

## CHAPTER VI : MINISTRY OF HUMAN RESOURCE DEVELOPMENT

### Department of Culture

### National Council of Science Museums, Calcutta

#### 6.1 Wasteful expenditure on a project

**Due to inordinate delay in finalisation of architectural plan by the Director General National Council of Science Museums coupled with deficient planning resulted in wasteful expenditure of Rs 1.24 crore.**

The Advisory Committee of the energy pavilion entitled 'Energy in Life' established jointly by six departments of Government of India decided in June 1987 to set up a permanent pavilion of energy, science and technology on a 5000 square metre plot at Pragati Maidan, New Delhi. In July 1987, NCSM<sup>1</sup> was selected as the implementing agency for the project. As per the project proposal, the architectural plan of the museum was to be completed within 1988-89, the construction was to be completed within 1991-92 and the whole project was to be completed within 1992-93. The DG<sup>2</sup>, NCSM received Rs 7.50 crore during 1988-94 from 10 sponsoring departments of Government of India for this project.

As per regulation of ITPO<sup>3</sup> the controlling authority of Pragati Maidan, height of any building to be constructed in Pragati Maidan should not exceed 13 meter; the FAR<sup>4</sup> should be one is to one and the building plan should be approved by Delhi Municipal Corporation and Delhi Urban Arts Commission. NCSM submitted the plan to Delhi Urban Art Commission and Municipal Corporation of Delhi in January 1991 and March 1991 respectively showing the height of the building as 22.75 meter and FAR 1.409 in violation of the restriction. The Chief Architect, ITPO informed the Council in March 1991 that for all construction in Pragati Maidan, the prevailing restrictions should be adhered to. The DG, NCSM finally submitted the plan as per restriction in February 1993 after several corrections.

<sup>1</sup> National Council of Science Museums

<sup>2</sup> Director General

<sup>3</sup> Indian Trade Promotion Organisation

<sup>4</sup> Floor Area Ratio

NCSM further requested ITPO in September 1991 to allot additional land measuring 2622 square metre to bring down the FAR to one. In October 1993, ITPO intimated NCSM that in lieu of the earlier plot a separate plot of same dimension had been allotted to them, which has not yet been accepted by NCSM. The project was kept suspended since 1996-97 and as of October 2000, the project has not been restarted for want of approval of ITPO. Meanwhile, NCSM incurred an expenditure of Rs 1.97 crore on the project, without any final approval of ITPO, out of which Rs 82.82 lakh was for salary, allowances, contingency and development activities, Rs 20.97 lakh for construction and Rs 64.09 lakh for models and exhibits. The remaining balance from the fund received for the project was invested in Public Sector Bank. Further although NCSM did not enter into any agreement with ITPO for confirmed possession of the land, the DG paid Rs 20.61 lakh towards ground rent upto March 1991 and further incurred liability of Rs 1.73 crore towards ground rent upto March 2000 for the land which had been taken back by ITPO.

The Committee constituted by the GB<sup>5</sup> of NCSM, however, recommended in June 2000 to abandon the construction of the pavilion and distribute the models and exhibits to different museums under the control of NCSM.

Thus failure of the DG, NCSM to finalise the architectural plan for the Museum as per norms resulted in wasteful expenditure of Rs 1.24 crore on account of salary, ground rent and construction of the pavilion which was given up subsequently and an additional liability of Rs 1.73 crore towards payment of ground rent.

The Ministry stated in December 2000 that NCSM was not responsible for the delay in finalisation of the plan. The reply is not tenable as NCSM's failure to adhere to the ITPO norms initially resulted in inordinate delay and subsequent abandonment of the project.

## Victoria Memorial Hall

### 6.2 Idle payment of advance

**Payment of advance of Rs one crore for acquiring flats without Standing Finance Committee approval led to idle investment and loss of interest of Rs 61.57 lakh.**

The Board of Trustees, VMH<sup>1</sup>, Calcutta approved in October 1996 a proposal for acquiring 20,100 square feet of space for use as office and staff quarters from the

<sup>5</sup> Governing Body

<sup>1</sup> Victoria Memorial Hall

CMC<sup>2</sup> at a cost of Rs two crore. The Ministry initially instructed the VMH in March 1997 to obtain approval from SFC<sup>3</sup> and without the specific approval of the SFC the VMH cannot be allowed to incur the expenditure. But the Secretary and Curator of VMH paid Rs one crore to CMC as advance in March 1997 without obtaining approval from the SFC.

The specific time schedule for completion of the work was also not worked out by the Secretary and Curator of VMH before making payment. The CMC, stated in January 1998 that it was not possible to accommodate the space requirement of VMH in the site allotted earlier. Therefore it proposed to allot 25000 square feet of space at an estimated cost of Rs 3.06 crore in a building to be constructed separately for VMH. The Secretary and Curator accepted the proposal in November 1998. However, he approached the SFC for obtaining approval only in September 1999. As the clearance from SFC has not been received till December 2000, VMH could not enter into any agreement with the CMC. Consequently, CMC has not taken up the construction as of December 2000.

Thus, irregular payment of advance of Rs one crore by the VMH without SFC approval resulted in idling of Rs one crore for more than three and half years and loss of interest of Rs 61.57 lakh. The purpose of acquiring the flats also remained unfulfilled.

The Ministry stated in January 2001 that the payment of Rs one crore was made with due approval. But this is not tenable as Ministry sanctioned the grant of Rs one crore subject to approval of the SFC before incurring the expenditure which was not obtained by the VMH.

**Department of Education**

### **6.3 Irregular payment of transport allowance**

**In contravention of orders of the Government of India, transport allowance of Rs 88.93 lakh was paid to various teaching staff during vacation /leave exceeding 30 days and to the staff who had been allotted Government accommodation in the University Campus.**

The Government of India in pursuance of the recommendation of the fifth pay commission sanctioned transport allowance to its employees with effect from 1<sup>st</sup> August 1997 to compensate the expenditure incurred on commuting between the

<sup>2</sup> Calcutta Municipal Corporation

<sup>3</sup> Standing Finance Committee

place of residence and the place of duty. In terms of said orders transport allowance was not admissible to the staff in case the period of absence from duty point exceeded 30 days due to leave, training, tour etc. It was, however, noticed in audit that in contravention of these orders following educational institutions paid transport allowance to their vocational/non-vocational staff during the period of vacation and leave as detailed below:

**Table 6.3 (i) Transport Allowance paid during the period of vacation**

(Rs in lakh)

Sl. No	Name of the Educational Institution	No. of teaching staff who were paid TA during vacation	Year of vacation	No. of vacation days for which transport allowance was not admissible	Amount of inadmissible transport allowance paid
1	Delhi University	695	1998-1999	76	14.09
		648	1999-2000	76	13.13
2	Delhi University (South Campus)	55	1998-1999	60	0.88
3	Miranda House College Delhi	91	1998-1999	76	1.81
		91	1999-2000	76	1.80
4	Kirori Mal College Delhi	117	1998-1999	76	2.33
		117	1999-2000	76	2.32
5	56 Kendriya Vidyalaya of Delhi region	3262	1998-1999	501	16.12
		3262	1999-2000	521	
		<b>Total</b>			<b>52.48</b>

**Table 6.3 (ii) Transport Allowance paid for leave period exceeding 30 days**

(Rs in lakh)

Sl. No	Name of the Educational Institution	Year	No. of staff members who were paid transport allowance during the period of leave	Amount of inadmissible transport allowance paid
1	Delhi University	1997-1998 to 1999-2000	35	2.68
2	Delhi University (South Campus)	1997-1998 to 1998-1999	15	0.48
3	Miranda House College Delhi	1997-1998 to 1999-2000	27	1.07
4	Kirori Mal College Delhi	1997-1998 to 1998-1999	9	0.10
		<b>Total</b>		<b>4.33</b>

As per the said Government orders transport allowance was also not admissible to those employees who were allotted the Government accommodation within a Campus housing the place of work and residence. A test check of records of Delhi University, however, revealed that in contravention of these orders the University had paid transport allowance of Rs 32.12 lakh to 313 employees who had been allotted Government accommodation in the University Campus.

Thus, payment of Rs 88.93 lakh on account of Transport Allowance made by various educational institutions as per above details was irregular.

Kendriya Vidyalaya Sangathan stated in January 2001 that the Ministry had clarified that the staff on vacation was not eligible for payment of transport allowance during the period of vacation exceeding 30 days and accordingly all Kendriya Vidyalayas throughout the country had been directed to regulate payment of transport allowance. It further stated that instructions had been issued for recovery of payment of transport allowance made during the period of vacation exceeding 30 days.

**Jawaharlal Nehru University**

**6.4 Avoidable excess expenditure on supply of electricity to staff-quarters of JNU<sup>1</sup>**

**Jawaharlal Nehru University incurred avoidable expenditure/loss amounting to Rs 1.63 crore during 1997-2000 by not opting/providing for separate electric connection for staff-quarters.**

JNU, a Central University, has been incurring substantial loss on supply of electricity to its staff-quarters at lower rates, and expenditure on electricity consumption amounting to Rs 1.63 crore could have been avoided during the period 1997-2000 by providing a separate electric connection for domestic consumption.

The consumption of electricity in staff-quarters varied from 15.17 lakh units to 16.69 lakh units *per annum* during 1997-2000. This on an average amounted to 17.37 *per cent* of the total electricity consumed by JNU. The University gets electricity in bulk from DVB<sup>2</sup> at commercial rates but it provides electricity at substantially lower rates for residential consumption in its staff-quarters within the campus at DVB's tariff applicable to domestic consumers.

During the period 1997-2000 the unit rate electricity paid by JNU was Rs 3.50 but the total cost per unit varied from Rs 4.98 to Rs 5.19 due to demand charges, electricity tax etc. whereas domestic unit rate chargeable to staff-quarters varied from Re 1.00 to Rs 2.50 for consumption upto 400 units and was Rs three for over 400 units per month. Thus, JNU has been incurring recurring loss of differential cost of electricity since inception and it amounted to Rs 1.54 crore on total cost during the period 1997-2000.

<sup>1</sup> Jawaharlal Nehru University

<sup>2</sup> Delhi Vidyut Board

JNU could avoid the loss by opting and providing for a separate electric connection for its staff-quarters on a single delivery point basis for which concessional tariff was applicable. However, the University failed to provide a separate connection as of August 2000 and incurred avoidable excess expenditure of Rs 1.63 crore during 1997-2000 as the value of units consumed in staff-quarters at concessional tariff rates was Rs 0.79 crore against the total cost of Rs 2.42 crore incurred thereon.

JNU stated in August 2000 that DVB had accepted in June 2000 its proposal for providing a separate connection for staff quarters and it was likely to be installed by August 2001 depending upon the availability of funds.

The matter was referred to the Ministry in November 2000; their reply was awaited as of February 2001.

**Maulana Azad College of Technology, Bhopal**

### **6.5 Non-recovery of temporary advances granted and loss of interest**

**Failure to recover temporary advances amounting to Rs 30.23 lakh in time led to loss of interest of Rs 15.65 lakh.**

According to provisions of S.R. 53 (4) of Madhya Pradesh Treasury Code, Vol. I, temporary advances should be adjusted/recovered as early as possible but not later than three months.

Scrutiny of records (September 2000) of MACT<sup>1</sup> revealed that temporary advances of Rs 30.23 lakh sanctioned for various purposes were outstanding on March 2000 for adjustment/recovery. These advances were given out of grant in aid of Government of India. Out of the above an amount of Rs 0.69 lakh related to the period prior to 1973-74, for which no details were available with the department and hence the department might not be able to recover the amount. Further the advances outstanding up to 1996-97 were to the extent of Rs 6.75 lakh and an amount of Rs 23.48 lakh was further added to the outstanding advances during 1997-98 to 1999-2000 indicating the rising trend in non-adjustment of these advances. Since out of above advances, Rs 3.63 lakh pertained to advances on account of leave salary, TA, the claims against these, if any, stands forfeited after a period of one year. The other advances were pending recovery for a period of 6 months to 26 years and with the passage of time the chances of recovery were

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<sup>1</sup> Maulana Azad College of Technology

remote. Moreover, the MACT had lost Rs 15.65 lakh by way of penal interest on the outstanding advances.

In reply the department remarked “noted for future compliance”.

The matter was referred to the Ministry in October 2000; their reply was awaited as of February 2001.

## **National Council of Educational Research and Training**

### **6.6 Non-recovery of cost of paper**

#### **Non-recovery of Rs 17.27 lakh from the printer.**

NCERT<sup>1</sup> had assigned the job of printing of two books viz. (a) “Abhyas Pustika Bal Bharti, Bhag-I” (198000 copies) and (b) “Desh Aur Unkey Newasi-I” (70000 copies) to Parampara Offset Printers, Delhi on 25.10.1994 and 26.12.1994 respectively, as per instructions and specifications contained in the Job Orders attached with the assignment letters. As per the conditions of agreement in the event of any dispute the matter shall be referred to the sole arbitration of the Head of Publication Division, NCERT. The award of arbitration so appointed shall be final and binding on the parties.

It was observed that the Printer could print and supply only 45300 copies of 1<sup>st</sup> book and failed to print the balance copies of this book and the entire quantity of second book (70000 copies). NCERT had supplied 3365 reams and 1070 sheets of paper of different sizes to the Printer, out of which 2129 reams and 1036 sheets costing Rs 881707 were left unutilised with the Printer.

NCERT took up the matter in February 1996 for return of or recovery of the cost of unutilised paper with the Printer, but the Printer neither returned the paper nor refunded the cost.

NCERT appointed the Arbitrator for the claim under the “Arbitration and Conciliation Act 1996” and informed the Printer through notice of 9<sup>th</sup> January 1997. NCERT claimed the amount equal to four times of the cost of the paper, but the Arbitrator awarded the claim equal to double of the cost i.e. Rs 1763414 vide item No. 10(B) of the Arbitral Award No. AT/97/01, dated 31.7.97. Further Rs 6430 on account of arbitral work and Rs 1000 for causing delay in proceedings was also recoverable from the Printer.

<sup>1</sup> National Council of Educational Research and Training

An amount of Rs 43759 was payable to the Printer for printing of books etc. NCERT could not recover the balance amount of Rs 17.27 lakh even after a lapse of about three years though as per the agreement deed the award of arbitrator was final and binding on the Printer. NCERT while confirming the facts intimated in February 2000 that the Printer had failed to honour the award.

The Ministry stated in November 2000 that as the Printer had failed to comply with the award of Arbitrator, NCERT had filed a suit for recovery in the High Court of Delhi which was still pending.

## **6.7 Infructuous expenditure**

### **Infructuous expenditure of Rs 15.96 lakh on storage of obsolete books.**

NCERT brings out educational text books every year on the prescription of Central Board of Secondary Education, New Delhi. These books are purchased by the students which are recommended by various school systems spread all over the country.

With the introduction of new National Policy on Education 1986, Council published new text books during the period from 1987-88 to 1990-91. This resulted in 3508717 text books as obsolete which were published by the Council prior to the introduction of new education policy. In March 1992 it was proposed to sell these books as waste to make space for new text books in godowns. Simultaneously, it was also decided that instead of disposing of these books as "Raddi", these books should be distributed free of cost to educational institutions provided they lift the books from godowns at their cost. Secretary NCERT wrote to all State Resident Commissioners in May 1993 to lift these books free of cost and reminders were also issued in February 1994. No follow up action was taken thereafter. There was no response from any State. However, between 1992-93 and 1993-94 Council distributed 1138234 books free of cost to government educational institutions.

For storing balance 2370483 books, Council hired godowns at Kirti Nagar from February 1995 to October 1996 and at Sahibabad from July 1996 to onwards. As there was no demand from any State for these obsolete books, there was no justification to hire godowns for storing these books. These books were still awaiting disposal as of August 1999.

Thus, between February 1995 and March 1999 the Council incurred infructuous expenditure of Rs 15.96 lakh on hiring of godowns at Kirti Nagar and Sahibabad which could have been avoided had the books been disposed of or distributed in time.

The Ministry while confirming the facts stated in March 2000 that the process of disposal of the obsolete stock of text books by auction has been initiated by NCERT and the same was expected to be completed shortly.



<b>School of Planning and Architecture</b>
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**6.8 Non-establishment of new campus**

<p><b>Non-initiating of any action by the School of Planning and Architecture to execute the lease deed, prepare architectural designs etc. after purchasing land in 1988 resulted in idle investment of Rs 1.99 crore and accumulation of arrears of Rs 99.37 lakh on account of ground rent and interest thereon.</b></p>
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Consequent upon attaining the status of a deemed university in December 1979 under section 3 of UGC Act of 1956, the activities of the School<sup>1</sup> increased and the existing physical facilities like institutional building, student hostels, playgrounds premises etc were not found sufficient. In order to enhance these facilities and also to meet the future expansion programme, it was decided in the year 1983 to establish a new campus. Accordingly, the school approached DDA<sup>2</sup> in February 1983 for allotment of 50 acres of land for the purpose. In December 1983, the DDA offered 20 acres of land near JNU Campus on perpetual lease-hold basis at the provisional rate of Rs six lakh per acre with annual ground rent @ 2 ½ per cent per annum of the premium of land. Initially it was felt that the School would be entitled to the concessional rate of Rs 10000 per acre but subsequently in November 1987 it became known that the concessional rate was applicable to grant aided charitable institutions only. In the meantime, DDA revised the rate of land (November 1987) to Rs eight lakh per acre (provisional) and accordingly issued Demand Notice to the School at the revised rates. After receipt of approval from the Ministry in December 1987, the School remitted Rs 1.64 crore (including ground rent of Rs 0.04 crore for one year) with DDA in January 1988. The possession of land was also taken in September 1988.

In February 1992, DDA further revised the rate of the land to Rs 9.50 lakh per acre (provisional) and the ground rent @ 2 ½ per cent per annum payable half yearly on 15<sup>th</sup> January and 15<sup>th</sup> July in advance. The differential amount of Rs 30.75 lakh (including ground rent for one year) was also paid to DDA in March 1992. In June 1992, DDA handed over an alternate site to the west of JNU Campus to the School as the earlier site was falling in the Palam Airport funnel.

It was seen in audit (June 2000) that as per the conditions of allotment of land, the School was required to complete construction of the building within two years from the date of taking over the possession of land, but no action to execute the lease deed, develop the site, prepare architectural designs etc. for establishing the new campus had been taken during the last 12 years and the land was lying vacant. Thus, the entire investment of Rs 1.99 crore (including Rs 0.04 crore on fencing and

<sup>1</sup> School of Planning and Architecture

<sup>2</sup> Delhi Development Authority

watch and ward etc.) has been rendered idle. It was also noticed that the ground rent had not been paid beyond September 1989 resulting into accumulation of arrears to the tune of Rs 50 lakh upto March 2000 and creation of avoidable interest liability of Rs 49.37 lakh @ 18 per cent per annum on the arrears of ground rent. On being pointed out, the School stated in July 2000 that the action in this regard was being taken shortly.

Thus, inaction on the part of the School to execute the project and remit ground rent regularly had resulted in idle investment of Rs 1.99 crore and accumulation of arrears of Rs 50 lakh besides creation of the avoidable liability of Rs 49.37 lakh on account of interest thereon. The activities of the School remained constrained and the objective of expansion remains unfulfilled.

The matter was referred to the Ministry in September 2000; their reply was awaited as of February 2001.

### **Department of Women and Child Development**

### **All India Women Conference**

## **6.9 Loss on account of lower and non-uniform rates of rent**

**All India Women's Conference suffered a loss of Rs 2.57 crore on account of charging lower and non-uniform rates of rent and service charges due to defective lease deeds and agreements.**

AIWC<sup>1</sup> a welfare organisation registered under the Societies Registration Act 1860 supplemented its income by leasing out its premises at Sarojini House, New Delhi on the basis of covered area on such terms and conditions as given in the formal lease deeds and agreements. Audit scrutiny of the lease deeds and agreements with four lessees namely, Foundation Aga Khan, Canara Bank, Syndicate Bank and Dalal Consultants and Engineers (P) Ltd., covering lease period from April 1979 to December 2003 revealed that AIWC suffered loss amounting to Rs 2.57 crore on account of charging lower and non-uniform rates of rent and service charges due to defective planning and agreements as under.

AIWC did not stipulate the annual increase in rates of rent and service charges as it failed to visualise and take into consideration the annual inflationary impact and

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<sup>1</sup> All India Women's Conference

rising cost of repairs and maintenance of the premises. Besides, it did not reserve its right of termination and extension of lease period in order to control and regulate the rates according to changed conditions and rising trends of rent and service charges in the years to come. Instead, AIWC leased out its premises situated at prime location in New Delhi for a spell of five to ten years at a time at fixed rates, which were much lower than the prevailing market rates, granting absolute option to the lessees for extension of lease period for another equal spell on the same terms and conditions subject to nominal increase in rent by 15 *per cent* to 25 *per cent*. The lessees had the option to terminate their lease simply by serving a notice of three months.

Though there was no bar on increasing the service charges during the extended spell of lease period, AIWC did not make any effort to enhance these and suffered avoidable losses on this account as well.

As the prevailing rates fixed by AIWC from time to time during specified lease period were more than the rates actually charged, the difference in rates of rent and service charges resulted in avoidable loss of revenue amounting to Rs 2.57 crore.

The matter was referred to the Ministry in October 2000. The Ministry stated in February 2001 that it did not work for profit as commercial body and that the tenants in question had contributed extensively in raising the building and rents were agreed on mutual negotiation. However, the AIWC was unable to deny the points raised by Audit.