

**SIXTH REPORT  
COMMITTEE ON ESTIMATES  
(2010-2011)**

**(FIFTEENTH LOK SABHA)**

**MINISTRY OF HUMAN RESOURCE DEVELOPMENT  
(DEPARTMENT OF HIGHER EDUCATION)**

**UNIVERSITY GRANTS COMMISSION**

[Action taken by the Government on the recommendations contained in the Seventeenth Report (Fourteenth Lok Sabha) of the Committee on Estimates]



**Presented to Lok Sabha on 30/07/2010**

**LOK SABHA SECRETARIAT  
NEW DELHI**

**July, 2010/Sravana, 1932(S)**

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## **COMPOSITION OF THE COMMITTEE ON ESTIMATES (2010-11)**

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(iii)

## **INTRODUCTION**

I, the Chairman of Committee on Estimates (2010-11) having been authorized by the Committee to present the Report on their behalf, present this Sixth Report on action taken by the Government on the recommendations contained in the Seventeenth Report of the Committee (Fourteenth Lok Sabha) on the subject 'University Grants Commission' pertaining to Ministry of Human Resource Development (Department of Higher Education).

2. The Seventeenth Report was presented to Lok Sabha on 13<sup>th</sup> March, 2008. The Government furnished their replies indicating action taken on the recommendations contained in the Report on 23<sup>rd</sup> February, 2009. The draft report was considered and adopted by the Committee at their sitting held on 20<sup>th</sup> July, 2010.

3. An analysis of action taken by the Government on the recommendations contained in the Seventeenth Report of Committee on Estimates (Fourteenth Lok Sabha) is given in Appendix II.

**NEW DELHI;**  
**27<sup>th</sup> July, 2010**  
**Sravana 5,1932(S)**

**FRANCISCO SARDINHA,**  
**CHAIRMAN,**  
**COMMITTEE ON ESTIMATES.**



## CHAPTER 1

### REPORT

1.1. This Report of the Committee deals with the action taken by the Government on the recommendations contained in the Seventeenth Report (Fourteenth Lok Sabha) on the subject 'University Grants Commission'\* pertaining to the Ministry of Human Resource Development (Department of Higher Education).

1.2 The Seventeenth Report (Fourteenth Lok Sabha) was presented to Lok Sabha on 13<sup>th</sup> March, 2008. It contained 38 observations/recommendations. Action Taken Notes on all these observations/recommendations were received from the Ministry of Human Resource Development (Department of Higher Education) on 23<sup>rd</sup> February, 2009.

1.3 Replies to the observations and recommendations contained in the Report have broadly been categorized as under:-

- (i) Recommendations/Observations which have been accepted by the Government:

Sl. Nos. 1,3,5,6,7,8,9,16,17,20,21,23,25,26,27,30&38

(Chapter-II)

- (ii) Recommendations/Observations which the Committee do not desire to pursue in view of Government's reply:

Sl. Nos. 4, 14, 15,35

(Chapter-III)

- (iii) Recommendations/Observations in respect of which Government's replies have not been accepted by the Committee:

Sl. Nos. 12, 13, 22

( Chapter IV)

- (iv) Recommendations/Observations in respect of which final reply of Government is still awaited:

Sl. Nos. 2, 10,11,18,19,24,28,29,31,32,33,34,36 & 37

( Chapter V)

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\* Hereafter referred as 'UGC'

**1.4 The Committee desire that the final replies in respect of the recommendations for which only interim reply has been given by the Government should be furnished to them expeditiously. They would also like to point out at the inordinate and avoidable delay by the Ministry in furnishing replies to their Seventeenth Report on UGC, which, though was presented to Lok Sabha on 13<sup>th</sup> March, 2008 yet the Ministry furnished Action Taken Replies after nearly 11 months, i.e. on 23<sup>rd</sup> February, 2009. In the meantime, various issues raised in the report became redundant. The Committee also observe that many of the Action Taken Replies were interim in nature and could be classified only in category (iv) above. Overall, the Committee are deeply anguished about the casual attitude of the Ministry and urge them to ensure that the replies are furnished within the prescribed time limit in future.**

1.5 The Committee will now deal with the action taken by the Government on some of their recommendations in the succeeding paragraphs.



**Role of UGC in Developing State Universities/colleges**  
**Recommendation [Para No. 2]**

1.6 The Committee had recommended as below:

The Committee regret to note that majority of universities lack high standards even after the existence of UGC for fifty years. It is disheartening to note that only 30% of the universities and 10% of the colleges are of high quality. Rest of the universities and colleges are of mediocre standards which churn out large number of graduates and post graduates every year who also possess mediocre academic standards. This kind of poor quality higher education will not serve to achieve the country's goal of becoming a strong knowledge power. The Committee view the situation as a failure on the part of UGC to fulfill its responsibilities to maintain standards in university education. The reasons cited by the Ministry for the situation are that more than 90 percent of the universities and colleges funded by UGC are under the administrative control of the concerned state Governments. The administrative structure of universities and colleges varies from state to state. UGC only provides development grants to State Universities while providing maintenance grants is the sole responsibility of the state Governments. The inadequacy of maintenance grants is one of the factors which leads to deterioration in standards. National Accreditation and Assessment Council (NAAC) based on its assessment has indicated some weaknesses in our universities and colleges. They are : narrow programme options, lack of master plan, absence of research culture, lack of modern teaching methods and curriculum upgrade, ICT facilities, infrastructure, library resources and faculty development programmes. The Committee, while noting the resource crunch as the major reason for poor standards, are of the firm view that bureaucratization has also contributed to this state of affairs. Greater regard for the autonomy of universities, enabling improved administration by universities, better servicing and coordination by UGC, optimum utilization of the available resources by the universities, and dedication of the faculty are equally important to effectively overcome most of the above mentioned weaknesses in our university system and to boost the standards of higher education in the country. The Committee, therefore, recommend the following measures to address the issue:-

(i) The Ministry of Human Resources Development and UGC should impress upon the State Governments about the necessity and importance of their providing maintenance grants to universities as per their actual requirements. This should be a conditionality for giving any grants to State Universities;

(ii) UGC should provide incentives to State Governments so that they provide adequate level of maintenance grants to its universities and colleges by way of enhanced development grants to universities and colleges to create world class infrastructural faculties;

(iii) In case of State Governments which are in financial difficulties, the UGC should provide maintenance grants for a certain period to enable universities and colleges to come to the mainstream;

(iv) All those colleges and state universities which are of C and D grades should be given a special one time grant in addition to the regular development grants to bring them on par with A grade universities and colleges.

(v) The Ministry should appoint an independent, renowned and suitable agency to conduct a thorough and in-depth study of UGC's functioning with reference to its functions on maintenance of standards of universities and colleges funded by it, including its rules and regulations, regarding incentive schemes for improving standards in universities. Based on the outcome of the study, which may be completed within two years, suitable reforms should be implemented in the functioning of UGC in this regard.

(vi) The model amendments in the Acts of the State Universities should be framed to enable the State Universities to discharge their responsibilities of management and for faculty members to improve the standard of a state university and the State Governments should be persuaded by the Ministry to make suitable amendments accordingly.

(vii) Special development grants should also be given to State Universities to set up well equipped laboratories, to introduce modern teaching methods, to introduce ICT facilities and to strengthen library resources to meet international standards.

(viii) An exclusive university centre should also be launched by UGC to take care of the needs of faculty development programmes.

(ix) A definite time frame should be fixed for NAAC accreditation of all the State universities to a minimum standard.”

1.7 In their action taken reply, the Ministry of Human Resource Development have stated as under:-

(i) In the last State Education Ministers' Conference held on 23-24 July, 2008, the State Governments were requested at the level of Minister of HRD to provide maintenance grants to the universities based on their requirements. The State Governments now have better financial resources and therefore should be in a position to provide higher level of assistance to State Universities. However, such a conditionality as suggested by the Hon'ble Committee may not be desirable, as in the event of State Governments not assisting universities to the desired extent and the UGC tying its releases to the releases by the State Governments, State Universities which are already facing resource crunch may be forced to resort to unreasonable increase in fee/commercialization of education which would impact access and would also be against the national policy.

(ii) It is submitted that while maintenance grants should be the responsibility of the respective State Government, the UGC provides development grants to the eligible state universities under the provisions of the UGC Act, 1956, depending on their requirements and availability of resources. The UGC has also initiated many quality oriented schemes such as the Scheme of “Universities with Potential for Excellence” , “Colleges with Potential for Excellence”, Special Assistance Programme for University Departments, Innovative and Emerging Programmes etc. which have benefited state universities in quality improvement. In the XI Plan, new schemes have

been proposed to provide one-time central assistance to the State Governments under the following schemes:-

(a) It is proposed to set up 374 degree colleges in the districts having Gross Enrolment Ratio (GER) lower than the national average as identified by the UGC. These 374 districts also include 88 districts having a high minority concentration. Up to Rs. 2.67 crore or one-third cost is proposed as Central contribution with the balance to be met by the State Government and/or through Private participation.

(b) A new scheme has been envisaged to provide one time assistance to universities and colleges which do not get any financial assistance from UGC as they are not qualified for being covered under Section 12 B of UGC Act. Under the Scheme, assistance will be provided by UGC to the State Govt. institutions provided that the State Governments meet 50% of the development assistance required to make them eligible for 12 'B' assistance. In the case of private State funded colleges, it has been proposed that 25% of the total cost of development should be brought forward by the private trust/society and 25% by the State Govt., with the balance 50% being given by UGC.

(c) Another new scheme has been envisaged to incentivise the State Governments to enable them to set up new educational institutions. Under the Scheme, the Central Government (M/o HRD) will contribute 1/3 rd of the cost for setting up new educational institutions by the States, while the balance amount (i.e. 2/3rd share) as well as the recurring expenditure would be borne by the States.

(iii) As submitted above, a Scheme for providing one time central assistance has been proposed in the XI Plan to bring State Universities and Colleges lacking in minimum requirements of infrastructural facilities etc for being eligible for receiving development grants from the UGC.

(iv) The UGC is already implementing a scheme of providing Special Development Grants to Universities and Colleges located in Backward/Rural/Remote/Border areas. The UGC also has a proposal to provide additional grants to universities and colleges to enable them to come up from Grade 'C' to 'B' and from 'B' to 'A', as per accreditation of the National Assessment and Accreditation Council (NAAC).

(v) the Government of India has already constituted a UGC/AICTE Review Committee, under the Chairmanship of Prof. Yash Pal, former Chairman, UGC to review the functioning of the UGC and the All India Council for Technical Education (AICTE) vide Order No. 4-4/2008-U.I(A) dated 28.2.2008. The Committee has since been renamed as 'Committee to Advise on Renovation and Rejuvenation of Higher Education'. The Committee is required to furnish its report within one year from the date of constitution of the Committee.

(vi) UGC had prepared a draft Model Act in 2003 , on which reactions were sought from all stakeholders. The same was withdrawn due to opposition from State Governments, Teachers' Associations, and various academic quarters.

(vii) It is submitted that while UGC has been providing plan grants to Universities and Colleges which include assistance for procurement of laboratory equipments, the Universities and Colleges are also provided financial assistance under different schemes for upgradation of infrastructure and teaching facilities. These grants have been substantially increased in the XI Plan.

(viii) The UGC has established 57 Academic Staff Colleges in different universities which conduct Refresher Courses and Orientation Programmes for the teachers. The Ministry has also asked the UGC to organize Summer/Winter Schools to train teachers so as to improve their knowledge content in their respective domain subjects. During the XI Plan, it has been proposed to establish a new Inter University Centre namely, Research Institute for Policy and Evaluation (RIPE). The UGC has been asked to examine the possibility of including the capacity building needs of faculty as a part of the mandate of the proposed Inter University Centre.

(ix) While the recommendation of the Hon'ble Committee is important from the point of ensuring quality, the same can be acted upon only if accreditation by NAAC is made mandatory as against the present provision of voluntary accreditation. A legislative proposal for giving statutory status to NAAC and making accreditation mandatory is under consideration.

The UGC has also proposed to make accreditation compulsory. It is in the process of framing regulations in this regard.

**1.8 Under the UGC Act, 1956, the mandate of the UGC is to promote and coordinate university education and to determine and maintain standard of teaching, examination and research in universities. In this context, the Committee had expressed serious concern over the prevailing low/mediocre standards of the majority of the Universities/colleges in the country and termed it as a failure on the part of UGC. They had also observed that concerted efforts by UGC in providing incentives and special development grants to State Universities to set up facilities, better maintenance of State Universities, a review of functioning of UGC, compulsory NAAC accreditation etc. were some of the initiatives required for bringing the desired improvement in the field of higher education in India.**

**From the replies furnished by the Ministry, the Committee note that the Government is aware of the ground situation and certain steps have indeed been taken/proposed to be taken to improve the fund allocation to the State Universities, a major chunk of which has to come from the State Governments. The UGC has also reportedly initiated many quality-oriented schemes to benefit the State universities/colleges. It has also been proposed to set up 374 Degree Colleges in the districts having Gross Enrolment Ratio (GER) lower than the national average. The Committee also note from the reply that the Government had constituted a UGC Review Committee under Prof. Yashpal, Former Chairman, UGC in the year 2008, and its report was expected to be ready within a year.**

While it is a matter of satisfaction that a number of schemes have been initiated by the UGC and the Government to improve the scenario of higher education in the country, the Committee would have appreciated had the reply been corroborated with facts about the actual performance of at least those schemes and programmes, which are operational for quite some time. The Committee would like to know whether the proposed 374 Degree Colleges have actually been set up. Besides, as per the reply, certain new schemes had been proposed in the XI Plan to provide one time Central assistance to the State Governments. The XI Plan began in the year 2007 and by the time the reply were furnished to the Committee in the month of February, 2009, 2 years had already passed. The Committee therefore desire to be apprised about the latest status of these schemes. As the Yashpal Committee had already submitted its report in June, 2009, they further wish to be apprised of its specific recommendations regarding renovation and rejuvenation of higher education in the country and the improvements required in UGC and also the action proposed to be taken on the same by the Government.

One unfortunate fact which has come to the notice of the Committee through the reply is that a draft model Act for State universities that was proposed by the UGC in the year 2003 was withdrawn due to opposition from State Governments, teachers associations and various academic quarters. The Committee would like to know the grounds on which objections were raised. Also they would like to be informed as to whether any further action on the model Act is being envisaged by the UGC. As regards an Exclusive University Centre to be launched by the UGC to take care of the needs of faculty development programmes, it was reportedly proposed to establish a new Inter

**University Centre namely Research Institute for Policy and Evaluation during the XI Plan. The Committee would like to know current status of the proposal. Further, they would also like to be apprised of the current status of the framing of regulations by the UGC on the matter concerning compulsory accreditation of universities and colleges.**



**Financial Grants to State Universities/Colleges**  
**Recommendation (Para No. 12)**

1.9 The Committee recommended as below:-

The Committee regret to note that even those state universities/colleges which are eligible under 12 (B) of the UGC Act are not given grants by UGC. The reasons put forth by the Ministry for this sorry-state-of-affairs was scarcity of resources. Out of 6,500 colleges which are eligible under 12 (B) of the UGC Act, only 5,661 colleges are receiving development assistance from UGC. The Committee further learnt from Calcutta University which is a State University that only 10% of the UGC's annual budget is presently spent as development grants on State Universities. In Calcutta University's budget, the share of UGC grants does not exceed even 5%. In this regard it had suggested that UGC's financial support to state universities is extremely inadequate to meet the present challenges in the realm of higher education and the UGC should consider the possibility of providing both development and maintenance grants to state universities. The Committee recommend that a comprehensive review should be conducted on the financial needs of all the state universities and they should be given enhanced level of funding by UGC according to their size, as well as present and future needs. Importance should be accorded to performance of individual universities. The universities which perform better should be rewarded with more funds.

1.10 In their action taken reply, the Ministry have stated as follows:-

It is submitted that the maintenance requirement of State Universities are to be met by State Governments. The UGC has incorporated an allocation during XI Plan for Rs.7000 crore to support 150 uncovered State Universities and 6000 uncovered colleges. In addition, an amount of Rs.3000 crore have been provided in the XI Plan for assistance to 160 State Universities already covered under Section 12B of the UGC Act, 1956 and 5500 colleges which are recognized by the UGC for assistance. Further, State Governments are also being incentivized to set up 374 degree colleges in districts having GER lower than the national average, by providing one time assistance and increasing their share gradually. Increased grants are also being

given towards development expenditure of State Universities, for setting up of Girls' hostels and for upgradation of technical institutions.

**1.11 On the matter concerning financial needs of the State Universities and enhance funding by UGC, the stand taken by the Ministry that the maintenance requirement of State Universities should be met by the State Governments, is well taken. However, in their original recommendation, the Committee had expressed concern over the non-receipt of UGC grants by those State Universities/Colleges, which are eligible Under Section 12 B of the UGC Act. The Committee had referred to 6500 such colleges, out of which only 5661 colleges had received development assistance from UGC. The reply of the Government is silent on this aspect. The reply merely refers to the proposal to incorporate Rs. 7000 crores to support hitherto uncovered 150 State Universities and 6000 colleges during the XI Plan, and the provision of Rs. 3000 crores for assistance to 160 State Universities already covered under Section 12 B of the UGC Act and 5500 colleges, which are recognized by the UGC for assistance. While the Committee appreciate it as an effort in the right direction, they expect that the projected allocation for providing financial support to various State Universities/colleges has actually been made available to the UGC and that the individual performance/potential of each institution has been taken into consideration for deciding on the matter. As the XI Plan is in its fourth year of operation, the Committee hope that some of the fund allocation has been since utilized. They therefore would like the Government to furnish details of funds allocated and utilized to State Universities/colleges under XI Plan so far. The Committee also hope that appropriate mechanism is in place in the UGC to ensure that the funds made available to these institutions are being utilized prudently and efficiently. They would like the Ministry to inform them about the same too.**

**Non achievement of Financial Targets**  
**Recommendation (Para No. 13)**

1.12 The Committee had recommended as below:-

The Committee note that financial targets fixed for several schemes were not achieved by UGC during the Tenth Five Year Plan. A financial target of Rs. 789 crore was fixed for development grants to central universities but only Rs. 720.88 crore was actually disbursed, out of a target of Rs. 465 crore, only Rs. 129 crore was given to colleges as development grants, a target of Rs. 20 crore was fixed for providing development grants to universities in backward areas but only Rs. 12.30 crore was actually disbursed. For Inter University Centres only Rs. 13.45 crore were spent against a target of Rs. 125 crore. For Special Assistance Programme, a target of Rs. 205 crore was fixed but only Rs. 134 crore was spent. With such slow pace of spending of plan allocation by UGC, the development of higher education and raising its standards to that of international level will remain a distant dream. The Committee is not satisfied with the excuses put forth by the Government i.e. the failure on the part of universities and colleges to submit the documents required for obtaining the approval of building proposals in time and delay by the State Universities in creation of teaching and non-teaching posts sanctioned by UGC. The Committee feel that such an unfortunate situation arises only when the implementing agencies fail to service grants in a spirit of dedication to development. The Committee, therefore, recommend that the Ministry and UGC should finalise the estimates of physical and financial targets of various schemes only after duly examining the requirements and the feasibility of achieving the same. Once targets have been fixed, UGC should take proactive steps to achieve the same. Any lacunae on the part of UGC in this regard will lead to unnecessary locking of several crores of rupees and at the same time intended benefits not reaching the beneficiaries viz. universities, colleges, faculty and ultimately the students and higher education as a whole.

1.13 In their action taken reply, the Ministry have stated as follows:-

While the Ministry endorses the concern expressed by the Hon'ble Committee that physical and financial targets under the various schemes should be estimated only after examining the requirement and the feasibility of achieving such targets, it is

submitted that the financial target of X Plan for UGC was Rs. 9853.10 crore (Budget Estimate) for all the schemes and UGC had fully utilized the budgetary provision. The annual expenditure during the 2004-05, 2005-06 and 2006-07 were Rs. 1943.56 crore, Rs. 2198.56 crore and Rs. 2786.74 crore, respectively for all the UGC schemes of X Plan.

It is humbly submitted that reasons put forward by the Government were based on feedback received from UGC. It is also humbly submitted that funding of universities is done by UGC in terms of the provisions of the UGC Act which does not provide for any role of the Central Government in deciding the allocations to be made to the Universities or to the schemes of UGC. UGC has been advised from time to time to ensure that expenditure is incurred timely and evenly throughout the year in order to prevent 'lumping' in any quarter. UGC has also been advised to streamline its procedure for releases so that processing delays are avoided and universities get sufficient time to ensure progress and utilization of funds.

It is further submitted that the requirement of funds of each university/institution is finalized by the UGC, based on advice of a Committee of Experts which visit such institutions, in consultation with stake holders and after taking all relevant facts into account.

**1.14 Commenting on the non-achievement of financial targets fixed for several schemes by the UGC during the X Five Year Plan in respect of development grants to Central Universities, Universities in backward areas, Inter University Centres and grants under Special Assistance Programmes, the Committee had expressed dissatisfaction over the failure of the implementing agencies to service grants in a spirit of dedication to development. They had emphasized that the Ministry and the UGC should have finalized the estimates of physical and financial targets of various schemes only after examining the requirements and the feasibility of achieving the same.**

In their reply the Government have now submitted that the financial target in the X Five Year Plan was achieved by the UGC and that the reasons advanced by them for slow pace of spending of Plan allocation by UGC, were based only on the feedback received from UGC.

From the reply, the Committee feel that once the funding targets have been fixed and fund allocated by the Ministry of HRD, the UGC takes over and thereafter, the onus lies entirely on the UGC to disburse the grants to universities and colleges. Although the Ministry of HRD have reportedly advised the UGC from time to time to ensure that the expenditure is incurred timely and evenly throughout the year in order to prevent 'lumping' in any quarter, they seem to have hardly any role once the matter is left in the hands of UGC. The Committee are aware that the UGC is a Statutory body with a 44 year experience for practically all matters concerning higher education in India and that maximum autonomy is granted to them to utilize allocated funds in the best possible manner. However, autonomy should not lead to arbitrariness and thus, the Committee expect UGC to pay heed to the directions issued by the Ministry under Article 20 of the UGC Act. Besides, by virtue of the fact that UGC has sufficient infrastructure and powers in hand, the Committee recommend that they should finalize the estimates of physical and financial targets of various schemes under the 5 Year Plans only after examining in depth the requirements and the feasibility of achieving the targets in an optimal manner for the sake of bringing maximum efficiency as well as the desired improvement in the present scenario of higher education in the country.

**Career Oriented Programmes**  
**Recommendation (Para No. 22)**

1.15 The Committee recommended as below:-

The Committee note that a scheme called Career Oriented Programme is being implemented by UGC to impart vocational training to undergraduates. These courses run parallel to the conventional BA, B.Com and B.Sc degrees. This scheme is being implemented since 1995-96 but only 43 universities and 3383 colleges have been covered so far. In this regard, the Ministry stated that keeping in view the availability of funds, UGC would extend the scheme to cover more universities and colleges and also would introduce more vocational courses to suit the requirements of the country in the wake of globalization and liberalization of economy. In Committee's view this programme is very important as a large number of students, after completing their graduation, are unable to opt for vertical mobility in higher education either due to average performance or due to financial constraints. This programme would ensure providing gainful employment after graduation and thus would reduce educated unemployment. The Committee, therefore, recommend that steps should be taken by the Ministry of Human Resources Development and UGC to extend this programme to all the colleges and universities in the country within a definite time frame. Non-availability of funds should not be a problem for the expansion of this programme and hence, the Ministry of Human Resource Development should hold talks with the Ministry of Finance, the Planning Commission and leaders of industry for the allocation of required funds and the expansion of the programme with industry links throughout the country.

1.16 In their action taken reply, the Ministry of Human Resource Development have stated as under:-

It is submitted that according to the guidelines framed by the UGC for 'Introduction of Career Oriented Courses in Universities and Colleges during XI Plan (2007-2012)', all colleges and universities recognized by the UGC under Section 2 (f) and Section 12 B of the UGC Act, 1956 are eligible for implementing the Scheme of Career Oriented Courses.

1.17 The Committee are not satisfied with the one-line reply of the Ministry that merely reproduces the guideline about all recognized colleges & universities being eligible for career-oriented courses during XI Plan. In their original recommendation, the Committee had referred to the schemes which, though in existence since 1995-96, could only be implemented in 43 Universities and 3383 colleges due to lack of funds. Besides, the Ministry had assured the Committee at that time that the vocational training programme would be extended to cover more universities and colleges depending on available funds. As the Ministry has chosen to remain silent on the matter, the Committee infer that in all probability the programme was not extended to uncovered Universities/colleges, owing to reasons unknown to them. The Committee, therefore, urge the Ministry to submit appropriate replies to their recommendations. Further, they would like to know about the Universities/colleges where the career-oriented programme is currently in operation as per the guidelines of XI Plan. The Committee hope that the programme is in sync with the current needs of the industry. They would also urge the Ministry and the UGC to strive for such standards in vocational training so as to encourage private players to hire students trained under this programme. The Human Resource Departments of various industrial quarters also need to be informed and sensitized about the availability of trained students so that those could avail of the opportunities offered by the industry. The Committee trust that the Ministry and UGC are capable of doing so. They would like the UGC to suggest State Universities to play a proactive role in the matter too. The Committee wish that the Ministry may submit a brief note to them on the said matter.

**HIGHER EDUCATION FINANCE CORPORATION**  
**Recommendation (Para No. 34)**

1.18 The Committee had recommended as below:-

The Committee note that there is a need for providing financial assistance by way of soft loans to the meritorious students to pursue higher education as such students are unable to access it due to market/commercial rate of interest being charged by banks, the insistence on collateral and early commencement of repayment, etc. Under the Education Loan Scheme of the Indian Banks' Association, a need based finance of Rs. 7.5 lakh is provided for studies in India and Rs. 15 lakh for studies abroad subject to repaying capacity of the parents/students with margin. Under the aforesaid scheme there is no need for any collateral security upto Rs. 4 lakh. Unfortunately, there are instances of insistence on mortgages or property by banks for educational loan in violation of the above guideline. To address all the issues relating to educational loan to students, CABE Committee on Financing of Higher and Technical Education in its Report has made a valid recommendation that a body like Higher Education Finance Corporation (HEFC) may be set up with contributions from the Government and corporate sector, to coordinate the student loan schemes being operated by several banks and to provide its own scholarships and soft loans to students. The Committee are unhappy to learn that this proposal has been kept in abeyance by the Government in view of the proposed "Scheme of subsidy on students Loan for Professional Education." Under this Scheme, the entire interest, especially of those whose parental income is less than Rs. 2.5 lakh per annum, for the moratorium period on the loan provided by the banks shall be borne by the Government. The Committee urge the Government to also consider the feasibility of bearing interest on loan during the moratorium period of parents whose annual income is less than Rs. 5 lakh as the middle class families are also equally burdened by the higher cost of professional education of their children. The Committee, while appreciating the proposed scheme of subsidy and recommending a wider scope for its operation, is of the firm view that it is necessary that an independent body may be set up to coordinate, to ameliorate the grievances of students in getting loans from banks and to provide scholarships and soft loans on its own. The Committee, therefore, strongly recommend that the government should set



up the Higher Education Finance Corporation immediately as earlier recommended by CAFE Committee. The Committee also recommend that the government should immediately launch the proposed subsidy scheme with the modification suggested by the Estimates Committee regarding educational loan and implementation of this scheme may also be coordinated by the proposed HEFC.

1.19 In their action taken reply, the Ministry have stated as under:-

While there is a proposal to provide interest subsidy to the students on the loans taken by them under the Educational Loan Scheme of the Indian Banks' Association for pursuing professional education in India, no decision has been taken so far. Under the proposed scheme, the students belonging to economically weaker sections are proposed to be covered, for which the parental income ceiling has been proposed at Rs. 4.5 lakh per annum. The Scheme is proposed to be implemented and monitored through Canara Bank, who are the Bankers of this Ministry. In view of this, the proposal for setting up of Higher Education Finance Corporation (HEFC) has been kept in abeyance.

**1.20 Although the Action Taken reply of the Government States that the proposal for setting up of HEFC has been kept in abeyance, the Committee learn that now the proposal is being fast tracked by the Planning Commission. Further, the Ministry is reportedly mulling over a tax-saving bank deposit scheme to raise funds for cheap loans to educational institutions and students. The Committee feel that while such steps would go a long way in making higher education more inclusive and accessible, they feel that the Government should workout the modalities fast. They are of the view that providing loans and scholarships to the meritorious but needy students, would definitely incentivize them to perform better.**

**Corruption in MCI, AICTE**  
**Recommendation (Para No. 36)**

1.21 The Committee had recommended as below:-

The Committee note that a number of Professional Councils such as All India Council of Technical Education, Medical Council of India etc. are responsible for recognition of courses, promotion of professional institutions and to provide grants to undergraduate programmes etc. UGC is the apex body for coordination of standards of teaching, research and examination in universities besides giving grants to them. The Commission carries out these functions in coordination and consultation with other statutory bodies wherever and whenever required. There is a proposal with the Government to establish a National Commission on Higher Education which will coordinate the working of various regulatory bodies. However, National Knowledge Commission (NKC) in its Report has suggested that there is a multiplicity of regulatory agencies where mandates are both confusing and overlapping. The system is over-regulated and undergoverned. NKC has suggested that an Independent Regulatory Authority of Higher Education (IRAHE) should be established. This authority will perform the regulatory functions of AICTE, MCI and BCI so that their role would be limited to that of professional associations. The role of UGC will be limited to disbursing grants to universities. On this suggestion of NKC, the Committee obtained the comments of universities of Calcutta, Jadavpur, Delhi, Hyderabad and Jawaharlal Nehru University. None of them support the idea of establishment of IRAHE. University of Hyderabad even stated that the entire proposal of the National Knowledge Commission overlooks the fact that there is an interplay between regulatory and funding roles presently exercised by UGC. The Committee, in this regard, recommend that the Government first set up the National Commission on Higher Education to coordinate the activities of various regulatory bodies in Higher Education such as UGC, AICTE and MCI etc. and simultaneously hold wider consultations on the recommendations of NKC including that of IRAHE, setting up of 1500 universities by 2015 etc. and take concrete and appropriate steps in the matter.

1.22 In their action taken reply, the Ministry have stated as under:-

Recommendations of the National Knowledge Commission regarding setting up of a Independent Regulatory Authority on Higher Education (IRAHE), setting up of 1500 universities, etc., have not found acceptance by the wider academic community including teachers' organizations. A proposal for setting up of a National Commission for Higher Education has been under consideration of this Ministry, but no consensus has been reached on the need for setting up such a Commission. It has been decided to place the matter before the Central Advisory Board of Education (CABE) for its consideration at its next meeting.

Government of India have constituted a UGC/AICTE Review Committee, since renamed as 'Committee to Advise on Renovation and Rejuvenation of Higher Education', under the Chairmanship of Prof. Yash Pal, former Chairman, UGC to review the functioning of the UGC and the All India Council for Technical Education (AICTE) vide Order No. 4-4/2008-U.I(A) dated 28.2.2008. The Committee is required to furnish its report within one year from the date of constitution of the Committee

**1.23 The Committee express regret at the charges of corruption leveled against certain officials of MCI, AICTE etc. some of which have already been proven, leading to arrest of the guilty. These incidents have not only brought discredit to these statutory bodies, but have also brought to the fore issues of the rot that has crept in the governance of certain regulatory bodies in the field of higher education. The Committee would like to emphasize that those found guilty of malpractices must be made accountable for the same. They feel that the need to take effective steps for ensuring transparency and accountability in the activities of these statutory bodies has become urgent now. They learn that the Government is already contemplating upon an ordinance to supersede MCI. The Committee desire the Ministry to furnish their specific Action Taken reply on this issue in due course.**

1.24 The Committee further would like to emphasize that they attach greatest importance to implementation of the recommendations accepted by the Government. They would, therefore, urge that the Government should keep a close watch so as to ensure expeditious implementation of the recommendations accepted by them. A report on status of action taken on the recommendations categorized as accepted by the Government in Chapter-II of this Report should be furnished to the Committee within three months alongwith the action taken replies to recommendations in chapter-I and the final replies to recommendations included in chapter-V of this report. In case it is not possible to implement the recommendations in letter and spirit for any reason, the matter should be reported to the Committee with reasons for non-implementation.

**CHAPTER II**  
**RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY**  
**GOVERNMENT**

**Recommendation (Para No. 1)**

University Grants Commission (UGC) was established in November, 1956 as a statutory body of the Government of India by the University Grants Commission Act, 1956. The Act mandated UGC to take all such steps for the promotion and coordination of university education and for the determination and maintenance of standards of teaching, examination and research in universities. The commission also provides financial support in the form of grants to universities and colleges for their development. In the present day world, knowledge economy has brought into focus the strong linkages between higher education, knowledge and wealth creation. As such, higher education occupies a special place in a knowledge society which in turn creates a strong economy. Unfortunately our university standards are not upto the level of internationally renowned universities and our universities do not figure in the lists of globally popular ratings. In this context, functioning of UGC which is the national level nodal organization engaged in promotion of higher education, is very significant. Hence, the Committee selected this subject for examination. After the examination of various activities of UGC, the Committee feel that by its own admission regarding very poor facilities and standards in colleges and universities, there is immense scope for improvement in various areas of its functioning. These aspects are dealt with in greater details by the Committee in succeeding paragraphs.

**Reply of the Government**

The Ministry agrees with the valuable observations of the Hon'ble Committee.

[Ministry of Human Resource Development (Department of Higher Education) O.M.  
No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 3)**

The Committee are concerned to note the inadequate level of quality and quantity of research in universities funded by UGC. It is disheartening to note that only about 5000 PhDs are produced in a year in this country whereas in China they produce more than 35000 PhDs in a year and in USA the figure is about 25000 PhDs. On the patents side also we are far below the other countries. In 2005, we had about 648 patents, China had 2,452 patents, USA had 45,111 patents and Japan had 25,145 patents. At present the country's share in number of research papers in the world is about 2.5 percent while the USA publishes 32 percent of the research papers in the world. The Committee note that UGC implements certain programmes for the development of research initiatives in universities such as Faculty Improvement Programme, Major and Minor Research Projects, Research Awards, Junior Research Fellowships etc. But these programmes have not delivered the desired results and these research initiatives in the universities are still below the international standards. The Committee note that recommendations of the MM Sharma Committee have been accepted by the Government. The Committee were informed that only Rs. 205 crore instead of Rs. 600 crore has been earmarked for the current financial year to take care of the recommendations of the said Committee. The Committee are unable to understand how, in the absence of infrastructural and human resource facilities, UGC will be able to improve scientific research at various levels. The Committee, therefore, strongly recommend that the Government should definitely earmark Rs. 600 crore for improving scientific research in universities from the next financial year onwards. They should also take into consideration the cost overrun due to administrative delays in implementation of the recommendations and the allocation for the purpose should be increased accordingly. The Committee should be informed about the implementation status of the recommendations of M.M. Sharma Committee on the subject.

### **Reply of the Government**

The Ministry endorses the strong recommendations of the Hon' Committee in regard to the budgetary allocations for the development of research initiatives in universities.

It is submitted that the allocation for implementation of recommendations of the MM Sharma Task Force as also for the Fellowship Programmes emanating from the recommendations of the MM Sharma Task Force, have been substantially increased in the XI Plan to Rs. 3500 crore. of which Rs. 1200 crore is for implementing the recommendation of the MM Sharma Task force and the outlay of Rs. 2300 crore is for Fellowship Programmes.

[Ministry of Human Resource Development (Department of Higher Education) O.M.  
No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 5)**

The Committee note with concern that there are 223 vacancies out of the sanctioned strength of 806 posts in the Secretariat of UGC at present i.e. about 28% of the posts are vacant in UGC. There are 20 vacancies in Group 'A' posts out of the sanctioned strength of 92 Group 'A' posts. As the higher education is poised for large scale expansion in near future and present organizational set up of UGC with its present weaknesses and short comings may not be able to handle the work load of the future. As per Ninth Report of the Expenditure Reforms Commission 2001, UGC had to reduce its number of schemes and thus it was required to abolish 264 posts. In 2003, UGC had to abolish 55 posts as 146 posts were lying vacant for more than one year. In view of the depleting staff support, UGC requested for revival of 65 vacant posts in 2004. However, as per the Expenditure Reforms Commission Report, UGC is entitled to fill up only 36 additional posts and that too only if the Ministry of Finance gives approval for revival of posts which are lying vacant for more than one year. In this regard, the Ministry of Finance generally insist for recommendations of Staff Inspection Unit. Even though UGC has requested the Government for inspection by Staff Inspection Unit, inspection has so far not been carried out. The Committee take a serious view of such lapses on the part of the Government. The Committee, recommend that immediate steps should be taken by the Ministry of Human Resource Development and the Ministry of Finance to carry out a comprehensive inspection regarding staff strength of UGC. The Committee also note that UGC has requested the Administrative Staff College of India, Hyderabad to

conduct a study of the functioning of UGC and to suggest necessary modifications and changes in its structure. In this regard, the Committee recommend that a comprehensive study should be conducted on the present organizational/ administrative structure of UGC particularly on its suitability to the present and future requirements of higher education and thereafter, prompt steps should be taken to re-structure the organizational set up of UGC accordingly.

### **Reply of the Government**

The Staff Inspection Unit of the Ministry of Finance had called for some basic data from the UGC for the study for the staff requirement of UGC. The UGC has been reminded to furnish the required information to the Staff Inspection Unit. The UGC has also been advised to expedite the study entrusted to the Administrative Staff College of India. The UGC has also initiated a proposal for e-governance in order to provide inter-connectivity between UGC, its Regional Offices, Autonomous Inter University Centres, Universities, Colleges and other institutions of Higher Education. It is expected that the said project, as and when operationalised would result in smaller manpower need in the result in smaller manpower need in the UGC.

[Ministry of Human Resource Development (Department of Higher Education) O.M. No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 6)**

The Committee note that there are six regional offices of UGC at Hyderabad, Pune, Bhopal, Kolkata, Guwahati and Bangalore. The Northern Regional College Bureau of UGC Head Office works as Northern Regional Office. These regional offices were set up so that they improve the delivery system, working improves and the grants are released on time. The regional offices primarily deal with the college sector because there are about six thousand colleges that are supported by UGC for various purposes like development grants, travel grants and other grants. During the Eleventh Plan it is proposed to open two more regional offices. At present, there are only two regional offices at New Delhi and Bhopal for entire northern region, two regional offices at Bangalore and Hyderabad for southern region, one for entire



Eastern region at Kolkata, one at Guwahati for North-Eastern region and one regional office at Pune for entire Western region. The Committee are of the firm view that the present number of regional offices is not sufficient to handle the work load particularly in view of the multifarious functions of UGC and growing number of colleges. Regional offices may play a vital role to monitor the performance of universities and colleges under their purview including the utilization of funds for intended purposes. The Committee, therefore, recommend that UGC should open offices in every state to coordinate the functions of UGC at state level and develop a sophisticated web-based computerized system to discharge functions of the Regional Centres.

### **Reply of the Government**

As submitted above (para 5), the e-governance project of the UGC is intended to network colleges, universities, regional offices of UGC, inter-university centres and the headquarter of UGC. In so far as opening of offices in every State is concerned, it is submitted that an effective e-governance system could obviate the need for physical presence of UGC in every State. Together with the e-governance system and the effective functioning of the regional offices, the UGC shall be in a better position to regulate the quality and standard of education. UGC has also been advised to delegate more powers to its regional offices in order to obviate the need for the colleges and universities to approach the headquarters in large number of schemes.

[Ministry of Human Resource Development (Department of Higher Education) O.M.  
No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 7)**

The Committee note that there are six inter-university centres of UGC for providing common facilities to university and collegiate system. These centres comprise, National Accreditation and Assessment Council which accredits universities and colleges, the Centre for Educational Communication which generates software for use in higher education, INFLIBNET which networks university and college libraries and provide them facilities to access to e-journals etc. Only three

centres are meant for scientific research viz. Accelerator Centre, the second one is for availing facilities from Deptt. of Atomic Energy and the third one is for astronomy. The Committee feel that many areas of new and frontier technologies such as nanotechnology, electronics, bio-technology, etc. are not covered by existing inter-university centres. Inter-university centres can play a very vital role in scientific research initiatives of universities in various fields of science and technology such as physical sciences, chemical science, bio-science and mathematical science by offering them common facilities in research work, equipment and technologies. This may also reduce the cost of research of individual universities. The Committee, therefore, recommend that existing inter-university centres should be strengthened by UGC to offer common facilities in various fields of scientific research. These centres may facilitate scholars by offering board and lodging and arrangements for face-to-face interactions among scholars from all disciplines, providing internet access to all international academic journals, arranging seminars and conferences on specialized subjects, documenting and disseminating the results of such interactions. These centres may also pool facilities of various universities together for common research in various disciplines of science and technology.

### **Reply of the Government**

The Ministry accepts the valued recommendations of the Hon'ble Committee regarding the need for strengthening the Inter University Centres (IUCs). The XI Plan outlay for IUCs has been enhanced. A new IUC for Policy and Evaluation has also been proposed in the XI Plan. It is submitted that the broad objectives and the need for IUCs are determined by the requirement of investment, which should be of a scale larger than that any one university can afford to make, and therefore can be shared as a common facility among scholars associated with a number of universities. At present, no such proposal for large investments in the field of nano-technology, electronics, bio-technology etc have been projected by Universities. Investments required in nano-technology and bio-technology have been projected by individual universities, namely, the University of Mumbai, University of Calcutta and the University of Madras for establishing centres of excellence in these technology. On the basis of the recommendations of the UGC, Central Government has also declared Chennai Mathematical Institute as an institution Deemed to be University to

enable them to work further in promoting areas of mathematical studies. The said institution deemed to be university collaborates with other institutions. UGC has been advised to explore the feasibility of extending common facilities in other areas as recommended by the Hon'ble Committee, subject to availability of resources.

[Ministry of Human Resource Development (Department of Higher Education) O.M. No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 8)**

The Committee regret to note that GDP spending on higher education sector is very low and the sector has been relatively neglected in the past decades. As stated by the Prime Minister recently, it was the investment made in this sector in the 50s and 60s which has given us a strong knowledge base in many fields and after that the sector has been sidelined for decades as a non-priority sector as far as resource allocation is concerned. Only 0.37 or 0.4 percent of GDP is currently spent on higher education, whereas in developed countries about 1.5 percent of GDP is spent on higher education. The Committee take a very serious view of such low spending on higher education which may affect the country's competitive potential. Unfortunately, till now, we have been able to spend only about 3.5 percent of GDP on education. As a result, allocation to higher education has also suffered. It is high time that the Ministry of Human Resource Development takes serious and detailed discussions with Ministry of Finance and the Planning Commission to take immediate and concrete steps to ensure that Government allocate at least 2% of GDP for higher education i.e. at least 25% of total allocation for the education sector.

### **Reply of the Government**

The Ministry is grateful to the Hon'ble Committee for taking a serious view over the low expenditure on higher education over the years. It is submitted that even though present level of expenditure on higher education is also modest in relation to the need for spending at least 2% of GDP on higher education, the XI Plan allocation of Rs.84,943 crore for Higher Education is roughly nine times of the expenditure during the X Plan by the Central Government. The share of allocation on higher education as a percentage of total allocation for the Plan has increased from 1.7% in

the X Plan to 6.1% during the XI Plan. It is further submitted that allocation by Central Government alone shall not help in realizing the goal of spending 6% of GDP on education and there has to be commensurate increase in allocation by State Governments. States have been requested repeatedly, including at the last State Ministers' Conference held in July 2008, to increase their outlay in the XI Plan. Several schemes for incentivizing State Governments to allocate state resources have also been included in XI Plan by UGC.

[Ministry of Human Resource Development (Department of Higher Education) O.M. No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 9)**

The Committee regret to note that the Union Government's share in total GDP spending on higher education is merely 0.17 percent. Private educational institutions spend almost 50 percent of the country's total requirement of higher education. Remaining 50 percent of the funding for higher education in the country is met by the State Governments and the Union Government in the ratio of 80:20. This shows that a very small amount is being allocated by the Union Government for the development of higher education in the country. So, there is an urgent need to increase centre's budgetary allocations for higher education. Higher Education being critical to the country's economy, both the Union and State Governments should act in tandem with each other and ensure that standard and quantum of higher education are up to the international level and according to the specific needs of the country. In this regard, the Committee also note that the responsibility of raising GDP spending on education to six percent, and in turn to two percent on higher education, rests both with the Union Government and State Governments. It is unfortunate that, many a time when the Union Government increases its budgetary allocation for education, the State Governments tend to decrease their share. Education sector as a whole does not gain in such a situation. This is the reason why the higher education which is receiving a relatively less allocation suffers the most. The Committee, therefore, recommend the following:

- (i) to convene a meeting of State Education Ministers to discuss and arrive at a definite fund allocation formula for education sector
- (ii) Planning Commission should prevail over the states at the time of approval of their five year plans and annual plans to allocate a definite proportion of their resources for higher education
- (iii) the Union Government should share the burden of those states which are at the bottom of the rankings based on incidence of poverty and which may find it difficult to increase their share of funds for higher education commensurate with Union Government's increase. The Union Government may even offer incentives to the State Governments which come forward to increase their allocation on higher education.

### **Reply of the Government**

- (i) It is submitted that conferences of State Education Ministers dealing with Higher and Technical Education are conducted regularly. Last such meeting was held on July 23-24, 2008, wherein allocation of resources were discussed. States were exhorted to provide more funds for higher education, considering that the position of state revenues is better than ever before.
- (ii) Recommendation of Hon'ble Committee has been communicated to the Planning Commission for appropriate action.
- (iii) Schemes for incentivizing State Governments have been included by UGC in the XI Plan.

[Ministry of Human Resource Development (Department of Higher Education) O.M.  
No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 16)**

The Committee are concerned to note that Indian Higher Education Institutions are very poorly ranked in two globally recognized ranking systems. Apart from IITs, Delhi University (254th), University of Calcutta, University of Pune are the only universities which find their names in Times Higher Education Supplement Rankings. None of other higher education institution find its place from 1st to 253<sup>rd</sup> rankings. Even IITs are lagging far behind in the rankings. In 2006, in Times' rankings IITs were

ranked 57th, IIMs were ranked 68th and JNU was at 183rd but in 2007 rankings IIMs and JNU could not find any place in the rankings. The Committee note that the organization which administers the Times rankings has changed its system of ranking last year and subsequently IIMs and JNU could not find a place in the ranking and IITs had low ranking. The other global ranking system is administered by Shanghai Jiao Tong University. Only IIS, Bangalore (305th rank) and IIT, Kharagpur (402nd rank) are the Indian higher educational institutions which find a place in this ranking. The Committee in this regard were informed that Planning Commission is envisaging setting up of 14 new central universities with world-class infrastructure so as to achieve world standards. The Committee recommend that a mission mode be adopted to cut through bureaucratic red tape to ensure that these universities are set up within the Eleventh Plan Period. The Committee also recommend that needs of our existing institutions of excellence like Delhi, Kolkatta, Mumbai, Madurai, Aligarh, Banaras and Pune universities, JNU IITs, IIMs, IISs etc. should be studied and high levels of assistance should be provided to them to make them world class institutions and to improve their rankings in the globally recognized ranking systems.

### **Reply of the Government**

There are no globally recognized norms for determining the rank of a university. Some of our institutions such as University of Calcutta, Delhi University, Jawahar Lal Nehru University, IITs, Indian Institute of Science, Bangalore, are known to be of global standards. It was earlier decided to allocate an amount of Rs.100 crore each to the three universities, namely, the University of Calcutta, the University of Mumbai and University of Madras for setting up of centres on nano-technology. Additional special grants have also been given to Indian Institute of Science, Bangalore. It has also since been decided to provide additional grants of Rs. 100 crore to each of the University of Delhi, Mysore University and Punjab University.

During the XI Plan, it has been proposed to establish 14 National Universities aiming at world class standards. A concept paper in this regard is being finalized.

The UGC is implementing a scheme for providing grants to Universities with potential for excellence with increased assistance during the XI Plan.

### **Recommendation (Para No. 17)**

The Committee note that UGC notifies regulations on different subjects under the relevant provisions of the UGC Act to maintain standards of teaching, research and examination in higher education in the country. These regulations are reviewed, modified, updated at regular intervals and new regulations are notified as and when required. The Commission has prescribed various norms and standards for bringing qualitative changes in higher education. These norms pertain to establishment and maintenance of institutions, minimum standards for instruction and grants of degrees, minimum qualification for appointment of teachers, minimum workload for teachers, minimum teaching days and establishment and maintenance of standard of education in private universities etc. In Committee's view these regulations and norms of UGC have not yielded the desired result as our universities are way behind foreign universities in quality and standards. The Committee, therefore, recommend that standards and norms prescribed by parallel bodies in other countries, whose universities excel in standards, should be studied by UGC and appropriate steps should be taken by UGC to bridge the gap in standards of Indian universities and those of world-class universities. The Committee further appreciate that mere prescription of standards, norms and regulations will not yield the desired results. The Members of UGC should demonstrate leadership abilities to inspire confidence and elicit cooperation of distinguished faculty members in universities towards these efforts. The Inter-university centres should be geared up to activate working with universities towards a common cause.

### **Reply of the Government**

The UGC had organised a Conference on setting up of National Universities aiming for world class standard in August, 2008 in New Delhi. The Conference was attended by select Vice Chancellors of Central, State and Self financed Deemed Universities, Noted academicians, Educational policy Planners and Senior Officers of the Government of India.

The conference was intended to enable the UGC to finalise the concept paper for the National Universities aiming for world class standard and also to understand global best practices.

One of the important ingredients of high quality institutions is the quality of teaching faculty. Our inability to attract highly talented and meritorious young persons in teaching profession is a matter of serious concern. Based on the recommendations of a Pay Review Committee constituted by UGC, this Ministry has announced a package comprising revised pay scales and emoluments as well as certain quality oriented prescriptions for ensuring that bright young candidates are attracted and also retained in the teaching profession.

A legislative proposal for making accreditation by the National Assessment and Accreditation Council mandatory, is also under consideration.

[Ministry of Human Resource Development (Department of Higher Education) O.M. No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 20)**

The Committee note that UGC is implementing a scheme called Universities with Potential for Excellence (UPE) and Colleges with Potential of Excellence. Under this scheme, a grant of Rs. 30 crore is given to the identified university during the Plan Period and the grant to colleges ranges from Rs. 35 lakh to Rs. 1 crore per college on the basis of the category to which it belongs. The scheme is under implementation since IX Plan. During Ninth Plan only five universities were selected and during Tenth Plan four more universities were selected. As such, only nine universities have been benefited under the scheme. Apart from this, 12 centres in specialized areas have also been identified in different universities under the scheme called Centre with Potential for Excellence. 97 colleges were also selected by UGC during Tenth Plan under this scheme. Considering the number of universities and colleges in the country, the number of universities and colleges benefited, so far, are very miniscule in number even though the scheme is under implementation since last ten years. Only two reasons may be adduced in this regard, either the standard of vast majority of universities in the country is very poor or the criteria stipulated by UGC for selection under the scheme are of very high standards. The Committee,



therefore, recommend that the scheme should be revamped so as to benefit more universities and colleges during the XI Plan. Quantum of assistance given to selected universities and colleges should be reviewed and the amount of assistance should accordingly be raised for further development of universities and colleges which have potential for excellence.

### **Reply of the Government**

The UGC has revised its guidelines for providing grants to Universities and Colleges under the schemes of (i) Universities with Potential for Excellence and (ii) Colleges with Potential for Excellence, with increased quantum of assistance.

Under the revised guidelines, the ceiling limit for allocation of funds during the XI Plan Period (i.e. for a period of five years) to Universities and colleges has been increased as under:-

Potential for Excellence (colleges)

Rs.1.00 crore to Rs.1.50 crore

Potential for Excellence (universities)

Rs. 50 crore.

[Ministry of Human Resource Development (Department of Higher Education) O.M.  
No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 21)**

The Committee notes that UGC designed model curriculum on 32 subjects and circulated the same for adoption by universities in the country. UGC proposed model curriculum with the help of experts at national level. Model curriculum is not compulsory. Universities have been given autonomy to adopt the model curriculum based on their own democratic systems they follow. Most of the universities have done this exercise. Some of the universities have informed UGC that they maintain a standard higher than this syllabus. National Knowledge Commission (NKC) has stated in its report that the syllabi of course in universities, which remain unchanged for decades, need to be upgraded constantly and revised frequently. NKC has suggested that the universities be required to revise or restructure curricula at least once in three years and this provision must be subjected to outside peer review

before implementation. The Committee, however, would like to reiterate the well known principle that in the context of higher education it is the autonomy of faculty members rather than standardization that is the vital element in quality education. Therefore, instead of a routinised drill in division of syllabi, it would be more appropriate to hold a series of seminars and conferences every year where scholars gather to appreciate the advances in their fields of study and are in addition facilitated by UGC to devote one session to curriculum development.

### **Reply of the Government**

The UGC has been advised to hold seminars and conferences as recommended by the Hon'ble Committee.

[Ministry of Human Resource Development (Department of Higher Education) O.M. No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 23)**

The Committee are constrained to note the imbalances in development of higher education among various social groups. Out of the total enrolments in degree courses and above, only 3.6% were that of STs and 11.3% of SCs in the year 2002-03. The Committee note that Government propose to set up a National Tribal University at Amarkantak which is situated in the Madhya Pradesh – Chattisgrah border. In this regard, the Committee recommend that concrete steps should be initiated for the setting up of the National Tribal University within a year. Similar Tribal universities or the campuses of the National Tribal University should be opened in other parts of the country where the concentration of tribals is more. The Committee also note that UGC propose to provide additional grant to universities and colleges which are either having relatively larger strength of SCs, STs, OBCs and minorities or located in minority concentrated districts. At the same time, UGC also constituted a Committee under the Chairmanship of Prof. Chaddha which will come up with a diversity index. Based on the index, the universities and colleges having widespread representation of various social groups will be eligible for higher entitlement to UGC grants. The Committee are happy that atleast now UGC propose to address the issue

of inequalities among various social groups in getting higher education. In this regard, they recommend that additional grants should be provided from 2008-09 onwards and quantum of additional grants should be more so as to really serve any useful purpose for the development of the particular university or college. However, the Committee are of the view that diversity of student body in any university or college will enable the students to respect the value of equality. The Committee, therefore, recommend that based on the diversity index which will be recommended by Prof. Chaddha Committee, university and colleges should be provided enhanced level of UGC grants for catering to widespread representation of various social groups. The Committee also recommend that special classes to learn better English be started in all universities to enable students from less privileged sections to cope with their basic difficulty in relating to higher education in any field.

### **Reply of the Government**

The legislation for Indira Gandhi National Tribal University passed by both the Houses of Parliament as also assented by the Hon'ble President has since come into effect from 8<sup>th</sup> July, 2008. The first Vice-Chancellor, Registrar and Finance Officer have since then been appointed. The Executive Council and the Academic Council of the University are being notified. The State Government has already been approached to hand-over the land identified for the university at Amarkantak. Necessary budgetary allocation has been made in the XI Plan. The power to establish Campuses/ Regional Centres of the university in the tribal concentrated areas vest in the university itself.

[Ministry of Human Resource Development (Department of Higher Education) O.M. No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 25)**

The Committee take a serious view of large number of vacancies in faculty positions in Central Universities as well. As on 31st March, 2007, out of the total sanctioned strength of 9054 faculty positions, 2271 were vacant in 18 central universities i.e. about 25.08% of the total faculty vacancies remained vacant. On the

one hand the Ministry of Human Resource Development tries hard to impress upon the State Governments to fill up faculty positions vacant in their universities on the other hand large number of vacancies exist in central universities which are under its direct purview. In this regard, the Ministry taken the plea that it plays only a limited role of providing visitor nominees to the selection committees of central universities as all of them are governed by individual Acts of Parliament. Ministry just keeps on reminding the central universities through UGC to fill up vacancies. The Committee are not satisfied with the steps taken by the Government and UGC to fill up faculty positions in central universities. The problem needs to be addressed with reference to redtapism at the offices of Registrars in universities and the need for incentives to attract meritorious faculty to join these universities. The Committee recommend that UGC should direct all the central universities to fill up vacancies forthwith. The Committee also recommend that ad-hoc appointment of faculty members upto fifty percent of the existing vacancies be resorted to immediately, if any university finds after reviewing the facts, department-wise, that sufficiently meritorious candidates are not available for the posts to be appointed on a permanent basis.

### **Reply of the Government**

It is submitted that around 20% teaching posts were lying vacant as on 31-10-2007 whereas the vacant positions earlier in March, 2007 were approximately 25%.

To tide over the faculty shortage, the age of superannuation of teachers in centrally funded higher education institutions under this Ministry was raised from 62 years to 65 years. Based on the recommendations of a Pay Review Committee constituted by UGC, this Ministry has announced a package comprising revised pay scales and emoluments as well as certain quality oriented prescriptions for ensuring that bright young candidates are attracted and also retained in teaching profession. Recently, the UGC has started a new scheme of Professor of Eminence so as to encourage and reward top-level faculty. Research grant, particularly for science based education, is being strengthened. These measures are expected to have a positive impact on the vacancy position in Central Universities.

### **Recommendation (Para No. 26)**

The Committee note that faculty of universities are increasingly opting to take up permanent/short-term assignments in foreign universities and institutions. Such a trend is gradually ending the presence of high quality faculty members in the universities. Even a central university like Delhi University expressed the same opinion that its faculty members join foreign universities because of the better facilities, pay and prospects offered there. As of now, the UGC guidelines permit only a visiting faculty, an adjunct faculty or a casual faculty to take up these assignments on contract basis. These are aimed at providing permission to bright teachers to gain exposure and experience abroad and on a reciprocal basis to permit some scholars to teach temporarily at Indian universities. However, these are still reviewed within an insular framework of discouraging brain drain rather than in a more contemporary perspective of recognizing the power of brain gain. The Committee recommend that the Ministry of Human Resource Development and UGC should explore the possibility of permitting highly meritorious faculty members of our universities to take up joint appointment in a foreign university to spend half the year there and half here as well as allow foreign scholars to teach in our universities. This may also pave the way for further development of our faculty when they have an opportunity to deal with a different set of curriculum and teaching methods in foreign universities. Such appointees may be required to put in a specified number of man hours in the Indian universities. UGC should workout a scheme and incorporate suitable provision in its regulation in this regard to operationalise this recommendation at an early date.

### **Reply of the Government**

UGC is implementing a scheme of Visiting Professor/Visiting Fellow under which distinguished teachers/scholars are appointed up to a period of two years.

The Government has since taken a decision to improve/revise the pay and service conditions of teachers in order to attract and retain talented persons in

teaching profession. The UGC has been advised to work out a scheme as per decision taken by Government.

[Ministry of Human Resource Development (Department of Higher Education) O.M.  
No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 27)**

The Committee note that UGC in consultation with the Government of India has constituted a Pay Review Committee on 8th August, 2007 to review and make recommendations regarding pay scales of university and college teachers, librarians, physical education, personal and other academic staff in universities and colleges. The Committee has been given one year's time to finalise its recommendations. Pay scales of university teachers should be enhanced and pegged at a level higher than class 'A' Civil Services since the qualifications required for appointment at universities is much higher than the simple graduation required for Civil Services. It is high time the country recognizes this basic change required in pay structure. Along with higher pay package, they should also be offered proper medical facilities, housing facilities on campus etc. Career advancement should be built in by providing greater freedom to interact with faculties abroad. The Committee recommend that UGC should refer the above aspects to the Pay Review Committee and ensures attractive benefits to the faculty.

### **Reply of the Government**

As submitted in reply to Para 26 above, the Government has since taken a decision to improve/revise the pay and service conditions of teachers in order to attract and retain talented persons in the teaching profession. It is submitted that the revised pay scales and other emoluments of teachers at entry level and their promotional avenues upto professors' level have been pegged at a level higher than Group 'A' services. A copy of the Ministry's letter dated 31.12.2008 is enclosed (Annexure-I).

[Ministry of Human Resource Development (Department of Higher Education) O.M.  
No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 30)**

The Committee note that under Junior Research Fellowships (JRFs) Scheme students/research scholars who qualify National Eligibility Tests (NET) conducted by UGC are awarded fellowships to pursue research leading to M.Phil/Ph.D degrees in various disciplines. At present Junior Research Fellows are getting Rs. 12,000 per month and 30% of Rs. 12,000/- as H.R.A. The Committee are constrained to note that only three per cent of those who are registered for Ph.D get this assistance and rest of them get Rs. 5000 as they are not NET qualified. As a result, approximately 70 per cent of them dropout before completing their Ph.D. In 2005, only 300 candidates, were selected for Junior Research Fellowship of UGC. The Committee are not convinced with the reasons put forth by UGC for large scale drop-out that the financial assistance given to the Ph.D students is very low and there is bleak future for the students in terms of job in universities. The Committee view the situation seriously and recommend that the amount of scholarship to JRFs should be increased to Rs. 18,000/- plus 30% for HRA so as to attract many prospective Ph.D candidates. Moreover, same amount of scholarship should be offered to Non-NET candidates who had outstanding scores in their university examination and come forward for Ph.D. and a strong computerized system should be created for payment of scholarships in time. The Committee also urge the Ministry to take immediate steps to attract more Ph.D candidates, particularly in science and technology fields by offering special incentives to them.

### **Reply of the Government**

The UGC has revised the fellowship amount (JRF/SRF/RA) which is in consonance with amount of fellowship under the Department of Science and Technology/Council of Scientific & Industrial Research.

In order to attract more Ph.D. students in the teaching profession, higher incentives in the form of advance increments and promotional avenue have been provided for under the revised pay structure announced by the Government for teachers in universities and colleges who acquire Ph.D. degree from a university complying with UGC regulations in regard to the process of registration, course work, and evaluation process.

[Ministry of Human Resource Development (Department of Higher Education) O.M.  
No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 38)**

The Committee are constrained to note that there are a large number of colleges, close to 7000 or 8000 which are given affiliation in a year by universities, do not meet some of the conditions set by UGC to receive grants. However, UGC has stated that any college which gets permanent affiliation from a university becomes entitled for a grant. The Committee are of the firm view in this regard that universities should grant affiliation to any college only after a thorough examination of the standards of the college. The Committee, therefore recommend that UGC should impose a minimum standard for affiliation of any college by universities through its regulations.

### **Reply of the Government**

The affiliation of colleges by universities regulations 2008 are being considered/finalized by UGC.

[Ministry of Human Resource Development (Department of Higher Education) O.M.  
No.F.9-17/2008-U-5, dated 20-02-2008]



## **CHAPTER III**

### **RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF GOVERNMENT'S REPLY**

#### **Recommendation (Para No. 4)**

The Committee note that the Commission consists of the Chairperson, Vice-Chairperson and ten other members which include Secretary (Education) and Secretary (Expenditure). The Secretary, Higher Education, informed the Committee that the availability of these two officers from the Government in the Commission facilitates coordination with the Commission and leads to its smooth and better understanding between the Commission and the Government. However, the information provided by the Ministry shows that the Secretary (Expenditure) attended none of the meetings of the Commission during the period of three years from 2005 to 2007. The secretary (Higher Education) did not attend the meetings on five occasions. This is very unfortunate and symptomatic of bureaucratic indifference. The Secretaries' membership in the Commission is by virtue of their position as Secretary in the Departments of Higher Education and Expenditure. The Committee, therefore, recommend that the prior permission of Cabinet Secretary be invariably obtained after adducing detailed reasons in writing by the Departmental Secretaries concerned, to excuse themselves from any meeting of the Commission.

#### **Reply of the Government**

According to the provisions of Section 5 (3) (a) of the UGC Act, 1956, two members shall be chosen from amongst the officers of the Central Government, to represent the Government in the Commission. It is submitted that every effort shall be made to ensure that Secretary (Higher Education) attends the meetings of the Commission, barring on those occasions, where in view of other equally important work, Secretary is unable to attend Commission's meetings. On such occasions, Joint Secretary in charge of Higher Education is invited as a Special Invitee to represent Secretary. In so far as the other representative of the Central Government

is concerned, Additional Secretary (Expenditure) has since been nominated as Member, representative of the Central Government in terms of Section 5 (3) (a) of the UGC Act, 1956. It is submitted that it may not always be possible to seek prior permission of the Cabinet Secretary for absence of the Secretary from the meeting of the Commission.

[Ministry of Human Resource Development (Department of Higher Education) O.M. No.F.9-17/2008-U-5, dated 20-02-2008]

#### **Recommendation (Para No. 14)**

The Committee note that UGC proposes to depute its Committees to each university to evaluate its performance during the X Plan and assess the financial requirements for XI Plan Period. In this regard, UGC also proposes to request the State Governments to depute their nominee in those Committees to take on-the-spot decisions about the state's share in various developmental projects. The Committee are skeptical of success of this proposal as it would be very difficult to take on-the-spot decisions by the state representatives without consulting the State Government concerned. Moreover, this approach may not yield result in every scheme as UGC would have to be very considerate towards some state universities due to their financial constraint. The Committee, therefore, recommend that while making on-the-spot assessment of the performance of state universities, UGC should simultaneously embark on high level discussion with State Governments on allocation of development funds to state universities including matching grants by State Governments.

#### **Reply of the Government**

It is submitted that Chairpersons of UGC, have from time to time, interacted with State Governments at the highest levels in regard to higher education demands of each States. The present Chairperson has already visited the States of Karnataka, Kerala, West Bengal, Orissa, etc. and has interacted at the highest levels in those States.

### **Recommendation (Para No. 15)**

The Committee note that plan allocations for UGC were raised from Rs. 383 crore in 1997-98 to Rs. 2374 crore for 2007-08. This is an increase of more than six times. However, alongwith increase in fund allocation, the number of universities has also grown several folds. At present there are 386 universities and 20,676 colleges. Higher Education, owing to its importance in the present world of knowledge economies, is poised for further expansion in future. UGC has also demanded more funds to cater to the increased requirements owing to the proposed expansion of higher education sector in the XI Plan period. UGC has projected its financial requirements for XI Plan as Rs. 56,326 crore. But the share of UGC in the recently approved XI Plan outlay of Rs. 84,943 crore for higher education is only Rs. 45,471 crore which is less than the UGC's demand by Rs. 10.855 crore. As Prime Minister stated in his address at the meeting of Planning Commission recently, the Union Government propose to set up 16 new central universities in those States which do not have a university and 14 new central universities in other states which would eventually aim to attain world-class standards. Moreover, the universities already in existence have to be strengthened as most of them are of mediocre standards. In view of the above, the Committee are of the view that plan allocations made for UGC for Eleventh Plan may not be adequate to meet the multifarious necessities of the universities at this crucial juncture of development and higher plan allocation is required and they, therefore, recommend that the Ministry of Human Resources Development, University Grants Commission and Planning Commission sit together to examine threadbare the requirements of UGC for the Eleventh Plan and increase the plan allocation to UGC accordingly.

### **Reply of the Government**

It is submitted that the allocation of funds for the UGC is made as a part of the overall allocation for Higher Education Sector as finally approved by the National Development Council.

[Ministry of Human Resource Development (Department of Higher Education) O.M.  
No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 35)**

The Committee note that another important aspect of CAGE Committee Report is scholarship to meritorious students. The Prime Minister has also recently proposed extensive scholarships for the development of higher education. In this regard it is pertinent to note that in top foreign universities student fees are either funded by scholarships or borne by sponsors from industry etc. The Committee are also of the view that scholarships and sponsorships will be of great help to ensure that no student is denied higher education especially professional education because of his or her financial constraints. The Committee, therefore, recommend that the Ministry of Human Resource Development and UGC should take immediate steps for the creation and operation of various enabling and attractive scholarships and sponsorships for meritorious students to pursue higher and professional education irrespective of their economic backgrounds.

### **Reply of the Government**

The UGC is awarding a number of scholarships/fellowships such as Post Graduate Indira Gandhi Scholarship Scheme for Single Girl Child, Post Graduate Merit Scholarship Scheme For University Rank Holders In General & Honours Courses at Undergraduate Level.

[Ministry of Human Resource Development (Department of Higher Education) O.M.  
No.F.9-17/2008-U-5, dated 20-02-2008]

## CHAPTER IV

### RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH GOVERNMENT'S REPLIES HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

#### Recommendation (Para No. 12)

The Committee regret to note that even those state universities/colleges which are eligible under 12 (B) of the UGC Act are not given grants by UGC. The reasons put forth by the Ministry for this sorry-state-of-affairs was scarcity of resources. Out of 6,500 colleges which are eligible under 12 (B) of the UGC Act, only 5,661 colleges are receiving development assistance from UGC. The Committee further learnt from Calcutta University which is a State University that only 10% of the UGC's annual budget is presently spent as development grants on State Universities. In Calcutta University's budget, the share of UGC grants does not exceed even 5%. In this regard it had suggested that UGC's financial support to state universities is extremely inadequate to meet the present challenges in the realm of higher education and the UGC should consider the possibility of providing both development and maintenance grants to state universities. The Committee recommend that a comprehensive review should be conducted on the financial needs of all the state universities and they should be given enhanced level of funding by UGC according to their size, as well as present and future needs. Importance should be accorded to performance of individual universities. The universities which perform better should be rewarded with more funds.

#### Reply of the Government

It is submitted that the maintenance requirement of State Universities are to be met by State Governments. The UGC has incorporated an allocation during XI Plan for Rs.7000 crore to support 150 uncovered State Universities and 6000 uncovered colleges. In addition, an amount of Rs.3000 crore have been provided in the XI Plan for assistance to 160 State Universities already covered under Section 12B of the UGC Act, 1956 and 5500 colleges which are recognized by the UGC for assistance. Further, State Governments are also being incentivized to set up 374 degree colleges

in districts having GER lower than the national average, by providing one time assistance and increasing their share gradually. Increased grants are also being given towards development expenditure of State Universities, for setting up of Girls' hostels and for upgradation of technical institutions.

[Ministry of Human Resource Development (Department of Higher Education) O.M. No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 13)**

The Committee note that financial targets fixed for several schemes were not achieved by UGC during the Tenth Five Year Plan. A financial target of Rs. 789 crore was fixed for development grants to central universities but only Rs. 720.88 crore was actually disbursed, out of a target of Rs. 465 crore, only Rs. 129 crore was given to colleges as development grants, a target of Rs. 20 crore was fixed for providing development grants to universities in backward areas but only Rs. 12.30 crore was actually disbursed. For Inter University Centres only Rs. 13.45 crore were spent against a target of Rs. 125 crore. For Special Assistance Programme, a target of Rs. 205 crore was fixed but only Rs. 134 crore was spent. With such slow pace of spending of plan allocation by UGC, the development of higher education and raising its standards to that of international level will remain a distant dream. The Committee is not satisfied with the excuses put forth by the Government i.e. the failure on the part of universities and colleges to submit the documents required for obtaining the approval of building proposals in time and delay by the State Universities in creation of teaching and non-teaching posts sanctioned by UGC. The Committee feel that such an unfortunate situation arises only when the implementing agencies fail to service grants in a spirit of dedication to development. The Committee, therefore, recommend that the Ministry and UGC should finalise the estimates of physical and financial targets of various schemes only after duly examining the requirements and the feasibility of achieving the same. Once targets have been fixed, UGC should take proactive steps to achieve the same. Any lacunae on the part of UGC in this regard will lead to unnecessary locking of several crores of rupees and at the same time

intended benefits not reaching the beneficiaries viz. universities, colleges, faculty and ultimately the students and higher education as a whole.

### **Reply of the Government**

While the Ministry endorses the concern expressed by the Hon'ble Committee that physical and financial targets under the various schemes should be estimated only after examining the requirement and the feasibility of achieving such targets, it is submitted that the financial target of X Plan for UGC was Rs. 9853.10 crore (Budget Estimate) for all the schemes and UGC had fully utilized the budgetary provision. The annual expenditure during the 2004-05, 2005-06 and 2006-07 were Rs. 1943.56 crore, Rs. 2198.56 crore and Rs. 2786.74 crore, respectively for all the UGC schemes of X Plan.

It is humbly submitted that reasons put forward by the Government were based on feedback received from UGC. It is also humbly submitted that funding of universities is done by UGC in terms of the provisions of the UGC Act which does not provide for any role of the Central Government in deciding the allocations to be made to the Universities or to the schemes of UGC. UGC has been advised from time to time to ensure that expenditure is incurred timely and evenly throughout the year in order to prevent 'lumping' in any quarter. UGC has also been advised to streamline its procedure for releases so that processing delays are avoided and universities get sufficient time to ensure progress and utilization of funds.

It is further submitted that the requirement of funds of each university/institution is finalized by the UGC, based on advice of a Committee of Experts which visit such institutions, in consultation with stake holders and after taking all relevant facts into account.

[Ministry of Human Resource Development (Department of Higher Education) O.M.  
No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 22)**

The Committee note that a scheme called Career Oriented programme is being implemented by UGC to impart vocational training to undergraduates. These

courses run parallel to the conventional BA, B.Com and B.Sc degrees. This scheme is being implemented since 1995-96 but only 43 universities and 3383 colleges have been covered so far. In this regard, the Ministry stated that keeping in view the availability of funds, UGC would extend the scheme to cover more universities and colleges and also would introduce more vocational courses to suit the requirements of the country in the wake of globalisation and liberalization of economy. In Committee's view this programme is very important as a large number of students, after completing their graduation, are unable to opt for vertical mobility in higher education either due to average performance or due to financial constraints. This programme would ensure providing gainful employment after graduation and thus would reduce educated unemployment. The Committee, therefore, recommend that steps should be taken by the Ministry of Human Resources Development and UGC to extend this programme to all the colleges and universities in the country within a definite time frame. Non-availability of funds should not be a problem for the expansion of this programme and hence, the Ministry of Human Resource Development should hold talks with the Ministry of Finance, the Planning Commission and leaders of industry for the allocation of required funds and the expansion of the programme with industry links throughout the country.

### **Reply of the Government**

It is submitted that according to the guidelines framed by the UGC for 'Introduction of Career Oriented Courses in Universities and Colleges during XI Plan (2007-2012)', all colleges and universities recognized by the UGC under Section 2 (f) and Section 12 B of the UGC Act, 1956 are eligible for implementing the Scheme of Career Oriented Courses.

[Ministry of Human Resource Development (Department of Higher Education) O.M.  
No.F.9-17/2008-U-5, dated 20-02-2008]



## CHAPTER V

### RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH FINAL REPLIES OF GOVERNMENT ARE STILL AWAITED

#### Recommendation (Para No. 2)

The Committee regret to note that majority of universities lack high standards even after the existence of UGC for fifty years. It is disheartening to note that only 30% of the universities and 10% of the colleges are of high quality. Rest of the universities and colleges are of mediocre standards which churn out large number of graduates and post graduates every year who also possess mediocre academic standards. This kind of poor quality higher education will not serve to achieve the country's goal of becoming a strong knowledge power. The Committee view the situation as a failure on the part of UGC to fulfill its responsibilities to maintain standards in university education. The reasons cited by the Ministry for the situation are that more than 90 percent of the universities and colleges funded by UGC are under the administrative control of the concerned state Governments. The administrative structure of universities and colleges varies from state to state. UGC only provides development grants to State Universities while providing maintenance grants is the sole responsibility of the state Governments. The inadequacy of maintenance grants is one of the factors which leads to deterioration in standards. National Accreditation and Assessment Council based on its assessment has indicated some weaknesses in our universities and colleges. They are : narrow programme options, lack of master plan, absence of research culture, lack of modern teaching methods and curriculum upgrade, ICT facilities, infrastructure, library resources and faculty development programmes. The Committee, while noting the resource crunch as the major reason for poor standards, are of the firm view that bureaucratization has also contributed to this state of affairs. Greater regard for the autonomy of universities, enabling improved administration by universities, better servicing and coordination by UGC, optimum utilization of the available resources by the universities, and dedication of the faculty are equally important to effectively overcome most of the above mentioned weaknesses in our university system and to

boost the standards of higher education in the country. The Committee, therefore, recommend the following measures to address the issue:-

(i) The Ministry of Human Resources Development and UGC should impress upon the State Governments about the necessity and importance of their providing maintenance grants to universities as per their actual requirements. This should be a conditionality for giving any grants to State Universities;

ii) UGC should provide incentives to State Governments so that they provide adequate level of maintenance grants to its universities and colleges by way of enhanced development grants to universities and colleges to create world class infrastructural faculties;

(iii) In case of State Governments which are in financial difficulties, the UGC should provide maintenance grants for a certain period to enable universities and colleges to come to the mainstream;

(iv) All those colleges and state universities which are of C and D grades should be given a special one time grant in addition to the regular development grants to bring them on par with A grade universities and colleges.

(v) The Ministry should appoint an independent, renowned and suitable agency to conduct a thorough and in-depth study of UGC's functioning with reference to its functions on maintenance of standards of universities and colleges funded by it, including its rules and regulations, regarding incentive schemes for improving standards in universities. Based on the outcome of the study, which may be completed within two years, suitable reforms should be implemented in the functioning of UGC in this regard.

(vi) The model amendments in the Acts of the State Universities should be framed to enable the State Universities to discharge their responsibilities of management and for faculty members to improve the standard of a state university and the State Governments should be persuaded by the Ministry to make suitable amendments accordingly.

(vii) Special development grants should also be given to State Universities to set up well equipped laboratories, to introduce modern teaching methods, to introduce ICT facilities and to strengthen library resources to meet international standards.

(viii) An exclusive university centre should also be launched by UGC to take care of the needs of faculty development programmes.

(ix) A definite time frame should be fixed for NAAC accreditation of all the State universities to a minimum standard.

[Ministry of Human Resource Development (Department of Higher Education) O.M. No.F.9-17/2008-U-5, dated 20-02-2008]

### **Reply of the Government**

(i) In the last State Education Ministers' Conference held on 23-24 July, 2008, the State Governments were requested at the level of Minister of HRD to provide maintenance grants to the universities based on their requirements. The State Governments now have better financial resources and therefore should be in a position to provide higher level of assistance to State Universities. However, such a conditionality as suggested by the Hon'ble Committee may not be desirable, as in the event of State Governments not assisting universities to the desired extent and the UGC tying its releases to the releases by the State Governments, State Universities which are already facing resource crunch may be forced to resort to unreasonable increase in fee/commercialization of education which would impact access and would also be against the national policy.

(ii) It is submitted that while maintenance grants should be the responsibility of the respective State Government, the UGC provides development grants to the eligible state universities under the provisions of the UGC Act, 1956, depending on their requirements and availability of resources. The UGC has also initiated many quality oriented schemes such as the Scheme of "Universities with Potential for Excellence", "Colleges with Potential for Excellence", Special Assistance Programme for University Departments, Innovative and Emerging Programmes etc. which have benefited state universities in quality improvement. In the XI Plan, new schemes have been proposed to provide one-time central assistance to the State Governments under the following schemes:-

(a) It is proposed to set up 374 degree colleges in the districts having Gross Enrolment Ratio (GER) lower than the national average as identified by the UGC. These 374 districts also include 88 districts having a high minority concentration. Up

to Rs. 2.67 crore or one-third cost is proposed as Central contribution with the balance to be met by the State Government and/or through Private participation.

(b) A new scheme has been envisaged to provide one time assistance to universities and colleges which do not get any financial assistance from UGC as they are not qualified for being covered under Section 12 B of UGC Act. Under the Scheme, assistance will be provided by UGC to the State Govt. institutions provided that the State Governments meet 50% of the development assistance required to make them eligible for 12 'B' assistance. In the case of private State funded colleges, it has been proposed that 25% of the total cost of development should be brought forward by the private trust/society and 25% by the State Govt., with the balance 50% being given by UGC.

(c) Another new scheme has been envisaged to incentivise the State Governments to enable them to set up new educational institutions. Under the Scheme, the Central Government (M/o HRD) will contribute 1/3 rd of the cost for setting up new educational institutions by the States, while the balance amount (i.e. 2/3rd share) as well as the recurring expenditure would be borne by the States.

(iii) As submitted above, a Scheme for providing one time central assistance has been proposed in the XI Plan to bring State Universities and Colleges lacking in minimum requirements of infrastructural facilities etc for being eligible for receiving development grants from the UGC.

(iv) The UGC is already implementing a scheme of providing Special Development Grants to Universities and Colleges located in Backward/Rural/Remote/Border areas. The UGC also has a proposal to provide additional grants to universities and colleges to enable them to come up from Grade 'C' to 'B' and from 'B' to 'A', as per accreditation of the National Assessment and Accreditation Council (NAAC).

(v) the Government of India has already constituted a UGC/AICTE Review Committee, under the Chairmanship of Prof. Yash Pal, former Chairman, UGC to review the functioning of the UGC and the All India Council for Technical Education (AICTE) vide Order No. 4-4/2008-U.I(A) dated 28.2.2008. The Committee has since been renamed as 'Committee to Advise on Renovation and Rejuvenation of Higher Education'. The Committee is required to furnish its report within one year from the date of constitution of the Committee.

(vi) UGC had prepared a draft Model Act in 2003 , on which reactions were sought from all stakeholders. The same was withdrawn due to opposition from State Governments, Teachers' Associations, and various academic quarters.

(vii) It is submitted that while UGC has been providing plan grants to Universities and Colleges which include assistance for procurement of laboratory equipments, the Universities and Colleges are also provided financial assistance under different schemes for upgradation of infrastructure and teaching facilities. These grants have been substantially increased in the XI Plan.

(viii) The UGC has established 57 Academic Staff Colleges in different universities which conduct Refresher Courses and Orientation Programmes for the teachers. The Ministry has also asked the UGC to organize Summer/Winter Schools to train teachers so as to improve their knowledge content in their respective domain subjects. During the XI Plan, it has been proposed to establish a new Inter University Centre namely, Research Institute for Policy and Evaluation (RIPE). The UGC has been asked to examine the possibility of including the capacity building needs of faculty as a part of the mandate of the proposed Inter University Centre.

(ix) While the recommendation of the Hon'ble Committee is important from the point of ensuring quality, the same can be acted upon only if accreditation by NAAC is made mandatory as against the present provision of voluntary accreditation. A legislative proposal for giving statutory status to NAAC and making accreditation mandatory is under consideration.

The UGC has also proposed to make accreditation compulsory. It is in the process of framing regulations in this regard.

[Ministry of Human Resource Development (Department of Higher Education) O.M.  
No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 10)**

The Committee note that the Government has levied a Basic Education Cess of two percent since 2004-05. It is exclusively meant for funding programmes pertaining to basic education like Sarva Shiksha Abhiyan and Mid Day Meals scheme. One percent cess is being separately levied from this year for secondary and higher education. With the help of this cess the Government was able to increase

substantially its outlay for secondary and higher education this year (2007-08). In this regard, the Committee are of the view that secondary education and higher education should also be separated for cess purpose. If one percent cess is separately levied for secondary education and higher education, it would pave the way for separate and higher mobilization of resources for higher education and at the same time it will also facilitate development of secondary education. The Committee, therefore, recommend that separate cess should be levied for secondary and higher education sectors to enable the Government to meet the large scale investment needed for the expansion of higher education.

### **Reply of the Government**

The Ministry of Finance has been requested to consider levying cess for 'Secondary Education' and 'Higher Education' separately.

[Ministry of Human Resource Development (Department of Higher Education) O.M. No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 11)**

The Committee note that the University Grants Commission provides financial assistance to eligible universities/colleges which are included under section 2(f) and declared fit to receive central assistance under section 12 (B) of UGC Act, 1956. Central Universities are eligible to receive both the development and maintenance grants whereas state universities are eligible only for development grants as their maintenance expenses are taken care of by the State Governments. In this regard, the Committee are concerned to note that even central universities which have been set up by the Central Acts and find a mention in the Union List (item no. 63) of Seventh Schedule of the Constitution of India are not receiving adequate funds from UGC. The Committee held discussions with three central universities, viz. Hyderabad University, Delhi University and Jawaharlal Nehru University. All of them have stated that the present level of grants being provided by UGC is not just grossly inadequate but it is completely out of tune with the realities at the ground level as well as global developments in the area of higher education. The Committee take a serious view of such apathy on the part of the Government which leads to undermining of the

importance of higher education, and they, therefore, recommend that the Government should take immediate steps to conduct in-depth study of the fund requirements of each central university and increase budgetary allocation (both plan and non-plan) accordingly to make them world class universities and to serve as models for State universities.

### **Reply of the Government**

The XI Plan visiting teams constituted by UGC have been asked to assess the requirement of funds of each of the Central Universities. It is submitted that the requirement of funds for strengthening the Central Universities at par with world class universities is limited by the allocation for the scheme as approved by the National Development Council for the XI Plan.

[Ministry of Human Resource Development (Department of Higher Education) O.M. No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 18)**

The Committee note that National Accreditation and Assessment Council (NAAC) assess the quality of educational institutions and grants accreditation accordingly. NAAC, after making assessment of a university/college, comes out with grading like A, B, C and D. Accreditation is not mandatory in our country. Universities and colleges can choose to apply for NAAC or NBA (National Board of Accreditation) accreditation which accredits courses in technical education institutions. Only 128 universities and 2780 colleges have come forward for accreditation upto 2007 eventhough the entire expenditure on accreditation is met by UGC. In this regard, the Committee note that universities like Jawaharlal Nehru University feel themselves above such accreditation necessity because of their already proven records. The Committee is of the view that for improving quality of higher educational institutions, it is necessary that all the institutions, irrespective of their past records, should be accredited by a designated accreditation agency and they, therefore, recommend that all the central and state universities should get themselves accredited by a designated accreditation agency for being eligible to receive grants from UGC. Development grants to state universities should also be based on their accreditation

status. In regard to state universities and colleges which are of 'C' and 'D' grade, the Committee note that UGC propose to implement a specific scheme of providing special grant in addition to the regular development grant. This special grant will be given on a matching contribution by the State Government. The Committee feel that this scheme should be implemented in letter and spirit so as to improve the standards of state universities and colleges which are of 'C' and 'D' grade. In this regard the Committee recommend that a definite time frame should be fixed for the implementation of the scheme viz. 3 years and UGC should initiate steps accordingly. The Committee further recommend that UGC should give recognition only to such educational institutions and deemed universities which obtain 'A' grade accreditation from the designated accreditation agency. It should also be made compulsory for all the existing deemed universities to obtain 'A' grade accreditation within a definite time period.

### **Reply of the Government**

As submitted in reply to the Hon'ble Committee's recommendation at SI. No.17 above, a legislative proposal for making accreditation by the National Assessment and Accreditation Council mandatory, is under consideration. Prescription of a definite time period to obtain 'A' status by a university is possible only if accreditation is mandatory.

[Ministry of Human Resource Development (Department of Higher Education) O.M. No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 19)**

The Committee note that National Accreditation and Assessment Council is a registered society under the Societies Registration Act, Karnataka. It is one of the inter-university centres of UGC and functioning as an autonomous body under UGC. As such, NAAC does not have any statutory basis. In Committee's view NAAC should function independently without any influence of any super agency over it. Moreover, statutory status can bring more credibility to NAAC accreditation. The Committee, therefore, recommend that the Ministry should take immediate steps to introduce a



Bill in Parliament to accord statutory status to NAAC. In this regard, the Committee further recommend that entire functioning of NAAC including its new methodology of assessment and accreditation process should be reviewed and the standard of methodology of the proposed statutory body should be equivalent to that of the similar bodies in developed countries or that of international organizations engaged in assessment and accreditation process. Moreover, the proposed statutory body should be independent of UGC in every respect.

### **Reply of the Government**

This Ministry thanks the Hon'ble Committee for their valuable suggestions. A legislative proposal to accord statutory status to NAAC is already under consideration, under which it is proposed to have status independent of UGC.

[Ministry of Human Resource Development (Department of Higher Education) O.M. No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 24)**

The Committee take a serious view of large scale faculty vacancies in universities. Perusal of information provided by the Ministry regarding vacancies of teachers in 69 state universities as on 01.05.2007 shows that average percentage of vacancies in all the 69 universities was 36%. In some universities, more than 50% of the faculty positions were vacant. Reasons put forward by the Ministry for this sorry-state-affairs is the ban imposed by state Governments on recruitment of teachers in the higher education system. The Committee are constrained to note that many states resort to appointment of short term contract teachers. In this regard, the Committee are of the view that appointment of regular professional teachers is necessary for the development of higher education in the country. Large scale faculty vacancies and subsequent resorting to contract teachers has compromised the quality of education in many universities. The Ministry of Human Resource Development has taken up the matter with states and in the conference of State Education Ministers. The Committee hold UGC responsible for this situation. UGC's assistance to State Universities for filling up of vacancies is only for a specific plan

period. To be eligible to receive assistance in the next plan period, state universities have to maintain the posts and many of them are unable to do so hence, they become ineligible to receive assistance from UGC. The plan allocation made for this purpose also remains unutilized. The Committee, therefore, recommend that UGC should take this matter as of national importance and treat state universities on par with central universities in regard to sanctioning of faculty positions. The faculty positions should be permanent and not lapse with plan periods. The Ministry may prepare a detailed note on operationalising such a recommendation, including considerations such as involvement of UGC in selection process for appointment to be made by State universities under such a dispensation, and submit it for consideration at the next meeting of Central Advisory Board on Education for its decision.

### **Reply of the Government**

The recommendation of the Hon'ble Committee shall be placed before the CAGE for a decision in its forthcoming meeting.

[Ministry of Human Resource Development (Department of Higher Education) O.M. No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 28)**

The Committee feel that quality of teaching is as important as the facilities offered to faculty. Quality of teaching in many universities and colleges is not up to the mark and this is one of the reasons for poor standard of universities and colleges. As such, college teachers should be made accountable for imparting quality education to students. In Committee's view teachers' classroom performance and their effective laboratory demonstration are essential for proper understanding of the subject matter by students. Any lacunae in this regard may lead to the poor quality of college education. Students' anonymous evaluation of teachers and peer evaluation are important inputs for ensuring quality of teaching by teachers. The Committee, therefore, recommend that UGC should come up with formal guidelines in regard to anonymous student evaluation and peer evaluation of teachers. UGC should also reward best teachers so as to encourage other teachers to excel in teaching.

### **Reply of the Government**

It is submitted that the UGC Pay Review Committee has also recommended Peer Review and Students' evaluation. The UGC has been asked to work out suitable regulations in this regard. In view of the anxiety of teachers' organizations and their concern about objectivity in such forms of evaluation, weightage of students and peer evaluation has to be fixed carefully.

[Ministry of Human Resource Development (Department of Higher Education) O.M. No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 29)**

The Committee note that 57 academic staff colleges were opened during the Tenth Plan for conducting specially designed orientation programmes of 4 weeks duration for newly appointed teachers and refresher courses of 3 weeks duration for in-service teachers. UGC has also identified 31 universities and specialized institutions as UGC- Refresher Courses centres. In Committee's view, orientation course should inculcate moral and ethical responsibilities in young teachers and should teach them the practical nuances of preparing for classes, classroom teaching skills and use of different pedagogues to teach. Refresher courses should ensure that inservice teachers are acquainted well with the latest advances in their subjects. The Committee note that 55 academic staff colleges are going to be revamped, summer schools are intended to be started to upgrade the knowledge of teachers and there will be a World Bank project under which some mentor institutions will upgrade the colleges of education in their attached units. World Bank will provide Rs. 7000 crore for the project. The Committee recommend that revamping of academic staff colleges should be completed within a year and teachers from both the central and state universities should be trained there. The Committee recommend that such efforts should be guided more by the relevance of teaching and research interest in India rather than by mere elegance in conducting classes or preparing learning materials. The Committee also desire that information should be furnished to the Committee annually on the implementation of World Bank project, the pattern and amount spent

each year and the qualitative achievements as a result of the implementation of the World Bank project.

### **Reply of the Government**

The Administrative Staff Colleges have been asked by UGC to revise their curriculum so that the participants can get advanced and up-to-date knowledge in their respective fields. As regards information to be furnished annually to the Hon'ble Committee in regard to implementation of the World Bank Project (TEQIP), the recommendation of the Hon'ble Committee shall be complied with by the Technical Bureau of the Ministry regularly.

[Ministry of Human Resource Development (Department of Higher Education) O.M. No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 31)**

The Committee note that Information and Library Network (INFLIBNET) is one of the inter-university centres of UGC engaged in modernization of libraries and in establishing a national network of libraries and information centres in universities. INFLIBNET is providing Rs. 6.5 lakh to each university library to purchase computers and hardware for the computerization of libraries. Upto February, 2007 142 universities were given assistance under this scheme. A major communication network of universities called UGC-INFONET was set up by INFLIBNET. Broad band connectivity is provided to universities and under this scheme, 149 universities were networked upto May 31, 2007. Under the E-journals Scheme for universities, approximately 4450 e-journals are available. The Committee note that academic community in the country can effectively use INFONET infrastructure for accessing international scholarly e-journals, databases, internet and intranet services. Further augmentation of this network will strengthen research initiatives of faculty and students in universities. But networking through INFONET and assistance to purchase computers has not been granted to half of the universities in the country so far. Moreover, faculty members have not been provided with computers and net facilities at their residences. The Committee recommend that all the universities in the country should be networked during the Eleventh Plan Period and the scheme of

providing assistance to universities to purchase computers etc. should be discontinued and replaced by the requirement that computer and net facilities be provided at the residence of every faculty member. The Committee see no reason why this cannot be done when the same is being provided to members of the Civil Services. All the college libraries in the country should also be computerized and networked through INFONET. A time frame should also be fixed by the Government in this regard.

### **Reply of the Government**

The recommendation of the Committee has been conveyed by UGC to INFLIBNET, Ahmedabad for taking necessary action at its end and to submit an Action Plan and the estimated cost to be incurred in this regard.

[Ministry of Human Resource Development (Department of Higher Education) O.M. No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 32)**

INFLIBNET is an Inter-university Centre of UGC engaged in networking of university libraries and providing allied services to the universities. However, out of 42 sanctioned posts, 21 posts including the post of director are vacant. Moreover, the centre is functioning from a residential flat in the Gujarat University campus. The Committee are of the view that staff strength of INFLIBNET especially of scientists and other allied staff should be reviewed according to the increase in the network of INFONET and e-journals etc. and staff strength should be augmented suitably and vacant posts should be filled up. The Committee also note that land has been allotted free-of-cost by the Government of Gujarat for the construction of a permanent building for the centre. The Committee desire that expeditious steps should be taken by the Ministry of Human Resource Development and UGC for the construction of permanent building for INFLIBNET.

### **Reply of the Government**

With regard to the review of the staff strength of INFLIBNET, it is submitted that the UGC has already constituted a Committee to review X Plan progress and assess the XI Plan requirements of the Centre. Further, the centre has already been requested to project their Plan/proposals/ requirements before XI Plan visiting Committee of the UGC.

Regarding construction of building, UGC has considered and approved the request of Centre in its meeting held on 10.9.2008.

[Ministry of Human Resource Development (Department of Higher Education) O.M. No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 33)**

The Committee note that UGC has constituted a Committee in August, 2007 to formulate its regulations with regard to admission and fee for self-financing, private professional institutions, including deemed to be universities and for self-financing and aided courses in aided universities and colleges. In Committee's view regulations on admission and fee structure in self financing private professional colleges and deemed universities should be immediately formulated by UGC as these colleges and universities often indulge in collection of huge fees at the time of admission. After the due formulation of regulations, UGC should ensure that the regulations are implemented by these institutions in letter and spirit. UGC should also have an effective monitoring mechanism over these institutions. If any university/college is found to be violating UGC regulations, stringent action should be taken against them. UGC regulations should also address the above views of the Committee. The Committee also note that the fee paid for different courses of study in Govt. funded universities is very low. University representatives who appeared before the Committee have suggested that the fee system needs to be reformed. The Prime Minister had also recently advocated that we should take a serious look at the proposal for fee increases to reasonable levels in a graduated manner accompanied by a scheme of extensive scholarships and loans which would ensure that no student is denied education because of financial constraints. In this regard, the Government

should take into account CAGE Committee's observation in its report that revenue generation through student fees beyond 20 percent may seriously affect access to higher education. Fees, for this purpose, include tuition fee, examination fees and all other types of fees paid by the students. The Committee weighed the considerations of efficiency on the one hand and access for poorer sections on the other and regard the recommendation of the CAGE Committee 2005 as a very balanced view. The Committee, therefore, recommend that revision of fees to raise it to 20% should be done forthwith. This should be coupled with grant of scholarships to students from weaker sections.

### **Reply of the Government**

The recommendations of the Committee which was constituted by UGC to frame regulations for admission and fee structure in universities and other institutions, including private self-financed Deemed Universities and Colleges, are under consideration of the UGC. The Government have already accepted the recommendations of the CAGE Committee in preference to the recommendations of the National Knowledge Commission which prescribed student fee to be at least 20% of revenues. However, decision in regard to increase of fee in accordance with CAGE Committee recommendation is within the competence of Universities.

[Ministry of Human Resource Development (Department of Higher Education) O.M. No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 34)**

The Committee note that there is a need for providing financial assistance by way of soft loans to the meritorious students to pursue higher education as such students are unable to access it due to market/commercial rate of interest being charged by banks, the insistence on collateral and early commencement of repayment, etc. Under the Education Loan Scheme of the Indian Banks' Association, a need based finance of Rs. 7.5 lakh is provided for studies in India and Rs. 15 lakh for studies abroad subject to repaying capacity of the parents/students with margin. Under the aforesaid scheme there is no need for any collateral security upto Rs. 4 lakh. Unfortunately, there are instances of insistence on mortgages or property by

banks for educational loan in violation of the above guideline. To address all the issues relating to educational loan to students, CAFE Committee on Financing of Higher and Technical Education in its Report has made a valid recommendation that a body like Higher Education Finance Corporation (HEFC) may be set up with contributions from the Government and corporate sector, to coordinate the student loan schemes being operated by several banks and to provide its own scholarships and soft loans to students. The Committee are unhappy to learn that this proposal has been kept in abeyance by the Government in view of the proposed "Scheme of subsidy on students Loan for Professional Education." Under this Scheme, the entire interest, especially of those whose parental income is less than Rs. 2.5 lakh per annum, for the moratorium period on the loan provided by the banks shall be borne by the Government. The Committee urge the Government to also consider the feasibility of bearing interest on loan during the moratorium period of parents whose annual income is less than Rs. 5 lakh as the middle class families are also equally burdened by the higher cost of professional education of their children. The Committee, while appreciating the proposed scheme of subsidy and recommending a wider scope for its operation, is of the firm view that it is necessary that an independent body may be set up to coordinate, to ameliorate the grievances of students in getting loans from banks and to provide scholarships and soft loans on its own. The Committee, therefore, strongly recommend that the government should set up the Higher Education Finance Corporation immediately as earlier recommended by CAFE Committee. The Committee also recommend that the government should immediately launch the proposed subsidy scheme with the modification suggested by the Estimates Committee regarding educational loan and implementation of this scheme may also be coordinated by the proposed HEFC.

### **Reply of the Government**

While there is a proposal to provide interest subsidy to the students on the loans taken by them under the Educational Loan Scheme of the Indian Banks' Association for pursuing professional education in India, no decision has been taken so far. Under the proposed scheme, the students belonging to economically weaker sections are proposed to be covered, for which the parental income ceiling has been



proposed at Rs. 4.5 lakh per annum. The Scheme is proposed to be implemented and monitored through Canara Bank, who are the Bankers of this Ministry.

In view of this, the proposal for setting up of Higher Education Finance Corporation (HEFC) has been kept in abeyance.

[Ministry of Human Resource Development (Department of Higher Education) O.M. No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation (Para No. 36)**

The Committee note that a number of Professional Councils such as All India Council of Technical Education, Medical Council of India etc. are responsible for recognition of courses, promotion of professional institutions and to provide grants to undergraduate programmes etc. UGC is the apex body for coordination of standards of teaching, research and examination in universities besides giving grants to them. The Commission carries out these functions in coordination and consultation with other statutory bodies wherever and whenever required. There is a proposal with the Government to establish a National Commission on Higher Education which will coordinate the working of various regulatory bodies. However, National Knowledge Commission (NKC) in its Report has suggested that there is a multiplicity of regulatory agencies where mandates are both confusing and overlapping. The system is over-regulated and undergoverned. NKC has suggested that an Independent Regulatory Authority of Higher Education (IRAHE) should be established. This authority will perform the regulatory functions of AICTE, MCI and BCI so that their role would be limited to that of professional associations. The role of UGC will be limited to disbursing grants to universities. On this suggestion of NKC, the Committee obtained the comments of universities of Calcutta, Jadavpur, Delhi, Hyderabad and Jawaharlal Nehru University. None of them support the idea of establishment of IRAHE. University of Hyderabad even stated that the entire proposal of the National Knowledge Commission overlooks the fact that there is an interplay between regulatory and funding roles presently exercised by UGC. The Committee, in this regard, recommend that the Government first set up the National Commission on Higher Education to coordinate the activities of various regulatory bodies in Higher Education such as UGC, AICTE and MCI etc. and simultaneously hold wider

consultations on the recommendations of NKC including that of IRAHE, setting up of 1500 universities by 2015 etc. and take concrete and appropriate steps in the matter.

### **Reply of the Government**

Recommendations of the National Knowledge Commission regarding setting up of a Independent Regulatory Authority on Higher Education (IRAHE), setting up of 1500 universities, etc., have not found acceptance by the wider academic community including teachers' organizations. A proposal for setting up of a National Commission for Higher Education has been under consideration of this Ministry, but no consensus has been reached on the need for setting up such a Commission. It has been decided to place the matter before the Central Advisory Board of Education (CABE) for its consideration at its next meeting.

Government of India have constituted a UGC/AICTE Review Committee, since renamed as 'Committee to Advise on Renovation and Rejuvenation of Higher Education', under the Chairmanship of Prof. Yash Pal, former Chairman, UGC to review the functioning of the UGC and the All India Council for Technical Education (AICTE) vide Order No. 4-4/2008-U.I(A) dated 28.2.2008. The Committee is required to furnish its report within one year from the date of constitution of the Committee.

[Ministry of Human Resource Development (Department of Higher Education) O.M. No.F.9-17/2008-U-5, dated 20-02-2008]

### **Recommendation ( Para No. 37)**

The Committee note that the Secretariat of UGC operates through many Bureaux and Divisions. There are 14 divisions in the Secretariat to deal with various areas of functioning of UGC. The Committee are unable to understand the rationale behind the allocation of work to these divisions. For example, the subject of Basic Scientific Research in Universities is looked after by Policy and Planning Bureau whereas monitoring of Research Projects is assigned to the Bureau dealing with regional languages. The Division dealing with State Universities is also entrusted with

monitoring and evaluation, publication and website. Assignment of work to various divisions in the Secretariat presents a grim scenario of quality consciousness in UGC. When un-related subjects are clubbed together, the divisions of the Secretariat cannot be expected to show the desired results. Information and Statistics and library, publication and website would be a natural mix. Likewise, legal matters and Right to Information should be given to one Bureau to deal with. There should be a separate division to deal with central universities, state universities and inter-university centres. Monitoring, evaluation and malpractices should be clubbed together. The Committee, therefore, recommend that a study should be conducted on the present organization of the Secretariat of UGC and work allocation among various divisions should be rationalized accordingly.

### **Reply of the Government**

The UGC has already commissioned a study by Administrative Staff College of India, Hyderabad, for, among other things, studying the structural arrangements, designing the organizational structure, developing the manning norms and for suggesting optimal manpower requirement of UGC. The UGC has been advised to expedite the study.

The Commission has also been advised to expedite furnishing of information to the Staff Inspection Unit of Finance Ministry so as to get the Work Study completed for assessing its staff requirement.

[Ministry of Human Resource Development (Department of Higher Education) O.M.  
No.F.9-17/2008-U-5, dated 20-02-2008]

**NEW DELHI;**  
**27<sup>th</sup> July, 2010**  
**Sravana 5, 1932(S)**

**FRANCISCO SARDINHA,**  
**CHAIRMAN,**  
**COMMITTEE ON ESTIMATES.**

## **APPENDIX-I**

### **MINUTES OF FIFTH SITTING OF THE COMMITTEE ON ESTIMATES (2010-2011) HELD ON**

**TUESDAY, 20<sup>TH</sup> JULY, 2010**

The Committee sat from 1445 hrs. to 1745 hrs in Room No. '62' Parliament House, New Delhi.

#### **PRESENT**

Shri Francisco Sardinha – Chairman

#### **MEMBERS**

- 2 Shri Bhakta Charan Das
- 3 Shri Ramesh Jigajinagi
- 4 Dr. Sanjeev Ganesh Naik
- 5 Shri Prabodh Panda
- 6 Shri Ravindra Kumar Pandey
- 7 Shri Kabindra Purkayastha
- 8 Shri S. Semmalai
- 9 Shri Arjun Charan Sethi
- 10 Shri Brij Bhushan Sharan Singh
- 11 Dr. Raghuvansh Prasad Singh
- 12 Shri Sushil Kumar Singh
- 13 Shri Lalji Tandon

#### **SECRETARIAT**

1. Smt. Anita B. Panda - Additional Director
2. Shri Janmesh Singh - Committee Officer

2. At the outset, the Chairman welcomed the Members to sitting of the Committee.
3. The Committee then took up for consideration Draft Report on action taken by the Government on the recommendations contained in the Seventeenth Report (14<sup>th</sup> Lok Sabha) of

the Committee on the subject 'University Grants Commission' pertaining to Ministry of Human Resource Development (Department of Higher Education). The Committee adopted the draft action taken report without any modifications.

4. The Committee then authorized the Chairman to finalize the Report and present the same to Parliament.

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7.     \*\*\*     \*\*\*     \*\*\*     \*\*\*     \*\*\*     \*\*\*

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***The Committee then adjourned.***

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\*\* \*\* Not related with the report.

## APPENDIX -II

### ANALYSIS OF THE ACTION TAKEN BY GOVERNMENT ON THE RECOMMENDATIONS CONTAINED IN THE SEVENTEENTH REPORT OF THE COMMITTEE ON ESTIMATES (FOURTEENTH LOK SABHA)

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(i)	Total number of recommendations/observations	38
(ii)	Recommendations/observation which have been accepted by the Government (Sl. Nos. 1,3,5,6,7,8,9,16,17,20,21,23,25,26,27,30&38) Percentage of total recommendations	17 44.73%
(iii)	Recommendations/observations which the Committee do not desire to pursue in view of Government's reply (Sl. No. 4, 14, 15,35) Percentage of total recommendations	04 10.52%
(iv)	Recommendations/observations in respect of which Government's replies have not been accepted by the Committee (Sl. Nos. 12, 13, 22) Percentage of total recommendations	03 7.89%
(v)	Recommendation/Observation in respect of which final replies of Government are still awaited. (Sl. Nos. 2, 10,11,18,19,24,28,29,31,32,33,34,36 & 37) Percentage of total recommendations	14 36.84%