

CHAPTER 5

CHIEF CONTROLLING OFFICER BASED AUDIT OF A GOVERNMENT DEPARTMENT

5.1 Department of Technical Education

Highlights

Technical education plays vital role in the socio-economic development of a State. The Technical Education Department is responsible for providing trained manpower in various fields of engineering and technology encompassing diploma, degree and postgraduate level to meet the requirements of industries as well as other sectors. The Chief Controlling Officer based audit of the department brought out deficiencies in planning, financial management, implementation of the schemes and inadequate infrastructure for classrooms, hostels, dispensaries, etc. There are many areas of concern and issues requiring urgent attention of the Department. Some significant audit findings are as under:

An amount of ` 14.53 crore, drawn by polytechnics without immediate requirement, remained outside the Government Account.

(Paragraph 5.1.8.2)

Out of the Grant-in-aid of ` 27 crore release to an engineering college during 2007-12, a sum of ` 12.22 crore (45 per cent) was lying unutilised.

(Paragraph 5.1.8.3)

Maintenance allowance of ` 17.17 lakh was paid to students in excess of their entitlement.

(Paragraph 5.1.9.3)

An amount of ` 3.09 crore provided for Faculty Development Programme was diverted towards payment of salary to guest teachers.

(Paragraph 5.1.9.4)

An amount of ` 15.88 crore on account of pre-admission coaching for entrance to All India Engineering Entrance Examination and Diploma Entrance Test was released without following proper procedure. Poor monitoring by the department facilitated many lapses which benefited the service provider.

(Paragraph 5.1.9.8)

The department had not prepared any plan to utilize the services of teaching staff of closed vocational institutions.

(Paragraph 5.1.11.3)

5.1.1. Introduction

Technical education contributes substantially to the socio-economic development of the State and country as a whole. The Technical Education Department (TED) is responsible for all round development of technical education and controlling the activities of technical education institutions. It produces the technical managers/scientists/engineers/skilled professional through post-graduate/ undergraduate and diploma in the fields of engineering and technology, computer, information technology, management, pharmacy, architecture, hotel management and applied arts and crafts.

5.1.2. Organizational set-up

The Principal Secretary to Government of Haryana (PS), Technical Education Department is the administrative head at the Government level and is responsible for implementation of Government policies, programmes/schemes relating to technical education. The Director General (DG) is the head of the Department and Chief Controlling Officer and is assisted by two Additional Directors, four Joint Directors and three Deputy Directors at the Headquarters. Principals of Government Polytechnics implement the policies/plan of the department in the field. The department implemented 13 plan and 8 non-plan schemes (*Appendix 5.1*). There are 11 Government Polytechnics, 12 Government Polytechnic Societies, 4 Government Aided Polytechnics and 158 Private Polytechnics in the State. In addition to the Directorate, following apex bodies were also constituted by the Government for management of various functions of the Department:

Haryana State Counselling Society: The Government had constituted (March 2007) Haryana State Counselling Society (the society) under the Societies Registration Act 1860 for implementation of transparent and uniform policies for admission and completion of admission process in a time bound manner.

The society is self sustaining and meets its expenses out of counselling and examination fees. It conducts entrance test, if required, and conducts online counselling for various admissions. The society is the nodal agency for carrying out online paperless admissions for various technical courses approved by All India Council of Technical Education (AICTE).

Haryana State Board of Technical Education (HSBTE): HSBTE is a statutory body created in 2008 for affiliation, curriculum development and examination including coordinated development of technical education in polytechnics.

State Fee Committee: The Supreme Court of India had directed (August 2003) all the State Governments to constitute a State Fee Committee to regulate the fee structure of all technical courses offered by private unaided technical institutions. Accordingly, an ad-hoc State Fee Committee was constituted by the Government consisting of two sitting judges of the High Court. Constitution of regular committee was still under process. The number of private technical institutions

was increasing day by day, therefore, Haryana Private Professional Technical Education Institution (Regulation of Admission and Fixation of fee) Bill 2012 had been prepared which was under consideration of the Government (June 2012).

5.1.3. Audit objectives

The objectives of the CCO based Performance Audit were to assess whether:

- effective planning and programme management in terms of delivery of goals of schemes/ programmes existed;
- efficient financial administration with reference to allocated priorities existed in the Department and resources were optimally utilized;
- efficient management of human resources in terms of sanction, deployment and training of personnel for skill upgradation was prevalent;
- effective procedure for procurement and inventory control were in place; and
- adequate provision and monitoring including suitable internal control mechanisms were in place.

5.1.4. Audit criteria

The audit criteria were derived from the following sources:

- Five Year Plan document and Annual Action Plans of the Department.
- Government notifications and instructions issued from time to time.
- Provisions of Punjab Budget Manual/Punjab Financial Rules/Punjab Treasury Rules as applicable to the State.
- AICTE Guidelines on technical education.
- Procedures prescribed for monitoring at various levels.

5.1.5. Audit mandate, scope and methodology

Chief Controlling Officer (CCO) based audit of the Department as well as Haryana State Counseling Society and HSBTE covering its overall working including the performance audit of the implementation of State schemes and Centrally Sponsored Schemes (CSSs) for the period 2007-12 was conducted (January-June 2012) by test-check of records in the offices of the DG, Technical Education Department and selected 10 (32 *per cent*) Government Polytechnics (Government: 4, Societies: 4, Aided: 1 and Engineering College: 1) (*Appendix 5.2*).

Audit was conducted under Sections 13 and 23 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Services) Act, 1971.

Before commencing audit, the audit objectives, criteria and scope of audit were discussed (May 2012) with the Principal Secretary (PS), Technical Education Department. Audit conclusions were drawn after scrutiny of records, analysis of available data by issuing audit memos and questionnaires and obtaining response of the departmental functionaries at various levels. Audit findings were discussed with the PS, Technical Education Department at an exit conference held in December 2012 and views of the Government have been incorporated at appropriate places in the Report.

5.1.6. Acknowledgement

Office of the Principal Accountant General (Audit), Haryana acknowledges the co-operation of the Technical Education Department and their subordinate offices in providing information and records for audit.

Audit findings

5.1.7. Planning

With a view to develop skills in human resources at the post school stage and enable the youth to acquire skills and exploitation of available opportunities both inside and outside the State, the Department planned its activities with reference to goals set in Eleventh Five Year Plan (2007-12). Annual Programmes were prepared wherein targets for various activities were fixed and budget estimates for achieving targets were prepared. Audit noticed that the plan was not based on any survey regarding prospective demand of technical manpower and feedback from institutions. The Department had been spending huge funds on construction of buildings of new polytechnics without considering the demand as a large number of seats remained vacant in the existing polytechnics. The Department spent huge funds on creation of infrastructure but nothing concrete was done to improve the quality of education. Most of the institutions were run mainly by engaging guest teachers as the Department was facing shortage of teaching staff. This resulted in decline in pass percentage, dropouts, etc. as discussed in succeeding paragraphs. As such, there was lack of adequate planning in the Department.

5.1.8. Financial management and budgetary control

Budgets set the annual financial agenda for each Department and are the most important tools for ensuring financial discipline. It is, therefore, imperative that budget preparation is marked by due care and diligence. Monitoring the progress

of expenditure against well formulated budget targets is an important management oversight function. Poor budgetary control not only results in inefficient use of scarce financial resources but also hampers achievement of organizational objectives.

5.1.8.1 Budget provision and expenditure

As laid down in paragraph 5.3 of the Punjab Budget Manual as adopted by the State, the budget estimates of ordinary expenditure should be framed as accurately as possible. All items of expenditure that can be foreseen should be provided for and included under the proper sub-heads. The position of budget provision and expenditure during the last five year is given in **Table 1**.

Table 1: Details showing budget provisions and expenditure during 2007-12

(` in crore)

Year	Original budget	Revised budget	Actual expenditure	Excess(+)/ Saving (-) (per cent) with reference to original budget
2007-08	144.91	112.82	112.95	(-) 22.06
2008-09	156.24	234.27	234.66	(+) 50.19
2009-10	287.61	206.23	206.38	(-) 28.24
2010-11	239.09	261.48	195.26	(-) 18.33
2011-12	222.47	254.30	254.32	(+) 14.32

Source: Appropriation accounts

The variations ranged between (-) 22.06 *per cent* and (+) 50.19 *per cent* in the original budget and actual expenditure. Scrutiny of the records revealed that the Department revised its budgets drastically. Budget was revised due to savings mainly under training programmes, special component for SC categories, stipend to SC students, less release of grant to Chhotu Ram Polytechnic, Rohtak, Vaish Technical Institution, Rohtak, Young Men's Christian Association (YMCA), Faridabad, assistance to non-Government technical colleges and institutes, etc. Actual expenditure exceeded the budget in 2008-09 due to setting up of new Government Polytechnics.

5.1.8.2 Parking of funds outside the Government Account

Paragraph 2.10 (b) (5) of the Punjab Financial Rules, as applicable to the State, provides that no money should be withdrawn from the treasury unless it is required for immediate disbursement. Further, the Finance Department had reiterated (March 2009) that the money should not be kept outside the Government Account in any shape after drawing the same from the Consolidated Fund of the State. Audit noticed that all drawing and disbursing officers (DDOs) had drawn funds relating to various schemes from the treasury in advance of requirement and kept the same in bank accounts. Funds amounting to ` 14.53 crore in respect of four DDOs including interest thereon was lying in

bank account as on 31 March 2012 (**Appendix 5.3**). An amount of ` 6.78¹ crore was lying in six current accounts. Drawal of funds in advance of requirement and parking the same in bank accounts was in violation of the financial rules.

Further, scrutiny of records to identify the reasons about unspent balances disclosed that the funds were drawn without taking into account the previous balances lying under particular schemes. The position of unspent funds with various institutions under different schemes is depicted in **Tables 2, 3 and 4**.

Table 2: Special Component Scheduled Caste Plan

(` in lakh)

Name of the Institution	Year	Opening balance	Funds released	Total funds available	Expenditure	Balance
Government Polytechnic, Nilokheri	2008-09	Nil	260.00	260.00	95.93	164.07
	2009-10	164.07	190.00	354.07	151.76	202.31
	2010-11	202.31	Nil	202.31	36.61	165.70
	2011-12	165.70	Nil	165.70	102.02	63.68
Government Polytechnic for Women, Faridabad	2008-09	Nil	147.60	147.60	124.76	22.84
	2009-10	22.84	189.96	212.80	60.41	152.39
	2010-11	152.39	Nil	152.39	40.37	112.02
	2011-12	112.02	Nil	112.02	39.14	72.88

Table 3: Post Matric Scholarship

(` in lakh)

Name of the Institution	Year	Opening balance	Funds released	Total funds available	Expenditure	Balance
Government Polytechnic Nilokheri	2009-10	Nil	145.00	145.00	72.95	72.05
	2010-11	72.05	960.00	1032.05	1010.97	21.08
	2011-12	21.08	1964.80	1985.88	1487.18	498.70
Government Polytechnic for women Faridabad	2008-09	Nil	3.86	3.86	3.86	Nil
	2009-10	Nil	347.00	347.00	163.62	183.38
	2010-11	183.38	284.14	467.52	459.58	7.94
	2011-12	7.94	300.00	307.94	302.48	5.46
Government Polytechnic Jhajjar	2009-10	Nil	174.00	174.00	173.99	0.01
	2010-11	0.01	240.00	240.01	239.81	0.20
	2011-12	0.20	300.00	300.20	162.73	137.47

Table 4: Scholarship/Stipend/Incentives by Haryana State Counselling Society

(` in lakh)

Name of the institution	Year	Opening balance	Funds released	Total funds available	Expenditure	Balance
Government Polytechnic, Nilokheri	2009-10	Nil	634.22	634.22	247.13	387.09
	2010-11	387.09	Nil	387.09	294.49	92.60
	2011-12	92.60	Nil	92.60	58.06	34.54

Audit noticed in Haryana State Counselling Society that the funds were released to the institution without assessing the actual requirement.

¹ Adampur: ` 173.67 lakh, Nilokheri: ` 42.57 lakh, Faridabad: ` 74.47 lakh, ` 322.70 lakh, ` 45.19 lakh and Jhajjar: ` 19.30 lakh.

Apart from above, there were heavy cash balances in the main cash books with the institutions at the end of each month during the year 2011-12.

Name of the institute	(` in lakh)
Government Polytechnic, Nilokheri	Ranging between ` 38.95 lakh and ` 58.61 lakh
Government Polytechnic, Jhajjar	Ranging between ` 3.68 lakh and ` 47.07 lakh

The closing balances with Government Polytechnic Society, Manesar at the close of financial years during 2008-12 ranged between ` 20.03 lakh and ` 406.37 lakh.

While admitting the facts, during the exit conference, the PS directed the staff to avoid such occurrences in future.

5.1.8.3 Grants-in-aid

The Department is also responsible for releasing grants-in-aid to various engineering colleges, universities, etc. Details of grants-in-aid released during 2007-12 are given in Table 5.

Table 5: Details of grants-in-aid released during 2007-12

Name of the College/ University		Grants-in-aid released (` in crore)					Total
		2007-08	2008-09	2009-10	2010-11	2011-12	
Guru Jambheshwar University, Hisar		11.00	11.00	10.60	20.00	35.00	87.60
Deen Bandhu Chhotu Ram University of Science and Technology, Murthal	Plan	12.00	13.00	15.00	25.00	25.00	90.00
	Non-plan	5.10	7.86	10.04	10.05	11.48	44.53
YMCA, Faridabad		5.14	7.51	9.06	5.62	6.23	33.56
Chaudhary Devi Lal Engineering College, Panniwala Mota (Sirsa)		6.00	4.00	5.00	6.00	6.00	27.00
Total		39.24	43.37	49.70	66.67	83.71	282.69

Source: Departmental figures.

Rule 8.14 (a) (3) of Punjab Financial Rules provides that the Department before sanctioning a grant to any public body or institution should as far as possible insist on an audited statement of accounts in order to see that grants-in-aid is justified by the financial position of the grantee and to ensure that any previous grant was spent for the purpose for which it was intended.

Audit noticed that out of the grants-in-aid of ` 27 crore released to Chaudhary Devi Lal Engineering College, Panniwala Mota (Sirsa), during 2007-12, a sum of ` 12.22 crore (45 per cent) was lying unutilized as per details given in Table 6.

Table 6: Details of unutilised grants-in-aid

(` in lakh)					
Year of sanction	Balance of previous year	Sanctioned during the year	Total funds available	Expenditure during the year	Balance at the close of the year
2007-08	(-) 21.59	600	578.41	278.62	299.79
2008-09	299.79	400	699.79	258.48	441.31
2009-10	441.31	500	941.31	321.95	619.36
2010-11	619.36	600	1219.36	256.83	962.53
2011-12	962.53	600	1562.53	340.32	1222.21
Total		2700		1456.20	

Source: Departmental figures.

The savings out of grants-in-aid were either required to be refunded to the Government or were to be adjusted in release of future demands. Audit observed that the unspent amount was neither refunded to the Government nor adjusted in future demands. Tuition fee amounting to ₹ 14.43 crore was also lying with the college in bank accounts with the college.

The Department while releasing grants-in-aid did not take into consideration the expenditure incurred by the institution during the previous years and continued releasing further grants resulting in accumulation of huge funds.

During exit conference, the PS stated that instructions had been issued to this institute as well as all the other polytechnics (cent *per cent* aided) to credit the fee collected in the Government account. As regards the accumulation of funds out of grants-in-aid, it was stated that the developmental activities could not be taken up by the Institute and as such the unspent balances had accumulated. The reply was not convincing as the accumulation of funds could have been avoided, had the Department released grants-in-aid after taking into consideration the funds available with the Institution.

5.1.8.4 Non-adjustment of temporary advances

The temporary advances should be adjusted immediately after the occasion for which the advances were given. In any case, it should not be allowed to be carried over to next financial year. It was noticed that the institutions were giving temporary advances out of Student Fund to carry out the activities specified in the Student Fund. The concerned staff was required to submit the details of expenditure incurred out of the funds advanced and return the unspent balances if any. In seven test checked districts, it was observed that adjustment bills against advance of ₹ 61.70 lakh (**Appendix 5.4**) had not submitted by the concerned staff upto March 2012.

While admitting the facts, during exit conference, the PS informed that orders had been issued to adjust the advances within one month of the drawal.

5.1.8.5 Rush of expenditure during the month of March

The expenditure should be evenly distributed throughout the year and rush of expenditure in the closing month of the financial year avoided. It was seen during test check that the average expenditure during the last month of the year in the test checked institutions was 21 *per cent*, highest of which was in Government Polytechnic, Nilokheri where it ranged between 17 and 54 *per cent* of total expenditure during 2007-12 (**Appendix 5.5**).

The heads of six² institutions stated (March-June 2012) that rush of expenditure was mainly due to release of funds by the Government in February-March each year. This indicated faulty system in release of funds by the Government. Audit

² Government Polytechnic: (i) Adampur, (ii) Jhajjar, Government Polytechnic Society: (iii) Nathusari Chopta, (iv) Narwana, (v) Loharu and (vi) Chhotu Ram Polytechnic, Rohtak

recommends that the Government should streamline the system of release of funds evenly throughout the year to avoid rush of expenditure in the month of March.

5.1.9. Implementation of schemes

5.1.9.1 Delay in setting up of new polytechnics in the State

As per policy of the State Government, atleast one new polytechnic was to be opened in each district. Accordingly, the State Government planned to set up 22 new polytechnics and a provision of ` 115 crore was made in Eleventh Five Year Plan (2007-12). The construction work of 13 polytechnics was taken up with the administrative approval of ` 198.73 crore. A sum of ` 124.25 crore was released to the executing agencies. Out of this, an expenditure of ` 108.43 crore was incurred upto June 2012. Out of 13, buildings of seven polytechnics were targeted to be completed by May 2011 but only three buildings had been completed (June 2012). The work of construction of four polytechnics was still in progress, the delays ranged between 10 to 20 months as on March 2012. The building work of remaining six polytechnics had not yet started (**Appendix 5.6**). The DG stated (December 2012) that the delay was on the part of Public Works Department. The reply was not convincing as the Department should have pursued the matter to get the works completed within the stipulated period for which initial amounts had already been released.

5.1.9.2 Construction of Scheduled Caste hostels

The State Government had identified that in the process of allocation of hostel facilities on academic merit based criteria, many of the Scheduled Caste (SC) students were deprived of the hostel facilities. Therefore, the Government decided to construct separate hostels for SC students. In these hostels, the priority was to be given to SC students. During the period 2007-12, 12³ new hostels were to be constructed and a sum of ` 74.92 crore was released by the Department. Out of these, 10 hostels were to be completed by October 2010 and two hostels were to be completed by April-June 2013. However, eight such hostels had been completed (March 2012). The work of two hostels located at Loharu and Uttawar had not been completed even after delay of 34 and 30 months respectively.

The DG stated (July 2012) that the delay was on the part of Public Works Department (PWD). The reply was not convincing as the Department should have pursued the matter with PWD to get the works completed within the stipulated period so as to provide intended facility to SC students.

³ (i) Adampur, (ii) & (iii) Ambala: 2, (iv) Jhajjar, (v) Hisar, (vi) Loharu, (vii) Manesar, (viii) Nathusari Chopta, (ix) Nilokheri, (x) Sirsa, (xi) Sonipat and (xii) Uttawar.

5.1.9.3 Post Matric Scholarship Scheme

The scheme was launched (2003) by Government of India (GOI) with an objective of providing financial assistance to the SC students studying at post matriculation or post secondary stage to enable them to complete their education. The scheme was to provide assistance in the shape of maintenance allowance to all the SC students falling within the criteria, additional allowance for SC students with disabilities, refund of fee paid by the scholars, study tour charges, thesis typing, printing charges and annual allowance for correspondence courses including distance education and book-bank facilities.

Test check of records further revealed the following shortcomings:

- **Maintenance allowance**

Maintenance allowance was categorised into four groups and was required to be paid to students. The details are given in **Table 7**.

Table 7: Rates of maintenance allowance

Group	Courses	Rate of maintenance allowance (₹ per month)	
		Hostellers	Non hostellers.
Group I	Degree and Post graduate level courses	740	330
Group II	Other professional and technical graduate and post graduate level courses not covered in group I	510	330
Group III	All other courses leading to a graduate or above degree	355	185
Group IV	All post matriculation level courses before taking up graduation like classes XI and XII in 10+2 system and intermediate examination	235	140

Since all the Government polytechnics were running the courses falling under Group IV, the maintenance allowance was payable to the students at ₹ 235 and ₹ 140 to the hostellers and non-hostellers respectively. In Government Polytechnic, Nilokheri, the payment of maintenance allowance was made to the students at the rates applicable to Group-II i.e. ₹ 510 and ₹ 330 during 2007-10. The claims were prepared by the Principal, Government Polytechnic, Nilokheri and approved by the District Social Welfare Officer, Karnal. This wrong application of rates resulted in extra payment amounting to ₹ 17.17 lakh during 2007-10.

While admitting the facts, during exit conference, the PS stated that recovery of the amount was difficult as the students had left the institutions and might have gone to other places in connection with their jobs, etc. and the payments made after the observation of audit were regularized as per Group IV of the scheme. No responsibility had, however, been fixed by the Department for overpayment.

- **Book-bank facility**

Book-banks were to be set up under this scheme in all the recognized colleges/institutions. Out of nine test-checked institutions, six⁴ institutions had not

⁴ (i) Adampur, (ii) Jhajjar, (iii) Loharu, (iv) Manesar, (v) Nathusari Chopta and (vi) Rohtak.

provided this facility in their institutions. Further, in Government Polytechnic for Women, Faridabad, only 177, out of 351 students were provided books while 174 students were deprived of the facility. Thus, the facility provided to students was negligible in test-checked institutions. It was observed that though sufficient funds were available under the Post Matric Scholarship Scheme, yet the book-bank facility was not provided.

While admitting the facts, during exit conference, the PS assured that facility would be improved and instructed the staff to provide minimum 10 sets of books for each course in the book banks.

5.1.9.4 Faculty Development Programme

Scholarships are provided to the existing faculty members for pursuing higher studies i.e., ME/M.Tech, Ph.D, etc. Scholarships were to be provided to 50 faculty members during an academic year. In addition to this, short term /long-term training courses/ seminars/workshops, conferences were also to be organized. It was observed that funds placed at the disposal of test-checked institutions amounting to ` 3.09 crore (**Appendix 5.7**) under the project were utilized for making payment of the salary to guest teachers. The fund has not been used for the purpose for which it was granted and was diverted towards unintended purpose.

While admitting the facts, during exit conference, the PS instructed (December 2012) to make payment to guest teachers from salary head and the funds of scheme should be spent only for the scheme related activities.

5.1.9.5 Supply of free books to SC students

Under the scheme “Supply of free books”, SC Students were to be reimbursed cost of prescribed books, reference books, etc.

Scrutiny of the records revealed that books were not supplied to economically weaker SC Students during 2007-12 despite budget provision of ` 7.40⁵ crore. Entire funds of ` 6.40 crore provided during 2008-09 were diverted towards “Construction of SC Hostels” in March 2009 and regularised by Government. Due to non-supply of books, economically weaker SC students were deprived of the benefits of the scheme.

The DG stated (April 2012) that due to possible change of syllabus, the purchase process was put on hold during 2008-09 and that the process was restarted in March 2011 which had not been finalized (March 2012). During exit conference, the PS ordered the departmental officers to ensure that the books were available by January 2013 for the session in progress.

⁵ 2008-09: ` 6.40 crore, 2010-11: ` 50 lakh and 2011-12: ` 50 lakh.

5.1.9.6 *Establishment of Community College and National Institute for Competency Advancement of Teachers*

The Scheme was approved by the Government in September 2010 in collaboration with the Indira Gandhi National Open University (IGNOU). According to the scheme, one community college and one institute for competency advancement of teachers were to be set up. These institutes were to be run by a registered society. The State Government and IGNOU contributed ` one crore each as seed money to run the society. The society was registered in October 2010 and started functioning in teaching block of the Government Polytechnic Educational Society, Manesar. The building was provided to the society at a token lease rent of ` one per year.

The objectives of establishing the Institute of Competency Advancement of Teachers were mainly to:

- provide training to pre-service and in service teachers;
- design short-term certificate level programmes for early childhood education, primary, upper primary and college and university teachers;
- conduct training programmes in administration, school leadership and management of higher education institutions; and
- training of trainees with special emphasis on community colleges.

It was observed that the Institute of Competency Advancement of Teachers had not been started (June 2012). The objective of the establishing the institute remained unachieved.

The community college was running two courses with 48 candidates only. No specific programme was designed for short term certificate level courses. A proposal was made (January 2011) by the society to IGNOU to start eight courses, which was also not implemented.

While admitting the facts, during exit conference, the PS stated that the institute had been delinked from IGNOU as the collaboration did not prove successful and the infrastructure would be put to use soon.

5.1.9.7 *Employment Oriented Institutes/Training Programme*

The scheme aimed at ensuring a steady flow of skilled workers in different trades of industry to reduce unemployment among the youth by equipping themselves for industrial employment and also to provide training to SC candidates through short-term courses in areas like driving schools, para-medical, automobile, food processing, etc. The Welfare of Scheduled Castes and Backward Classes Department sanctioned ` four crore in 2008-09 to implement the scheme and placed the amount at the disposal of Director, Technical Education Department. The amount was drawn (March 2009) by the Department and deposited with the Principal, Government Polytechnic for Women, Morni (Panchkula). The

guidelines for implementation of the scheme regarding target groups, executing agency, implementation strategy, nature and duration of courses, certification, etc. were finalised in March 2010. The funds were released to implementing agencies in January 2010 (₹ 0.50 crore) and March 2010 (₹ 3.50 crore). Meanwhile, the amount remained in the Bank account of the Principal and an amount of ₹ 10.45 lakh was earned as interest, out of which the Department spent a sum of ₹ 0.57 lakh on scheme and ₹ 9.88 lakh was still lying in the bank accounts of the Principal. Further, funds amounting to ₹ 76.45 lakh (including interest ₹ 5.81 lakh) remained unspent with 11 polytechnics as of July 2012. Audit observed that the amount was drawn without finalising the modalities of the scheme and immediate requirement which was against the financial rules and propriety.

The delay in formulation of policy for implementation of the scheme resulted into consequential delay in start of skill development courses and deprived the students of the benefit of the scheme.

5.1.9.8 Special coaching for competition/placement for SC Students

Expression of interest (EOI) for imparting coaching to SC students of Haryana seeking admission to All India Engineering Entrance Examination (AIEEE) and Diploma Entrance Test (DET) 2008 and 2009 were invited by the DG, Technical Education on 8 December 2007 through press notice. The applicant agencies were to fulfill the following criteria:

- Must be in this area for at least three years.
- Must have imparted training of similar nature to at least 500 students.
- Must have financial turnover of at least ₹ 25 lakh per year.
- Must have qualified and expert faculty.
- Must have arrangement of training facilities at Chandigarh /any or all of district Headquarters of Haryana/Delhi.

The bids were required to be received in two parts viz., technical bids and financial bids. In response to the advertisement, bids from seven⁶ agencies were received. Except for Gita Institute of Management, all the agencies were asked to give presentation before the committee consisting of Additional Director (Examination), Joint Director (Development), Joint Director (Engineering) and Accounts Officer on 21 January 2008. While approving the scheme, PS, Finance Department also advised the department to ensure that the agency engaged for coaching should have a good track record in terms of success rate in previous entrance examinations and should not go by the minimum quotation alone.

⁶ (i) PCES Education New Delhi, (ii) MMC Private Limited Chandigarh, (iii) IITS New Delhi, (iv) University Centre for Competitive Examination MDU Rohtak, (v) Gita Institute of Management Kurukshetra, (vi) Excellent coaching centre and (vii) Sahil study circle Chandigarh.

Being the lowest tenderer, the work was allotted⁷ (March 2008) to Mastermind Classes (MMC), Chandigarh for conducting DET/ All India Engineering Entrance Examination (AIEEE) course 2008 and Diploma Entrance Test (DET)/AIEEE 2009. Accordingly, agreement was signed with the Service provider on 14 March 2008. After the start of first course for admission to AIEEE/DET 2008, the agreement was revised on 20 June 2008 incorporating the attendance based and rank based payment clause. Two Years Course Programme was also included. According to revised agreement, payments to the service provider were to be made for Focused Crash Course (FCC) (AIEEE/DET): ` 2,500 per student, One Year Course Programme (OYCP) (AIEEE/DET): ` 12,500 without study material and ` 15,500 with study material per student and Two Year Course Programme (TYCP) (AIEEE): ` 25,000 without study material and ` 28,000 with study material per student. Fifty *per cent* payment of the course excluding cost of courseware was to be released during coaching and the remaining was linked to the rank obtained by the candidates in the competitive examinations.

Records relating to award of work and contract agreement revealed the following irregularities:

(a) Award of contract

The technical bid as well as commercial bid of Mastermind Classes was not accompanied by documentary evidence such as three years experience certificate, balance sheet, etc. Audit observed that the eligibility criteria of the bidder in terms of experience and turnover were not fulfilled. Further, the bidder did not have service tax registration number which indicated that it was a new company. It was observed that Mastermind Classes was a franchise of Mastermind Classes (MMC), Gwalior. The turnover indicated by the bidder was that of MMC Gwalior and not of MMC Chandigarh. As such, MMC, Chandigarh was not fulfilling the basic conditions of bid.

The Department stated (December 2012) that MMC, Gwalior was corporate office of the MMC, Chandigarh and assured to provide study material and technical knowhow as per franchise agreement, as such, MMC, Chandigarh was considered eligible.

The reply of the department was not acceptable as it was clearly mentioned in the Expression of Interest (EOI) that the service provider should have requisite qualifications. In this case, the bidder did not have experienced qualified teaching staff along with other requirements. The records made available to Audit did not prove that the MMC, Chandigarh was having qualified teaching staff on the date of the submitting EOI. The fact that the MMC, Chandigarh did not have service tax registration number proves that it was a new company.

⁷ DET /AIEEE 2008: ` 2500 per student, DET /AIEEE 2009: ` 15,500 per student with study material and ` 12,500 without study material (Service Tax extra).

(b) Deficiencies in contract agreement

i) The agreement dated 14 March 2008 was revised in June 2008 and two years course programme was included without assessing the performance of the first course. Agreement neither contained any penal clause nor any security deposit to cover the loss in case of failure to perform as per contract agreement.

The Department stated (December 2012) that to ensure better performance, it was thought fit to add provisions for attendance and rank based payments into the agreement. Accordingly, as per prevailing wisdom at that time, revised agreement with these provisions was signed. The reply was not convincing as performance based payment did not cover the penalty clause.

ii) Audit further observed that the contract document was not vetted by Additional District Attorney (ADA) or any other legal authority. The Department stated (December 2012) that it was logical that vetting by ADA would have been better (but only obligatory) and in this case competent authority deemed fit to grant approval to the revised agreement. The reply was not convincing as it is always better to get the contract documents vetted from legal angle.

iii) The Department agreed to pay the sum of ` 3,000 and ` 500 for course material for One Year Course Programme and Focused Crash Course (FCC) respectively without specifying the content of material to be supplied to the candidates. As such, the service provider was at liberty to supply any type of material.

(c) Course-wise irregularities

The Service Provider conducted five courses during April 2008 to March 2011 and was paid a sum of ` 15.88 crore⁸. The agency submitted all the bills to DG and the genuineness of the claims was verified by the Directorate but not by the Drawing and Disbursing Officer in the Directorate. The payments were released through Government Polytechnics, Ambala, Nilokheri and Kalpana Chawla Polytechnic for Women, Ambala City. The bills submitted by the service provider were neither scrutinized by the accounts branch at Directorate nor by the concerned polytechnic which released the payments.

The Department stated (December 2012) that the scheme was formulated and conceived at the Head Office and it was deemed appropriate by the competent authority to execute the project in a centralized manner and leaving the clerical exercise of releasing payments to field offices after the same had been verified at Directorate level by adopting a uniform yardstick for releasing interim payments as well as settlement of final accounts as per provisions of the agreement. Reply of the Department was not convincing as the proper scrutiny of the claims was not done by the accounts branch either at Directorate or in the field office which was quite necessary.

⁸ 2008-09: ` 5.00 crore, 2009-10: ` 6.33 crore and 2010-11: ` 4.55 crore.

The deficiencies in making the payment are discussed as under:

(d) Focused Crash Course 2008

Focused Crash Course of one month was started in April 2008 for All India Engineering Entrance Examination (AIEEE) and Diploma Entrance Test (DET) 2008. As per registration data, there were 1,128 students for AIEEE coaching and 2,144 for DET coaching. In the bill for payment submitted by the MMC, Chandigarh there were 1,149 students for AIEEE and 3,894 for DET. In every bill submitted by the MMC, Chandigarh number of students varied from one another. Finally, the department entertained the claim of 1,126 students for AIEEE and 7,829 for DET and worked out payment of ` 1.84 crore, of which ` 1.70 crore was paid. The Department did not enquire the reasons for varying number of students in each bill.

In the final bill submitted (September 2008) by the MMC, Chandigarh on the basis of revised agreement (June 2008), the results of 2,831 students for DET and 664 students for AIEEE were not available which clearly indicated that these students were not candidates for the entrance tests. It was observed that the last date for submission of applications for AIEEE (January 2008) was over before the start of coaching course by MMC. Thus, their admission for coaching was not justified. The department had not allowed result based payment in the final bill in these cases but the payments at the rate of ` 1,500 per candidate to 3,495 candidates had already been made. The department also could not provide the list of such candidates whose result was not available. The total payment in these cases worked out to ` 52.43 lakh (Service Tax extra), which was not judicious. The department stated (December 2012) that due to adoption of head count method, the list was not obtained and the number of students was frozen according to physical inspection. The reply is not tenable as physical head count is not a proper method for making payment. The Department should have devised a proper system whereby the name of the students enrolled for coaching, appeared for coaching and those who cleared the entrance examination were available at the coaching centre and the basis on which the payment to the agency was certified.

(e) Regular Course 2009

The advertisement for the One Year Course Programme (OYCP) DET and AIEEE 2009 appeared in the news papers on 23 July 2008 for the courses starting from 7 August 2008. A sum of ` 8.80 crore was paid to the service provider as detailed in **Table 8**.

Table 8: Details of payments to service provider

Sr. No.	Bill No and Date	Details of payment claimed	Payment claim	Payment made
			(in crore)	
1.	1/29 December 2008	Cost of courseware 1,848 AIEEE (OYCP) and 5,732 DET (OYCP) students @ ` 3,000 per student	2.27	1.50
2.	2/7 January 2009	Tuition fee 30 per cent 1,207 AIEEE (OYCP) and 5,732 DET (OYCP) students @ ` 3,750 per student = ` 260.21 lakh 835 AIEEE (TYCP) students @ ` 5,000 per student = ` 41.75 lakh Service Tax = ` 37.32 lakh	3.39	1.00
3.	3/17 February 2009	Revised the bill showing 830 AIEEE (OYCP), 5081 DET (OYC) and 365 AIEEE (TYCP) students for ` 418.16 lakh Less already received ` 250 lakh =	1.68	3.05
4.	5 May 2009	Against letter dated 30 April 2009	-	0.50
5.	3/3 March 2009	Tuition fee 10 per cent 830 AIEEE (OYCP), 365 AIEEE (TYCP) and 5,081 DET (OYCP) students @ ` 1,250 per student	0.78	Nil
6.	13/3 August 2009	Result based bill 819 AIEEE (OYCP) and 4,703 DET (OYCP) students	3.09	2.75
		Total	11.21	8.80

Note: Claim for balance 10 per cent payment was not submitted.

As evident from the above table, the service provider not only increased the number of students but also included the students of two year programme. The department entertained the bills of the service provider for the courses for which no advertisement was given.

The Department stated (December 2012) that the Two Year Course Programme (TYCP) was approved in the agreement. As such, the candidates for the TYCP were admitted. Reply of the department was not convincing as for all the courses except this one, specific permission had been granted by the Department and advertisement was released. In this case, Two Year Course Programme (TYCP) was neither mentioned in the permission accorded to the service provider nor mentioned in the advertisement.

The Department had frozen on 16 February 2009 the number of candidates at 830 AIEEE (OYCP), 365 AIEEE (TYCP), 5081 DET (OYCP), which was accepted by the service provider on the next day (17 February 2009) without any protest and submitted bills for payment. This was indicative of the fact that the number of students was exaggerated by the service provider. The Department stated (December 2012) that the service provider had no other option but to accept because as per the provisions of the agreement, in case of any difference/dispute related to terms and conditions of the agreement, the same was to be referred to the sole arbitrator i.e. DTE which were acceptable, agreeable and final. The Department's reply was not acceptable as any service provider who had admitted

higher number of students and had already supplied course material to them would have not accepted less number of students without any protest.

- (f) The Department released a sum of ` 3.05 crore through Government Polytechnic for Women, Ambala and Government Polytechnic, Nilokheri by using the photocopies of the bill no. 3 dated 17 February 2009 as given in **Table 9**.

Table 9: Details of payments released on the photocopies of the bill

Sr. No.	Details of Service Provider's bill		Details of Payments released on the photocopies of the bill.		
	Bill Number and Date	Amount (in lakh)	Amount (in lakh)	Bill no and date	Name of the institution releasing the payment
1	3/17 February 2009	168.15	80.00	504/19 March 2009	GPW, Ambala city.
			75.00	108/28 May 2009	GPW, Ambala city.
			100.00	244/27 August 2009	GP, Nilokheri
			25.00	237/ 9 October 2009	GP, Nilokheri
			25.00	307/24 December 2009	GP, Nilokheri
	Total	168.15	305.00		

Release of payments without obtaining proper bills from the service provider and release of payment in excess of the amount claimed was not justified. The department stated (September 2012) that it was not practically possible to release the invoice based payments as the process of verification and stages of bills raised could not synchronize. The reply was not convincing as the Department should have obtained the bills before making payments.

(g) Crash course 2009

The permission to start the crash course for admission to All India Engineering Entrance Examination (AIEEE)/ Diploma Entrance Test (DET) 2009 was granted on 19 March 2009 with a cost ceiling of ` 60 lakh. Against this course, the Department made payment of ` 33.86 lakh (February 2010). The scrutiny of records revealed that no advertisement was published in the newspapers by the Department for starting the crash course.

On this being pointed out by Audit, the Department stated (December 2012) that the advertisement was not released as the agreement was valid for three years and the students continued adding through word and mouth publicity. The reply of the department was not acceptable as for all the courses except this course, advertisement was released by the Directorate in the newspapers. Further, against the claims of ` 50.56 lakh, an amount of ` 33.86 lakh was released as interim payment by the department. No further payment was either claimed by the service provider or released by the department. The department could not submit any supporting records viz., list of centres, list of students and their roll numbers to prove the genuineness of the payment for this course.

(h) Crash course 2010

The permission to start the crash course for admission to AIEEE/DET 2010 was granted on 27 January 2010. It was observed that the number of enrolled students

as submitted by the service provider and assessed by the department on the basis of inspections varied from time to time as detailed below:

Sr. No.	Basis	Number of students	
		AIEEE	DET
1.	Bill No 1 dated 29 March 2010	1270	8200
2.	Bill No 2 and 3 dated 12 May 2010	853	9825
3.	Inspection by the Department (First during March to May 2010)	203	4395
4.	Inspection by the Department (Second during April and May 2010)	692	11059
5.	Allowed for final payment as per bill of the service provider	685	9852

The Department made payment of ` 183.82 lakh as detailed below:

Sr. No.	Particulars	Number of students		Payment made (in lakh)
		AIEEE	DET	
1.	Courseware	685	9852	52.68
2.	50 per cent for course teaching	406	7809	82.15
3.	50 per cent for course teaching on the basis of result	257	3827	36.74
	Service Tax			12.25
	Total			183.82

It would be seen from the above that there were wide variations in the number of students at every stage and finally the service provider could submit the claim for 257 for AIEEE and 3,827 students for DET. The ratio of number of students provided coaching and rank based payment claimed was disproportionate. It is also pertinent to mention that in DET, a total number of 70,507 candidates appeared in the examination and full payment was made to the coaching centre upto the rank of 70,000. The Department had not revised the criteria for performance based payment keeping in view the decrease in number of students for DET.

The DG stated (September 2012) that the agreement was entered in the year 2008 for 3 years when the number of students was 1.3 lakh, thereafter the number of candidates declined sharply to 0.70 lakh which was beyond the control of the department. The reply of the department was not convincing as being the agency for conducting entrance test and admissions for DET, it was well within the notice of the department that number of students was declining sharply and necessary amendments should have been made in the contract agreement before starting the next course.

Since the results of AIEEE and DET were available in respect of very less number of students than the number of students who were provided coaching, the chances of showing more number of students by the MMC to get more payment cannot be ruled out as it involved extra payment of ` 73.31⁹ lakh.

In this course also, a sum of ` 44.21 lakh was released through Government Polytechnic, Nilokheri against the photocopies of bill No. 4 dated 21 July 2010 for crash course for DET 2010 and AIEEE 2010 as per given in **Table 10**.

⁹ 257 + 3,827 @ ` 2,500 = ` 102.10 lakh plus service tax @ 10.3 per cent ` 8.41 lakh = Total 110.51 lakh. Difference ` 183.82 lakh - ` 110.51 lakh = ` 73.31 lakh.

Table 10: Details of payments released on the photocopies of the bill

Sr. No.	Details of Service Provider's bill		Details of payments released on the photocopies of the bill.		
	Bill Number and Date	Amount (₹ in lakh)	Amount (₹ in lakh)	Bill no & date	Name of the institution releasing the payment
1	4/21 July 2010	38.89	19.21	441/22 January 2010	GP Nilokheri.
			25.00	177/26 July 2010	GP Nilokheri
	Total	38.89	44.21		

(i) Regular course 2011

The permission to start the regular course for admission to AIEEE/DET 2011 was granted (15 December 2010) with a ceiling of 1,500 students for AIEEE and 3,000 students for DTE. The classes were to commence from 22 December 2010 and to conclude before the commencement of AIEEE and DET. As the course was started late, it was reduced to 100 days against one year course of 140 days and accordingly the course fee was reduced to ₹ 8,929 per student. On the basis of the bills submitted for ₹ 4.78¹⁰ crore by the service provider, the department calculated a sum of ₹ 3.57 crore payable to the service provider (on account of courseware and 30 per cent of tuition fee for 1,115 AIEEE and 4,889 DET candidates) and released (March 2011) an amount of ₹ 3.21 crore.

The Department calculated the payment on the basis of 4,889 students of DET whereas the service provider was granted permission to enroll 3,000 students for DET. While calculating the amount admissible, this fact was not taken into account. The service provider was also not asked to intimate the reasons as to why he enrolled students in excess of the prescribed limit. Due to this, the Department released an extra payment of ₹ 87.09¹¹ lakh which was not justifiable.

On this being pointed out, the Department stated (September 2012) that the payment was released after approval of the competent authority (DG). The reply of the Department was not convincing as the excess number of students should have been got regularised from the Government.

The inspections conducted in May 2011 by departmental officers disclosed serious shortcomings in conducting coaching classes such as centres found closed, poor attendance, non-maintenance of teacher-student ratio (1:25), non-providing of courseware to students, etc.

The service provider ultimately left the courses in between (as per 2nd Phase inspection carried out by special team of the Directorate in May 2011). Leaving the course in between by the service provider deprived the weaker students of the benefit of coaching. As such, the entire expenditure of ₹ 3.21 crore was rendered wasteful. The Department had not taken any action against the service provider for leaving the coaching incomplete.

¹⁰ Bill No. 6 dated 15 January 2011: ₹ 2.01 crore, 7 dated 27 January 2011: ₹ 0.92 crore, 8 dated 15 February 2011: ₹ 0.92 crore and 9 dated 1 March 2011: ₹ 0.93 crore.

¹¹ Actually paid ₹ 3,20,78,760 (-) Due for 1,115 AIEEE + 3,000 DET candidate: (₹ 3,000 + ₹ 2,679 i.e. 30 per cent of ₹ 8,929 x 4,115) ₹ 2,33,69,085 = Excess paid ₹ 87,09,675.

While admitting the facts, during exit conference, the PS stated that detailed investigations were being made in this regard and strict action would be taken against the defaulters. Legal notice had been sent to the firm (11 November 2012) for recovery of the excess amount paid to them. Further, the scheme of coaching had also been discontinued (7 September 2012) as the same was not considered necessary in view of the availability of large number of seats even without qualifying the DET.

Other irregularities

(j) Irregular payment on account of courseware

As per terms and conditions of the agreement, the payments for the courseware were to be released on the basis of actual receipt of enrolled students. The Department released a sum of ` 4.73 crore for course material to the service provider as per details given in **Table 11**.

Table 11: Details of payments released for courseware

Sr. No.	Course	Details	Payments released (in lakh)
1	Crash course 2008	AIEEE: 1126 and DET: 7,777 students @ ` 500	44.52
2	Regular course 2009	AIEEE: 830+365 and DET: 5081 students @ ` 3000	188.28
3	Crash course 2009	AIEEE: 144 and DET: 1325 students @ ` 500	7.35
4	Crash course 2010	AIEEE: 685 and DET: 9852 @ ` 500	52.69
5	Regular course 2011	AIEEE and DET: 6004 students @ ` 3000	180.12
		Total	472.96

Source: Departmental records.

Audit noticed that the receipts for courseware were not found to be attached with the bills. The actual payee receipts were also not available with the Department. In the absence of receipt of courseware, the genuineness of the payments could not be verified in audit. The Department stated (December 2012) that the records were obtained from the service provider and were lying with them in about 400 files. The Department also submitted a sample of the receipts to Audit. The reply of the department was not convincing as the department did not have list of students for which payment was allowed to the service provider. As such, the actual payee receipts submitted by the department could not be verified with reference to list of enrolled students. Further, in his Expression of Interest, the service provider had offered to provide genius study material package (15-18 books) for one year course but the department did not verify at any stage that full learning material as agreed to had been provided. This fact was also not included in the agreement. The sample APRs submitted by the department also did not indicate that complete material had been supplied by the service provider.

(k) Unauthorised use of Government infrastructure

As per clause 2 and 3 of agreement (20 June 2008), the service provider was to establish coaching centres at the designated places and submit a list of centres to the DTE which was to issue advertisement in the newspapers for wide publicity. It

was observed from the records that the MMC had submitted list of centres of Government schools before the start of each course without taking any approval from Education Department. The advertisement published by the DTE was used as a tool to obtain infrastructure of Government schools for conducting coaching classes for which no rent was paid to the Government. This practice had resulted in extending undue benefit to the service provider and loss to the Government.

On this being pointed out, the Department stated (December 2012) that there was nothing to establish that advertisements were used as tool by the service provider. Secondly, if it was actually the case, it was breach of trust on the part of service provider and a lesson for future in dealing with such matters. Reply of the Department was not convincing as during test check, it was informed by the Principals of the schools that they allowed the conduct of coaching classes on the basis of Technical Education Department's advertisement. Further, it was the responsibility of the department to verify that centres were genuine and were established with proper authorisation of concerned authority i.e. Education Department.

(l) *Non-installation of bio-metric system of attendance*

As per clause 9 of the agreement, the service provider may explore the possibility of installation of biometric sensor and online monitoring of attendance. But the Department after entering into contract did not ask the service provider to implement this. The Department stated (December 2012) that it was not done as it was not mandatory. The scrutiny of records revealed that the Department never insisted for this issue. Had these checks been applied, many irregularities could have been avoided.

(m) *Inspection of centres*

In all the courses, the entire admission process of students was left with the service provider and the department had neither made the admissions themselves nor obtained detailed centre-wise list of candidates containing names/addresses and other particulars of the students taking admission for coaching. Due to non-availability of list of candidates, it could not be verified in audit whether the candidates were genuine and had appeared in the respective competitive examinations. Further, the list furnished by the service provider while claiming the performance based payment, it could not be verified whether the payment was claimed for those candidates to whom the coaching was provided by the service provider.

The inspection of centres conducted during each course by the departmental officers disclosed serious shortcomings such as centres found to be closed, insufficient infrastructure, thin presence of students, variation in number of students enrolled as shown by inspecting officers with that of MMC, Chandigarh. The Directorate had not taken cognizance of these reports as no remedial measures were taken.

5.1.10. Academic activities

5.1.10.1 Approval for establishment of private colleges

At the time of formation of Haryana State in 1966, there were only 6 polytechnics (Government: 4, Government aided: 2) which had increased to 194 (Government: 23, Aided: 5, Private: 158) up to the academic session 2012-13. The number had increased sharply during the last five years. **Table 12** indicates the rapid growth of polytechnics in the State providing diploma in technical education in various trades.

Table 12: Details showing growth of polytechnics in the State

Year	Number of institutions	Intake capacity
2007-08	83	25575
2008-09	137	48680
2009-10	151	49875
2010-11	163	53590
2011-12	194	63470*

*Eight institutions were not allowed admissions

(Source: Prospectus of HSCS for the academic year 2011-12)

The HSBTE was responsible for controlling the activities of the polytechnics in the State. The Board was required to inspect the polytechnics and ascertain that norms fixed by AICTE were adhered to. The Review Committee formed by HSBTE inspected 115 polytechnics during 2011-12. On the basis of inspection reports, seven institutions were issued show cause notices for withdrawal of affiliation, 40 for reduction in intake capacity and in balance 68 institutions various deficiencies were pointed out. The major deficiencies included lack of faculty as per norms, inadequate computer and laboratory facilities, poor industrial interaction, non-posting of heads of the institutions, etc.

On this being pointed out in Audit, the DG stated (December 2012) that the private polytechnics had filed civil writ petition in the Hon'ble Punjab and Haryana High Court against the denial of affiliation by the Board and the court had passed an interim order in September 2012 to carry out admissions to the respective institutions.

5.1.10.2 Benefits provided by the Department

There was substantial increase in number of seats for aspiring students in polytechnics and engineering colleges both in Government as well as private institutions as discussed in the following paragraph:

- **Increase in vacant seats in polytechnic and engineering colleges**

Tables 13 and 14 indicate the position of admissions in Technical Education Institutions.

Polytechnics

Table 13: Admissions in Government and private polytechnics

Year	Government Institutions			Private Institutions		
	Sanctioned	Filled	Vacant (percentage)	Sanctioned	Filled	Vacant (percentage)
2008-09	17000	16685	315 (2)	31680	29368	2312 (7)
2009-10	17250	16553	697 (4)	32625	27787	4838 (15)
2010-11	17170	14993	2177 (13)	36420	24887	11533 (32)
2011-12	17170	11999	5171 (30)	46300	28379	17921 (39)

The number of students taking admission in Government Polytechnics declined sharply during 2008-12. The Secretary, HSBTE stated (July 2012) that decline in admission in polytechnics was due to increase in number of polytechnics, which was not in their control.

Engineering Colleges

Table 14: Admissions in Government and private engineering colleges

Year	Government Institutions			Private Institutions		
	Sanctioned	Filled	Vacant (Percentage)	Sanctioned	Filled	Vacant (percentage)
2008-09	2245	2237	8 (0)	32025	27569	4456 (14)
2009-10	2775	2423	352 (13)	41930	27312	14618 (35)
2010-11	2775	2471	304 (11)	46850	28056	18794 (40)
2011-12	2915	2740	175 (6)	55856	26269	29587 (53)

The vacancy of seats in Government institutions was negligible while vacancy of seats in private institutions was as higher as 53 *per cent* in 2011-12.

5.1.10.3 Dropouts

Table 15 indicated number of dropout candidates of diploma courses during the last five years.

Table 15: Details of dropout candidates

Year	Number of candidates admitted	Number of regular candidate appeared for the first time in the examination	Number of dropout candidates	Percentage of dropout students
2007-08	25575	24130	1445	5.65
2008-09	46053	43794	2259	4.91
2009-10	44340	42499	1841	4.15
2010-11	42378	39306	3072	7.25
2011-12	44232	40461	3771	8.53

Source: Departmental data.

The dropout percentage of students ranged between 4.15 to 8.53 *per cent* during 2007-12. The DG stated (December 2012) that during the year 2009-10, the Government declared that 10th class pass students, even though they had failed in science and mathematics, were eligible to take admission in polytechnics. Such students could not cope up with the system of higher study and resulted in higher dropout rate. Further, majority of the students had passed out from Haryana School Education Board, Bhiwani where medium of instruction was Hindi,

whereas in polytechnics, the medium of instruction was English. It was also intimated (December 2012) that efforts were being made to introduce bridge courses and bilingual examination pattern.

5.1.10.4 Pass percentage of students

The pass percentage of students in the polytechnics declined sharply as is clear from the **Table 16**.

Table 16: Details showing the pass percentage of students

Year	Government/Government Aided Polytechnics			Private Polytechnics		
	Total Students	Pass	Pass percentage	Total Students	Pass	Pass percentage
2008	6084	5025	83	2013	1304	65
2009	6956	5501	79	4072	2358	58
2010	10307	7240	70	11020	4840	44
2011	14780	9584	65	27534	9773	35
2012	13745	8168	59	21407	4925	23

Analysis of result data shows that pass percentage of students in Government/Government Aided Polytechnics had declined sharply from 83 to 59 during 2008-12 while in case of private polytechnics it declined from 65 to 23. Poor pass percentage indicated imparting of poor quality education in polytechnics. Shortage of teaching and other allied staff i.e. Workshop Instructors, Laboratory Instructors, Junior Programmer, etc. and non-implementation of faculty development programme could be responsible for poor pass percentage of students. The DG stated (December 2012) that the poor pass percentages in polytechnics was due to the fact that a student having passed Matric was eligible to seek admission in polytechnics and there was no minimum cut off percentage for admission.

5.1.10.5 Results of revaluation

The candidates who appeared in examinations were permitted to apply for revaluation on payment of specified fees. The details of answer sheets submitted for revaluation by students of polytechnics during 2007-12 were as given in **Table 17**.

Table 17: Details of revaluation of results

	December 2008	June 2009	December 2009	June 2010	December 2010	June 2011
Total Number of students appeared in the examination	77076	77549	111258	107104	126686	119205
Number of revaluated student (percentage)	4444 (6)	2450 (3)	8441 (8)	3248 (3)	7078 (6)	13354 (11)
Fail to pass category on revaluation (percentage)	1085 (24)	502 (20)	600 (7)	467 (14)	3592 (51)	931 (7)
Increase in marks on revaluation already passed candidates	50	105	315	150	1030	379
Change on revaluation (percentage)	1135 (26)	607 (25)	915 (11)	617 (19)	4622 (65)	1310 (10)

The percentage of students applying for revaluation increased from six in December 2008 to 11 in June 2011. The percentage of answer sheets where the marks got changed on revaluation ranged between 10 and 65 and pass percentage of fail to pass candidates was between seven and 51. This showed that there were weaknesses in the evaluation system. The Secretary, HSBTE stated (July 2012) that the change in revaluation marks has been observed due to posting error, individual judgment of examiner/evaluator and that necessary corrective measures had been taken by strengthening the table marking system and operation of vigilance team to verify the awards.

While admitting the facts, during exit conference, the PS stated that huge variation in result after revaluation was a matter of concern and instructed the staff not to put same staff for revaluation.

5.1.10.6 Campus placement

The campus placement cell had been established in all the polytechnics. The Department fixed 100 *per cent* targets for placement of eligible candidates. The position of the placement of eligible candidates during the last four years, however, was as given in **Table 18**.

Table 18: Details of placement during 2008-12

Year	Government polytechnics		
	Total students	Placements	Percentage
2008-09	4,870	1,732	35.56
2009-10	6,826	2,476	36.27
2010-11	8,229	2,770	33.66
2011-12	5,081	1,207	23.76
Total	25,006	8,185	32.73

Source: Departmental figures.

Note: Data for 2007-08 not available with Department.

The campus placement rate has come down in Government Polytechnics to 23.76 *per cent* in 2011-12 from 35.56 *per cent* in 2008-09. The Principal, Government Polytechnic, Nilokheri stated (July 2012) that there was no Training and Placement Officer in the institute with the result that the activities under industry-institute interaction remained inoperative.

The DG stated (December 2012) that the shortfall was due to the reason that 40-50 *per cent* students opt for higher studies under lateral entry scheme. The reply was not convincing as the students willing to opt for higher studies would have not certainly applied for placements. While admitting the facts, during exit conference, the PS stated that the low placements were mainly due to availability of higher qualified technical staff whom the companies prefer to appoint. All the facilities were being provided to the institutions to boost this activity and Training and Placement Officers have been posted in all the institutions and in case of vacancy in the institution, these would be filled up immediately.

5.1.11. Human resource development

5.1.11.1 Vacancies in teaching and non-teaching cadres

As against 1,536 sanctioned posts in various categories of teaching cadres in Government Polytechnics including that of societies, the actual strength as on March 2012 was 899 while 637 (41.47 per cent) posts were lying vacant as detailed given in **Table 19**.

Table 19: Details showing the vacancies in teaching cadre

Teaching cadre	Sanctioned	Persons in position	Vacant	Vacancy percentage
Government Polytechnics	890	600	290	33
Government Polytechnic Societies	646	299	347	54
Total	1,536	899	637	41

Audit observed deployment of guest faculty by the polytechnics. In four polytechnics, it was also observed that 29 guest faculty members were not having requisite qualifications for recruitment as lecturers/instructors.

While admitting the facts, during exit conference, the PS stated that efforts were being made for recruitment of fresh staff and also ordered his staff to ensure that guest faculty in the institute should have same qualification as that of regular faculty and no guest faculty should be allowed to continue whose result was less than 30 per cent.

It was further observed (June 2012) that 25 Heads of the Departments/Senior Lecturers/ Lecturers were drawn from various polytechnics and were deputed in the Directorate/HSBTE for performing non-teaching functions like establishment work, replying to RTI applications, release of grants-in-aid, publication of results, etc. This affected the teaching work in the polytechnics. The Department should have recruited proper staff for such works to avoid deployment of teaching staff on non-teaching activities.

While admitting the facts, during exit conference, the PS stated that such adjustments were made due to shortage of staff and heavy work load. The reasons were not acceptable as the adjustment have negative impact upon the study of the students in polytechnics. This work could have been got done by appointing temporary staff under outsourcing policy of the State Government.

The vacancy position in non-teaching cadre (Class III) was as given in **Table 20**.

Table 20: Details showing the vacancies in non-teaching cadre

Non Teaching cadre	Sanctioned	Persons in position	Vacant
Government Polytechnics	506	298	208
Government Polytechnic Societies	246	98	148
Total	752	396	356

As is evident from above, 47 per cent posts in class III cadre were lying vacant. It was observed that out of the 356 vacant posts, 231 posts (Government Polytechnics: 172 and Government Polytechnic Societies: 59) related to teaching

cadres i.e. Workshop Instructors, Junior Programmers and Laboratory Instructors which were very critical posts for imparting practical education. Thus, such shortages certainly impact the quality of technical education.

5.1.11.2 Teacher-student ratio

As per norms fixed by the AICTE, the ideal teacher-student ratio is 1:20 in the polytechnics. Higher ratio affects the studies of the students as the teachers are not able to pay due attention to the larger number of students. It was seen during test check that the average teacher-student ratio in the test checked institutes was 1:30. The position was worst in the Government Polytechnic for Women, Faridabad and Government Polytechnic, Nilokheri where it was 1:40.

Non-maintenance of teacher-student ratio affected the study of the students which ultimately resulted in poor pass percentage and high dropout rates. While admitting the facts, during exit conference, the PS stated that teacher student ratio could not be maintained due to shortage of staff. The reply was not convincing as a large number of staff from polytechnics had been deputed to Directorate/ Board/Society away from their regular duties.

5.1.11.3 Under-utilisation of staff

The basic principle for appointment of technical staff is to utilize them for teaching purposes. In three¹² institutions, the staff of closed Vocational Education Institutes was merged. Though this staff was drawing salary in the scale of Instructors and Vice-Principals, they were engaged for clerical work. Total salary drawn by them amounted to ` 1.03 crore during 2009-12 (**Appendix 5.8**). It was observed that in the absence of vocational training courses in the Polytechnics, they were doing clerical or routine jobs instead of deploying their services in places where the technical posts were lying vacant. This indicated that the department had not planned the utilization of the services of these staff members in a proper manner.

It was observed (June 2012) during audit that Skill Development Initiative Scheme was being run by GOI under which job oriented vocational courses were to be introduced by the institutes. Some of the Government Sector Industrial Training Institutes, viz Ambala, Karnal, Sirsa and private polytechnics were implementing the scheme. Under the scheme, short and long term courses were being run by the institutes wherein students on being successful in the examination get full reimbursement of the fees including examination fee. Though Director, Technical Education Department instructed (December 2009) the Principals of polytechnics under his control to get themselves registered with the GOI as service provider with Regional Directorate of Apprenticeship and Training (RDAT), Faridabad to avail of benefit of the scheme, none of the institutes test-checked had registered themselves for the purpose. Had the scheme been implemented by the polytechnics in the State, the services of surplus

¹² Faridabad, Jhajjar and Loharu.

teaching staff of vocational institutions could have been utilized appropriately by deploying them for these courses.

While admitting the audit observation, during exit conference, the PS stated that this staff was less qualified in comparison to the staff required for teaching in the polytechnics as such they have been put on other works.

5.1.11.4 Skill upgradation of teaching staff

Regular training programmes were necessary for the teaching faculty to update their knowledge and skill. It was observed that neither any plan for skill upgradation of teachers was prepared nor was any orientation/ refresher course organized by the department during 2007-12. The training programmes were being organized by NITTR and HIPA which had circulated the yearly training programme to the Institutes to ascertain that the teaching staff was being trained properly from time to time. Records of this activity were not maintained by the Directorate. However, the training policy of the Department was under formulation (March 2012).

5.1.12. Estate management and miscellaneous activities

5.1.12.1 Non-installation of separate electricity meters for residences

The Government Polytechnic for Women, Faridabad and Government Polytechnic Educational Society, Manesar were receiving bulk supplies of electricity. Out of this line, the supplies were also made to the residences situated in the campus but separate meters for residences were not installed. The institutions were charging fixed amount ranging between ` 150 and ` 1000 from these residences. The electricity bill should have been charged according to consumption. As remaining bill was being paid out of the Government funds, there was burden on the State ex-chequer to the extent of 86 per cent. The position of the amount paid by the Government and residents during 2007-12 was as given in **Table 21**.

Table 21: Position of amount paid by the Government and residents during 2007-12

(` in lakh)

Name of the Institution	Total bill	Paid by institute	Paid by residents
Government Polytechnic for Women, Faridabad	84.74	79.72	5.02
Government Polytechnic Educational Society, Manesar.	78.11	68.09	10.02
C.R Polytechnic, Rohtak	59.40	42.47	16.93
Total	222.25	190.28	31.97

The Principals of Polytechnics concerned should have installed separate meters for consumers to avoid loss to the Government.

While admitting the facts, during exit conference, the PS stated that meters had been installed in the Government Polytechnic for Women, Faridabad and that all the other institutions were being ordered to charge the bills according to their consumption.

5.1.12.2 *Non-refund of security to the students*

At the time of admission, the students were required to deposit security at prescribed rates which was refundable to them after the completion of the studies. It was observed that none of the institutions had evolved any system to refund of security to students while leaving the institute. As the students take admission from distance places also, it was not practicable for them to come time and again for taking refund of security deposit, as a result of which, it remained non-refunded. A sum of ` 1.13 crore was lying unpaid in test-checked institutes (*Appendix 5.9*) as of March 2012.

While admitting the facts, during exit conference, the PS ordered the DG to streamline the system so that the security of the students was refunded to them at the time of leaving the institution.

5.1.12.3 *Non-return of library books by the students*

Library facility was provided to the students in the institutions. The students were required to return the library books after a prescribed period. In case of loss of books, they were required to deposit full cost of the books. It was observed in five test-checked institutions that the students had not returned the books costing ` 5.47 lakh (*Appendix 5.10*), though they had left the institutions. Though the students were required to get 'No Due Certificate' before leaving the institute, yet return of books was not insisted upon by the institutions. Thus, proper control was not exercised for taking back the library books from students.

While admitting the facts, during exit conference, the PS stated that the amount would be got adjusted from the security of the students lying with the polytechnics.

5.1.13. Adequacy of infrastructure

5.1.13.1 *Shortage of class rooms*

Class room is the basic need to provide education. Inadequate class room directly affects the studies of the students. Audit observed that there was shortage of class rooms in the test checked institutions as per details given in **Table 22**.

Table 22: Details showing the shortage of class rooms

Name of Institution	Required	Available	Shortage	Percentage
Jhajjar	45	40	5	11
Nilokheri	29	27	2	7
Loharu	15	8	7	47
Manesar	24	20	4	17

Source: Departmental figures.

While admitting the facts, during exit conference, the PS stated that all efforts would be made to provide additional rooms in the institutions.

5.1.13.2 *Inadequate hostel accommodation*

Hostel facility is the most important facility for the students. Hostels had been constructed in all the test checked Polytechnics (except Narwana) to provide accommodation to the students. It was observed (June 2012) that in eight test-checked institutions, the average number of hostellers was 1,977 against the average intake capacity of 1,846 hostellers during the years 2007-12 (*Appendix 5.II*). The most crowded hostels were Government Polytechnic, Nilokheri and Government Polytechnic for Women, Faridabad. It was also observed that in Government Polytechnic Educational Society, Manesar, only the first year students were provided hostels. Students studying in 2nd year onwards were denied the facility.

While admitting the facts, during exit conference, the PS stated that new hostels were under construction and the position was likely to improve in the near future. The adjustments were being made to provide facility to more students so that the outstation students were not forced to live outside.

5.1.14. Monitoring and evaluation

5.1.14.1 *Internal control*

Internal control provides reasonable assurance to the management about the compliance of applicable rules and regulations. The internal control in the Department was inadequate for implementation of the schemes, monitoring of construction works, etc. as discussed in the foregoing paragraphs.

5.1.14.2 *Internal Audit*

With a view to improve the overall quality of work and reduce errors/irregularities, there should be an internal audit system in all Government Departments. Audit observed (June 2012) that there was no dedicated internal audit wing in the Department. There was no internal audit manual also. There was huge pendency of internal audit as depicted in **Table 23**.

Table 23: Details showing the pendency of internal audit

Year	Planned	Audited	Pendency (in percentage)
			(Number of units)
2007-08	26	8	18 (69)
2008-09	27	9	18 (67)
2009-10	29	12	17 (59)
2010-11	29	20	9 (31)
2011-12	29	4	25 (86)
Total	140	53	

Source: Departmental figures

As on March 2012, 466¹³ paragraphs of internal audit were outstanding against 29 institutions. The paragraphs were pending from 1999-2000, showing that the institutions were not attending to the audit objections seriously. As such, the internal audit system was not effective in the Department.

While admitting the facts, during exit conference, the PS stated that the internal audit system was being strengthened by requesting more staff.

5.1.14.3 Non-preparation of Administrative Report

The department was required to prepare Administrative Report showing activities of the department every year and submit the same to the Government. It was observed that Administrative Report of the department had been prepared up to 2008-09 only. In the absence of the report, the activities/performance of the department after 2008-09 could not be made public. The DG stated (December 2012) that report for the financial year 2009-10 was being submitted to the Government and for 2010-11, the data was being collected from field offices. The Administrative Report had not yet been prepared (December 2012).

5.1.14.4 Monitoring

The DG, as head of the Department, was responsible for monitoring the implementation of programmes, schemes and other activities of the Department. Monthly progress reports to monitor the activities of the department had not been prescribed by the department except submission of monthly expenditure report. There was no centralized data base of schemes and programmes for monitoring, with the result that huge funds remained unspent with the institutions. Construction of works was also delayed by executing agencies.

During exit conference, the PS stated that meetings were held from time to time at every level including Chief Minister Level to review the progress and necessary feedback was given.

5.1.14.5 Performance evaluation by students

During performance audit, feedback from 205 students of test-checked institutions was obtained through questionnaire method in the presence of staff of institutions. The sample size included 135 boys and 70 girls. Students were asked to give rating about the facilities provided to them as poor, average, good, very good and excellent. Compilation of the data revealed as shown in **Table 24**.

¹³ More than 10 year old: 11, More than 5 year: 39, More than 3 years old: 55, More than one year old: 344 and Less than one year old: 17.

Table 24: Statement showing the compilation of the data

Activities	Number of students						
	Poor	Average	Good	Very good	Excellent	No comments	Total
Faculty performance	10	16	91	40	48		205
Food quality	15	51	41	24	5	69	205
Drinking water	21	38	50	72	24		205
Bath room	31	34	59	35	14	32	205
Toilet	39	43	67	39	14	3	205
Hostel maintenance	7	21	31	35	11	100	205
Library facility	18	25	60	60	38	4	205
Lab facility	23	48	61	38	25	10	205
Syllabus covered	4	36	47	59	55	4	205
Course contents	8	17	52	68	43	17	205
Behaviour Administrative staff	5	16	48	57	76	3	205
Computer facility	45	28	59	47	24	2	205
Total	226	373	666	574	377	244	2460

As is evident from above, the students mainly rated the below mentioned facilities as poor or average as such they were not satisfied with the facilities.

- Computer facilities: 36 per cent students.
- Laboratory facilities: 35 per cent students.
- Quality of food served: 32 per cent students.
- Bath room facilities: 32 per cent students.
- Drinking water: 29 per cent students.
- Library: 21 per cent students.

Overall about 50 per cent students rated the facilities as good or very good, 15 per cent students rated as excellent while 24 per cent students rated the facilities as poor or average. Thus, the above facilities provided to students require improvement.

While admitting the facts, during exit conference, the PS ordered the DG to provide adequate facilities immediately so that the students may get better environment for their studies.

5.1.15 Working of Haryana State Counselling Society and Haryana Board of Technical Education

5.1.15.1 Haryana State Counselling Society

The Society was formed in the year 2007 mainly for the purpose of smooth conduct of admissions and counselling of students for polytechnics and engineering colleges. As per constitution of the Society, the surplus funds were to be utilised in providing scholarships and other student beneficial activities. The Society was self sustaining and was functioning with the help of fees collected for

conduct of entrance examination and Counselling which were previously being credited to Government. Position of funds received and expenditure incurred after the formation of Society as per balance sheet was as given in **Table 25**.

Table 25: Position of funds received and expenditure

(` in crore)

Year	Opening balance	Funds received	Total funds available	Expenditure incurred	Balance at the close of the year
2007-08	Nil	16.86	16.86	10.73	6.13
2008-09	6.13	77.25	83.38	80.16	3.22
2009-10	3.22	59.95	63.17	57.53	5.64
2010-11	5.64	10.76	16.40	8.19	8.21
2011-12	8.21	9.77	17.98	6.00	11.98
Total		174.59		162.61	

Scrutiny of balance sheet of the Society revealed that the grants-in-aid amounting to ` 12.72 crore was released to four institutions. Out of this, ` 5.26 crore was lying unspent with the institutions as per details given in **Table 26**.

Table 26: Statement showing the position of unspent funds

(` in crore)

Year	Name of the institution	Purpose	Amount given	Expenditure up to March 2012	Balance
2007-08	G.P, Nilokheri	Scholarships	6.34	6.00	0.34
2008-09	GPW, Faridabad	Free books and learning material	3.00	0.71	2.29
2008-09	GP, Ambala	ISO Grading	1.08	0.13	0.95
2008-09	GPW, Ambala	Personality Development and communication skills	2.30	0.62	1.68
		Total	12.72	7.46	5.26

The PS during exit conference stated that all the funds lying undisbursed with the institutions would be called back in case the funds were not required by them.

5.1.15.2 Financial irregularities

- **Non-preparation of inventory of furniture**

The Society incurred an expenditure of ` 1.16¹⁴ crore on purchase of new furniture during 2008-12. This furniture was purchased for the entire department. It was also observed that the inventory of furniture had not been prepared. The PS during exit conference admitted the fact and ordered the concerned staff to prepare the inventory immediately.

- **Irregular purchase of learning material**

The Expression of Interest (EOI) for the purchase of books for library was invited in December 2008 through press advertisement. Against this advertisement, nine firms quoted their rates for books of various publications giving discount up to 33 per cent and two firms (one of them was M/s Tathastu Services Ambala Cantt) quoted rates for learning

14 2008-09: ` 1.05 crore, 2009-10: ` 0.10 crore and 2011-12: ` 0.01 crore.

material offering 20 *per cent* discount though the department had not invited EOIs for learning material. On the basis of EOIs, the DG empanelled 5 suppliers for supply of books for library.

After finalization of empanelment for library books, the department without inviting fresh EOIs for learning material placed supply order (February 2009) on M/s Tathastu Services, Ambala Cantt for supply of 14,905 sets of learning material to the polytechnics (Government as well as Private) @ ` 750 per set less 20 *per cent* discount. A total expenditure of ` 0.71 crore was incurred on purchase of learning material.

On being enquired from various institutions, 10 institutions intimated that out of 3,657 sets supplied to them, 2,960 sets were lying undistributed with them due to change in syllabus and average quality of material which was not useful for the students (*Appendix 5.12*). Further, the price of material was not marked on the material, in the absence of which the basis of the price of ` 750 arrived at by the Department could not be ascertained.

Thus, the purchase of learning was made without inviting quotations and without having competitive rates. Further, the usefulness and demand of the material was not assessed properly.

The PS during exit conference stated that the matter would be investigated and necessary action taken.

- **Non-conducting of audit of the Society**

As per para 19.2 of the Memorandum of Association of the Society, the audit of the Society was entrusted to Registrar, Cooperative Societies (RCS). It was observed that audit of the society was not conducted by the RCS. On this being pointed out in audit, the department stated (October 2012) that the RCS refused to conduct the audit of the society. Therefore, the Board of Governors of the Society decided (February 2011) that the audit of the Society would be got conducted from the internal audit party of the Directorate of Technical Education Department. However, audit of the Society had not been conducted so far (November 2012).

5.1.15.3 Haryana State Board of Technical Education

In order to control the activities regarding examination and results etc, in respect of diploma courses, the Haryana State Board of Technical Education (the Board) was formed in the year 2008 vide Act no.19 of the Legislature of State of Haryana. Prior to the formation of the Board, the State Board of Technical Education was functioning as part of the Director, Technical Education Department.

The financial position of the Board since its inception is depicted in **Table 27**.

Table 27: Financial position of the HSBTE

(` in crore)

Year	Opening balance	Funds received	Total funds available	Expenditure incurred	Balance at the close of the year
2008-09	-nil-	5.70	5.70	4.47	1.23
2009-10	1.23	9.35	10.58	8.86	1.72
2010-11	1.72	13.61	15.33	8.13	7.20
2011-12	7.20	18.35	25.55	7.89	17.66
Total		47.01		29.35	

• **Non-preparation of inventory of furniture ` 0.61 crore**

HSBTE spent an amount of ` 0.61 crore on purchase of furniture in 2008-09. As per report of the Chartered Accountant appended to the Balance sheet, inventory of the furniture had not been prepared by the HSBTE. During exit conference while admitting the facts, the PS ordered the concerned staff to prepare the inventory of furniture immediately.

5.1.16. Conclusions

- The department created adequate infrastructure for imparting education. However, shortage of teaching staff affected the quality of education. As such, the planning process of the department was inadequate.
- Parking of funds outside the Government accounts, release of grants-in-aid in excess of requirement, non-adjustment of temporary advances affected the financial management of the department.
- Delay in setting up of new polytechnics and construction of SC hostels, non-providing of book-bank facility, non supply of free books to SC students impeded the process of achievement of the schemes.
- Improper selection of coaching institute resulted in discontinuation of the programme midway. Payment of ` 15.88 crore was made to the Institute without following proper procedure. Poor monitoring by the department facilitated many lapses which benefited the service provider.
- There was lack of facilities in the Government Polytechnics.

5.1.17. Recommendations

The Government may consider to:

- evolve long term and short term plans (Annual Action Plan) with measurable goals;

- release grants-in-aid to Government aided institutions after taking into consideration the funds available with them to avoid unnecessary accumulation of funds;
- pursue properly with the PWD for completion of polytechnic and hostel buildings;
- ensure effective implementation of schemes for the benefit of targeted beneficiaries; and
- strengthen monitoring mechanism for the effective implementation of schemes.

Chandigarh

Dated:

(Onkar Nath)

**Principal Accountant General (Audit),
Haryana**

Countersigned

New Delhi

Dated:

(Vinod Rai)

Comptroller and Auditor General of India