

**SANT LONGOWAL INSTITUTE OF ENGINEERING & TECHNOLOGY, LONGOWAL , DISTT. SANGRUR PUNJAB**  
**ANNOTATED REPLIES TO THE AUDIT OBJECTIONS RAISED DURING THE YEAR 2007-08**  
**REVIEW OF OLD OBJECTIONS AS PER AUDIT REPORT**

Period of Audit Report	Para No.	Audit Objections raised by Audit	Reply of the Institute
2007-08	01	<p><b>Unnecessary retention of Government money of Rs. 9.93 crore.</b>  SLIET was neither providing depreciation on its assets nor showing the extent of depreciation accumulated on the assets by way of a note in its annual accounts. Resultantly, annual accounts of SLIET were not depicting a true and fair view of the asserts which was being pointed out by the Comptroller and Auditor General of India in its Reports. In view of audit observation, SLIET approached (January 2004) MHRD for allotment of funds for creation of Depreciation Reserve Fund. Accordingly, MHRD allotted Rs. 8.00 crore in the revised budget estimates for the year 2003-04 and SLIET created (March/April 2004) the Depreciation Reserve Fund and the amount was kept in separate bank account which has accumulated to Rs. 9.93 crore as on 31 March, 2008.</p> <p>Audit observed that since SLIET is a non-profit organization and cent-percent funded by the GOI, the depiction of depreciation in the annual accounts was only a commercial requirement based on sound accounting practices as well as "Common Format of Accounts for Central Autonomous Bodies" prescribed by the Ministry of Finance. Hence, there was no necessity for creation of separate reserve fund. Despite repeated audit comments in this regard SLIET failed to refund this amount to MHRD. This has resulted not only in unnecessary retention of Government money but also effected the ways and means position of the Government.</p> <p>In reply to audit observations the Management stated (July 2008) that the matter regarding Depreciation Reserve Fund will be placed in the forthcoming meeting of Finance Committee for decision. Further developments are awaited (September 2008).</p>	<p>The matter was put up before 29<sup>th</sup> Finance Committee meeting for consideration and orders. The Committee had decided to refer the matter Integrated Finance Division (IFD), New Delhi, as ordered the matter forwarded MHRD. In response to our letter, the MHRD has directed to adjust the entire amount including interest during the current year and to make suitable adjustment at the RE stage. Accordingly Institute has closed the S/B A/c No. 5264 (Reserve Fund for Depreciation – Sinking Fund) and encashed the FDRs, the entire amount alongwith interest has been transferred to S/B A/C No. 540 (GIA) under head Non-Plan, <b>(copy enclosed)</b> hence para may please be dropped.</p> <p style="text-align: center;"><b>(Page No.: 01 to 09)</b></p>
2007-08	02	<p><b>Excess drawal of grants-in-aid of Rs. 8.42 crore and loss of interest of Rs. 49.66 lakh</b>  Since SLIET is cent-percent funded by the Central Government, it is not authorized to retain any funds, of whatsoever nature, without the approval of MHRD. Hence the entire funds collected through its IRG are required to be reflected in the budget estimates for working out overall deficit. It was, however, noticed in Audit that receipts on account of Consultancy services provided by it, fees received from students on account of Computer Development Fund, Institute Development Fund, Students Welfare Fund and surplus of SLIET Entrance Test (SET) Account were not reflected in budget estimates. Rather SLIET had maintained separate bank accounts for these receipts and also incurred related expenses out of these receipts and excess of these receipts over expenditure were retained without the approval of MHRD. Resultantly, these receipts and expenditure there against remained outside the scope of administrative and budgetary / financial control of MHRD. As on 31 March 2008, the balances in these accounts accumulated to Rs. 8.42 crore.</p> <p>Further, these funds were deposited in separate saving accounts without proper policy of investment, resulting in loss of interest amounting to Rs 49.66 lakh during the last five years ending 31 March 2008, worked out at the annual term deposit rates applicable in the beginning of the respective years, after adjustment of interest received.</p> <p>This has resulted not only in excess drawl of grants-in-aid from to the extent of Rs.8.36 crore and loss of interest of Rs. 49.66 lakh but also in breach of administrative and financial control of MHRD.</p> <p>On being pointed out in Audit, the Management stated (July 2008) that the matter regarding IRG will be put up in the forthcoming meeting of Finance Committee of SLIET for decision. Further developments are awaited (September 2008).</p>	<p>The matter has been approved by the Finance Committee in its 29<sup>th</sup> meeting held on 06.02.09 and consolidated Balance Sheet has been prepared and shown to audit party, hence para may please be dropped.</p> <p style="text-align: center;"><b>(Page No.: 10)</b></p>

2007-08 3.11.3	03	<p><b>Irregular purchase of computers of Rs. 1.40 crore and avoidable extra expenditure of Rs. 10.97 lakh</b></p> <p>(A) While issuing clarifications on pay scales and service conditions for degree level technical institutions All India Council for Technical Education (AICTE), interalia, recommended (January 2003) reimbursement of 75 per cent of the cost of personal computer to the faculty. However, this recommendation was not mandatory. The BOG considered (March 2003) the recommendations of AICTE for adopting in SLIET and decided that the recommendations involving financial implications would be implemented only after seeking prior approval of the Chairman, BOG, who was formally authorized in this respect to exercise the power of BOG.</p> <p>Audit observed that in contravention of the decision of the BOG, the Director of SLIET accorded (March 2004) sanction for providing 107 personal computers to the faculty with 75 per cent share of SLIET subject to furnishing of the undertaking by the faculty members that they would refund any amount if objected by CAG/MHRD at any later stage. Accordingly, 107 computers valuing Rs. 57.35 lakh were purchased (March 2004) including SLIET share of Rs. 42.80 lakh. Audit further observed that the purchase was made by a Spot Purchase Committee by ignoring the approved mode of tendering in case of purchase of items valuing more than Rs. 0.25 lakh. This has resulted not only in irregular purchase of computers to the extent of Rs.57.35 lakh but also deprived the Institute of the benefit of competitive rates. The matter was reported to the Management (July 2008); reply not received (September 2008).</p>	<p>Agenda Item No. 28.05 has been approved by the BOM in its 28<sup>th</sup> meeting on dated <b>28.03.2018</b> and subsequent 32<sup>nd</sup> BOM held on 14.06.2019. It has been decided that an amount of Rs. 4275.00 per faculty member is to be recovered, (copy enclosed)</p> <p>In this regard, a sum of Rs. 3,93,300.00 has been deducted from salary in the month of July, 2019 from 92 faculty members out of 108 faculty members. The rest of the recovery of 16 faculty members is being pursued administratively as these faculty left the Institute.</p> <p>Hence, the para may be settled please.</p> <p>(Page No.: 11 to 16)</p>
	(B)	<p>On the basis of requirement of different departments the Institute purchased (February 2005) 76 PCs, peripherals and net working items on DGS&amp;D rate contract basis from M/S Acer India (Pvt.) Ltd., New Delhi at a total cost of Rs. 51.25 lakh. It was noticed that justification of these materials was not critically examined before placement of purchase order. Out of 76 PCs, 10 PCs meant for SMS and 17 PCs meant for various projects were issued to other departments. Hence, either the demand of these 27 PCs was included in the purchase proposal arbitrarily or these PCs were not immediately required by the requisitionists. This resulted into purchase of 27 PCs without immediate requirement. Further, the PCs and peripherals purchased were of higher configuration as compared to configurations contained in requirements of end users. PCs with HT 3.4 GHZ 800 MHZ FSB instead of PCs with HT 3.0 GHZ 800 FSB and TFT monitors instead of digital colour monitors were purchased at higher cost of Rs.3,100 and Rs.11,336 per item respectively, resulting in extra expenditure of Rs. 10.97 lakh. The matter was reported to the Management (July 2008); reply not received (September 2008).</p>	
	(C)	<p>General Financial Rules provided that expenditure should not be incurred on a scheme/service without sufficient provision of funds in budget estimates. In contravention of these rules, the Director of SLIET purchased (March 2005) PCs, peripherals and networking items valuing Rs. 82.30 lakh and expenditure was met from irregularly created Funds: Institute Development Fund (Rs. 43.52 lakh), and Computer Development Fund (Rs. 38.78 lakh), whereas the Director, irrespective of his/her delegation of powers, was not authorized to incur any expenditure from accumulated balance of these irregular created Funds without the approval of MHRD. This has resulted in irregular purchase of PCs, peripherals and networking items to the extent to Rs. 82.30 lakh. The matter was reported to the Management (August 2008); reply not received (September 2008).</p>	
2007-08	04	<p><b>Avoidable payment of electricity duty of Rs. 47.56 lakh</b></p> <p>As per Section 3 (3) (a) and (b) of Punjab Electricity Duty Act, 1958, the offices and works of Central Government are exempted from levy of electricity duty. SLIET being a Central autonomous body was eligible for exemption from levy of electricity duty.</p> <p>It was, however, noticed that SLIET had been paying electricity duty on</p>	<p>The PSPCL has made full and final adjustment towards electricity claim for amounting to Rs.38,17,539.00 in the regular electricity bills of the Institute for the month of May and June, 2018. The same has been taken in the books of accounts vide journal voucher No. 116 dated 05.07.2018 and No. 125 dated 18.07.2018, respectively in the financial</p>

		<p>consumption of electricity since its inception. On being pointed out in audit (October 2000), though the Institute took up the matter with various authorities but not pursued it properly and regularly and took up four and a half years to approach (May 2005) the competent authority, the Secretary, Irrigation &amp; Electricity, Government of Punjab in this regard. The Institute was granted exemption from levy of electricity duty on its power bills with effect from June 2006. This has resulted in excess payment of electricity duty amounting to Rs. 47.56 lakh for the period from 1992-93 to May 2006. The claim for refund of this excess payment has been preferred with PSEB in December 2007, however, after lapse of more than 17 months from the date of granting of above exemption and the refund has not been received so far (August 2008).</p> <p>Reasons for abnormal delay in taking up the matter with competent authority and in preferring the claim for refund of excess payment of electricity duty were called for (August 2008); plausible reply not received.</p>	<p>year 2018-19. Copy of the vouchers for adjustments enclosed for ready reference please. Accordingly, the para may be settled.</p> <p>(Page No.: 17 to 23)</p>
2007-08	05 (A)	<p><b>Excess payment of Study Leave salary of Rs. 28.73 lakh.</b></p> <p>As per CCS (Leave) Rules, which are also applicable to SLIET, study leave is granted to a Government servant, who has rendered not less than five years regular continuous service. Maximum period of study leave to a Government servant is 24 months in his entire service and may be granted at a stretch or in different spells and also in conjunction with other kinds of leave; but maximum period of continuous absence from his regular work should not exceed 28 months (36 months in the case of study leave leading to award of PhD Degree). Audit, however, observed that during the last five years ending 31 March 2008 study leave was sanctioned to six<sup>1</sup> lecturers/Assistant Professors in excess of permissible limit of two years and to two<sup>2</sup> lecturers who had not completed five years regular continuous service at the time of sanction of study leave. This has resulted in excess payment of Rs. 28.73 lakh being leave salary for inadmissible period of study leave which needs to be recovered from concerned.</p> <p>The matter was reported to the Management (August 2008); reply not received (September 2008).</p>	<p>Prior to the implementation in the 2<sup>nd</sup> BOG Leave Rules, SLIET used to follow its own institution leave rules. A copy of following documents are also enclosed herewith as desired by the Ministry:</p> <ol style="list-style-type: none"> <li>XI Set of Rules, approved in the 2<sup>nd</sup> BOG dated 15.02.1990 vide Item No. 28, copy of study leave, agenda and minutes pertaining to the provisions of study leave, consisting of 6 (six) pages are attached as Annexure-1.</li> <li>Agenda &amp; Minutes pertaining to updated rules for Study leave of BOG's 14<sup>th</sup> Meeting Item No.14.8, consisting of 2 (two) pages, are enclosed as Annexure-2.</li> <li>Amended Study Leave rules vide Item No. 20.13 (d) in 20<sup>th</sup> BOG meeting, consisting of 2 (two) pages are enclosed as Annexure-3.</li> </ol> <p>SLIET in its 10<sup>th</sup> BOM dated 24.03.2012 vide Agenda Item No. 10.3 has implemented CCS (CCA) Rules, which were circulated vide Office Order No. REG/653-55, dated 30.05.2012, keeping the SLIET Rules in abeyance till further orders. A copy of the office order is enclosed consisting of 1 (one) page as Annexure-4.</p> <p>In view of above reply and latest audit comments vide letter no.: <b>DP-Cell/ATN-SLIET/2016-17/46, dated 17.06.2016.</b></p> <p>Keeping in view the audit observations and comments of the MHRD, New Delhi, the matter will be placed before the Board of Management in its next meeting for appropriate decision, which is likely to be held in the 2<sup>nd</sup> week October, 2016. The final reply in the matter will be submitted after the decision of the Board of Management.</p> <p>(Page No.: 24 to 54)</p>
	06	<p><b>Avoidable extra expenditure of Rs. 19.86 lakh</b></p> <p>SLIET invited (30 November 2004) technical and commercial bids separately for 2 and 4 MBPS (Mega bit per second) internet leased line for internet connectivity of the Institute. Five firms submitted their bids. A Committee of three Heads of departments and Store Purchase Officer constituted (18 December 2004) to open and examine the bids opened (21 December 2004) the technical and commercial bids simultaneously, inconsistent with purchase regulations. Commercial bids should not have been opened before assessing the technical suitability of the services offered. One firm was rejected on technical ground and remaining four firms were called for</p>	<p>During November 2004, the Institute invited quotations for 2 Mbps (Mega bites per second) and 4 Mbps internet leased lines for internet connectivity. Four firms applied. Inadvertently, at the time of opening of the technical bids, the commercial bids too of all the four parties were opened on 21.12.2004.</p> <p>On reconsideration, a need was felt to revise the technical specifications and thereafter all the four bidders were invited on 11.01.2005 for the negotiations and for re-submission of bids with minor modifications in the Technical specifications. The</p>

negotiations. After detailed technical discussions on 11 January 2005 modified technical specifications were finalized and all the four firms were asked to submit their fresh technical and commercial bids on or before 14 January 2005. Three firms submitted revised technical and commercial bids. The committee opened the revised bids on 24 January 2005 and observed that technically all the three firms were at par. Whereas, HFCL Infotel Ltd., Mohali had offered the lowest rates of Rs. 10.00 lakh and Rs. 15.50 lakh for 2MBPS and 4 MBPS line respectively, rates of Bharat Sanchar Nigam Ltd., Sangrur (BSNL) were highest at Rs. 17.68 lakh and Rs. 35.36 lakh, respectively. The Management decided to commission only 4 MBPS internet leased line. Meanwhile, BSNL taking the benefit of the lapse of the committee represented (11 January 2005) that its rates being the lowest, negotiation, if any, might be done with it only. In view of their representation, the Committee discussed (29 January 2005) the case with the Director of SLIET and placed the order on BSNL, by incurring extra expenditure of Rs. 19.86 lakh.

On being pointed out in Audit, Management stated (August 2008) that the contract was placed on BSNL in view of Central Vigilance Commission (CVC) guidelines (November 1998) for post tender negotiations. The reply is not tenable because after freezing of technical specification on 11 January 2005 when all the four firms were asked to submit technical and commercial bids afresh, the tenders submitted before 11 January 2005 stood cancelled automatically. Hence the assertion of BSNL about its lowest commercial bid was not sustainable and liable to be rejected.

details of bids both original and revised submitted by the bidders initially and after the negotiations are given herein under:

S. No	Firm	Detail of Bids			
		2 Mbps		4 Mbps	
		Original	Revised	Original	Revised
1	BSNL	1767760/- inclusive of service tax (L-1)	1767760/- inclusive of service tax (L-2)	3535520/- inclusive of service tax (L-1)	3535520/- inclusive of service tax
2	HFCL	1900000/- + service tax	1000000/- + service tax (L-1)	3750000/- + service tax	1550000/- inclusive of service tax (L-1)
3	SAB	2078200 inclusive of service tax (L-2)	--	3648000/- inclusive of service tax (L-2)	3035000/- inclusive of service tax (L-2)
4	VSNL	2512680 service tax	--	4890360/- service tax	--

BSNL being L-1 objected to it *inter alia* bringing out, "In the negotiations we came to know that BSNL is the lowest bidder. However now we have been told to resubmit the technical and commercial bid once again by all the participants which is not fair. In principle the negotiation of rates should be done with the lowest bidder. This may be taken into consideration and negotiation of rates if any may please be done with BSNL only instead of calling rates from all participants once again". The above concern of BSNL as well as the CVC guidelines issued vide letter No.8(1)(h)/98/1 dated 18.11.1998 stipulating post tender negotiations with only L-1 firm was highlighted by the committee vide their noting sheet dated 28.1.2005.

In this connection BSNL letter No. Nil dated 11.01.2005 and letter No.COMP/SRR/SLIET/7 dated 14.01.2005 in two pages are enclosed as **Annexure-C**. On one hand, there was HFCL, a relatively insignificant private player, whose credentials were yet to be ascertained and on the other BSNL, a time tested and a government concern with a proven track record. Interestingly while submitting the revised bids, the HFCL incase of 4 Mbps had drastically reduced the rates by 59% and in case of 2 Mbps by 48%, which naturally had raised suspicion and ad further put a question mark on the genuineness of the firm. Under such circumstances, the Director decided to award the contract to BSNL being L-1 as well a Government undertaking. As regards, initiating disciplinary departmental action against the then Director for not following the instructions of Govt. and CVC, it appears that the fact of BSNL, being a government undertaking, weighed favorably in the mind of the then Director while awarding the contract in their favour, as against HFCL, being a private concern. It may be appreciated that the contract had been awarded to a Govt. undertaking obviating any chances of malafide/dishonest transaction.

In view of above, **the audit has admitted** the reply vide letter no.: **DP-Cell/ATN-SLIET/2016-17/46, dated 17.06.2016**. Hence, para may be settled.

(Page No.: 24 to 54)

2007-08	07	<p>Loss of potential savings on power bills due to Non-implementation Energy Audit recommendations – Rs. 12.59 lakh</p> <p>National Productivity Council conducted (May 2001) mandatory energy audit of SLIET and recommended the following options for energy conservation:</p> <table border="1" data-bbox="492 243 1638 800"> <thead> <tr> <th>Options</th> <th>Annual energy saving (Units in lakh)</th> <th>Annual energy saving (Rs. in lakh)</th> <th>Investment required (Rs. In lakh)</th> <th>Status of work</th> </tr> </thead> <tbody> <tr> <td>1. Installation of servo transformers</td> <td>0.39</td> <td>1.22</td> <td>1.50</td> <td>Not taken yet</td> </tr> <tr> <td>2. Replacement of 125 W high pressure mercury vapour (HPMV) lamps by 70 W high pressure sodium vapour (HPSV) lamps</td> <td>0.54</td> <td>1.68</td> <td>5.00</td> <td>Partially carried out. 41 lamps out of 250 replaced in April 2006</td> </tr> </tbody> </table> <p>Above table showed that the recommendations of the Energy Audit have not been implemented so far (August 2008) even after lapse of more than six years. This has deprived the Institute of savings of Rs. 12.59 lakh, being the difference of potential savings on account of conservation of energy during the last six years and investment required for the implementation of options of Energy Audit. On being pointed out in Audit the Management stated (August 2008) that action has been initiated to implement the recommendation of mandatory energy audit. Further developments are awaited.</p>	Options	Annual energy saving (Units in lakh)	Annual energy saving (Rs. in lakh)	Investment required (Rs. In lakh)	Status of work	1. Installation of servo transformers	0.39	1.22	1.50	Not taken yet	2. Replacement of 125 W high pressure mercury vapour (HPMV) lamps by 70 W high pressure sodium vapour (HPSV) lamps	0.54	1.68	5.00	Partially carried out. 41 lamps out of 250 replaced in April 2006	<p>All the 125W HPMV lamps have been replaced with 70 HPSV lamps in the Financial Year 2008-09. Servo transformer has been installed in the Financial Year 2008-09. Therefore, recommendations of Energy Audit conducted by National Productivity Council have been implemented in the Institute.</p> <p>In view of above, <b><u>the audit has admitted</u></b> the reply vide letter no.: <b>DP-Cell/ATN-SLIET/2016-17/46, dated 17.06.2016.</b> Hence, para may be settled.</p> <p><b>(Page No.: 24 to 54)</b></p>
Options	Annual energy saving (Units in lakh)	Annual energy saving (Rs. in lakh)	Investment required (Rs. In lakh)	Status of work														
1. Installation of servo transformers	0.39	1.22	1.50	Not taken yet														
2. Replacement of 125 W high pressure mercury vapour (HPMV) lamps by 70 W high pressure sodium vapour (HPSV) lamps	0.54	1.68	5.00	Partially carried out. 41 lamps out of 250 replaced in April 2006														
2007-08	08	<p><b>Irregular diversion of grant-in-aid of Rs. 11.82 lakh</b></p> <p>SLIET decided (25 November 2005) to hold an international conference on the topic “Molecules to Materials” to be organized by Department of Chemistry with the financial assistance of some institutional and private sponsorship. MHRD accorded (4 January 2006) its approval subject to the condition that the Ministry would not provide any financial assistance for holding the aforesaid conference. Audit, however, observed that in contravention of the direction of MHRD, the Director of SLIET accorded sanction of temporary advances of Rs. 11.82 lakh from annual grant-in-aid for holding of this conference. The conference was held in March 2006 at a total expenditure of Rs. 12.26 lakh. The organizers failed to collect sufficient funds from the sponsors and temporary advances of Rs. 11.82 lakh sanctioned from annual recurring grant-in-aid have not been adjusted so far (August 2008).</p> <p>Audit further observed that while incurring expenditure at the conference, principles of financial propriety were also not observed. This resulted in wasteful/extra expenditure of Rs. 3.24 lakh: on account of stationery and printing of conference material (Rs. 0.84 lakh), traveling allowances (Rs. 0.55 lakh), hospitality (Rs.1.05 lakh) and entertainment (Rs. 0.80 lakh). This has resulted not only in irregular diversion of recurring grant-in-aid to the extent of Rs. 11.82 lakh but also in wasteful/extra expenditure of Rs. 3.24 lakh. Matter was reported to the Management (July 2008); plausible reply not received (September 2008).</p>	<p>The matter has been ratified and approved by the Board of Management in its 1<sup>st</sup> meeting held on 06.02.2009 the recommendation of 29<sup>th</sup> Finance Committee meeting held on 06.02.09.</p> <p>In view of above, <b><u>the audit has admitted</u></b> the reply vide letter no.: <b>DP-Cell/ATN-SLIET/2016-17/46, dated 17.06.2016.</b> Hence, para may be settled.</p> <p><b>(Page No.: 24 to 54)</b></p>															

2007-08	09	<p><b>Irregular purchase of vehicles of Rs. 11.79 lakh and unjustified expenditure of Rs. 1.39 lakh</b></p> <p>The power of sanction for purchase of vehicles for centrally funded Institutions vests with Ministry of Finance, Government of India. It was, however, noticed that SLIET, in contravention of above provisions, purchased two vehicles (i) a Maruti Gypsy in February 2005 at a cost of Rs. 4.48 lakh and (ii) Swaraj Mazda Ambulance in February 2006 at a cost of Rs. 7.31 lakh without referring the matter to MHRD to obtain sanction of Ministry of Finance. These purchases were financed from the irregularly retained accumulated savings of SET Account. This has resulted in irregular purchase of vehicles of Rs. 11.79 lakh</p> <p>Further, the Maruti Gypsy was allocated (April 2005) to Secretary to officer on Special Duty (OSD) with Deputy Chief Minister, Punjab who retained the vehicle unauthorizedly for more than one year (13 April 2005 to 8 August 2006) and an expenditure of Rs. 1.39 lakh (Rs. 0.46 lakh on account of wages of a driver engaged on contract basis and Rs. 0.93 lakh on account of petrol, oil and repair of the vehicle) was borne by SLIET. Audit observed that it was beyond the scope/jurisdiction of the Institute to allocate vehicles to Secretariat staff/ political dignitaries.</p> <p>The matter was reported to the Management (July 2008); reply not received (September 2008).</p>	<p>The matter regarding purchase of Swaraj Mazda Ambulance has been approved by the Finance Committee in its 29<sup>th</sup> meeting held on 06.02.09.</p> <p>The Institute vehicle was assigned/attached with the fleet of the then Deputy Chief Minister, Punjab who was also holding the portfolio of Department of Technical Education &amp; Industrial Training, Punjab, with the due consent of the then PSTE/IT, Punjab, Chairman, Building &amp; Works Committee/Finance Committee of the Institute. Since, the vehicle under the reference has been taken back by the Institute on 08.08.2006, hence para may be dropped.</p>																																																																			
2007-08	10	<p><b>Loss of revenue due to non-filling of NRI/NRI sponsored seats</b></p> <p>In accordance with instruction of the Government of India, SLIET Entrance Test (SET) Scheme provides for admission of NRI/NRI sponsored students equal to 10 per cent over and above the normal strength in the Diploma and Degree programmes. The amount to be charged from NRI/NRI sponsored students towards Tuition fee and Institute Development Fund was US\$ 1, 300 per annum for Diploma students and US\$ 6, 000 per annum for Degree students. Audit observed that 243 Nos. NRI/NRI sponsored seats in Diploma courses (92 Nos.) and Degree courses (151 Nos.) remained vacant during last four years ending March 2008 as tabulated below:</p> <table border="1" data-bbox="498 1066 1620 1738"> <thead> <tr> <th>Year</th> <th>Name of course</th> <th>Total number of NRI/NRI sponsored seats available</th> <th>Nos. of students admitted</th> <th>Nos. of seat remained vacant</th> <th>Potential loss of IRG due to vacant seats for the course (US\$)</th> </tr> </thead> <tbody> <tr> <td rowspan="2">2003-04</td> <td>Diploma</td> <td>30</td> <td>15</td> <td>15</td> <td>39,000</td> </tr> <tr> <td>Degree</td> <td>29</td> <td>NIL</td> <td>29</td> <td>52,2000</td> </tr> <tr> <td rowspan="2">2004-05</td> <td>Diploma</td> <td>30</td> <td>11</td> <td>19</td> <td>49,400</td> </tr> <tr> <td>Degree</td> <td>29</td> <td>NIL</td> <td>29</td> <td>5,22,000</td> </tr> <tr> <td rowspan="2">2005-06</td> <td>Diploma</td> <td>30</td> <td>13</td> <td>17</td> <td>44,200</td> </tr> <tr> <td>Degree</td> <td>29</td> <td>NIL</td> <td>29</td> <td>5,22,000</td> </tr> <tr> <td rowspan="2">2006-07</td> <td>Diploma</td> <td>30</td> <td>5</td> <td>25</td> <td>65,000</td> </tr> <tr> <td>Degree</td> <td>32</td> <td>NIL</td> <td>32</td> <td>5,76,000</td> </tr> <tr> <td rowspan="2">2007-08</td> <td>Diploma</td> <td>30</td> <td>14</td> <td>16</td> <td><b>41,600</b></td> </tr> <tr> <td>Degree</td> <td>32</td> <td>NIL</td> <td>32</td> <td><b>5,76,000</b></td> </tr> <tr> <td colspan="2"><b>Total</b></td> <td></td> <td></td> <td>243</td> <td>2957200</td> </tr> </tbody> </table> <p>Thus, failure of the Institute to attract adequate number of NRI/NRI sponsored students resulted in potential loss of IRG to the extent of Rs. 11.83 crore (calculated at the average rate of US\$ = Rs. 40.00) during the last five years ending March 2008. The matter was reported to the Management; plausible and conclusive reply not received (September 2008).</p>	Year	Name of course	Total number of NRI/NRI sponsored seats available	Nos. of students admitted	Nos. of seat remained vacant	Potential loss of IRG due to vacant seats for the course (US\$)	2003-04	Diploma	30	15	15	39,000	Degree	29	NIL	29	52,2000	2004-05	Diploma	30	11	19	49,400	Degree	29	NIL	29	5,22,000	2005-06	Diploma	30	13	17	44,200	Degree	29	NIL	29	5,22,000	2006-07	Diploma	30	5	25	65,000	Degree	32	NIL	32	5,76,000	2007-08	Diploma	30	14	16	<b>41,600</b>	Degree	32	NIL	32	<b>5,76,000</b>	<b>Total</b>				243	2957200	<p>At SLIET, Longowal, the Diploma Programmes is a non-conventional programme after 10+2 and it is in other polytechnics/institutes, it is of three years duration after matriculation. However, the unique feature of two years diploma at SLIET is that it provides mobility of 50% of the students to three years degree programmes. But such facility of vertical mobility is not applicable to students who take admission in Diploma programme under NRI/NRI Sponsored Category. If this facility has been offered to the students admitted under NRI/NRI sponsored Category also, certainly the attraction to diploma programme under NRI/NRI Sponsored Category could have been much larger. In other institute, diploma programmes are of three years duration after matric and degree programmes are of four years duration after 10+2. However, as such no direct mobility is being offered from diploma programme to degree programme through vertical promotion in other institute.</p> <p>Other engineering institutes are having four years degree programmes after 10+2. However, at SLIET, it is of three years duration after two years diploma at SLIET or three years diploma at polytechnic. The tuition fee to the tune of US\$6000 and Institute development charges to the tune of seems to be on very much higher side. However, as such, the comparison with other engineering colleges offering four years degree programmes to an institute offering three years degree programmes does not seem to be justifiable in this manner. Also due to intake at diploma level, the number of admission aspirants is comparatively lower as compared to 10+2 level if it could have been a four year degree programmes. Obviously, due to limited number of students at diploma level overall, the number of NRI/NRI sponsored students also becomes limited .</p> <p>Advertisement in Foreign News Papers &amp; Media may involve very huge expenditure. Spending huge amount on advertisement in anticipation to have increased admissions of NRI/NRI sponsored Category, is a risky affair, which may result in an unprecedented loss of revenue instead of earnings for the Institute. However, the institute is giving advertisement in also almost the leading News Papers in India most of which are available on the internet as on line papers. Some of the papers though published in India are also available as such in foreign countries. Moreover, the Institute is also maintaining its website and every information related to various course offered at SLIET and its admission procedure and details about SLIET Entrance Test is also displayed on the website. Also, from time to time, the Institute faculty and officials used to have foreign trips to propagate the name of the Institute and various course offered by it.</p>
Year	Name of course	Total number of NRI/NRI sponsored seats available	Nos. of students admitted	Nos. of seat remained vacant	Potential loss of IRG due to vacant seats for the course (US\$)																																																																	
2003-04	Diploma	30	15	15	39,000																																																																	
	Degree	29	NIL	29	52,2000																																																																	
2004-05	Diploma	30	11	19	49,400																																																																	
	Degree	29	NIL	29	5,22,000																																																																	
2005-06	Diploma	30	13	17	44,200																																																																	
	Degree	29	NIL	29	5,22,000																																																																	
2006-07	Diploma	30	5	25	65,000																																																																	
	Degree	32	NIL	32	5,76,000																																																																	
2007-08	Diploma	30	14	16	<b>41,600</b>																																																																	
	Degree	32	NIL	32	<b>5,76,000</b>																																																																	
<b>Total</b>				243	2957200																																																																	
2007-08	11	<p><b>Delay in introduction of Degree Programme in Information Technology</b></p>																																																																				

		<p>SLIET introduced a degree programme in "Information Technology" with intake capacity of 30 students in 2006-07 despite sanction of AICTE and approval of BOG (December 2000) to start this programme in 2001. Abnormal delay in introduction of degree programme in "Information Technology" not only resulted in denial of benefit of desired skill/competence likely to accrue to the students for whom such degree programme was to be introduced but also in potential loss of IRG to the extent of Rs. 1.12 crore (calculated after allowing 2 years from the date of sanction for completing the necessary formalities and arrangement for infrastructure facilities). The matter was reported to the Management ((July 2008) reply not received (September 2008).</p>	<p>Based on the relevant records available, it is presumed that approval for starting B.E (I.T) programme was received in the year 2001 vide AICTE Letter No. F. 765-65-031(E)/ET/95 dated 14.06.2001 with the specific condition that admission shall be made through the Central Counseling by the Government of Punjab only.</p> <p>It is worth to mention that this Institute has its own admission procedure through Entrance Examination for all the courses. It is also presumed that AICTE has again allowed the Institute to get admissions in B.E (I.T) programme by our own Entrance Examination Vide letter No. F. 765-65-031(ET/95 dated 14.05.2004 without mentioning any specific condition as it was mentioned in 2001-05 approval.</p> <p>The Institute promptly taken action and prepared the course curricula and it was sent to the BOS of PTU, Jalandhar for approval. After obtaining the approval, it was again informed in the 14<sup>th</sup> Academic Board Meeting alongwith permission to start the B.E (I.T) course. Therefore, it could be started in the year 2006 onwards through our Entrance Test.</p>																											
2007-08	12	<p><b>Abnormal delay in setting up of Digital Multimedia English language/ communication skill laboratory</b></p> <p>SLIET decided (December 2006) for setting up a Digital Multimedia English language/communication skill laboratory at Department of Entrepreneurship Development Programme (EDP) and Humanities. Computer equipments for the said laboratory were purchased at a cost of Rs. 11.53 lakh in May 2007. Configurations of the computer equipments were required to suit to run the software for the laboratory. The related software was purchased in November 2007 at a cost of Rs. 2.15 lakh. However, due to non-execution of civil works and networking of computers, the aforesaid laboratory could not be made operational so far (August 2008). This not only resulted in expenditure of Rs. 13.68 lakh remaining unfruitful but also denied the benefit of advanced training in communication skills to 935 passed out (2007-08) students of Certificate, Diploma, Degree and Post-graduate courses. Besides, compatibility of the software with computer equipments is also at stake. The matter was reported to the Management (August 2008); reply not received (September 2008).</p>	<p>The department has the following to say:-</p> <ol style="list-style-type: none"> <li>01. The equipment worth Rs. 11.53 lakh was purchased by the department in May 2007 and November, 2007 respectively as per directions of the competent authority and as per purchase procedure established by the Institute.</li> <li>02. Civil works could not be executed for circumstances beyond the control of the department.</li> <li>03. Despite civil works pending, the department tried to utilize the equipment as far as possible and the interest of the students was rightfully protected.</li> <li>04. Despite above facts, the students were trained effectively with the help of facilities available in other department/sections. Even extra classes/labs were taken to fully equip the students with necessary skills required to build up their careers. No complaint from any student on this count has been ever received by the department.</li> <li>05. Compatibility of the software was never at stake as an undertaking to this effect was taken from the respective vendors and the committee recommended the whole purchase after studying all aspects. Subsequently also the committee recommended that software was likely to run on the equipment. Software is running on the equipment purchased successfully.</li> </ol> <p>Further the software was purchased from different suppliers by considering various technical aspects and supply was not in the control of department, which took reasonable time.</p> <p>Since the department took extra pains in disseminating due skills to the students despite several handicaps and no academic loss was caused to the students/institute, it is requested that para may be dropped from the proceedings.</p>																											
2007-08	13	<p><b>Non-recovery of standard rent for unauthorized possession of staff quarters – Rs. 8.19 lakh</b></p> <p>In accordance with allotment of Residence Rules made under fundamental Rule 45 which are also applicable to SLIET, staff quarters allotted to employees/families are required to be vacated in the following cases after a permissible period for the retention of the staff quarter.</p> <table border="1" data-bbox="492 1692 1620 1969"> <thead> <tr> <th></th> <th>Events</th> <th>Permissible period For retention of the residence</th> </tr> </thead> <tbody> <tr> <td>(i)</td> <td>Resignation, dismissal, removal, or termination of service or unauthorized absence without permission.</td> <td>1 Month</td> </tr> <tr> <td>(ii)</td> <td>On proceeding on deputation/foreign service in India</td> <td>2 Month</td> </tr> <tr> <td>(iii)</td> <td>Death of the allotted</td> <td>12 Month</td> </tr> </tbody> </table>		Events	Permissible period For retention of the residence	(i)	Resignation, dismissal, removal, or termination of service or unauthorized absence without permission.	1 Month	(ii)	On proceeding on deputation/foreign service in India	2 Month	(iii)	Death of the allotted	12 Month	<p>It is submitted that the recovery of rent for amounting to Rs. 8,19,066.00 has been made with the following as under:-</p> <table border="1" data-bbox="1730 1587 2807 1940"> <thead> <tr> <th>Sr. No.</th> <th></th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Amount recovered from the employees.</td> <td>3,93,319.00</td> </tr> <tr> <td>2.</td> <td>Amount written off by the 51<sup>st</sup> FC meeting on dated 01.12.2017, Agenda Item No.51.02 (50.06)</td> <td>1,29,101.00</td> </tr> <tr> <td>3.</td> <td>Amount written off by the 28<sup>th</sup> BOM meeting on dated 28.03.2018 at, Agenda Item No. 28.05</td> <td>2,96,646.00</td> </tr> <tr> <td></td> <td><b>TOTAL</b></td> <td><b>8,19,066.00</b></td> </tr> </tbody> </table> <p>Hence, the para may be settled please.</p>	Sr. No.		Amount	1.	Amount recovered from the employees.	3,93,319.00	2.	Amount written off by the 51 <sup>st</sup> FC meeting on dated 01.12.2017, Agenda Item No.51.02 (50.06)	1,29,101.00	3.	Amount written off by the 28 <sup>th</sup> BOM meeting on dated 28.03.2018 at, Agenda Item No. 28.05	2,96,646.00		<b>TOTAL</b>	<b>8,19,066.00</b>
	Events	Permissible period For retention of the residence																												
(i)	Resignation, dismissal, removal, or termination of service or unauthorized absence without permission.	1 Month																												
(ii)	On proceeding on deputation/foreign service in India	2 Month																												
(iii)	Death of the allotted	12 Month																												
Sr. No.		Amount																												
1.	Amount recovered from the employees.	3,93,319.00																												
2.	Amount written off by the 51 <sup>st</sup> FC meeting on dated 01.12.2017, Agenda Item No.51.02 (50.06)	1,29,101.00																												
3.	Amount written off by the 28 <sup>th</sup> BOM meeting on dated 28.03.2018 at, Agenda Item No. 28.05	2,96,646.00																												
	<b>TOTAL</b>	<b>8,19,066.00</b>																												

		<p>In case of non-vacation of staff quarters, the provision of Public Premises (Eviction of unauthorized occupants) Act, 1971 are required to be invoked immediately to secure vacant possession of the staff quarter and standard/market rent are required to be recovered for the period of unauthorized possession of staff quarters. During test check of record of SLIET for the last five years ended 31 March 2008, Audit, however, observed that in 18 cases, detailed in <b>Annexure B</b>, the Institute failed to get the staff quarters vacated after the permissible period for the retention of these quarters. The Institute neither initiated any action to invoke the provisions of Public Premises (Eviction of unauthorized occupations) Act, 1971 nor received market/standard rent from the defaulters. This has resulted in financial loss of Rs. 8.19 lakh, as detailed in Annexure ibid.</p> <p>The matter was reported to the Management (August 2008); reply not received (September 2008).</p>	(Page No.: 55 to 64)
2007-08	15	<p><b>Assignment of additional duties of Deans to Professors</b></p> <p>The Chairman, Board of Management of SLIET assigned (January 2008) the additional duties of Deans to six Professors and for performing these duties, the following allowances were also sanctioned.</p> <ul style="list-style-type: none"> <li>(i) Honorarium at the rate of Rs. 1500/- per month.</li> <li>(ii) Rent free accommodation</li> <li>(iii) Reimbursement of Mobile phone charges upto Rs. 300/- per month.</li> <li>(iv) STD facility at office and Residence upto Rs. 500/- per month in total.</li> </ul> <p>MOU entered into between SLIET and MHRD provided that the Institute will not take any steps without prior consultation with Department of Higher Education, MHRD that may result in any enhanced financial burden on Government of India than that agreed to by the Government.</p> <p>Audit is of the view that in accordance with the provisions of MOU, the arrangement of assigning additional duties of Deans to Professor tantamount to additional financial burden on the Government than that agreed to by the Government as the posts of six Deans were not ever sanctioned by MHRD and thus, required prior approval of MHRD.</p> <p>It may please be intimated to audit whether prior approval of MHRD was obtained before making this arrangement.</p>	The matter has been approved by the Board of Management in its 29 <sup>th</sup> meeting held on 06.02.09 vide Item No. 29.5 and the decision of BOM has already been implemented w.e.f. 06.02.09. Hence, the para may be dropped.
2007-08	16	<p><b>Non-implementation of programme promotional activities</b></p> <p>In order to promote its programmes in the country and abroad, SLIET engaged (January/March 2004) M/s Educational Consultants India Limited (EdCIL), New Delhi for the following programmes promotional activities:</p> <ul style="list-style-type: none"> <li>i) Preparation of short film on SLIET entitled "SLIET as quality International Institution" (Cost: Rs. 6.00 lakh)</li> <li>ii) Review of the existing web-site: WWW.sliet.org. and development of new website with enhanced features keeping in view the national stature of the Institute and its endeavour to cater to the global audience (cost: Rs. 2.98 lakh).</li> <li>iii) Promotion of SLIET academic programmes abroad in 11 countries through seminars-cum-counseling sessions to be conducted/participated by EdCIL in educational events (Cost: Rs. 1.10 lakh)</li> </ul> <p>Audit, however, observed that the above said projects have not been implemented so far (August 2008).</p> <p>This has resulted in not only resulted in locking of Institute's funds to the tune of Rs. 7.68 lakh, being advance payments made to EdCIL but also defeated the very objective of promotion of SLIET programmes in the country as well as abroad. Management accepted (August 2008) the facts.</p>	<p>The Director, SLIET had constituted the following committee to do the needful as per the requirement of Audit Note :-</p> <ul style="list-style-type: none"> <li>01. Dean (Academics) Convenor</li> <li>02. HOD (CSE)</li> <li>03. D.R (A&amp;A)</li> </ul> <p>Based on the recommendation of the committee Dean (Academics) of SLIET Longowal approached to Director (Corporate Planning) EdCIL, Noida regarding settlement of accounts of SLIET project three in number undertaken by EdCIL. The Director (Corporate Planning) vide his letter No. TA/SLIET/2004/08 dated 08.08.2011 and Letter No. TA/SLIET/2004/08 dated 26.08.2011 has confirmed that all the three pending projects undertaken by the EdCIL have now been completed as per their record and requested that the project mentioned above may kindly be settled. Accordingly, all the three projects mentioned in the Audit Para have been taken into account and got adjusted with the approval of Competent authority.</p> <p>Therefore, the para may be settled/dropped.</p>



2007-08	17	<p><b>Non-implementation of academic reforms</b></p> <p>In order to carry out a study for impact assessment of academic programmes of SLIET; and curriculum review of all formal programmes and introduction of new courses at SLIET, the Institute engaged (January 2004) Educational Consultants India Limited (EdCIL) at a fee of Rs. 9.98 lakh. Though EdCIL submitted its reports to the Director of the Institute in May 2004, the recommendations of EdCIL had not been placed before BOM so far (April 2008), hence, not implemented. Resultantly, the desired object of getting the study conducted could not be achieved. Management accepted the facts and stated that recommendations of EdCIL are in the process of implementation. Further developments are awaited.</p>	<p>It is true that Academic Review and curriculum revision and impact assessment of Academic Programmes of SLIET, Longowal was not placed before the BOG and now BOM. However, most of the recommendations of two reports submitted by EdCIL were implemented and some recommendations are in the process of implementation. To mention few :-</p> <ul style="list-style-type: none"> <li>• Certificate and Diploma Courses are reviewed periodically by Standing Committee i.e Board of Studies (BOS) of each Department. BOS members are taken from industries and other reputed Institutions/ Universities. Requirement of industries are duly incorporated through Workshops, Seminars like Institute Industry Partnership/ Interaction etc.</li> <li>• Direct and lateral admissions of Certificate to Diploma and Diploma to Degree Programmes are strictly done on the basis of merit by conducting SLIET Entrance Test on all India basis.</li> <li>• There is a Senate (Academic Council) of the Institute which monitors the Academic Planning of the entire course curriculum (Certificate, Diploma, UG and PG). Dean (Academic) and Dean (PG) monitors the Academic activities of the Institute. Dean (R&amp;D) monitors the research activities of the Institute. Four Departments have already started M.Tech. Programmes. Senate has already approved two more M.Tech. Programmes. After obtaining AICTE approval, these two M.Tech. programmes will be made operational.</li> <li>• Continuous evaluation system with credit based relative grading system (as practiced in IITs) has already been implemented from 2007 batch. To look after the problems/activities welfare of the students, Senior Professors has been assigned additional duties of Dean (Student Welfare). Chairman, Training &amp; Placement look after the activities of Training &amp; Placement of students and for which a new department of training &amp; Placement is opened.</li> <li>• Further to maintain academic excellence, Institute invites adjunct faculty/ visiting faculty/ experts to the Institute.</li> <li>• All faculty and staff members submit their self-assessment report/ACR each year to the Director.</li> </ul> <p>Faculty members are encouraged to participate in National/ International Conference/Seminars/ Workshops etc.</p>
2007-08	18	<p><b>Failure to get revalidation of Accreditation status</b></p> <p>Accreditation is a process of quality assurance by National Board of Accreditation (NBA), an autonomous body constituted under the provisions of AICTE Act, 1987 and is based on critical evaluation of a set of eight broad basis criteria. Institutions seeking accreditation of their programmes are expected to satisfy each of the criteria individually.</p> <p>In December 2003 NBA accredited eight degree programmes of SLIET for three years. It was, however, observed in Audit that the Institute could get (January 2008) the revalidation of the accredited status of only two degree programmes. Thus, the Institute failed to demonstrate its capability and other programmes to adhere to the qualitative criteria of Accreditation. Resultantly, 10 Diploma and 7 Degree and 4 Post-graduate programmes are not yet accredited by NBA.</p> <p>On being pointed in Audit, the Management accepted the facts and stated (August 2008) that the proposals for accreditation of remaining programmes is being submitted to NBA. Further developments are awaited.</p>	<p><b>National Accreditation and Assessment Council (NAAC) Accreditation</b></p> <p>The Institute has got accreditation from NAAC in March/April, 2012</p> <p><b>National Board of Accreditation (NBA) Accreditation</b></p> <p>National Board of Accreditation, New Delhi vide its letter No. 37/MS-NBA/Tier-I/2013 dated 4.02.2013 has re-accredited 05 UG Programmes of the Institute and process for accreditation/ reaccreditation of the remaining 04 UG programmes has already been initiated.</p>
2007-08	19	<p><b>Non-conducting of periodic assessment of academic programmes</b></p> <p>Periodic assessment of all academic programmes needed to be undertaken so as to close these having low demand and the Institute should have the flexibility to</p>	<p>In view of the previous trend of the admissions in Degree Courses, the Course of B.E. in</p>

annually select demand-driven academic programmes for optimum utilization of infrastructure facilities.

Table given below shows the number of students admitted in a bachelor degree programme in – Chemical Engineering (with specialization in Paper Technology) during the last five years ending 31 March 2008.

	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Intake capacity	30	30	30	30	30
Nos. of student admitted	13	NIL	7	11	6
Percentage of students admitted to intake capacity	43	Zero	23	37	20

Above table shows that the demand for bachelor degree programme in – Chemical Engineering (with specialization in Paper Technology) was at a fairly low level and percentage of students admitted to intake capacity ranged between Zero and 37 percent. It is apparent from the above that periodic assessment of academic programmes was not being conducted by SLIET.

Reasons for not conducting required periodic assessment of academic programme may please be intimated to audit.

Chemical Technology with specialization in Paper Technology is changed to B.E. in Chemical Engineering. While changing the course from B.E. in Chemical Technology with specialization in Paper Technology to B.E. in Chemical Engineering, the Senate has taken a serious consideration on the low admissions rate in B.E. in Chemical Technology with specialization in Paper Technology. The course B.E. in Chemical Engineering has been started from the Academic Session 2009-10 and by doing so the admissions to the course has improved, as shown in Table.

Year	B.E. in Chemical Tech. with specialization in Paper Tech.	B.E. in Chemical Engg.
2005	07	--
2006	11	--
2007	05	--
2008	06	--
2009	Discontinued	43

Moreover, the Senate of the Institute, by considering the needs/requirements of local population as well as to fulfill the technical manpower requirements of local population as well as to fulfill the technical manpower requirements at National level has approved the following programmes :-

- Diploma (Electrical Engineering)
- B.E (Electrical Engineering)
- BE in civil Engineering (Structures & Tunnel Engineering)
- M.Tech. in Energy and Environment Engineering
- M.Tech. in Civil Engineering (Structures & Tunnel Engineering)

The assessment of requirement os the academic courses for local population is carried out through the academic bodies e.g. Senate and Board of Studies of the Institute which have representatives from local industries/ academic institutions/ professional bodies, whose inputs are taken into consideration for the introduction of new courses/deletion of courses.

2007-08

20

**Distortion of original concept**

It was implicit in the SLIET concept that certificate and diploma holders would move out to the Industry and that these industry experienced alumni would be given preference in admissions by vertical mobility to diploma and degree programmes respectively after successfully completing the prescribed bridge courses. What had, however, happened, was vastly different. 50 percent reservation for admission by vertical mobility to both certificate and diploma holders was allowed without any industry experience. With the given reservation and admission rules and procedures, the purpose of certificate and diploma courses appeared to provide a soft entry into degree courses of the Institute and there was not adequate stress on to develop proficiency in trade and crafts. This has resulted not only in distortion of the original concept of SLIET but also leading to the quality of certificate and diploma courses students not to the expectations of industry. The matter was reported to Management (August 2008): reply not received (September 2008).

The Institute has framed its admission rules and procedures providing reservation of 50 per cent of the sanctioned strength of students in each certificate and diploma courses for vertical mobility to diploma and degree courses without considering their industrial experience. Under this system, the audit party has noticed that the certificate students moved to diploma modules and diploma students to degree modules instead of joining any industry.

The Institutes follows reservation for vertical mobility of Certificate Holder Students to Diploma and Diploma Holder Students to degree courses following multi-entry and multi-exit. In the course curricula, due weightage of marks is given to Industrial Training. The comparative details of mandate and present policy followed are given in the Table.

	Durati on of Certifi cate Cours e	Indust rial Experi ence	Dur atio n of Dipl om a	Industri al Experi ence	Dur atio n of Deg ree	Total duratio n of module
As per Mandate	02 yrs	01 yrs	02 yrs	01 yrs	03 yrs	09 yrs

Policy Followed presently	02 yrs	--	02 yrs	--	03 yrs	07 yrs
Regional Technical Institutions/ NITS	02 yrs for 10+2	04 years Degree Programme			06 yrs	

In view to decrease total duration of the Degree and requirements of the local population for the advancement of learning and dissemination of knowledge in the area of Engineering and Technology, the mandate has been changed following proper procedure. The change incorporates due weightage to the equivalency/ acceptability of Diploma and Degree courses in the National Industrial Market.

2007-08

21

**Excessive dropout/failure rate of Certificate course students**

Table given below shows the position of students admitted to the Certificate courses, number of students dropped out and number of students declared unsuccessful during the last five years ending March 2008:

Particulars	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Students admitted (Nos.)	406	387	385	421	416
Students appeared (Nos.)	329	308	341	374	331
Students declared successful (Nos.)	279	230	231	248	193
Students Dropped out (Nos.)	77	79	44	47	85
Students declared unsuccessful (Nos.)	50	78	110	126	138
<b>Percentage of dropout to students admitted</b>	<b>19</b>	<b>20</b>	<b>11</b>	<b>11</b>	<b>20</b>
<b>Percentage of unsuccessful students to students appeared</b>	<b>15</b>	<b>25</b>	<b>32</b>	<b>34</b>	<b>42</b>

The table given above shows that not only the drop out rate ranged between 11 and 20 per cent during 2003-04 to 2007-08, but percentage of unsuccessful students also increased from 15 per cent in 2003-04 to 42 per cent in 2007-08. On being pointed out in Audit the Management stated (August 2008) that a committee headed by a Senior Professor has been constituted to look into the matter. Further developments are awaited.

The following points may be the main cause for increase in dropout/failure rate of students :-

- The Institute is offering job oriented modular courses, so students get job offers during the course of study and prefer to opt jobs.
- In the region of Punjab as well as in the country, a large number of technical Institutes have come up (during the period of assessment). The students usually prefer to shift to the Institutions in the vicinity of their home towns.
- Due to fear of vertical promotion from Certificate to Diploma and Diploma to Degree, students prefer to follow safer path of continuing higher education. So some students shift to conventional courses of Diploma/Degree.
- Quality of intake shows declining trends in terms of the performance of candidates in the entrance tests e.g. percentage of marks in entrance test of last admitted students in 28.5% in 2007, 46.5% in 2006 and 43.5% in 2005. However, Institute has not changed its evaluation parameters.

**Remedial Action**

In the 5<sup>th</sup> Board of Management meeting held on 21.12.2011, Targets for Heads of Department and for the Institute have been set.

Moreover, in the said 5<sup>th</sup> meeting of BOM, it was also decided that Institute should go ahead with Diploma Course students for first year on trial basis for personality development to improve the employability of the students and other parameters. The Board also desired that additional courses/course in English Language be given to the Certificate Programme students, who are sometimes poor in English Language.

2007-08	22	<p><b>Inadequate placement of students</b></p> <p>A training and placement cell has been set up in the Institute to assist certificate, diploma and degree passed out students for placement in various industries. Students passed vis-à-vis their placement during last five years ending March 2008 is tabulated below:</p> <table border="1" data-bbox="495 310 1641 701"> <thead> <tr> <th></th> <th><b>Certificate</b></th> <th></th> <th><b>Diploma</b></th> <th></th> <th><b>Degree</b></th> <th></th> </tr> <tr> <th>Years</th> <th>Students passed (Nos.)</th> <th>Students placed (Nos.)</th> <th>Students passed (Nos.)</th> <th>Students placed (Nos.)</th> <th>Students passed (Nos.)</th> <th>Students placed (Nos.)</th> </tr> </thead> <tbody> <tr> <td>2003-04</td> <td>279</td> <td>NIL</td> <td>307</td> <td>04</td> <td>231</td> <td>104</td> </tr> <tr> <td>2004-05</td> <td>230</td> <td>NIL</td> <td>312</td> <td>NIL</td> <td>221</td> <td>88</td> </tr> <tr> <td>2005-06</td> <td>231</td> <td>NIL</td> <td>319</td> <td>12</td> <td>204</td> <td>89</td> </tr> <tr> <td>2006-07</td> <td>254</td> <td>NIL</td> <td>297</td> <td>04</td> <td>207</td> <td>140</td> </tr> <tr> <td>2007-08</td> <td>193</td> <td>Nil</td> <td>257</td> <td>5</td> <td>178</td> <td>Not available</td> </tr> </tbody> </table> <p>It is apparent from the above table that extent of placement of the students especially of Certificate and Diploma passed students was at a fairly low level. Matter was reported to the Management; plausible reply not received (September 2008).</p>		<b>Certificate</b>		<b>Diploma</b>		<b>Degree</b>		Years	Students passed (Nos.)	Students placed (Nos.)	Students passed (Nos.)	Students placed (Nos.)	Students passed (Nos.)	Students placed (Nos.)	2003-04	279	NIL	307	04	231	104	2004-05	230	NIL	312	NIL	221	88	2005-06	231	NIL	319	12	204	89	2006-07	254	NIL	297	04	207	140	2007-08	193	Nil	257	5	178	Not available	<p>The reasons for the low placement at Certificate and Diploma level is that almost all the student want to pursue B.E programme. Very few students opt for placement after Diploma and negligible students present themselves for placement after certificate.</p> <ul style="list-style-type: none"> <li>The industry approaches us for the campus placement of Diploma students as there is a good demand for Diploma in Mechanical/Instrumentation and Chemical Engineering trades but only very few students opt to join.</li> </ul> <p>All SLIET Diploma and Certificate students are interest to complete the BE degrees and only a few of them opt for the jobs.</p>
	<b>Certificate</b>		<b>Diploma</b>		<b>Degree</b>																																															
Years	Students passed (Nos.)	Students placed (Nos.)	Students passed (Nos.)	Students placed (Nos.)	Students passed (Nos.)	Students placed (Nos.)																																														
2003-04	279	NIL	307	04	231	104																																														
2004-05	230	NIL	312	NIL	221	88																																														
2005-06	231	NIL	319	12	204	89																																														
2006-07	254	NIL	297	04	207	140																																														
2007-08	193	Nil	257	5	178	Not available																																														
2007-08	23	<p><b>Research and Development activities</b></p> <p>During 2003-08, SLIET undertook 38 research &amp; development projects (Cost: Rs. 3.68 crore). Out of these: 34 were funded by MHRD (Cost: Rs. 3.15 crore), two by CSIR (Cost: Rs. 19.25 lakh) and one each Ministry of Science and Technology (cost: Rs. 20.00 lakh) and Ministry of Environment &amp; Forest (Cost: Rs. 10.91 lakh). Test check of records related with 35 Nos. research and development projects which were due for completion by 31 March 2008 revealed the following:</p>																																																		
	<b>(A)</b>	<p>In respect of 7 projects for modernization and removal of obsolescence (MODROB) (Annexure "C") the Institute could utilize only Rs.35.57 lakh (60 percent) out of total available funds of Rs. 59.09 lakh during the validity period of the projects and refunded unspent amount of Rs. 23.52 lakh comprising 20 to 85 percent of the total available funds for these projects, to MHRD.</p>	<p>It is reiterated that the funds could not be utilized due to frequent changes of Director during this period and derailed the activities of the Institute. Moreover, the purchase rules prevailing at that time were not conducive to purchase equipments costing more than Rs. 25000/- per item. Press tenders were required to be floated and the purchases were required to be made on lowest rate basis. As the Institute is located in remote area, sufficient tenders were not received in number of cases and tenders were floated again in number of cases which overshoot the time duration of the project. Now, the Purchase Rules have been modified and approved by the competent authority, and hopefully there will be minimum problem in the utilization of project funds. It can be assured here that in future such hurdles may not arise due to the implementation of new purchase rules.</p>																																																	
	<b>(B)</b>	<p>The Institute failed to accomplish 3 Thrust Areas of Technical Education (TAT) projects (Annexure "C"). In respect of these three projects the Institute could utilize only Rs. 3.58 lakh out of total available funds of Rs. 20.43 lakh and refunded the unspent amount of Rs. 16.85 lakh, comprising 74 to 94 percent of the total available funds, to MHRD. MHRD asked (January/March 2006) for justification and to fix responsibility for non-accomplishment of these projects and also for keeping the grant idle for more than two years. It was, however, observed in audit that no action has been initiated in this regard by the Institute so far (August 2008).</p>	<p>The Institute was at the growing stage during the performance audit period i.e. 2003 to 2008 with young faculty handling the projects. To avoid de-motivation of the faculty only verbal advices were given to the faculty for their poor funds utilization. The Institute started to make some improvements in handling the project funds like improvement/modification in the purchase rules to avoid this kind of problems.</p>																																																	
	<b>(C)</b>	<p>The Institute certified the completion of four R&amp;D projects (Annexure "C") in utilization</p>	<p>The utilization of fund and utilization certificate had been sent to the granting authorities</p>																																																	

	<p>certificates submitted to MHRD, however, thesis/final project reports were not found appended with the utilization certificates. In respect of these projects the Institute could utilize only Rs. 23.07 lakh out of total available funds of Rs. 36.84 lakh and refunded the unspent amount of Rs. 13.77 lakh comprising 20 to 62 percent of the total available funds. Apparently these projects were abandoned in between as there was no proper justification as to how objectives of projects have been achieved without utilization of such large proportion of the total grant released.</p> <p>Non-utilization of grants in full in respect of the projects mentioned in 8.3.1 to 8.3.3 have resulted not only in non-modernization/non-development of advanced infrastructure at the laboratories of the Institute but also resulted in denial of benefit of desired skill/competence likely to accrue to the students/industry people for whom such modernization/advanced infrastructure/projects were meant.</p>	<p>after the completion of the project. In all cases the submission of project reports is not required by the funding agency. Wherever required the project report have been submitted.</p>
(D)	<p>Utilization Certificates of 29 projects operated (2003-05) and completed by the end of 31 March 2008 were not sent on due dates. Delay in submission of these certificates ranged between 2 to 8 months.</p>	<p>Utilization Certificates of 29 projects have been sent to the concerned Ministries after completion of project. In this regard, funding agencies had not objected and confirmation of U.C has been received and already shown to audit.</p>
(E)	<p>Two projects (Annexure – C) have not been completed so far (August, 08) even after lapse of more than 09 to 23 months since the expiry of validity of the sanction of these projects.</p>	<p>The Utilization Certification for both the projects has been submitted to the concerned Ministries. It is submitted here that UCs for both the projects were submitted in the months of September and October, 2008. The delay is sometimes caused due to the various factors like over engagement of the faculty in academic and administrative matters, existing rules for the implementation/execution of the projects, remote location of the Institute etc.</p>
(F)	<p>In 34 research and development projects operated (2003-05) and completed by the end of 31 March 2008, equipments valuing Rs. 2.48 crore purchased, between 2003 and 2007, for these projects, lying with Principal Investigators have not been taken in the accounts of the Institute so far (August 2008). No procedure, as to how, the equipments were to be used after completion of the projects was in vogue in the Institute.</p>	<p>The equipment procured in the research projects remain in the department after the completion of the research projects and are regarded as the property of the Institute and are used for academic purposes. Accordingly entry of procured equipments under the project is made in the department/institutional Stock Register.</p>
(G)	<p><b>Impact</b></p> <p>Information regarding patents filed and registered, new products/process/ technology developed and transferred to the Industry, expert advice/consultancy provided to the Industry and intellectual property such as monographs, technical books, learning material etc. developed during the last five years ending 31 March 2008 was not provided to audit. Resultantly impact of research and development activities could not be assessed in audit.</p>	<p>It is submitted that M.Tech. and Ph.D Degrees are being awarded to the students in SLIET after due research, experiments in the concerned areas and thesis after finalization, are kept in the Institute library for the reference of the public. Number of research papers and books have been published by the faculty of the Institute, after research in the relevant field. An increase in the admission to Ph.D &amp; M.Tech. Degree at SLIET is evidence of Institute's quality work. The faculty members are sharing their expertise at the National and International platforms thereby bringing glory to the Institute. It is worthy to mention that the Ph.D thesis of the Institutes can be referred online at INFLIBNET website showing the quality output of the Institute. The faculty members have also developed learning materials in the form of manuals for the students.</p>
(H)	<p><b>Current status</b></p> <p>SLIET Management in response to University Grants Commission observations raised (December 2004) in regard to weaknesses in research and development activities, stated (May 2005) that decision has been taken to finance two research scholars in each department to boost research and development activities. However, it was observed in Audit that no research and development project was undertaken by the Institute after 2005-06. The present scenario in research and development activities could hamper the Institute's preparedness to take up the academic autonomy i.e. initiatives to provide improved curriculum design, maintenance of standards and developing system to support growth of academic and professional excellence.</p>	<p>Incorporation of two research fellowships in each department has already been made. Applications are invited through all India advertisement vide Advertisement and admission is carried out. The above has already been brought to the kind notice of the Audit. Introduction of ten fellowships in each department has been made and the budget is accordingly proposed. Efforts are being made to sanction some of the projects under the REQIP to further strengthen the research component in the Institute.</p>

		The matter was reported to the Management (August 2008); conclusive reply not received.																											
2007-08	24	<p><b>Violation of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952</b></p> <p>The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (Act) is applicable to all establishments employing 20 or more persons. It has been observed in Audit that though the provisions of the Act were also applicable on SLIET, the Institute had been maintaining its own Contributory Provident Fund for its employees by framing its own Contributory Provident Fund-cum-Gratuity Rules approved by the Board of Governors (February 1990). The Fund had accumulated to Rs. 9.97 crore as on 31 March 2007. Since SLIET had neither applied for exemption from the operation of the Act nor the GOI had granted exemption, otherwise under section 16 of the Act, to the Institute, it may attract penalty at the rate ranging from 17 percent (for less than two months) to 37 percent (for six months and above) of the Fund amount under paragraph 32 A of the Employees' Provident Funds Scheme, 1952.</p> <p>The matter was reported to the Management (August 2008); reply not received (September 2008).</p>	<p>Sant Longowal Institute of Engineering &amp; Technology, Longowal (SLIET) has been established by Government of India, under MHRD, New Delhi with 100% funding. The 2<sup>nd</sup> BOG of the Institute held on 15.02.1990 had approved the CPF-cum-Gratuity Rules, in conformity to CPF Rules 1962, (Provident Fund Act 1925) for its regular employees. <b>(Copy of relevant portion of decision/minutes of the BOG is enclosed herewith which may please be referred at Annexure-One)</b></p> <p>The Institute is covered under section-16(B) of the EPF Miscellaneous Act 1952. As per the provision of section 16(1) B of the aforesaid Act, all such establishments under the control of Central Govt./State Govt., whose all employees are entitled to CPF or old age pension in accordance with the any scheme or rule framed by Central/State Govt., are excluded from the purview of EPF and MP Act 1952. <b>(Copy of relevant portion of EPF Act is enclosed at Annexure-Two)</b></p> <p>Being Autonomous Body, the SLIET Longowal has already framed its CPF-cum-Gratuity Rules with approval of its Board of Governors which were made applicable to all the regular employees who joined the Institute against the posts sanctioned by the MHRD, New Delhi, since inception. Hence, the Institute being Central Govt. Autonomous Body and having CPF-cum-Gratuity Rules is thus excluded from the purview of EPF and MP Act 1952.</p> <p>In previous years, before Financial Year 2005-06, the difference between the interest earned on CPF deposit and interest payable to the subscriber had been met-out from the Grant-in-Aid received from MHRD, New Delhi. It would not be out of place to mention here, that this provision has been discontinued from Financial Year 2005-06 and onwards, in light of Instructions issued by the Ministry vide letter no.: F.19-16/2003/IFD, dated 9.2.2004. <b>(Copy enclosed at Annexure-Three)</b>. Presently, the amount of interest earned on CPF is on higher side, than the interest payable to the subscriber as per rate of interest notified by Govt. of India, time to time. <b>(Copy enclosed at Annexure-Four)</b>. The difference of interest received in excess is kept as 'Reserve' by the Institute to meet out any future deficit, on account of Interest on CPF. Hence, the Institute is not utilizing any Grant-in-Aid for payment of 'CPF Interest to the subscribers'. Further, the NPS has been implemented for the new recruitees in the Institute, w.e.f. 01.01.2004.</p> <p>Question of concealing the amount of Internal Revenue Generation (IRG) does not arise as the total amount of IRG is always taken into consideration while preparing the Annual Budget of the Institute. <b>(A copy of relevant portion of the budget is enclosed at Annexure-Five)</b>.</p> <p>The Institute has been preparing its Annual Budget, considering the strength sanctioned by the MHRD, in anticipation to fill up resultant vacant posts on adhoc/regular/contract basis, whatsoever, the case may be.</p> <p>In view of the position explained above, it is therefore, requested that the audit para may please be settled down.</p> <p><b>(Page No.: 65 to 66)</b></p>																										
2007-08	25	<p><b>Non-filling of vacancies at senior levels</b></p> <p>Recruitment of well-qualified faculty needs to be given top priority in an institute. As against this, it was observed in audit that 45-50 per cent, 26-40 per cent and 10-17 per cent of the sanctioned posts of Professors, Assistant Professors and Lecturers were lying vacant during the last five years ending 31 March 2008 as tabulated below:</p> <table border="1" data-bbox="519 1890 1617 1995"> <thead> <tr> <th rowspan="2">Years</th> <th colspan="2">Professors</th> <th colspan="2">Assistant Professors</th> <th colspan="2">Lecturers</th> <th colspan="2">Total</th> </tr> <tr> <th>Sa</th> <th>Vaca</th> <th>San</th> <th>Vaca</th> <th>Sancti</th> <th>Vacant</th> <th>Sancti</th> <th>Vaca</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Years	Professors		Assistant Professors		Lecturers		Total		Sa	Vaca	San	Vaca	Sancti	Vacant	Sancti	Vaca										<p>The reasons for not filling up the post of Professors, Asstt. Professors and Lecturers are as under:</p> <ol style="list-style-type: none"> <li>1. On the recommendation of Expenditure Reform Commission (ERC), the MHRD vide letter dated 12.02.2002 decided that all the Autonomous Organizations under the control of the Ministry should not create/upgrade and fill up the post until further orders.</li> <li>2. Institute advertised teaching posts in the year 2004. The interviews for these were also fixed. However, the Ministry of HRD vide letter dated 17.08.04, advised the</li> </ol>
Years	Professors			Assistant Professors		Lecturers		Total																					
	Sa	Vaca	San	Vaca	Sancti	Vacant	Sancti	Vaca																					

	nct ion ed	nt	ctio ned	nt	oned	oned	nt
2003-2004	22	11 (50)	43	11 (26)	115	11 (10)	33 (18)
2004-2005	22	11 (50)	43	14 (33)	115	14 (12)	39 (22)
2005-2006	22	10 (45)	43	15 (35)	115	20 (17)	45 (25)
2006-2007	22	11 (50)	43	17 (40)	115	20 (17)	48 (27)
2007-2008	22	10 (45)	43	08 (19)	115	20 (17)	38 (21)

(Figures in brackets indicate percentage of vacant posts to sanctioned posts.)

Despite large vacancies of faculty at senior levels, SLIET used to send their Professors and Assistant Professors on deputation with other institutions. As on 31 March 2008 3 Professors and 4 Assistant Professors were on deputation with other institutions. Some senior level Professors have been assigned the charge of administrative work in addition to their normal academic duties. This has further aggravated the problem of shortage of faculty at senior levels. University Grants Commission while processing the case of grant of 'Deemed-to-be-University' status also stressed (December 2004) that the teaching posts must be filled at senior levels. However, the vacancy position in higher levels did not improve. The matter was reported to the Management (August 2008); conclusive and plausible reply not received (September 2008).

Institute not to make any appointment/hold interviews for selection till further orders.

- After October, 2004 there was no regular Director was available in the Institute till July, 2006. After the joining of regular Director, the MHRD was requested to grant permission for filling up vacant teaching posts at SLIET vide letter dated 11.08.06
- The MHRD vide letter dated 29.09.06 allowed this Institute to fill up 54 teaching posts. Accordingly, these posts were advertised in the open press. The detail of the posts advertised and Number of persons selected/joined.
- The Institute has already publish the remaining vacant teaching posts and the process for filling up of these posts will be completed in near future.

Moreover, due to odd location of the Institute the senior faculty hesitates to join SLIET. Hence, the senior faculty posts remained vacant despite our earlier repeated advertisements.

The Institute reply given above is self explanatory and shall stand same. It is further informed that on the receipt of revised pay scales and nomenclature of the faculty posts, the vacant faculty position has already been advertisement vide notification No. 1/2010. It is expected that the process of filling of vacant post will be completed shortly. Hence the para may be dropped.

2007-08	26	<b>Deficiencies in governance of SLIET</b> Governance of SLIET was deficient to the following extent:	
2007-08	(A)	<b>Non-holding of regular meetings of BOG</b> Memorandum of Association of SLIET prescribed that the BOG shall ordinarily meet once in every three months. Audit, however, observed that only five meetings (24 <sup>th</sup> to 28 <sup>th</sup> ) of BOG were held during the last five years ending 31 March 2008 instead of required twenty regular meetings during that period. This has resulted in lack of general governance and direction in the control of the affairs of the Institute. The matter was reported to the Management (August 2008); plausible reply not received (September 2008).	The meetings of the BOM and other Statutory bodies of SLIET are now being held regularly since 2009. Hence the para may be dropped.
2007-08	(B)	<b>Non-finalization of rules/bye-laws</b> Rules of Business of SLIET envisaged that the Board of Governors (BOG), now Board of Management (BOM) was to make, adopt amend, vary or rescind rules/bye-laws, from time to time with the prior approval of the Central Government for regulation of and for any purpose connected with the management and administrations of the affairs and for the furtherance of the objectives. It was, however, noticed in Audit that a set of eleven Rules framed by BOG in February 1990 had not been approved by Government of India so far (August 2008). All the administrative/financial powers exercised by the various functionaries of SLIET in the light of these rules lack an authority from the Central Government. The matter was reported to the Management (August 2008); reply not received (September 2008).	The Eleven Set of Rules of SLIET, Longowal were considered and approved by the Board of Governors in its 2 <sup>nd</sup> meeting held on 15.02.1990. Further the Board of Governors of the Institute in its 5 <sup>th</sup> meeting held on 05.02.1992 decided that the Eleven Set of Rules already approved by the BOG in its 2 <sup>nd</sup> meeting be followed by the Institute, as draft rules, pending final approval by the Government of India. Though the approval of the Government of India is not received by the Institute but the Institute has also not received any objection from the Government of India to following these rules. Where these rules are silent and out dated, the Government of India rules are followed by the Institute. However, the Institute is in process of updating these rules. Further, it is also submitted that the approval of the Government India was solicited vide this Institute letter dated 08.03.1990. The Institute is in the process of getting approval of the Government of India to the rules/bye-laws of SLIET, Longowal with effect from retrospective date. Hence the para may be dropped.
2007-08	(C)	<b>Instability in Management and Administration</b> The Director is the principal and executive officer of the SLIET and has been vested and delegated with requisite powers to exercise general supervision and control over	In this context, it is submitted that after the relieving of Dr. R.C. Chauhan, the then Chairman, BOG-cum-Chief Secretary to Government of Punjab has assigned the additional charge for the post of Director to Er. H.P. Singh. The advertisement to fill

		<p>the affairs of the Institute and to implement the decisions of all the authorities of the Institute. Hence stability to tenure of the post of Director is one of the most important contributory factors for successful pursuit and attainment of excellence in realization of mission and goals of the Institute. Audit, however, observed that the Institute saw five Directors during the last five years ending 31 March 2008. Further, out of 9<sup>3</sup> administrative sanctioned posts 5 to 8 posts were lying vacant during the last five years ending 31 March 2008, thus, there was no second tier leadership with adequate delegation of powers. This has resulted in lack of monitoring and control of the affairs of the Institute and in non-implementation of some planned activities. A concrete proposal for filling up of administrative posts may please be sent to MHRD under intimation to audit.</p>	<p>up the post of Director was issued on 20.02.2005 and selection to the post of regular Director was made on 11.05.2005. However, appointment could not issued to the selected candidate i.e. Dr. (Mrs.) S.K. Pandey due to the Civil Writ Petition No. 7236/2005 filed by D. B.K. Kanungo in the Punjab &amp; Haryana High Court challenging the appointment. In the meantime the additional charge was further given to Dr. N.P. Singh and Sh. N.S. Kalsi by the competent authority However, Dr. S.K. Pandey was issued appointment to the post of Director after the stay vacated by the Hon'ble Apex Court.</p> <p>After the resignation of Dr. (Mrs.) S.K. Pandey from the post of Director, the additional charge of Director has been assigned to Dr. V. Sahni, Prof. (ME) of the Institute. Subsequently, Prof. Sunil Pandey from IIT, Delhi has joined the Institute on 12.08.2011 as regular Director. Since then Institute matters are going and handled smoothly. Hence the para may be dropped.</p>
2007-08	27	<p><b>Deficiencies in internal control/internal audit</b></p> <p>The internal control/internal audit in SLIET were deficient to the following extent:</p>	
2007-08	(A)	<p><b>Non-adjustment of temporary advances</b></p> <p>As per General Financial Rules, the temporary advances granted for departmental purposes are required to be adjusted on completion of the assignment and in all cases before the close of the financial year. It was, however, noticed that Rs.84.10 lakh paid as temporary advances during April 1995 to March 2008 were outstanding as on 31 March 2008. Failure of the Institute to adjust temporary advances for such a long time is not only indicative of inadequate internal control but also results in undue financial assistance to the imprest holders. The matter was reported to the Management; reply not received (September 2008).</p>	<p>As intimated, a good number of advances almost covering the major percentage have been adjusted and the matter against the unadjusted advances being handled and pursued with the concerned Advance Holders, which is already under continuous process. In every past years the progress report in this regard was shown to the Audit based on the data shown in the Balance Sheet of the Institute upto their complete satisfaction.</p>
2007-08	(B)	<p><b>Non-maintenance of plants and trees register_</b></p> <p>Campus of SLIET spreads over a piece of land measuring 447 acres. The Estate Office of the Institute had been getting plantation of trees done on the campus since its inception. However, no coal provisions have been framed to keep watch on the forest wealth of the Institute and no register/record showing number of trees planted and engraving of numbers on trees was maintained. In the absence of Register of trees, neither periodical verification of forest wealth could be done nor, early maturing commercial trees (Eucalyptus, Poplars, etc.), which give yield in six to eight years could be identified for sale. Thus, non-maintenance of Register of trees may cause revenue loss due to pilferage and lack of control over disposal of matured trees and trees fallen by storm or otherwise.</p> <p>On being pointed out in Audit, the Management stated (August 2008) that action has been initiated for preparation of Register and numbering of the trees. Further developments are awaited</p>	<p>With references to the earlier visits of Audit Party, it was observed that numeration of trees while consulting the nearest forest department may be done so that any kind of theft or loss may be avoided. The work for numbering of trees has been carried out by following the set procedure. The related documents i.e. Measurement Book, case file for execution of work and tree numbering register were shown to Audit party.</p> <p>In addition to above there are less number of trees having commercial value as maximum species of trees planted in campus are ornamental trees. The commercial trees like eucalyptus, popular etc. are also planted for among the environment green only.</p>
2007-08	(C)	<p><b>Blockage of funds in consumable stores</b></p> <p>General Financial Rules provide that stores should be purchased in accordance with definite requirements of public service and care should be taken not to purchase store much in advance or in excess of actual requirement to avoid unnecessary blockage of funds. Besides, the store should not be held in excess of requirements beyond a period of one year unless there are sufficient reasons to keep them for a longer period. Test audit of consumable stores revealed that as on 31 March 2008 consumable stores valuing Rs. 7.87 lakh (80.96 per cent) out of the closing balance of Rs. 9.72</p>	<p>The departments are allocated funds at the end of the year i.e. November or December. The department after finalizing the requirement of chemicals and glassware (recurring purchase) indents for final approval. The orders are then placed to the respective suppliers for purchase. Most of the time, the chemicals and glassware are received at the end of March or sometimes after March when extension period is given to the supplier. The semester of classes is from January to April. The chemicals and glassware are required at the start of the semester i.e. January but the chemicals and</p>



lakh at Department of Food Technology and Rs. 8.68 lakh (94.75 per cent) out of the closing balance of Rs. 9.16 lakh at Department of Chemical technology were lying unutilized even after lapse of more than one to 14 years from the date of their purchase.

This has resulted not only in blockage of funds to the extent of Rs. 16.55 lakh but also indicates inadequate financial control. Further, the deterioration in the quality of stores could also not be ruled out. Matter was reported to the management (August 2008), plausible reply not received (September 2008).

glassware re received at the end of the March or after March (in April) when most of the practical classes are finalized. These practical classes are conducted with the help of remained chemicals of previous year and the chemicals purchased during the recent year remained unutilized and remain placed to the main stock lab of the department.

Keeping in view the above problems, the chemicals and glassware are purchased in advance for the next coming year so that the students may not suffer due to lack of chemicals and glassware and classes of the students are conducted smoothly.

The project work which is to be completed during the months of January to May in each year is there for Diploma, Degree and M. Tech. classes. Sometimes due to non-availability of chemicals and glassware in the month of January each year, the students are unable to start their project work as the requirement of chemicals and glassware is already given by the students for the month of November to December. But the chemicals and glassware are received in March or after March. So the students change their project due to non-availability of chemicals and glassware and the chemicals which are received in the month of March or after March remained unutilized.

Physical verification of Stock Register, the stock register has been verified up to 31.03.2007. The new session (academic session) starts in the month of August, 2007 so practical classes start in August, 2007. The chemicals and glassware which are received in the month of March, 2007 or after that has to be issued to the respective labs of the department after their receipt. So the entry of these chemicals and glassware has to be made.

Some chemicals received during the initial years or glassware received during the initial years e.g. 1999 has not be repeated till date. It is being utilized from time to time as and when required till date, from the main stock lab.

In the beginning, ie. early years of the department, limited faculty was there and sufficient funds were being allocated to the department. Purchase was made keeping in anticipation the requirement of practical classes as same practical are repeated every year and same chemicals and glassware are required this year.

During the last three years, four faculty members who have put up requirement for practical classes and projects have left the institute. So chemicals and glassware ordered by them remain utilized in the main stock lab.

Keeping the above fact in view, it is mentioned that the chemicals and glassware kept in the main stock lab will be gradually utilized in this financial year and coming years.

In addition to above, the following is submitted :-

- i) This may please be noted that the chemicals, which were remained unutilized for along period of time, are now completely utilized in the experimental work of the students. After the Audit observation, Head, the then competent authority at Food Engineering and Technology Department, had verbally instructed to the faculty members to design the experiments in such a way so that the effective and optimal utilization of the unutilized chemicals could take place. This resulted in the utilization of the chemicals which were unutilized since a long time.
- ii) This department is now maintaining and complying the general financial rules related to the stores as pointed out by the Audit, which has already been brought to the notice of the Audit.

In view of above, **the audit has admitted** the reply vide letter no.: **DP-Cell/ATN-SLIET/2016-17/46, dated 17.06.2016.**

			Hence, para may be settled.  <b>Page No.: 24 to 54)</b>
2007-08	(D)	<b>Non-conducting of physical verification of Central Library</b>  The Central Library of the Institute is equipped with more than 50 thousand books valuing Rs. 1.86 crore in various disciplines. The physical verification of the Library, last conducted in January 2003, revealed that 1483 books valuing Rs. 2.92 lakh were missing. The Finance Committee decided (December 2004) to (a) write off the missing books which were purchased five years back and where price of the book was below Rs. 500/- and (b) fix the responsibilities in remaining cases. The Finance Committee also recommended for periodical physical verification of the Library books. Audit, however, observed that no action has been taken on the decision of the Finance Committee so far (August 2008) and no physical verification of Central Library has been conducted after January 2003. The matter was reported to the Management (August 2008); conclusive reply not received (September 2008).	The physical verification of Library books was conducted in 2013-14. As per physical verification and 77 books costing for Rs.10,188.00 were missing. Efforts are being made to trace out the missing books. As per the provisions of GFR, the next physical verification is due to be conducted up to 2018-19.
2007-08	(E)	<b>Management information system</b> Computer based management Information system (MIS) including office automation system has not been established in SLIET since its inception. Reasons for non establishment of Internal Audit Wing were called for (August 2008); reply not received (September 2008).	In this context, it is submitted that although the Management Information System has not been fully developed in the Institute, yet efforts are being made to achieve the desired results.
2007-08	(F)	<b>Internal Audit</b>  Internal Audit Wing has not been established in SLIET since its inception. Reasons for non establishment of Internal Audit Wing were called for (July 2008); reply not received (September 2008).	It was decided in the 30 <sup>th</sup> Finance Committee Meeting under the Chairmanship of Sh. Ashok Thakur, IAS, Additional Secretary, Govt. of India, MHRD, New Delhi that possibility to hire Chartered Accountant may be explored for this purpose. Hence, the Institute have acted upon the decision of 30 <sup>th</sup> Finance Committee meeting which was ratified in its 3 <sup>rd</sup> the Board of Management meeting held on 23.02.2010. Accordingly, the decision taken by FC/BOM has been implemented.  The latest Internal Audit Report prepared by M/s DAV & Associates, Chandigarh, Chandigarh for the year 2019-20.  Hence, para may be settled please.