was sanctioned.

(Ministry of Education O.M. 6-1/68-Acc. II 21.11.68).

Recommendation

While examining the Audit paras relating to the Ministry of Education, the Committee have observed that, in an inordinately large number of cases, utilisation certificates are outstanding so far as Ministry of Education/University Grants Commission or the offices attached to that Ministry are concerned. In the case of the University Grants Commission, completion/utilisation certificates were pending in respect of 72 projects (value Rs. 54.36 lakhs) the Second Five Year Plan and 185 projects (value Rs. 179.56 lakhs) in respect of the Third Five Year Plan. In the case of the National Council of Education Research and Training, utilisation certificates for Rs. 33.84 lakhs were outstanding in 710 cases for the years 1962-63, 1963-64 and 1964-65. The Sangeet Natak Akademi had also to get the utilisation certificates for grants amounting to Rs. 2.65 lakhs from 31 institutions up to 13th June, 1967. The Committee view with concern the non-receipt of utilisation/completion certificates. The Committee desire that the Ministry of Education/University Grants Commission should take suitable measures to obtain the outstanding utilisation certificates and the completion certificates.

[Recommendation No. 59 (Sl. No. 59 Para 5.1) Appendix VII to the 14th Report—4th Lok Sabha.]

Action taken

All grants sanctioning authorities have been instructed that while issuing further grants to any institution etc. it should be ensured that as far as possible utilisation certificates in respect of previous grants, if due, have been obtained. The progress of the issue of utilisation certificates in outstanding cases is also required to be reviewed every month.

Recommendation

The Committee feel that the submission of utilisation certificates should be insisted upon before releasing further grants. However, in exceptional cases, where a utilisation certificate is likely to be delayed and a further grant is urgently needed, the granting authority must satisfy itself that the previous grant had been put to the use for which it had been intended before sanctioning and authorising further grants.

[Sl. No. 60 Para 5.2 Appendix VII to the 14th Report—4th Lok Sabha].

Action taken

Recommendation has been accepted. The Grant issuing authorities have been asked to apply their mind at the time of sanctioning further grant to the Grantee Institution, from whom previous utilisation certificates if due have not been received, whether payment should be with held till receipt of utilisation certificate. The further

grant could however be issued under special circumstances only with the specific approval of the Bureau Heads.

Recommendation

The Committee find that a habit has developed of print orders being placed for various publications very much in excess of requirements, with the result that the percentage of unsold copies remained very high. In the case of the Sangeet Natak Akademi, the percentage of unsold copies to total printed copies has ranged between 74 to 93 (cf. para 1.83). In the case of two institutions of the Council of Scientific and Industrial Research, viz., National Botanical Gardens and the Central Mining Research Station, Dhanbad, the percentage of accumulation of various publications ranged between 63 to 99 during 1963-65 (cf. para 2.50). During 6 financial years 1959-60 to 1965-66, the percentage of copies sold to total print order has varied from 4 to 11 (cf. para. 3.69), in the case of University Grants Commission and the number of copies of different publications in stock was distressingly high. Overprinting and overpricing appear to be mainly responsible for the accumulation of unsold publications. The Committee desire that the Ministry of Education/University Grants Commission should examine the printing and pricing policy of the various institutions attached to them and issue suitable instructions so that excessive print orders and unrealistic pricing are avoided. The number of books to be issued as complimentary copies should also be drastically reduced. Suitable measures should also be taken to boost sales of unsold stocks. The Committee feel that a realistic and conservative attitude is called for so far as the printing of various publications is concerned. Such step will not only result in economy but also in avoidance of accumulation of unsold stock.

[Sl. No. 61 Para 5.3 Appendix VII to the 14th Report—4th Lok Sabha].

Action taken

The authorities concerned with the publication programme of the Ministry or the Institution controlled or financed by the Ministry have been asked to avoid excessive print orders in respect of publications concerning them. They have been asked to review the price and number of printed copies required, at the time of placing print orders, in order to avoid excessive printing.

CHAPTER III
RECOMMENDATIONS/OBSERVATIONS WHICH THE COM-
MITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE
REPLIES OF GOVERNMENT

Recommendation

The Committee note that during the years 1963-64, 1964-65 and 1965-66 the administrative expenditure of Akademi ranged from 33% to 38% of the total expenditure, if the figures of grants-in-aid payments made to other institutes on which the Akademi has no direct administrative control were excluded. Though, according to the Ministry, 'there was no administrative waste in the Akademi', the Committee feel that the percentage of expenditure on administration is on the high side. They would therefore, like the Ministry to review the expenditure of the Akademi and ensure that a greater percentage of it is spent for the furtherance of the aims for which the Akademi has been set up rather than allow it to be consumed on mere administration.

[Sl. No. 3 (Para 1.38) Appendix VII to the 14th Report—4th Lok Sabha].

Action taken

The administrative expenditure of the Sangeet Natak Akademi during the years 1963-64, 1964-65 and 1965-66 was 19, 18 and 19 per cent respectively of the total expenditure. It would be wrong in principle to exclude figures of grants-in-aid payments made to other institutions from the total expenditure for purposes of calculating the percentage of administrative expenditure, since an appreciable volume of work is involved in processing the applications at various levels till the grants are released and even thereafter in watching the proper utilization of the grants.

Most of the staff of the Akademi is involved at various stages and in processes in regard to the disbursement of the grants. It is therefore difficult to work out precisely the administrative expenditure incurred on the staff employed on grants-in-aid work.

A senior assistant in the scale of Rs. 210—425 and a clerk in the scale of Rs. 110—180 are fully engaged on the putting up of files and maintenance of necessary records.

It would be pertinent to explain in brief the various stages of work and involvement of the staff in regard to the disbursement of the grants. Initially application forms are sent to the various institutions for giving details of their various projects for which they seek assistance from the Akademi. On receipt of the application forms the projects for which the assistance is sought are examined in detail. The papers are in the first instance put up by the dealing assistant to the Finance and Accounts Officer with a view to see that formalities in regard to the furnishing of information have been complied with and also to examine the audited statement of accounts, balance sheet prepared for the previous year, to judge the financial position of the institution. Thereafter the files are put up to the Special Officers (Dance/Music) and Secretary depending upon the nature of the project/scheme. At this stage the technical details of the projects are examined. Thereafter further information, where necessary, is obtained from the institutions concerned. On the basis of these examinations, both financial and technical, self-contained notes are

prepared in regard to each institution. The matter is then brought up for consideration of the Grants Committee who make their recommendations for the release of the grant. Their recommendations are put up for the approval of the Executive Board.

After the grants have been sanctioned intimation regarding sanction of the grant is conveyed to the institutions concerned. At this stage a copy of the Assurance Certificate and a copy of the Utilization certificate is sent to the institution. On receipt of the Assurance Certificate, first instalment of the grant is released to the institution. The second instalment is released towards the end of October/November, on receipt of utilization certificate and audited statement of accounts for the grant released in the previous year. These documents are examined in detail by the Finance and Accounts Officer to see that the grant has been utilized for the purpose for which it was sanctioned and also that it has been utilised properly. If the statements furnished are in proper form, the second instalment is released. The institutions also send their report of activities and other technical data. The reports of the activities are examined by the Special Officer concerned with reference to the activities of the institution. The reports of activities and the performance of the institutions are also circulated to the members of the Grants Committee. Further, Secretary and the Special Officer (Dance/Music) visit the various institutions to have a first-hand knowledge of their working and to ensure that the grants are utilised properly by the institution.

With regard to the increase in the administrative expenditure the position is that during the first five years or so the Akademi was in the formative stage and the strength of the Akademi, both at officer and establishment level, gradually increased and stabilised in 1965. The posts of Special Officers in Music and Dance and Senior Programme Officer and Editor were created and filled in 1965. The activities of the Akademi especially in the fields of documentation, discovery and presentation of rare and distinctive art forms of various regions and publication greatly increased. The Recording Studio of the Akademi also started functioning in 1966-67 and because of this facility the recording programme of the classical and folk music greatly increased.

With the additional staff the Akademi could take up a more intensive programme of the promotion and development of music, dance and drama. Thus the developmental activities of the Akademi had come to a level where supervisory staff in the higher cadre was essential.

Since 1965 the Akademi has undertaken a number of new publications in the form of journals or compilations which are of immense value. These are—"Sangeet Natak" a quarterly journal, "Who is who in Music", "Who is Who in Dance and Drama", "An All India Calendar of Music, Dance and Drama", "A Directory of Performing Art Organisations" and "A Catalogue of Mss. on Music, Dance and Drama" in all Indian languages.

A number of seminars on specialised subjects and festivals of music and dance were organised. The Akademi is also organising exhibitions.

Increase in expenditure from 1965 onwards has been due to normal increments, enhanced rates of Dearness allowance and not on account

of the expansion of the strength of the staff. This Ministry is finally of the view that taking into account the special nature of work in the Akademi it would be incorrect to compare the percentage of administrative expenditure with that of other purely administrative institutions whose activities are not similar.

(Ministry of Education O.M. No. 6-1/68-Acc.II dt. 23.12.68)

Recommendation

The Committee find from the statement that the number of copies sold of each publication has generally been less than the copies issued as complimentary and that the percentage of unsold copies to total printed copies, during the above period, has ranged between 74 and 98. In only one case were there 13% unsold copies. The total value of unsold copies during the period was about Rs. 85,000. The Committee also note that though the number of titles brought out by the Akademi has considerably gone down, the percentage of unsold copies has gone up.

[Sl. No. 9 (Para 1.90) Appendix VII to the 14th Report—4th Lok Sabha].

Action Taken

The sale of the Akademi's publications is bound to be limited due to the nature of the publications which primarily have a research value. The Akademi in order to fulfil its objectives has to encourage the printing of such publications relating to dance, music and drama which would not normally attract private publishers and do not have commercial value. Moreover, because of lack of funds, there is no large and big programme of publications and the Akademi therefore does not have a full fledged sales unit. However, efforts are being made with some success to push up the sale by publicity and by giving discount, etc. Such a push sale, however, is bound to be slow and gradual.

The publications of the Akademi like journals and books are of a permanent nature and they have to be printed rather than cyclostyled. The minimum print order is for 1000 copies and to print less number of copies is not an economical proposition. However, information leaflets, papers and brochures which are of a temporary nature and cover Seminar Papers and Reports, are cyclostyled.

A large number of old publications especially the Akademi's Bulletin (which now has been replaced by a regular quarterly journal) do not have any sale value now. This matter along with the distribution of complimentary copies was recently considered by the Executive Board and they decided that all such publications which do not have sale value, back numbers of journals as well as subsidised publications, be distributed to public libraries, universities and cultural institutions all over the country. The Executive Board felt that this would greatly help in fulfilling the objectives of the Akademi to build up libraries and the readership in these art subjects. The distributions of these publications has been taken up according to this decision.

(Ministry of Education, O.M. No. 6-1/68-Acc.II, dt. 23.12.68)

Recommendation

In para 46 of their 29th Report (Third Lok Sabha), the Committee had observed that Gaining experience from the accumulation of

publications, the Akademi should in future keep the number of copies to be printed to the minimum. All out efforts should be made to sell publications lying in stock. The Committee regret that their earlier suggestions do not appear to have been acted upon in the following year, and the taxpayers' money thus continues to be wasted. They reiterate their earlier recommendation and suggest that the publication policy of the Akademi should be reviewed and the utility of its publications assessed and that the print orders should be kept to the minimum necessary. They also desire that the Akademi should decide immediately about the disposal of unsold publications, as their storage and up keep are an additional financial burden on the Akademi and on the public revenues.

[Sl. No. 10 (Para 1.91) of Appendix VII to the 14th Report—4th Lok Sabha].

Action taken

As indicated in the remarks against para 1.90. Sl. No. 9, efforts are being made to push the sale of the Akademi's publications. This is done by (i) advertising in various journals and brochures brought out by the various cultural organisations and (ii) appointing the following firms as agents on commission basis :—

1. M/s. Higginbothams (P) Ltd., Madras.
2. M/s. Central News Agency, New Delhi.
3. M/s. Ramakrishna & Sons, New Delhi
4. M/s. Ram Asvani, Booksellers, Lucknow.
5. M/s. Manisha Granthalaya (P) Ltd., Calcutta.
6. M/s. Rachna Bookshop, Connaught Place, New Delhi.

In addition to the above, the Akademi publications are also being sold through the Ministry of Education, 31 theatre Communication Building, New Delhi.

As regards the number of copies of the publications to be printed, it has been found by experience that 1,000 is the minimum number of copies that should be printed as in the long run this proves to be economical. However, in case of special publications involving more expenditure the Akademi print 500 copies. In view of the recent decision mentioned above, the surplus copies will be fruitfully utilised.

(Ministry of Education. O.M. No. 6-1/68-Acc.II. dt. 23-12-68)

Recommendation

The Committee would also like to be informed of the result of the cases instituted by the Special Police Establishment against the Secretary and the Store-Keeper-cum-Accountant in this case.

Sl. No. 23 of Appendix VII to the P.A.C.'s 14th Report (4th Lok Sabha).

Action taken

The Central Bureau of Investigation has informed this Ministry that both the accused in the case were acquitted by the City Magistrate, Bangalore in March, 1968, and that there was no case for appeal now. The Rural Institute, Hanumanamatti has been asked in September, 1968 to clear the irregularities pointed out in the Inspection Report and send a report of compliance to the Ministry.

(Ministry of Education O.M. No. 6-1/68-Acc.II, Dt. 24.3.69.)

CHAPTER IV

RECOMMENDATIONS/OBSERVATIONS REPLIES TO WHICH HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION

The Committee regret to observe that the Ministry did not make a realistic assessment of the work involved in the project. The project entrusted to various universities/colleges for implementation from 1957 was required to be completed by September, 1959, in the first instance and later by 1965, but has not been completed even now.

In this connection, the Committee find that in the case of three languages, no arrangements were made by the Universities after 1957/1959 to complete the work. In the case of the fourth language, although the scholar was in India up to January, 1965, no appreciable progress was made during the seven years 1957 to 1964. The Committee cannot, therefore, help feeling that the Universities did not take up these projects seriously and that the Ministry did not pursue them vigorously. The Committee desire the Ministry to examine whether, in future, such projects in which the States would be equally interested should not be undertaken in conjunction with the State Governments and funds made available on a matching basis.

The Committee hope that the Ministry will safeguard their interests adequately while engaging fresh persons for the work that remains and that every effort will be made to get the project completed as early as possible.

[Serial Nos. 19 to 21 (Paras 1.133 to 1.135) Appendix VII of Fourteenth Report of Public Accounts Committee (1967-68) Fourth Lok Sabha].

Action taken

The observations made by the Committee have been noted. As desired by them, the Ministry will take suitable steps to safeguard Government's interest in future. The Ministry accepts the Public Accounts Committee's suggestion that in future such projects in which the State Government would equally be interested should be undertaken in conjunction with the State Governments and funds made available on a matching basis.

The Director, Central Hindi Directorate, has also been instructed to ensure that all outstanding projects are completed within the next six months. A copy of the instructions issued *vide* this Ministry letter No. F. 27-4/68-II.1 dated the 15th November, 1968 is enclosed.

(Ministry of Education O.M. No. 6-1/68-Acc, II. Dt. 3.2.69.)

No. F. 27-4-/68-H. I

GOVERNMENT OF INDIA

MINISTRY OF EDUCATION

New Delhi, dated the 15th November, 1968

To

The Director,
Central Hindi Directorate,
New Delhi.

Sir,

I am directed to say that the Public Accounts Committee in their Fourteenth Report relating to Appropriation Accounts (Civil), 1965-66 and Audit Report (Civil), 1967, relating to the Ministry of Education, have made the following observations in connection with the grants given to the various Universities for Morpho-phonemic analysis of the regional languages :

"The Committee regret to observe that the Ministry did not make a realistic assessment of the work involved in the project. The project entrusted to various universities/colleges for implementation from 1957 was required to be completed by September, 1959, in the first instance and later by 1965, but has not been completed even now."

"In this connection, the Committee find that in the case of three languages, no arrangements were made by the Universities after 1957/1959 to complete the work. In the case of the fourth language, although the scholar was in India up to January, 1965, no appreciable progress was made during the seven years 1957 to 1964. The Committee cannot, therefore, help feeling that the Universities did not take up these projects seriously and that the Ministry did not pursue them vigorously. The Committee desire the Ministry to examine whether, in future, such projects in which the States would be equally interested should not be undertaken in conjunction with the State Governments and funds made available on a matching basis."

"The Committee hope that the Ministry will safeguard their interests adequately while engaging fresh persons for the work that remains and that every effort will be made to get the project completed as early as possible."

In compliance with the directions given by the Public Accounts Committee, it has been decided that all such projects in future should be undertaken in conjunction with the State Governments. Vigorous steps should also be taken by the Directorate to ensure the completion of all the pending projects within a period of six months. If any of the defaulting Universities do not cooperate, they may be informed that unless they complete the work within the next six months, they shall be liable to refund the Government grant sanctioned for the project forthwith.

The receipt of this letter may kindly be acknowledged.

Copy forwarded to all Branch Officers and Sections in the Ministry for information and future guidance.

Copy also forwarded to AEA(MIL) (I), AEA(MIL) (II) and AEA(S). Chairman, Commission for Scientific and Technical Terminology, R. K. Puram, West Block No. 7, New Delhi-22.

Recommendation

The Committee are distressed to note these cases of misappropriation of public funds in educational institutions. The Committee cannot too strongly stress the need for the exercise of proper vigilance by the Ministry. The Ministry should not wait for audit to bring financial lapses to light but should evolve their own system in collaboration with the State Governments concerned, of checking and satisfying themselves that the funds advanced are in fact put to proper use.

Sl. No. 22 of Appendix VII to 14th Report (4th Lok Sabha).

Action taken

Provision already exists for checking of the accounts of the Rural Institutes by the Accountants General concerned, who conduct the inspection of the accounts of the Rural Institutes and send reports to the Ministry of Education. The irregularities pointed out in these reports are rectified by the Institutes. There is also provision for checking of the accounts by an officer deputed by the Central or State Government. The sanction letters also incorporate the following provision :

"Accounts of this grant insofar as its utilisation is concerned, will be open for a test-check by the Comptroller and Auditor-General of India or his representative at his discretion. Intimation about the arrangement to conduct such a check will be sent as and when necessary. The project, as well as the accounts will also be open for a check by an officer deputed up the Government of India or the State Government concerned".

At present, the accounts of the Rural Institutes are audited by the Chartered Accountants. These accounts are also inspected by the concerned Accountants General who send the report of inspection to the Ministry, Institutes for rectification of the irregularities. The existing provision regarding a check of these accounts by the officers mentioned above is meant to be operated upon only in cases where there are some doubts regarding these accounts. Thus, the word "also" has been used in respect of such checking.

Checking of the accounts by the officers of the Central and State Government would necessitate setting up of a permanent team consisting of accountants and other personnel and the results

achieved in conducting such a check will not be commensurate with the expenditure incurred on the team which will have to visit each Rural Institute every year, for this purpose.

Moreover, the case of the Rural Institute, Hanumanamatti, is the only one which has been brought to notice of the Ministry and which required further investigation. In this case also, both the Secretary and the Accountant-cum-Storekeeper were acquitted by the concerned Court.

The only alternative, therefore, is to strengthen the existing system by ensuring that the Accountants General concerned inspect the accounts of the institutes annually and send the report to the Ministry for necessary action. If such a report warrants a further check by an officer of the Ministry or the State Government concerned, this will be undertaken as a special case. The Accountants General concerned have been informed accordingly.

(Ministry of Education O.M. No. 6-1/68-Acc, II Dt. 24-3-69.)

Recommendation

Now that the use of Pyrethrum Oleoresin has been established in the country, the Committee hope that the Council would ensure that the sale of the chemical is made on a competitive basis so that it does not give rise to monopolistic tendencies and that the rates of finished goods charged by firms from Government Departments or agencies and the public are moderate, and are in consonance with the price paid by the firms for the chemical purchased from the C.S.I.R.

The Committee would like the CSIR to determine the cost of production of Pyrethrum on their farm. The sale price should be reviewed in consultation with the Ministry of Finance (Cost Accounts Branch) so as to ensure that it is in consonance with the cost of production, the landed cost of the imported flowers, the demand in the market and the price charged by firms for the end product.

(Sl. Nos. 27-28—Appendix VII—Paras 2.14 and 2.15 of 14th Report of PAC—4th Lok Sabha).

Action taken

The existing agreement with the Sole Distributors, M/s. Bombay Chemicals (Pvt.) Ltd., has expired in December, 1968. The recommendations of the PAC will be kept in view while making fresh arrangements.

Pyrethrum Oleoresin is one of the ingredients in some formulations. It does not reach the consumer as such. The consumer gets the various products manufactured out of it; as such the scope of its sale through quotations is limited, there being only two reputed manufacturers of Pyrethrum products, i.e., M/s. Bombay Chemicals and M/s. Tata Fisson. There is a provision in the agreement which safeguards the interest of the trade and the consumers. The relevant clause is reproduced below :

“If in the opinion of the Director the Sole Distributor failed to meet the demand of the consumers or the traders in

reasonable quantities and/or on reasonable prices, the Director shall have the right to supply Pyrethrum Oleoresin to other parties. The Director shall give notice of the same to the Sole Distributors. Such supplies shall be deemed to be outside the scope of this agreement."

As regards the checking of the rates of the finished goods supplied by the firm to the Govt. Departments and public in relation to the prices paid by the Company for the Pyrethrum Oleoresin, it is understood that the firm is importing considerable quantity of Pyrethrum from outside. It is, therefore, difficult to keep a check on the prices of the end products *vis-a-vis* the price charged by Regional Research Laboratory, Jammu for the Pyrethrum Oleoresin.

The sale price of Pyrethrum Oleoresin cannot be linked up with the cost of production of Pyrethrum, as the Farms (taken over from the State Government) are still in the developmental stage. This can only be done when the Farms attain self-sufficiency.

The sale price of the Oleoresin was revised on 1.2.68 and was fixed at Rs. 220 per Kg. of 25% Pyrethrum content. The recommendations of the PAC were received after the revision. The clearance from the Ministry of Finance (Cost Accounts Branch) could not, therefore, be obtained. However, the matter has since been taken up with the Ministry of Finance (Cost Accounts Branch) as recommended by the P.A.C.

CSIR O.M. No. 3/15/68-PU dated the 1st March, 1969.

Recommendation

The Committee note that a systematic review has been made of the persons who remained in the Scientists' Pool for more than 18 months. They note that out of 66 persons who had stayed for more than 18 months in the Pool in February, 1966, 33 had already left and out of the remaining 33, 25 had been served with a notice of termination varying from 3 to 6 months and that the balance of 8 cases were being reviewed. The Committee feel that if this rule of 18 months stay is strictly adhered to, it would act as a wholesome check, on any tendency on the part of the Pool Officers not to exert their best to find regular placement.

[Sl. No. 31—Appendix VII—Para No. 2.44 of 14th Report of the PAC—4th Lok Sabha].

Action taken

There is no rule that the tenure of Officers in the Scientists' Pool should be restricted to 18 months. In a majority of cases the tenure of Pool Officers is being fixed at present at one year only except in case where it is felt desirable that in regard to the circumstances a longer period is justified, the appointments for 2 years are made. Of the 599 persons selected for Scientists' Pool in 1963, 358 were appointed for one year only. However, a review of Pool Officers is done on their completion of 18 months stay in the Pool on the basis of their employment efforts, progress of work and their performance.

The position as on 1.1.1969 is indicated below :

1. Persons, who completed 18 months stay in the Pool	48
<i>Among them :</i>	
2. Those under notice of termination	20
3. Those granted extension	15
4. Those appointed for a period of 2 years	11
5. Cases under review	2

CSIR O.M. No. 3/5/88-PU dated the 1st March, 1969.

Recommendation

The Committee are not happy that the CSIR who are regulating the Scheme, do not even know whether or not the 158 scientists who had left the Pool earlier had found employment. The Committee attach the greatest importance to follow-up of scientists from the Pool who get regular employment so that the CSIR can judge the trend of requirement in regulating future entries to the Pool.

[Sl. No. 32-Appendix VII—Para 2.45 of the 14th Report of PAC—4th Lok Sabha].

Action taken

Letters are sent to the Pool Officers (who leave the Pool without furnishing adequate information regarding their subsequent employment) to supply necessary details. On two occasions: (i) during the period from November '63 to January '64 (ii) January, 1967, letters and forms were sent to all the Pool Officers who have left for a study of their progress after leaving the Pool. In spite of these efforts, it has not been possible to get information regarding all those who have left. However, an analysis of the employment of Pool Officers as available on 1.7.1968 is given below :

<i>Organisations Joined :</i>	Number
Universities and other institutions of higher education	522
Hospitals	113
C.S.I.R. Organisations	147
Other Res. & Development Organisations	113
Govt. and Semi-Govt. Organisations including Defence	162
Industry—Public Sector	137
Industry—Private Sector	90
Others	25
Went abroad	110
No information	737
Died	8
TOTAL : 2164	

Analysis of vacancy notifications and requirements of various organisations are being made to study the possible requirements for specialised personnel. These are generally better indices of

developing requirements than the pattern of off-take from the Pool, because the recent employment of some persons may reduce employment prospects in specialized fields with limited opportunities.

It has so far been the policy to offer a placement in the Pool to persons with outstanding qualifications who wished to return to the country irrespective of immediate needs. Shortages in critical areas may not be reflected in the general pattern of requirement. The Advisory Committee for the Scientists' Pool which met on July 11, 1967 was of the view "that highly qualified persons who have specialised in fields of special significance for which sufficient facilities are not available, may be provided with necessary facilities in selected places and teams of such persons built up."

CSIR O.M. No. 3/15/68-PU dated the 1st March, 1969.

CHAPTER V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH GOVERNMENT HAVE FURNISHED INTERM REPLIES

Recommendation

The Committee regret to note a misappropriation of Rs. 91,132 by a Cashier in the External Relations Division of the Ministry of Education during the period June, 1962 to September, 1964. It is all the more regrettable that the defaults committed by the Cashier were not known to the Ministry till a report in the press about his suspected attempt to commit suicide was published in September, 1964. It is also surprising to note that the Audit Inspection Reports in April and November, 1963, mentioning serious irregularities such as improper maintenance of cash-books; non-incorporation of certain monetary transactions therein, non-attestation of entries by the Drawing and Disbursing Officer, non-verification of cash in hand periodically and non-maintenance of bill registers in the prescribed form, did not receive prompt attention in the Ministry, and even the papers relating to them are not traceable. The Committee feel that the various lapses in this case and the failure of the Drawing and Disbursing Officers to conduct the checks prescribed in the Central Treasury Rules and the General Financial Rules require thorough investigation. The Committee have no doubt that suitable action will be taken against the Cashier for the embezzlement and against the Supervisory Officers if their negligence in the performance of their duties is proved.

[Sl. No. (Para 1.20) of Appendix VII to the P.A.C's. 14th Report (4th Lok Sabha)].

Action taken

The case is already in the hands of the Special Police Establishment and they are investigating it thoroughly. They have been requested to expedite their investigation. Criminal proceedings will, no doubt, be launched against the Cashier by the Special Police Establishment after their investigation is completed.

As regards the Supervisory Officers disciplinary proceedings had been instituted against four Drawing and Disbursing Officers and the case is now in the hands of one of the Commissioners of Departmental enquiries under the Central Vigilance Commission. The disciplinary proceedings against one of the four officers have, however, been withdrawn after obtaining the concurrence of the Central Vigilance Commission and after giving her a verbal warning to be more careful in future in the observance of the niceties and technicalities of the rules, which are required to be observed by the Drawing and Disbursing Officers (Supervisory Officers). The main reason for dropping the disciplinary proceedings against her is that though there were certain lapses in the observance of rules by her, she

acted as Drawing and Disbursing officer for a very brief period of about 2 months only and that no actual defalcation of funds occurred during this period. The disciplinary proceedings against the remaining three officers are however proceeding.

[Ministry of Education O.M. No. 6-1/68-Acc. II, 20.11.68.]

Recommendation

The Committee hope that a firm decision will soon be taken about the set up of the Kathak Kendra. In case it is decided to take over the institution on a permanent basis, its accounts should be made open to check by the Audit as is the case in other similar placed institutions. Meanwhile, the Committee would like the Akademi to make sure that the substantial assistance at present extended to the institution is being properly and fully utilised for approved objectives and that the assets created therefrom will be available in fact, if the Akademi decide later to take over the institution.

[Sl. No. 4 Parag 1.39 Appendix VII to the 14th Report (4th Lok Sabha).]

Action taken

The Executive Board in its meeting held on 13th May, 1968 decided to terminate the existing arrangement in regard to the management and control of the Kathak Kendra with effect from 1st October, 1968 on expiry of the present term. However, on receipt of representations from the Gurus of the Kathak Kendra regarding the security of their services and the Convenor of the Advisory Committee of the Kathak Kendra to the Chair, the whole matter has been reconsidered and the Executive Board have now decided to extend the present term to the end of the current financial year. The executive Board have also decided to appoint a Joint Committee of the Akademi and the Bharatiya Kala Kendra to consider the matter in all its aspects.

In accordance with the rules framed for the release of grants to institutions the assets created with the grants released to them cannot be disposed of encumbered, etc. without the prior approval of the Akademi. The assets created by the Kathak Kendra will be governed by the same rule.

[Ministry of Education O.M. No. 6-1/68-Acc, II, Dt. 23.12.68.]

Recommendations

While the Committee do not question the utility of producing really artistic films on the lives of great musicians, they feel that if justice is to be done to the underlying idea, the production should conform to the highest standards. The Committee see no reason why the Sangeet Natak Akademi in selecting a producer for these films did not avail itself of the expert advice available in the Ministry of Information and Boardcasting (Films Division) or at least ascertain whether the name of the particular producer to whom these films are being entrusted continued to be on their approved list.

The Committee are further perturbed to find that apart from the gross delay in the production of the film their quality and presentation have been the subject of adverse comment. The Committee are

surprised to find that after taking up the matter with the producer for furnishing an adequate financial guarantee against the advances given to him, the matter was not pursued to its logical conclusion.

The Committee suggest that the Ministry may prepare a case study of the production of these films with a view to pinpointing various errors of omission and commission which have resulted in the lapses mentioned in the Audit para so as to avoid their recurrence.

[Sl. Nos. 5, 6 & 7 (Paras 1.66, 1.67 and 1.68) of Appendix VII to the 14th Report 4th Lok Sabha]

Action taken

Action has been initiated to prepare a case study of the production of these films with a view to pinpointing the errors of omission and commission which have resulted in the lapses mentioned in the Audit para and it is hoped that there will be no such lapses in future. The PAC will be informed of the results of the case study as soon as it is completed.

[M. of Edu. O.M. No. 6-1/68-ACC.II dated 23-12-68]

Recommendation

The Committee hope that the Ministry will now maintain close liaison with the Sammelan and exercise adequate supervision over the project in order to ensure that the text is revised and printed as early as possible. They would like to be informed of the date of the completion and issue of the dictionary.

[Serial No. 14 (para 1.108) Appendix VII of Fourteenth Report of Public Accounts Committee (1967-68) Fourth Lok Sabha]

Action taken

The observations made by the Public Accounts Committee have been noted and remedial measures have been taken to avoid recurrence of such lapses in future.

As recommended in Sl. No. 14 of the Committee's report, necessary instructions have been issued to the Director Central Hindi Directorate, to exercise adequate supervision over the completion of the project and to ensure its publication as soon as possible.

The Director has now reported that the manuscript has since been revised satisfactorily and arrangements are being made by the Sammelan to get it printed. It will take about a year to complete the printing work. The date of issue of the Dictionaries will be intimated in due course.

[M. of Edu. O.M. No. 6-1/68 ACC. II dated 3-2-69]

Recommendation

The Committee also desire that this case along with the other complaints against this institution should be investigated through the

Special Police Establishment with a view to taking action against the persons at fault. They would also like to be informed about the recovery of Rs. 75,000 from the college and the action taken.

[Sl. No. 26 (Para 1.160) of Appendix VII to the P.A.C.'s 14th Report (4th Lok Sabha)]

Action taken

The matter was referred on 24-6-1967 to the Central Bureau of Investigation for entrusting the case to the Special Police Establishment for investigation. The Central Bureau of Investigation observed on 31-7-1967 that in this case "there can be a possibility of misappropriation but this is not quite clear at present". They further advised that a special audit of the accounts available in the college relating to the loan be undertaken as a preliminary to finding out whether a criminal case could be registered for investigation. Accordingly a request was made on 3-10-1967 to the Accountant-General, Punjab who informed on 29-11-1967 that when his representative visited the college for the purpose, the college authorities were not able to produce the relevant records which were said not to have been handed over by the former Principal of the college. In the meanwhile the State Government had informed the Ministry on 5-8-1967 that they had entrusted the case to the State Vigilance Department and the State C.I.D. The C.B.I. was again approached on 15-12-1967 for advice. The C.B.I. advised on 10-1-1968 that since the matter "is already being looked into by the State CID in consultation with the State Vigilance Department, and since the persons concerned in this case are also not Central Government employees, it is felt that the matter may be allowed to be dealt with by the State authorities." The State Government is again being requested to expedite the photostat copies of the relevant documents, and also to communicate to the Ministry the result of the inquiry being conducted by the State Vigilance Department.

Another instalment of Rs. 3,000 has since been repaid by the College on 31-3-1967 thus reducing the outstanding loan of Rs. 72,000. The Accountant General, Punjab has reminded the college of the 7th instalment due for repayment on 31-3-1968. The College has since been asked to intimate whether the amount has been deposited.

The final outcome of the investigations and the action taken thereon by the Ministry will be intimated to the P.A.C. in due course.

[M. of Edu. O.M. No. 6-1/68-ACC. II dated 30-11-68.]

Recommendation

The Committee are perturbed to observe from the Ministry's note that in the misappropriation in this case besides the librarian and a supplier of books, various supervisory officers are also involved.

The Committee desire that responsibility for the various lapses which resulted in the misappropriation may be fixed and suitable action taken against the persons found responsible. The Committee would also like to be informed of the results of the two civil suits

filed by the CSIR. They hope that with the procedure regarding procurement/purchase/issue of library books laid down in February, 1966, the chances of repetition of such cases will be eliminated.

[Sl. Nos. 29-30, Appendix VII Paras 2.22 & 2.23 of (14th Report) 4th Lok Sabha]

Action taken

The Special Police Establishment had registered five cases against the former Librarian and other officials of the Regional Research Laboratory, Jammu for investigation. Out of these, the Special Police Establishment has so far submitted final reports in respect of only four cases and the final report for the fifth case is still awaited. It is, however, understood that the Special Police Establishment (SPE) has since filed a chalan for prosecution in regard to the fifth case also. Further details are being obtained from the S.P.E.

Of the four cases, on the advice of Central Vigilance Commission (C.V.C.), in two cases four officers of the Laboratory have been cautioned to be more careful in future by pointing out the lapses committed by each one of them.

In the third case besides the criminal proceedings drawn up against two officers of the CSIR by the S.P.E., a Civil suit has also been filed by the CSIR against the supplier of books at Jammu for recovery of Rs. 5,600 which is still pending in the court. The C.V.C. has advised that the departmental action against the officers involved in this case should be deferred till the results of the criminal prosecution are known.

In the fourth case, besides the criminal proceedings drawn up against the former Librarian of R.R.L., Jammu and the supplier of books by the S.P.E., a Civil Suit has also been filed by the C.S.I.R. against the supplier for recovery of Rs. 3,857.50 which is also pending in the Court. The Regular departmental action against the officers of the C.S.I.R. involved in this has been deferred till the result of the prosecution case is known as advised by the C.V.C.

The P.A.C. will be informed in due course of the result of the two civil suits as also of the departmental action taken against the concerned officers involved in the said two cases.

CSIR O.M. No. 3/15/68-PU dated the 1st March, 1969.

Recommendation

The Committee find that, during the last 6 months, completion certificates have been received in regard to 93 projects. They are constrained however, to note that there are still 72 projects relating to the Second Five Year Plan in regard to which completion certificates had not been received till 1st July, 1967. The Second Five Year Plan was completed on 31st March, 1961 and the Committee are not able to appreciate as to why the completion certificates in respect of 72 projects have not been received till now. The Committee desire that the University Grants Commission should take vigorous steps through the State Governments and the Universities to obtain completion certificates from the institutions concerned so as to make sure

that the grants have in fact been utilized for the purpose for which they were given. The Committee feel that the University Grants Commission should fix a time-limit for furnishing completion certificates after completion of the project. The University Grants Commission may also consider the question of retaining a reasonable amount from the final grant which should be released only after the completion certificate has been furnished.

The Committee consider that, on the analogy of the indemnity bond taken for release of funds for the Campus Works Project Scheme, the University Grants Commission may consider the question of prescribing an indemnity bond as a pre-condition requisite for the release of funds to colleges.

[Sl. No. 39, and 42 of Appendix VII to 14th Report, 4th Lok Sabha]

Action taken

The University Grants Commission has now adopted the procedure for prescribing a time limit for the completion of projects. While conveying the approval the colleges are requested to complete the projects within a specified time. A consolidated record, indicating the total cost of the project approved, the Commission's share of the expenditure, the instalments of grants released, progress of expenditure reported from time to time, the receipt of audited statements of accounts, completion certificates etc., is maintained. No new project is normally sanctioned to a college until the project approved earlier has been completed.

As regards issue of utilisation certificates it is stated that the U.G.C. has made a significant progress in respect of projects approved in Second and Third Five Year Plans. The latest position is as follows :—

- (a) Out of the schemes approved in the Second Plan, 57 cases involving UGC share of Rs. 46.64 lakhs are pending against which an amount of Rs. 42.35 lakhs has been paid so far. Out of these 50 cases; 25 pertain to West Bengal Government sponsored colleges involving grants amounting to about Rs. 22 lakhs for hostel buildings. These buildings were completed and are in use. The utilisation certificates from the A.G. West Bengal have not so far been received despite repeated instance. The P.W.D. West Bengal has, however, sent the completion certificates in these cases, certifying that the buildings have been completed and also indicating the expenditure incurred.
- (b) Out of the Third Five Year Plan Schemes 136 cases involving University Grants Commission share of Rs. 115.93 lakhs are pending against which a sum of Rs. 78.81 lakhs has so far been paid. Most of these projects are in the final stage of completion, and completion documents are expected to be received' in due course.

The University Grants Commission has already been following the practice of retaining a reasonable amount from the final grant and releasing the final instalment only after the completion documents

have been furnished, except in the case of small annual grants paid under the scheme of Students' Aid Fund in which Utilisation Certificates are required to be submitted in due course.

The sponsoring authority for grants to the colleges (including Government Colleges) from the University Grants Commission is the University concerned and not the State Government. Such grants are sanctioned to colleges on the recommendations of the University concerned and in the light of the policies and rules approved by the Commission. Copies of the sanction letters issued to the colleges in respect of the projects approved and the instalments of grants released are invariably sent to the University and the Education Department of the State Government/Director of Collegiate Education. In the case of new colleges, the University is normally asked to certify that the college has the managerial ability to carry out the project for which the grant is sought, and the college is running on sound lines. When the execution of the project is delayed or a complaint received or any irregularity detected, the University is apprised of this and requested to investigate the matter. Further payments are not released until a clearance is received from the University. In suitable cases the Universities concerned initiate enquiries and appoint their own committees to visit and inspect the colleges. In some cases, the colleges concerned are visited by the Officers of the Commission with the representatives of the University.

The latest position in respect of the 6 colleges mentioned in the report is as follows :

1. People's College, Nanded

The completion documents of the hostel building have since been received from the college. The actual expenditure incurred is Rs. 1,20,231. As there was not adequate demand for hostel accommodation from girl students, owing to a decline in their number, the Principal requested that the hostel may be utilised as Men's hostel. The total enrolment of men students in the People's College and Science College, Nanded into which the college was bifurcated in 1966-67 was 460 and 736 respectively. Neither college had a hostel. It was, therefore, felt that a men's hostel would meet a genuine need. This was supported by the University. The matter was placed before the Commission for consideration at its meeting held on 5-4-1967. The Commission accepted the suggestion of the college but resolved that since the University Grants Commission's assistance for men's hostel is on 50 : 50 basis, as against 75% for a women's hostel, the college may refund the excess.

On the basis of actual expenditure of Rs. 1,20,231 the University Grants Commission's share at 50% works out to Rs. 60,115. The college was asked to refund the amount of Rs. 34,885 i.e. difference between Rs. 95,000 already paid and the U.G.C. share of Rs. 60,115 representing 50% of the actual expenditure of Rs. 1,20,231. The college has now refunded the amount of Rs. 10,000 and has stated that the balance will be refunded in 2 or 3 instalments which are being watched.

2. Lahiri College, Chirimiri

(Regarding Women's Hostel)

The accounts of the college have since been audited by the A.G., M.P. and copies of the inspection report have been sent to the college and the Ravi Shankar University for comments. Their replies are still awaited. The valuation of the buildings constructed with the U.G.C. assistance has not yet been done by the P.W.D. Madhya Pradesh.

3. A. K. College, Shikohabad

On a reference from the U.G.C. made in October' 1966, the State Government instituted an enquiry into the position of UGC's grants in this college by the Deputy Director (Finance) of Education, U.P. A copy of Report of the enquiry is enclosed. The State Government has also sent a reply on the point as to whether the cases should be referred to the CBI a copy of which is enclosed. The Commission was unable to accept the suggestion of the State Government that the college be permitted to build the hostel according to revised plant at an estimated cost of Rs. 55,000 and requested the State Government to obtain refund of the hostel grant and completion documents for the non-resident student centre and hobby workshop, which were reported to be completed (vice-Commission's letter dated 3rd February, 1968; copy enclosed). The University also was requested to provide help in settling the matter.

The State Government has informed the Commission on 22-3-1968 that necessary pressure is being exerted upon the college for early compliance with the Commission's decision. The Agra University also has issued a directive to the College to the same effect on 22-2-1968.

4. Victoria Institution, Calcutta

The College was visited by an officer of the Commission in January, 1967. The report of the Officer has already been sent to the A.G.C.R.

The grant was sanctioned to the Victoria Institution, Calcutta for the construction of a new hostel building and it has been utilised for the same. The college is a sponsored college of the Govt. of West Bengal. The initiative in obtaining the UGC grant for this project was taken by the West Bengal Govt. When the plans needed to be altered because of the rules of the Calcutta Corporation, the Changes were approved by the West Bengal Government and the Calcutta Corporation.

The Commission has accepted the revised plan for the construction of the hostel at an estimated cost of Rs. 130,000. The completion certificate issued by the Chief Engineer, Construction Board of P.W.D. West Bengal, has been received.

The College has since sent the audited statement of accounts according to which the college has incurred an expenditure of Rs. 1,32,032.70. The college has since been requested to send a revised

utilisation certificate for the University Grants Commission's share of assistance amounting to Rs. 97,500 for the release of the last instalment of Rs. 2,500.

5. Vaish College, Shamli

At the request of the Commission, the A.G., U.P. agreed to hold a special audit on the accounts of the College in respect of grants paid by the UGC. The audit was to be conducted in the quarter from January to March, 1968. The Report is awaited. The A.G. is being reminded to send the Inspection Report.

The P.W.D., U.P. has been reminded to expedite valuation of buildings constructed with UGC assistance. The Meerut University is currently engaged in considering disaffiliation of the college.

6. G.M.N. College, Ambala Cantt.

The Office of the Accountant General, Punjab has since completed the scrutiny of the accounts of the College. A copy of the Inspection Report is enclosed. Copies of this report were sent to the College, the Panjab University, and the D.P.I. Haryana for comments. The College has sent its comments on the report which are under consideration. The P.W.D. Punjab has been repeatedly reminded to send the valuation certificates in respect of buildings constructed with U.G.C. assistance.

The Panjab University has sent an extract copy from the minutes of the meeting of the Syndicate held on 7-1-1968 on the affairs of the College. A copy of the same is enclosed.

The matter was discussed by the Secretary, and the Development Officer (Colleges) U.G.C. with the Vice-Chancellor, Panjab University on 30-3-1968. A copy of the minutes is enclosed. The University has been requested to send the following information :

1. Copy of the notice of disaffiliation served on the college.
2. Copy of the assurance and reply received by the University from the college.
3. The decision of the University regarding (1) above in the light of (2) above.
4. The endowment fund of the college lying with the university.

The University has been requested that the endowment fund of the college may not be released till the question of refund of U.G.C. grants to the college is settled.

In cases where the submission of false certificates and progress reports is detected, the following steps are normally taken depending on the facts of each case :—

- (i) The Universities are requested to investigate the case.
- (ii) It is insisted that the accounts be audited by the Accountant General concerned and the buildings valued by the P.W.D.
- (iii) In cases of suspected defalcation, the matter is referred to the Ministry of Education with a request that this may be investigated by the CBI/SPE Ministry of Home Affairs.
- (iv) Further payments to the institutions are withheld.
- (v) The advice of the Ministry of Law is obtained through the Ministry of Education regarding the recoveries to be made or other legal action to be taken.

No idemnity bond is being taken from the colleges. The various universities were, however, addressed on 23-8-68 inviting their views, among others, on the specific point of prescribing an indemnity bond as a prerequisite condition for the release of funds to the colleges. They have been asked to send reply by 30-9-68. On receipt of replies matter will be considered further by Commission (copy of Commission's letter No. F. 1-2/68 (C.II) dated 23-8-68 enclosed).

Vigorous action is being taken in the cases under report. The Commission has also decided to send Visiting Committees of Educationists to non-professional colleges in the country to study their problems and difficulties in regard to development. 21 colleges under the Delhi University and 62 colleges of Rajasthan University were visited in February-March, 1968. 22 Colleges under Kerala University were visited in April, 1968.

Recommendation

The Committee regret to observe that, in spite of the Attorney General's opinion given in April, 1965 that the 'maintenance' grants could not be given by the University Grants Commission to an Institution other than a University established or incorporated by or under a Central Act, maintenance grants aggregating Rs. 72.54 lakhs were given during 1965-66 to five institutions deemed to be Universities.

The Committee need hardly stress that Government should expeditiously take remedial action for regularising the grants already given by the University Grants Commission to these 'deemed Universities'.

[Sl. Nos. 44 and 45 of Appendix VII to 14th Report, 4th Lok Sabha]

Action taken

The matter regarding regularisation of maintenance grants paid to ~~deemed~~ institutions till 1965-66 is still under consideration.

Recommendation

The Committee hope that a final decision on the recommendation of the Review Committee that the income and expenditure of the hostels should be taken into account while determining the maintenance grants, will be taken soon. The Committee also suggest that a uniform policy should be followed as far as possible for giving grants to Central Universities for the running of hostels and that suitable scales incorporating a maximum for such assistance should be prescribed.

[Sl. No. 46 of Appendix VII to 14th Report, 4th Lok Sabha]

Action taken

No final decision has so far been taken by the University Grants Commission on the tentative recommendation of the Committee appointed to determine the maintenance (Block) Grants of the Central Universities during the Fourth Plan period that the 'Income and expenditure of the hostels should be taken into account while determining the maintenance grants'. As recommended by the Public Accounts Committee, a final decision in the matter will be taken soon, and while doing so, the Committee's suggestion for following a uniform policy as far as possible for giving grants to Central Universities for the running of hostels and for prescribing a scale of maximum for such assistance will be kept in view.

[Min. of Edu. M.O. No. 6-1/68 ACC.II, dated 9-1-69]

Recommendation

Though some progress has been made in the receipt of utilisation certificates, the Committee note that a number of them are still outstanding. They would like the National Council of Educational Research and Training to make sustained efforts for securing the remaining utilisation certificates.

[Sl. No. 57 of Appendix VII to the PAC's 14th Report, 4th Lok Sabha]

Action taken

Ministry's reply.—Out of 710 utilisation certificates outstanding for the years 1962-63, 1963-64 and 1964-65 now only 637 remain outstanding as per details given below :

Years	No. of U.Cs awaited	Amount involved (Rs. in lakhs)
1962-63	71	4.26
1963-64	214	4.02
1964-65	352	8.36
	637	

The majority of these outstanding Utilisation Certificates are for grants not exceeding Rs. 2,000 for which the formality of auditing the accounts has been waived. Only a certificate from the Head of the grantee institution is now required as has already been reported to

the Public Accounts Committee. In view of the changed procedure in respect of these grants, it is expected that the majority of cases

would be cleared shortly. Efforts are being made to clear the cases of outstanding utilisation certificates as early as possible. (Number of utilisation certificates awaited and the amount involved could not be verified by the Audit).

[M. of Edu. 6-1/68 ACC.II, dated 21-11-68]

New Delhi;

April 28, 1969.

Vaisakha 8, 1891 (S).

M. R. MASANI
Chairman,
Public Accounts Committee.

APPENDIX

Summary of main Recommendations/Conclusions

S. No.	Para No.	Ministry/Department Concerned.	Recommendations/Conclusions
1	2	3	4
1.	1-6	Ministry of Education.	The Committee note that a suit based on investigations conducted by the Central Bureau of Investigation has been filed. The Committee would like to be apprised of the outcome of the suit.
	1-7	Do.	The Committee observe from the note furnished by the Central Bureau of Investigation that though the case was registered in December, 1966 "even the records did not become available (to Central Bureau of Investigation) until the middle of March, 1967." Again though the case was "finalised" by the CBI in December, 1967, it was not till July, 1968 that court proceedings could be launched as the legal adviser's opinion on the Central Bureau of Investigation Report did not become available till March, 1968 and this advice indicated the necessity for "further investigation" on certain points before the case was put in court. The Committee would like Government to issue instructions to ensure that records needed for investigations by the Central Bureau of Investigation are made available to that agency promptly and that investigations are completed within the shortest possible time, so that necessary legal proceedings could be promptly launched.
2.	1-12	Do.	The Committee observe that the question of recovery of overdrawn pay by the Principal of the Institution as well as overdrawn grants in respect of a swimming pool, the construction of which taken by the Institution, are still under the consideration of the Ministry of Education, who are consulting the Ministry of Law in the matter. As the issue has been awaiting decision for over two years, the Committee would like action to be taken without further delay.
3.	2-2	Do.	The Committee are also constrained to observe that Government have furnished interim replies in respect of as many as 15 out of 61 recommendations. The Committee desire that Government should take conclusive action in all these cases at an early date.

1	2	3	4
4.	2-7	Ministry of Education.	The Committee note that the Ministry of Education have accepted their recommendations that in future such projects, in which State Governments would be equally interested, should be undertaken in conjunction with the State Governments from funds made available on matching basis. The Committee, suggest that Government may examine the question of issuing general instructions to all the Ministries regarding sanction and release of grants through State Governments for such Projects on matching basis.
5.	2-10	Do.	The Committee feel that the present arrangement for watching the utilisation of grants given to Rural Institutes are not entirely satisfactory. The Committee would like the administrative Ministries to satisfy themselves that the funds advanced by them have in fact been used by the Institute in furtherance of the specified objective before furnishing the utilisation certificate to the Accountant General. The administrative Ministries should also keep a contemporaneous watch on the working of the Institute by calling for periodical progress reports of the work done and by exercising careful scrutiny of the audited statements of accounts and other available literature regarding the working of the Institute. Surprise/periodical checks should also be exercised by Government officials to make sure that the money is being utilised for the specified objective.
6.	2-13	Do.	The Committee note that the agreement with the sole distributors for sale of "Pyrethrum Oleoresin" expired in December, 1968. The Committee hope that while making fresh arrangements for the sale of the chemical, the Council of Scientific and Industrial Research would ensure that the sale is made at most competitive prices, keeping in view also the analysis of cost to be carried out by the Cost Accounts Branch of the Ministry of Finance.
7.	2-14	Do.	The Committee note that there is a provision in the agreement that "if the sole distributor failed to meet the demand of the consumers or traders in reasonable quantities and/or at reasonable prices, the Director shall have the right to supply the chemicals to other parties." The Ministry have however, expressed difficulty in keeping a check on the price of the end product in view of the fact that the firm is importing considerable quantity of Pyrethrum from outside. The Committee do not consider this to be an insuperable difficulty as the import

1	2	3	4
			prices is shown both in the import licences and invoices. The Committee would like Government to exercise necessary checks to ensure that prices of end products prepared from Pyrethrum Oleoresin charged from Government Departments or public are not unreasonable.
8.	2-17	Ministry of Education.	The Committee note that in the majority of cases, tenure of Pool Officers is now being fixed as one year only and that a review of the Officers is done on the completion of 18 months' stay in the Pool on the basis of their employment effort, progress of work and their performance. The Committee suggest that the Council should carefully examine the case of each officer remaining in the Pool as soon as he completes nine months period so that a decision about giving him further extension or dropping him from the Pool is taken before he completes 12 months' stay.
9.	2-18	Do.	The Committee are perturbed to find that Government have no information about placement of as many as 737 Officers out of 2164 who had joined the Pool, since its inception. This is indicative of the fact that the Council did not maintain a systematic follow-up of each Officer during the period of his stay in the Pool. The Committee need hardly stress the importance of maintaining systematic and contemporaneous record of progress made by each Pool Officer to secure placement so that this vital record is invariably available for purposes of review of policy.
10.	2-19	Do.	The Committee also suggest that the Advisory Committee for Scientists' Pool should meet frequently in order to review the position in the light of experience and to lay down guidelines to meet the changing requirements.
11.	2-22	Do.	The Committee find that the instructions issued by the C.S.I.R. in pursuance of the above observations of the Public Accounts Committee stated <i>inter alia</i> that: "The Public Accounts Committee had observed that the C.S.I.R. should impress on all the Laboratories and Institutes under its control the need to observe the utmost economy in the printing of Publications and to avoid further waste of the tax payers' money. It is however, noticed

1	2	3	4
			with regret that in some cases no serious consideration seems to have been given to the above recommendation of the P.A.C."
12.	2-23	Ministry of Education.	The Committee feel that the Director General of C.S.I.R. should be in a position to take effective action to eliminate wastage of public money on publications which serve little purpose.
13.	2-24	Do.	The Committee also desire that the Expert Committee appointed by the Council to examine the publications and pricing policy of the various institutions of the C.S.I.R. should complete their deliberations expeditiously.
14.	2-25	Do.	They have no doubt that the Expert Committee in finalising their recommendations would keep in view the following observations made by the Public Accounts Committee in their 34th Report (Fourth Lok Sabha) on Wasteful Expenditure on Government Publications with a view to effect all possible economy and obviate waste : "1.18 : The Committee suggest that every Ministry or Department should make a careful and comprehensive review of the books, periodicals, brochures and other publications brought out by them from time to time with a view to determining their utility, public demand and sales prospects and in the light of that review make a careful assessment of the minimum number of copies which should be printed in each case. The Committee feel that, except for publications of historical importance and continuing interest, it should be possible to determine the number of copies to be printed in each case in such a way that the stock is sold out before the publication becomes out of date or loses its utility." "1.20 : The Committee feel that one of the reasons for heavy accumulation of unsold publications is costly production and over-pricing. The Committee, therefore, suggest that the pricing policy may be rationalised." "1.23 : The Committee are of the view that all Ministries and Departments should make a comprehensive review of the quality of the publications brought out by them from time to time with a view to effecting



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