

**COMMITTEE ON PAPERS LAID ON THE TABLE
(2004-2005)**

FOURTHEENTH LOK SABHA

DRAFT FOURTH REPORT

(Presented on 3.5.2005)

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**LOK SABHA SECRETARIAT
NEW DELHI**

March, 2005/Phalguna, 1926 (Saka)

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CONTENTS

COMPOSITION OF THE COMMITTEE ON PAPERS LAID ON THE TABLE (2004-2005)

INTRODUCTION

- I Delay in laying Annual Reports and Audited Accounts of the Food Corporation of India, New Delhi.
- II Delay in laying Annual Reports and Audited Accounts of the Bureau of Indian Standards, New Delhi.
- III Delay in laying Annual Reports and Audited Accounts of the Telephone Regulatory Authority of India, New Delhi.
- IV Delay in laying Annual Reports and Audited Accounts of the National Council for Teacher Education, New Delhi.

APPENDIX*

Summary of recommendations/observations contained in the report.

* will be appended at the time of printing of the Report

COMPOSITION OF THE COMMITTEE ON PAPERS LAID ON THE TABLE
(2004-2005)

1. **Shri Hannan Mollah - Chairman**
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12. Shri Tukaram Ganpatrao Renge Patil
13. Shri Tarachand Sahu
14. Dr. Arun Kumar Sarma
15. Shri Bagun Sumbrai

S E C R E T A R I A T

Shri John Joseph	-	Additional Secretary
Shri A. Louis Martin	-	Director

INTRODUCTION

I, the Chairman of the Committee on Papers Laid on the Table of the House, having been authorised by the Committee to present this report on their behalf, present this Fourth Report.

2. As a result of examination of certain papers laid on the Table of Lok Sabha, the Committee have come to certain conclusions in regard to delay in laying of the Annual Reports and Audited Accounts of the (i) Food Corporation of India, New Delhi; (ii) Telecom Regulatory Authority of India, New Delhi; (iii) Bureau of Indian Standards, New Delhi; and (iv) National Council for Teacher Education, New Delhi.

3. The Committee took oral evidence of the representatives of the Department of Food and Public Distribution and the Department of Consumer Affairs of the Ministry of Consumer Affairs, Food and Public Distribution on 10 September, 2004 and 7 February, 2005 in connection with delay in laying Annual Reports and Audited Accounts of the Food Corporation of India and Bureau of Indian Standards respectively. The Committee took oral evidence of the representatives of the Ministry of Communications and Information Technology (Department of Telecommunications) on 28 October, 2004 in connection with delay in laying Annual Reports and Audited Accounts of the Telecom Regulatory Authority of India, New Delhi.

4. The Committee wish to express their thanks to the representatives of the Department of Food and Public Distribution and the Department of Consumer Affairs of the Ministry of Consumer Affairs, Food and Public Distribution and Ministry of Communications and Information Technology (Department of Telecommunications) for appearing before the Committee and furnishing the information required by the Committee.

5. The Committee considered and adopted this Report at their sitting held on 23 March, 2005.

6. A statement showing summary of recommendations/observations made by the Committee is appended to the Report (Appendix).

NEW DELHI
23 March, 2005

2 Chaitra, 1927 (Saka)

HANNAN MOLLAH
Chairman,
Committee on Papers Laid on the Table

**I. Delay in laying Annual Reports and Audited Accounts of
Food Corporation of India, New Delhi.**

The Food Corporation of India (FCI) was set up in 1965 under the Food Corporation Act, 1964 to function as the main agency of the Central Government for procurement, movement, storage and distribution of foodgrains. The equity capital of the Corporation contributed wholly by the Government of India stood at Rs.2,324 crore as on 31.3.2002. There has been inordinate delay in laying the Annual Reports and Audited Accounts of Food Corporation of India, New Delhi particularly from 1996-97 onwards shown as under:-

<u>Year</u>	<u>Date of laying</u>	<u>Extent of delay</u>
1994-95	12.03.1996	2 months
1995-96	13.05.1997	4 months
1996-97	27.04.2000	28 months
1997-98	08.03.2002	38 months
1998-99	14.11.2002	35 months
1999-2000	25.07.2003	31 months
2000-2001	23.08.2004	32 months
2001-2002	6.12.2004	23 months

1.2. The documents for the year 2002-2003 and 2003-2004 which should have been laid by 31 December, 2003 and 31 December, 2004 were not laid till this report was considered by the Committee.

1.3. The Committee took oral evidence of the representatives of Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) and Food Corporation of India at their sitting held on 10 September, 2004.

1.4. It may be observed that there has been inordinate delay in laying the documents from the year 1996-97 onwards. The Ministry of Consumer Affairs, Food & Public Distribution (Department of Food and Public Distribution) in their O.M. dated 29 May, 2002 stated that during the year 1996-97, certain peculiar difficulties with regard to audit of accounts were faced by the FCI vis-à-vis Principal Auditors. When asked to give details in this regard, the Department of Food and Public Distribution stated in a written reply as under:-

As per the erstwhile Section 34 (3) of the Food Corporation Act, 1964, M/s. M.K. Goswami & Co., Chartered Accountants on the recommendations of the C&AG and with the approval of the Central Government were appointed as Principal Auditors on 31st January 1996 for audit of accounts of the Corporation for the year 1995-96. The Auditors accepted the Offer of Appointment vide their letter 8th February, 1996. The remuneration fixed for the entire assignment was Rs.1.50 lakhs as against Rs.99,000 proposed by the C&AG. After completion of the audit of Accounts, the Principal Auditors raised the following disputes.

(i) The offer of appointment was not issued with the approval of the competent authority, i.e. the Board of Directors. He further stated that the acceptance was given under the mistaken belief that the appointment had the approval of the competent authority.

In this connection it is stated that on receipt of the panel of the Auditors from the Office of the C&AG/Ministry, the offer of appointment was issued to the Auditor with the approval of the Managing Director/Chairman which was subsequently ratified by the Board of Directors in the meeting held in March, 1996. Thus, the offer of appointment had the approval of the competent authority.

(ii) The auditors demanded the additional fee for issue of Subsidy Certificate, Certification of issue of food grains under Mid-Day-Meal Scheme, Equity and Loan utilization certification, etc.

It is stated that the above assignments had already been indicated in the offer of appointment which were duly accepted by the Auditors.

The disputes raised by the Auditors were brought to the notice of the Board of Directors who also heard the Auditor in its meeting held on 13.6.1997 and tried to convince them on the unreasonableness of their demand. The Board also requested the Auditors to complete the work accepted by them. The Board of Directors were under the impression that the Auditors had agreed to complete the balance assignments at the fees accepted by them. However, after the meeting the Auditors submitted a letter reiterating their earlier views and pressed for fresh appointment offer to cover the additional works which in fact were the part of the assignments included in the appointment offer dated 31st January, 1996 and accepted by them. This attitude of the Auditors forced the Corporation to terminate their contract for the remaining period of 1995-96.

The C&AG had in the meanwhile again recommended the name of M/s M.K. Goswami & Co., for appointment as Principal Auditors for the year 1996-97.

On a direction from the Board of Directors, M/s M.K. Goswami & Co. were requested to indicate their willingness to accept the audit of FCI for the year 1996-97 at the same & terms condition and remuneration as applicable for 1995-96. Since they did not give positive reaction, the Board decided that the C&AG may be requested to give a panel of Auditors excluding the name of above auditors for audit of Accounts for the year 1996-97.

On receipt of a fresh panel of Auditors on 14th September 1998, the Board of Directors in its meeting held on 14.10.1998 approved the name of M/s Gianender & Associates for appointment as Principal Auditors for the year 1996-97. Accordingly, the appointment letter was issued on 15.10.1998 which was accepted by them. They had also commenced the audit of Accounts of the Headquarters unit. In the meanwhile, M/s M.K. Goswami & Co. vide their letter dated 16.11.1998 had raised professional objection and requested M/s. Gianender & Associates not to accept the appointment till the matter is decided by the Institute of Chartered Accountants. The parawise comments on the letter of M/s. M.K. Goswami & Co. were furnished to the Institute vide letter dated 4.12.1998 informing that the Corporation was forced to terminate the contract for the balance work for the year 1995-96 assigned to M/s. M.K. Goswami & Co. due to their failure to complete the assignment already accepted by them and the reasons as to why they could not be considered for appointment for the year 1996-97.

The Institute of Chartered Accountants of India vide their letter dated 15.1.1999 informed M/s. Gianender & Associates to discontinue the audit assignment.

After discussion with the C&AG, the Ministry requested the C&AG for a fresh panel of the auditors in order to resolve the dispute. The C&AG forwarded a fresh panel of Joint Auditors which included the name of M/s. M.K. Goswami & Co. who had dispute with the Corporation over the assignment for the year 1995-96 besides the name of M/s Nirupender & Co., Kanpur. On the direction of the Board, the offer of appointment letter dated 4.11.1999 was issued to both the Auditors but instead of conveying the acceptance of the offer made by the Corporation, the earlier disputes were raised again which resulted in further delay in finalisation of the Annual Accounts of the Corporation. Finally, the matter was taken up by the Ministry of Consumer Affairs, Food & Public Distribution with the C&AG who also suggested to amend the Food Corporations Act, 1964 to devolve the responsibility of auditing the accounts solely upon C&AG.

1.5. The Secretary, Food and Public Distribution stated in this connection during evidence as under:-

“The FCI Act contemplated that the auditor or principal auditor of the Corporation shall be appointed by the company on the recommendations of the CAG. Therefore, till about 1996-97, we were appointing an auditor who used to be a practicing CA and one of the names that may have been recommended by CAG. They recommended just one name, which is the procedure in all the other cases. In 1996-97, unfortunately, we received a CA whose request was absolutely unreasonable.....He wanted a much higher payment than what had been recommended by the CAG.

The second effort was made. Again another name was given. Finally, when we realized that the matter is getting beyond reasonable limits, the Government then in consultation with the CAG got the Act amended to say that henceforth the auditor shall be appointed by the CAG. In this process, almost we have lost three and a half years”

1.6. To resolve the dispute, it was reportedly decided that the auditing & certification of accounts hitherto being done by the Chartered Accountants alongwith the supplementary audit by C&AG be replaced by C&AG as the sole auditor of accounts of the Corporation. To give effect to this decision, Section 34 of the FCI Act was amended

on 12 May, 2000. It is over four years since the Act has been amended. When asked to justify the delay of 31 months for laying the documents in respect of the year the year 1999-2000 as well as 2000-2001, the Ministry in their written reply stated as under:-

“Following the Amendment of the Act in May, 2000, the C&AG was continuously busy in completing the audit of accounts for the years 1996-97 to 1998-99, and therefore the audit of accounts for the years 1999-2000 and 2000-01 could not be taken up immediately. The main reasons for the delay which was beyond the control of the Management of the FCI was non-settlement of the disputes during the period January 1997 to May 2000 and finally the Government had to go in for amendment to the Food Corporation Act, 1964 devolving the responsibility for audit of accounts on the C&AG.

The Accounts for the year 1999-2000 were adopted by the Board on 24th May, 2002. On completion of the Audit by the C&AG, the Audit Report was received on 26.12.2002. After completion of the printing, etc., the said Accounts were forwarded to the Ministry on 28th April, 2003 and placed on the Table of the Rajya Sabha on 24.7.2003 and on the Table of the Lok Sabha on 25.7.2003.

The accounts for the year 2000-01 were finalized and adopted by the Board of Directors in their meeting held on 5th March, 2003. The Audit Report from the C&AG was received on 23.10.2003. After completion of the printing, etc. the said Accounts were received by the Ministry on 13th July, 2004 and placed on the Table of the Rajya Sabha and Lok Sabha in August, 2004.”

1.7. Regarding the expected date of laying of the documents for the year 2002-03, the Ministry stated in a written reply:-

“So far as the Accounts for the year 2002-03 are concerned, the Board of Directors have adopted the same in their meeting held on 9.9.2004. The C&AG is expected to complete the audit by the end of September, 2004. Considering the time to be taken by the C&AG for issue of the Audit Report, it is expected that the Accounts for the year 2002-03 would be submitted to the Committee by 28th February, 2005”.

1.8. Asked to state whether the accounts of FCI had been computerized, a representative of FCI stated during evidence:-

“The position is that we had developed a software for computerizing the accounts. There are certain changes which were required to be made. NIC has been entrusted with this work.....We hope that by middle of next year, the first phase of the computerization of depots would be completed and we would be taking the computerization of accounts as a follow up of that”.

1.9. Asked to indicate whether any time schedule has been laid down by the Ministry for completion of activities involved in various stages before laying of such documents such as compilation of accounts, their auditing, approval, translation, printing, dispatch to the Ministry, processing in the Ministry, etc., the Ministry in a written reply stated as under:-

“The Food Corporation Act, 1964 does not prescribe any time schedule for finalization and submission of accounts. However, as per the directions of the Committee, the accounts of the Corporation are required to be placed on the Table of the House within a period of 9 months from the date of close of the year.”

1.10. The Ministry of Consumer Affairs, Food & Public Distribution (Department of consumer Affairs) assured in a written reply that with the amendment to the Food Corporations Act, 1964, devolving upon the sole responsibility on the C&AG to conduct audit of the Accounts of the Corporation and after completing backlog upto the year 2003-04, the Corporation would be able to ensure compliance of the directions of the Committee for submission of accounts by 31st December.

1.11. The Committee are distressed to note that there have been inordinate delays in laying the Annual Reports and Audited Accounts of Food Corporation of India in which the Government have invested as much as Rs. 2324 crore. The delay ranged from two to three years in respect of documents pertaining to the year 1996-97 and onwards. The documents for the year 2002-03 and 2003-2004 which were due for laying by 31st

December, 2003 and 31st December, 2004 respectively were not laid till this report was adopted by the Committee.

1.12. According to the Ministry of Consumer Affairs, Food & Public Distribution (Department of consumer Affairs), certain peculiar difficulties were faced by the Food Corporation of India vis-à-vis Principal Auditors during the year 1996-97. The Auditors reportedly demanded a much higher amount than what had been recommended by the C&AG and had persistently raised professional objection when the Corporation tried to engage other auditors recommended by the C&AG. The Committee regret to note that instead of resolving the dispute amicably and expeditiously, the matter was allowed to linger on for nearly three and a half years. In the process, rules regarding the timely placement of accounts of the Corporation in Parliament were given a go by. In order to overcome the difficulties, it was decided to amend Section 34 of the Food Corporation Act. At last, the Act was amended on 12 May, 2000 to devolve the responsibility of auditing the accounts solely upon C&AG. The Committee note that following this action, Annual Reports and Audited Accounts of the Food Corporation of India pertaining to five years have been laid on the Table during the last three years. The documents pertaining to the year 2002-2003 are expected to be laid during the current budget session. The Committee urge that as assured by the Ministry, the backlog of the Annual Reports and Audited Accounts including that of the year 2003-2004 should be cleared expeditiously and it should be ensured that the documents of the Corporation are laid on the Table within the stipulated time in future.

II. Delay in laying Annual Reports and Audited Accounts of Bureau of Indian Standards, New Delhi.

Bureau of Indian Standards is a statutory body established under the Bureau of Indian Standards Act, 1986. During the year 2002-2003, a grant of Rs. 1.80 crore has been received by the Bureau from the Central Government. The audit of accounts of the Bureau is conducted by the C&AG. As per Bureau of Indian Standards Act, the total time for sending the Annual Report to the Government should not be more than nine months from the end of the financial year. There has been persistent delay in laying the Annual Reports and Audited Accounts of the Bureau of Indian Standards as shown under :-

<u>Year</u>	<u>Date of laying</u>	<u>Extent of delay</u>
1998-1999	20.12.2000	12 months
1999-2000	07.03.2002	14 months
2000-2001	07.03.2003	14 months
2001-2002	19.12.2003	12 months
2002-2003	20.12.2004	12 months

The Annual Reports and Audited Accounts of the Bureau for the year 2003-2004 which should have been laid on the Table of the House by 31.12.2004 have not so far been laid.

2.2. The Committee took oral evidence of the representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) and Bureau of Indian Standards, New Delhi at their sitting held on 7 February, 2005.

2.3. Apologising for the delay, the Secretary, Department of Consumer Affairs stated during evidence that “nine months time is sufficiently long time for us to have been able to submit the Report on the Table of the House.....I entirely admit that delay is on our part. I sincerely apologise to the Committee that the delay has taken place.”

2.4. The chronology of finalisation of the documents of the Bureau as observed from the delay statements laid on the Table of the House and the dates of laying in respect of the years 2000-2001, 2001-02 and 2002-03 are as under :-

	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>
<i>Submission of accounts to auditors</i>	29.06.2001	28.06.2002	30.06.2003
<u><i>Duration of audit</i></u>	22.08.2001 2.11.2001	to 2.9.2002 11.10.2002	to 4.9.2003 23.10.03
<i>Receipt of audit certificate and audit report from Auditors</i>	26.02.2002	13.03.2003	31.03.2004
<u><i>Approval of documents by EC of BIS</i></u>	29.04.2002	13.06.2003	15.06.2004
<u><i>Approval of documents by Bureau</i></u>	13.12.2002	28.7.2003	15.09.2004
<u><i>Date of sending the documents to the Ministry</i></u>	17.12.2002	06.11.2003	-
<i>Date of laying</i>	07.03.2003	19.12.2003	20.12.2004

2.5. It may be seen from the above that the time taken by audit for completing the task and furnishing the Audit Report ranges from 8 to 9 months every year. According to the Department of Consumer Affairs though BIS submits Annual Accounts to CAG for audit by 30 June every year, the audit is normally taken up by CAG in August/September and the draft Audit Report is received normally by the mid of December. Despite BIS replies to draft Audit Report within a month, the final audit report and the certificate is received from CAG only by mid March of the succeeding year to which the accounts pertains.

2.6. The Ministry had stated *vide* their O.M. dt. 21.5.2002 that efforts would be made to reduce the time taken by audit by requesting the Audit Authority to undertake the audit at the earliest and minimise the time taken in completion of their action. When asked whether the Ministry had taken up with C&AG, the question of delay in auditing

and release of audit certificate to the Bureau, the Department of Consumer Affairs stated in a written reply (dt. 04.02.05) as under :-

“With regard to communications with CAG after submission of the final accounts for auditing, further follow up was done with CAG telephonically to undertake the Audit at the earliest and for expediting the receipt of the Audit Report. At the time of submission of reply to draft audit report, CAG is requested to expedite the final audit report and certificate.

2.7. The Secretary, Consumer Affairs stated in this connection during evidence :-

“Our Additional Secretary had met the concerned officers in C&AG’s office. Actually there has to be proper understanding. They should not say that we are not submitting accounts in time. Now we are pre-determining the total agenda and we are requesting them to put more people on the job from their side because we are under pressure from Parliament. That is how we are trying to bring about better understanding and coordination with the C&AG to see that this delay is not repeated.”

2.8. The witness stated further :-

“We are also introducing internal audit so that when the C&AG team comes everything will be virtually pre-cooked and they do not have to go into details. We have already acted on that”

2.9. It may be observed that while the delay in laying the documents is partly attributable to long time taken by audit, the main reason for delay is on the part of the Bureau for completing the rest of the formalities which ranged from 9 months to 12 months every year. Asked to state the reasons for delay on the part of the Ministry/Bureau, the Ministry in a reply (dt. 04.02.04) stated that the time was consumed in Hindi translation of the documents as well as composing the report by Printing Department. Further, at times there was delay in calling the meeting of EC as well as Bureau.

2.10 In order to overcome the constraints in timely laying of documents the Ministry proposed the following steps :

In order to reduce the time taken for compilation of the accounts it has been decided by the Bureau to out source the activity for preparation of the accounts both at HQs and Regional and Branch Offices of BIS. For this purpose, request has been made to CAG to provide a panel of Chartered Accountants located at each location of the BIS offices.

- *It is proposed to computerise the accounting activities at the Headquarters and branch offices and to reconcile the accounts on monthly basis.*
- *The bulk of the Annual Report containing the descriptive portion shall be taken up for Hindi translation and composing before receipt of audit report in order to save time. Final audit report and certificate from CAG is normally of 4-5 pages which shall be immediately inserted on its receipt.*
- *After approval of the Annual Accounts by FC, approval of the Annual Report will be taken from EC and Bureau by circulation*

2.11. The Ministry had assured *vide* their O.M. dated 21.5.2002 that they would monitor the progress of finalisation of Annual Report more closely to ensure its timely laying in Parliament. When asked why there has been no progress in ensuring timely laying of documents even two years after giving an assurance, the Department of Consumer Affairs in a written reply (dt. 04.02.05) stated that some progress has been made for reducing the delay. However the progress made so far was not satisfactory. The Department stated further that every effort was being made to reduce the delay in laying of the report for the year 2003-04.

2.12. Asked about the mechanism available in the Ministry to monitor the progress of activities involved in finalisation of the documents, the Department of Consumer Affairs stated in a written reply (4.2.05) that the activities involved in the finalisation of the Annual Report are monitored by the Senior Management of BIS in review meetings. Additional Secretary (CA) and Additional Secretary & FA of the Department of Consumer Affairs are also members of the Executive Committee (EC) of BIS.

2.13. To another query as to whether the Bureau/Ministry have formulated any time schedule involving various stages of the finalisation of the documents, the Ministry stated in a written reply that a time schedule has been prepared by BIS as given under :-

Date of Submission of Annual Accounts to Audit	20 June
Period Audit by CAG	1 July to 30 July
<i>Receipt of draft Audit report from CAG for BIS reply</i>	<i>30 August</i>
<i>Submission of replies by BIS to audit</i>	<i>30 September</i>
<i>Receipt of final audit report & certificate from CAG</i>	<i>30 October</i>
<i>Approval of draft Annual Report (descriptive portion as well as accounts and audit report) by EC</i>	<i>20 November</i>
<i>Annual Report sending to Ministry (after printing)</i>	<i>30 November</i>
Total time taken from the end of the financial year	8 months

2.14. Regarding finalisation and laying of Annual Report and Audited Accounts of the Bureau for the year 2003-04, the Secretary, Consumer Affairs stated (on 7.2.2005) :-

“The final audit report will be shortly made available by the C&AG. After that there will be no delay. Within 15 days of getting the final audit report, we will be able to lay it on the Table of the House.”

2.15 The Committee regret to note that the Bureau of Indian Standards which sets standards and ought to set an example in observance of standards has itself been a habitual defaulter in adhering to the time limit laid down by the statute for submission of

its Annual Report and Audited Accounts. There have been delays of 12 to 14 months in laying the documents on the Table of the House every year. The documents for the year 2003-04 which should have been laid on the Table by 31.12.2004 were not laid till the matter was considered by the Committee. The Committee find that while the delay is partly attributable to the long time taken in auditing of accounts, the main reason for delay has been on the part of the Bureau in getting translation of the documents, in printing and completing other formalities.

2.16 The time taken by audit for completing their task and furnish the audit report ranges from 8 to 9 months every year. The Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) have now proposed steps to bring about better coordination with the C&AG in order to see that delay is not repeated. Internal audit is also reportedly being introduced to save time during audit by the C&AG. The Committee hope that with these measures, the time taken during audit of accounts could be brought within limits.

2.17 The committee feel that the inordinate delay on the part of the Bureau in getting translation/printing of the documents, getting approval of the documents from the Executive/Bureau is within the control of the Bureau and thus avoidable. In order to avoid delay in future, it has been proposed to take steps such as outsourcing preparation of accounts, computerisation of accounting activities, advance action for translation and approval of Annual Report by circulation. The Committee hope that as assured in a written reply as well as during oral evidence these steps will be taken in right earnest and it would be ensured that there is no avoidable delay on the part of the Bureau in future. The Committee urge that the time schedule indicating target dates for completion of

various stages involved in finalisation of the Annual Report and Audited Accounts formulated in this regard should be strictly adhered to and it should be ensured that the documents of the Bureau are laid on the Table of the House in time in future

III. Delay in laying Annual Reports and Audited Accounts of Telecom Regulatory Authority of India (TRAI), New Delhi.

Telecom Regulatory Authority of India (TRAI) was established in 1997 under the Telecom Regulatory of India Act, 1997 to regulate the telecommunication services and other related matters. The audit of accounts of TRAI has been entrusted to Comptroller & Auditor General. During the year 2002-2003, an amount of Rs. 7.80 crore has been released to the Authority by the Government of India. There has been persistent delay in laying the Annual Reports and Audited Accounts of TRAI as shown below :-

<u>Year</u>	<u>Date of laying</u>	<u>Extent of delay</u>
1997-98	13.12.1999	12 months
1998-99	18.12.2000	12 months
1999-2000	28.11.2001	11 months
2000-2001	11.12.2002	11 months
2001-2002	17.12.2003	12 months
2002-2003	25.08.2004	08 months

3.2. The Committee took oral evidence of the representatives of the Department of Telecommunications and TRAI at their sitting held on 28.10.2004.

3.3. The Committee on Papers Laid on the Table have emphasised in the past that if for any reason the Annual Report and Audited Accounts cannot be laid within the stipulated period, the Ministry concerned should lay within 30 days of the expiry of the prescribed period or as soon as the House meets, whichever is later, a statement explaining the reasons why the report and account could not be laid. No such statement has been laid on the Table for any of the years from 1997-98 to 2002-2003 in respect of TRAI.

3.4. The delay statement laid alongwith documents did not contain the chronological order of the dates of finalisation of reports and accounts. The Ministry of Communications and Information Technology (Department of Telecommunications)

assured in a written reply that “in future in case of delays, chronological sequence of finalisation shall also be submitted.” The chronological details for the past three years were furnished by the Ministry of Communications & Information Technology (Department of Telecommunications) on 27.02.2001 when specifically asked by the Committee. The details are as follows:-

	<u>2000-2001</u>	<u>2001-2002</u>	<u>2002-2003</u>
<i>Date of approval of Annual Accounts by Authority</i>	05.10.01	01.01.03	31.12.03
<i>Date of submission of Accounts to Audit</i>	08.10.01	03.01.03	12.01.04
<i>Date of conducting audit</i>	16.10.01 13.11.01	to 24.01.03 10.03.03	to 22.01.04 05.03.04
<i>Date of HM replies sent to audit</i>	28.11.01 06.12.01	to 27.03.03 02.05.03	to 15.03.04 16.04.04
<i>Date of receipt of draft Audit Report</i>	18.01.02	17.06.03	08.06.04
<i>Date of replies of draft Audit Report sent</i>	11.02.02	10.07.03	23.06.04
<i>Date of receipt of Audit Certificate</i>	09.04.02	31.10.03	27.07.04
<i>Date of receipt of Annual Report from Printer</i>	15.07.02	24.11.03	03.08.04
<i>Date of submission of Annual Report to DOT</i>	16.07.02	25.11.03	03.08.04
<i>Date of laying</i>	11.12.02	17.12.03	25.08.04

3.5. It may be observed from above that TRAI has taken unduly long time for compilation of accounts. The time taken in this regard was over six months for the year 2000-01, nine months each for the year 2001-02 and 2002-03. There was also delay in completion of audit. The time taken by audit for issue of audit certificate was six months each for the year 2000-01 and 2002-03 and ten months for the year 2001-02.

3.6. Pointing out that the delay in laying of the Annual Report has been mainly due to delayed submission of documents by TRAI, the DOT stated in a written reply that TRAI which is an autonomous body has to follow Commercial Accounting System for preparation of Annual Accounts. It was further stated that most of the staff of TRAI were drafted from Central Government after its creation, who were not conversant with the commercial accounting practice resulting in delayed preparation and maintenance of annual accounts. DOT stated further in this regard:

“The reason for delay in finalisation of accounts is due to lack of trained staff to deal with commercial accounting system. TRAI has now recruited officials conversant with commercial accounting system and the object of timely finalisation of accounts is to be achieved.”

3.7. A representative of the Department of Telecommunication stated in this regard during evidence as under:-

“It is a fact that there has been constant delay. It is partly because the Telecom Regulatory Authority of India (TRAI) has adopted mercantile system of accounting as against normal office system of accounting. They have not been comfortable with it. The officers and the staff dealing with finance and accounts matters were not very comfortable with the system. They have not been able, if I may say so, to get over this. They tried to engage a part-time CA for some time but that also did not work. Now, they have engaged someone who is responsible, who understands the subject and the methodology very well. I hope that they would be able to do this.”

3.8. When asked whether the Ministry had taken up with C&AG, the question of delay in auditing, the DOT stated in a written reply that “TRAI has taken up the matter with the Office of Director-General (Audit) verbally for expediting the final audit reports.”

3.9. When the Committee pointed out that it is a lapse on the part of the Ministry not to have taken up with the C&AG the question of delay in auditing, a representative of the Ministry said during evidence.

“ You are right, sir, in saying that we have not been formally being up the matter with C&AG. It is something we will kept in mind in future and ensure that it is done.”

3.10. Explaining the reasons for delay in completion of formalities at the Ministry level after receipt of report from TRAI, the Department of Telecommunications furnished year wise position in this regard as follows:-

- 1997-98 TRAI completed the process of sending Annual Report to this department on 13th April, 1999. As the matter required clarification and preparation of review statement/delay statement etc. and in the meanwhile Lok Sabha was dissolved in the month of April, 1999 it could not be laid immediately after its receipt. Subsequently, it was laid on 13th December, 1999.*
- 1998-99 TRAI completed the process of sending the Annual Report to this department on 14th August, 2000. As it was further required to be examined in this department for preparation of review statement/delay statement and authentication of papers, sufficient time was not available for laying of the paper during the monsoon session (2000). The report for the year 1998-99 was subsequently laid in the winter session (2002) of Parliament on 18.12.2000.*
- 1999-2000 TRAI forwarded the requisite number of copies of Annual Report both in Hindi and English on 20.8.2001 which required examination for preparation of review statement/delay statement and authentication of papers for which sufficient time was not available. Due to this reason the report could not be laid during the monsoon session in 2001 of the Parliament and subsequently it was laid in the winter session 2001.*
- 2000-2001 TRAI completed the process of sending Annual Reports for the year 2000-2001 on 23rd July, 2002. Thereafter the matter was processed in this Department for preparation of Review Statement and Delay Statement. Subsequently it could be laid in the Winter Session 2002.*

2000-2001 The Annual Reports for these years were laid on the Table of the House immediately after their receipt.

3.11. Asked to state whether is there any mechanism in the Ministry to monitor the progress of finalisation of the documents of TRAI, a representative of the Department of Telecommunications during evidence stated as follows

“Yes, we have a cell which looks after the TRAI and the TDSAT. TDSAT is the appellate authority. But both the TRAI and TDSAT matters are looked after by a wing in our Ministry.”

3.12. To a query as to whether any time schedule has been laid down by the Ministry indicating the target dates for completion of each stage involved in finalisation of documents, the Department of Telecommunication in their written reply have stated as under :-

“In terms of Section 23(4) of the TRAI Act, the accounts of the Authority as certified by C&AG or any other person appointed by him in this behalf together with audit report thereon are required to be forwarded annually to the Central Government which shall cause the same to be laid before each House of Parliament. Further under Section 24(2) & (3) the Authority is required to prepare once every year in such form and at such time as may be prescribed, an Annual Report giving a summary of its activities during the previous year and copies of the report shall be forwarded to the Central Government which shall lay it before each House of Parliament as soon as may be after it is received.

Further in terms of Rule 4 of the Telecom Regulatory Authority of India (Annual Report and Returns) Rules, 1999 TRAI is required to prepare as soon as may be, after the commencement of each financial year the Annual Report referred in Section 24 (2) of the Act giving summary of its activity during the previous financial year. In terms of rule 3 of the same rule such Annual Report after its adoption by the Authority is required to be submitted to the Central Government by 30th day of September. Apart from the above no specific time limits has been prescribed in the TRAI Act or rules framed thereunder and also no time schedule has been laid by this Ministry for this purpose.”

3.13. As regard the question of timely laying of documents for the year 2003-04, a representative of the Ministry stated during evidence on 28.10.2004:-

“For the year 2003-04, they have already submitted their accounts. They expect the final Audit Report in a month’s time or so. Only then, they would be in a position to submit and we would be able to lay it before the Parliament hopefully before the end of the Winter Session.”

3.14 In terms of rule 3 of the Telecom Regulatory Authority of India (Annual Report and Returns) Rules, 1999 the Annual Report of TRAI is required to be submitted to the Central Government by 30th September every year. The Committee regret to note that Telecom Regulatory Authority of India under the Ministry of Communications & Information Technology (Department of Telecommunications) has been a habitual defaulter in the matter of timely laying of their Annual Reports and Audited Accounts. A scrutiny of dates of laying of these documents of the Authority pertaining to the years from 1997-98 to 2002-03 shows that delay in laying the documents on the Table of the House ranges from 8 to 12 months every year. The documents for the year 2003-04 which were due for laying by 31.12.2004 were not laid till the matter was considered by the Committee.

3.15. The Committee have emphasised in the past that if for any reason the Annual Report and Audited Accounts cannot be laid within the stipulated period, the Ministry concerned should lay within 30 days of the expiry of the prescribed period or as soon as the House meets, whichever is later, a statement explaining the reasons why the Report and Accounts could not be laid. The Committee regret to note that no such statement has been laid on the Table for any of the years from 1997-98 to 2002-03 in respect of TRAI. The Committee hope that the Ministry of Communications and Information Technology

(Department of Telecommunication) have taken note of the above recommendation for compliance, if a need arises in future.

3.16. The Committee find that there has been avoidable delay on the part of TRAI in compilation of accounts. The time taken by TRAI for compilation of Accounts after the close of the accounting year ranged from six months to nine months during the last three years as against the prescribed time of three months. The delay is attributed to the requirement of maintaining commercial accounting system with which the staff drafted from Central Government were not conversant. It has been stated that TRAI has now recruited trained staff to maintain the accounts of the Authority and that they would be able to compile the accounts in time. The Committee hope that TRAI would ensure that there is no delay in compilation of accounts in future.

3.17 Another reason cited for delay in finalisation of the Accounts has been the delay in completion of audit by DGACR. The time taken by audit for issue of audit certificate during the last three years ranged from six to ten months. The Committee regret to note that though there has been delay on the part of Audit, the Ministry of Communications and Information Technology (Department of Telecommunications) have never formally taken up this question with the C&AG, impressing upon them the need for timely completion of audit. The Committee believe that as assured by a representative of the Department of Telecommunications the matter would be taken up with the C&AG in order to ensure that there is no delay at the stage of auditing.

3.18. It appears that the Ministry of Communications and Information Technology (Department of Telecommunications) have not laid down any time schedule fixing target dates for compilation of accounts, completion of audit, approval of documents from the

competent authority, completion of translation and printing and dispatch of the documents to the Ministry by TRAI and completion of formalities in the Ministry. The Committee urge that the Ministry should lay down a schedule in this regard for all the organisations under their control and ensure that the schedule is strictly adhered to by TRAI and other bodies/organisations. The Committee would like to be apprised of the action taken in this regard.

IV. DELAY IN LAYING AUDITED ACCOUNTS OF NATIONAL COUNCIL FOR TEACHER EDUCATION, NEW DELHI

National Council for Teacher Education was established in 1993 by an Act of Parliament (National Council for Teachers Education, Act, 1993) with the objective of achieving planned and coordinated development of teacher education system throughout the country and for regulation and proper maintenance of norms and standard in teacher education. The Council is fully financed by grants from Government of India. The Audit of Accounts of the Council is conducted by the C&AG in terms of Section 26 of the National Council for Teacher Education Act. During the year 2002-2003 the Council received grants-in-aid of Rs. 450 lakh.

4.2 The Committee on Papers Laid on the Table have time and again emphasised that the Annual Report and Audited Accounts of an organisation should always be laid together on the Table of the House. In the case of National Council for Teacher Education this stipulation has not been adhered to from the year 1999-2000 onwards and the Annual Reports and Audited Accounts have been laid separately. Rule 14 of the National Council for Teacher Education Rules, 1997 requires that the Council shall submits its Annual Report to the Central Government within nine months of the end of the financial year. There is, however, no such provision in respect of Audited Accounts.

4.3. It is observed that while the Annual Reports of the Council for the years 1999-2000 to 2002-2003 have been laid within the stipulated period, there has been a delay of 11 months in laying the Audited Accounts for the year 1999-2000, delay of 14 months for the year 2000-2001, 7 months for the year 2001-2002 and 11 months for the year 2002-2003. The Annual Report and Audited Accounts for the year 2003-2004 which should

have been laid on the Table by 31.12.2004 were not laid till this matter was considered by the Committee.

4.4 According to the Ministry of Human Resource Development (Department of Elementary Education & Libteracy) there has been delay in laying the Audited Accounts of the Council due to late receipt of Audited Accounts from DGACR. The chronology of dates regarding finalisation of the Audited Accounts of the Council for the years 2000-2001 to 2002-2003 as observed from the delay statements laid along with the Audited Accounts is as under :-

<u>S.No.</u>	<u>Item of work</u>	<u>2000-2001</u>	<u>2001-2002</u>	<u>2002-03</u>
(1)	<i>NCTE sent Annual Accounts to DGACR</i>	<i>29.06.2001</i>	<i>28.06.2002</i>	<i>27.06.03</i>
(2)	<i>Audit of Headquarters completed by DGACR,</i>	<i>12.10.2001</i>	<i>02.09.2002</i>	<i>13.08.03</i>
(3)	<i>Audit of Regional Offices completed by DGACR</i>	<i>08.04.2002</i>	-	-
(4)	<i>DGACR sent draft Audit Report to NCTE for comments</i>	<i>04.12.2001</i>	-	<i>27.10.03</i>
(5)	<i>NCTE sent comments to DGACR</i>	<i>20.02.2002</i>	<i>08.10.2002</i>	<i>25.11.03</i>
(6)	<i>DGACR sent Final Audit Report to NCTE</i>	<i>29.07.2002</i>	<i>07.02.2003(Eng)</i>	<i>07.04.04</i>
			<i>04.07.2003(Hindi)</i>	
(7)	<i>Final Audit Report of NCTE received in the in the Department of Elementary Education & Literacy</i>	<i>29.11.2002</i>	<i>17.07.2003</i>	<i>12.08.04</i>
(8)	<i>Date of laying</i>	<i>11.03.2003</i>	<i>06.08.2003</i>	<i>07.12.04</i>

4.5 It may be observed from above that audit has taken 13 months to furnish final Audit Report in respect of the year 2000-2001, seven months in respect of 2001-02 and nine months in respect of 2002-03. After receipt of final Audit Report, NCTE/Ministry of Human Resource Development (Department of Elementary Education and Literacy) have taken six to seven months to complete other formalities and for laying the documents on the Table.

4.6 The Committee went into the details with particular reference to the year 2000-2001 in respect of which the delay in laying the Audited Accounts was maximum viz. 14 months.

4.7 Explaining the reasons for the delay, the Department of Elementary Education & Literacy stated in a written reply (OM dt. 4.11.2003) that the Annual Accounts of NCTE for the year 2000-2001 were audited by the DGACR in two lots. Audit of NCTE head quarters was conducted from 19 September 2001 to 12 October 2001 and the audit of regional offices of NCTE was conducted from 20 March 2002 to 8 April 2002.

4.8 To a query as to what effort were made by the Council/Ministry to ensure timely completion of audit of accounts, the reply furnished by the Ministry did not reveal any specific information in this regard.

4.9 Enquired about the nature of queries raised by audit and the time taken by the Council to resolve these queries, Ministry stated in a written reply that “the queries raised by the auditors were in the form of Memos seeking production of documents, information, etc. These audit Memos were replied to and documents were made available during the period of audit of NCTE head quarters from 19th September to 12th October, 2001 and of the regional offices of NCTE from 20.3.2002 to 8.4.2002.”

4.10 The Committee considered the matter at their sitting held on 18.11.2004.

4.11 One of the oft repeated recommendations of the Committee has been that the Annual Report and Audited Accounts of an organisation should always be laid together to enable the members of Parliament to have a complete picture of the performance and activities of the organisation. The Committee regret to note that this recommendation has

not been adhered to by the Ministry of Human Resource Development (Department of Elementary Education & Literacy) in respect of the National Council for Teacher Education) from the year 1999-2000 onwards. The Committee in this connection note that whereas a time limit of nine months has been laid down under Rule 14 of the National Council for Teacher Education Rules, 1997 for submission of Council's Annual Report, no such time limit has been laid down for submission of Audited Accounts. This is obviously a lacuna in the Rules. The Committee urge that a time limit of nine months should be laid down for submission of Audited Accounts of the Council also so that the Annual Report alongwith the Audited Accounts could be laid simultaneously.

4.12. The Committee note that though the Annual Report for the years 1999-2000 to 2002-2003 have been laid on the Table within the stipulated time, there have been delays ranging from seven to fourteen months in laying the Audited Accounts of the Council in respect of these years. The Annual Report and Audited Accounts for the year 2003-2004 which should have been laid on the Table by 31.12.2004 were not laid till the matter was considered by the Committee.

4.13 It appears from the information furnished by the Ministry of Human Resource Development (Department of Elementary Education & Literacy) that the time taken by audit in completing their task and furnishing audit report is considerably long. Though the time taken by Audit in this regard ranges from seven to thirteen months, the Ministry of Human Resource Development (Department of Elementary Education & Literacy) do not seem to have taken up the matter with DGACR to impress upon them the need for timely completion of their task in order to avoid consequential delay in laying of the documents on the Table of the House. The Committee urge that the matter should be

taken up suitably with the DGACR at the level of the Secretary, Elementary Education & Literacy and the Committee be apprised of the action taken.

4.14 The Committee find that another reason for delay in laying the Audited Accounts of the Council has been the unduly long time taken by the Council in completing formalities after receipt of the final audit report. The Committee note that after receipt of audit report, the Council has taken 4 to 5 months every year in completing the formalities such as getting approval of the documents, translation/printing and sending them to the Ministry for laying. The Committee feel that time taken for these tasks is within the control of the Council and delay in this regard is avoidable. The Committee, therefore, stress that the Ministry of Human Resource Development (Department of Elementary Education & Literacy) should lay down a time schedule of indicating target dates for completion of the task at each stage involved in finalisation of the documents, viz. compilation of Annual Accounts, preparation of Annual Report, audit of Accounts, approval of the documents, translation and printing, processing in the Ministry, laying on the Table of the House and it should be ensured that the schedule is strictly adhered to. The Committee hope that with these measures, the Annual Report and Audited Accounts of the Council could be laid on the Table of the House within the stipulated time in future.

New Delhi
23 March, 2005
2 Chaitra, 1927 (Saka)

HANNAN MOLLAH
Chairman
Committee on Papers Laid on the Table

APPENDIX

SUMMARY OF RECOMMENDATIONS/OBSERVATIONS CONTAINED IN THE REPORT

Sl. No.	Ref. to para No. of the Report	Summary of Recommendations/observations
1	2	3
1.	1.11	<p>The Committee are distressed to note that there have been inordinate delays in laying the Annual Reports and Audited Accounts of Food Corporation of India in which the Government have invested as much as Rs. 2324 crore. The delay ranged from two to three years in respect of documents pertaining to the year 1996-97 and onwards. The documents for the year 2002-03 and 2003-2004 which were due for laying by 31st December, 2003 and 31st December, 2004 respectively were not laid till this report was adopted by the Committee.</p>
2.	1.12	<p>According to the Ministry of Consumer Affairs, Food & Public Distribution (Department of consumer Affairs), certain peculiar difficulties were faced by the Food Corporation of India vis-à-vis Principal Auditors during the year 1996-97. The Auditors reportedly demanded a much higher amount than what had been recommended by the C&AG and had persistently raised professional objection when the Corporation tried to engage other auditors recommended by the C&AG. The Committee regret to note that instead of resolving the dispute amicably and expeditiously, the matter was allowed to linger on for nearly three and a half years. In the process, rules regarding the timely placement of accounts of the Corporation in Parliament were given a go by. In order to overcome the difficulties, it was decided to amend Section 34 of the Food Corporation</p>

Act. At last, the Act was amended on 12 May, 2000 to devolve the responsibility of auditing the accounts solely upon C&AG. The Committee note that following this action, Annual Reports and Audited Accounts of the Food Corporation of India pertaining to five years have been laid on the Table during the last three years. The documents pertaining to the year 2002-2003 are expected to be laid during the current budget session. The Committee urge that as assured by the Ministry, the backlog of the Annual Reports and Audited Accounts including that of the year 2003-2004 should be cleared expeditiously and it should be ensured that the documents of the Corporation are laid on the Table within the stipulated time in future.

3. 2.15

The Committee regret to note that the Bureau of Indian Standards which sets standards and ought to set an example in observance of standards has itself been a habitual defaulter in adhering to the time limit laid down by the statute for submission of its Annual Report and Audited Accounts. There have been delays of 12 to 14 months in laying the documents on the Table of the House every year. The documents for the year 2003-04 which should have been laid on the Table by 31.12.2004 were not laid till the matter was considered by the Committee. The Committee find that while the delay is partly attributable to the long time taken in auditing of accounts, the main reason for delay has been on the part of the Bureau in getting translation of the documents, in printing and completing other formalities.

4. 2.16

The time taken by audit for completing their task and furnish the audit report ranges from 8 to 9 months every year. The Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer

Affairs) have now proposed steps to bring about better coordination with the C&AG in order to see that delay is not repeated. Internal audit is also reportedly being introduced to save time during audit by the C&AG. The Committee hope that with these measures, the time taken during audit of accounts could be brought within limits.

5. 2.17

The committee feel that the inordinate delay on the part of the Bureau in getting translation/printing of the documents, getting approval of the documents from the Executive/Bureau is within the control of the Bureau and thus avoidable. In order to avoid delay in future, it has been proposed to take steps such as outsourcing preparation of accounts, computerisation of accounting activities, advance action for translation and approval of Annual Report by circulation. The Committee hope that as assured in a written reply as well as during oral evidence these steps will be taken in right earnest and it would be ensured that there is no avoidable delay on the part of the Bureau in future. The Committee urge that the time schedule indicating target dates for completion of various stages involved in finalisation of the Annual Report and Audited Accounts formulated in this regard should be strictly adhered to and it should be ensured that the documents of the Bureau are laid on the Table of the House in time in future

6. 3.14

In terms of rule 3 of the Telecom Regulatory Authority of India (Annual Report and Returns) Rules, 1999 the Annual Report of TRAI is required to be submitted to the Central Government by 30th September every year. The Committee regret to note that Telecom Regulatory Authority of India under the Ministry of Communications & Information Technology (Department of

Telecommunications) has been a habitual defaulter in the matter of timely laying of their Annual Reports and Audited Accounts. A scrutiny of dates of laying of these documents of the Authority pertaining to the years from 1997-98 to 2002-03 shows that delay in laying the documents on the Table of the House ranges from 8 to 12 months every year. The documents for the year 2003-04 which were due for laying by 31.12.2004 were not laid till the matter was considered by the Committee.

7. 3.15.

The Committee have emphasised in the past that if for any reason the Annual Report and Audited Accounts cannot be laid within the stipulated period, the Ministry concerned should lay within 30 days of the expiry of the prescribed period or as soon as the House meets, whichever is later, a statement explaining the reasons why the Report and Accounts could not be laid. The Committee regret to note that no such statement has been laid on the Table for any of the years from 1997-98 to 2002-03 in respect of TRAI. The Committee hope that the Ministry of Communications and Information Technology (Department of Telecommunication) have taken note of the above recommendation for compliance, if a need arises in future.

8. 3.16.

The Committee find that there has been avoidable delay on the part of TRAI in compilation of accounts. The time taken by TRAI for compilation of Accounts after the close of the accounting year ranged from six months to nine months during the last three years as against the prescribed time of three months. The delay is attributed to the requirement of maintaining commercial accounting system with which the staff drafted from Central Government were not conversant. It has been stated that TRAI has now recruited trained staff to maintain the

accounts of the Authority and that they would be able to compile the accounts in time. The Committee hope that TRAI would ensure that there is no delay in compilation of accounts in future.

9. 3.17

Another reason cited for delay in finalisation of the Accounts has been the delay in completion of audit by DGACR. The time taken by audit for issue of audit certificate during the last three years ranged from six to ten months. The Committee regret to note that though there has been delay on the part of Audit, the Ministry of Communications and Information Technology (Department of Telecommunications) have never formally taken up this question with the C&AG, impressing upon them the need for timely completion of audit. The Committee believe that as assured by a representative of the Department of Telecommunications the matter would be taken up with the C&AG in order to ensure that there is no delay at the stage of auditing.

10. 3.18.

It appears that the Ministry of Communications and Information Technology (Department of Telecommunications) have not laid down any time schedule fixing target dates for compilation of accounts, completion of audit, approval of documents from the competent authority, completion of translation and printing and dispatch of the documents to the Ministry by TRAI and completion of formalities in the Ministry. The Committee urge that the Ministry should lay down a schedule in this regard for all the organisations under their control and ensure that the schedule is strictly adhered to by TRAI and other bodies/organisations. The Committee would like to be apprised of the action taken in this regard.

11. 4.11 One of the oft repeated recommendations of the Committee has been that the Annual Report and Audited Accounts of an organisation should always be laid together to enable the members of Parliament to have a complete picture of the performance and activities of the organisation. The Committee regret to note that this recommendation has not been adhered to by the Ministry of Human Resource Development (Department of Elementary Education & Literacy) in respect of the National Council for Teacher Education) from the year 1999-2000 onwards. The Committee in this connection note that whereas a time limit of nine months has been laid down under Rule 14 of the National Council for Teacher Education Rules, 1997 for submission of Council's Annual Report, no such time limit has been laid down for submission of Audited Accounts. This is obviously a lacuna in the Rules. The Committee urge that a time limit of nine months should be laid down for submission of Audited Accounts of the Council also so that the Annual Report alongwith the Audited Accounts could be laid simultaneously.
12. 4.12. The Committee note that though the Annual Report for the years 1999-2000 to 2002-2003 have been laid on the Table within the stipulated time, there have been delays ranging from seven to fourteen months in laying the Audited Accounts of the Council in respect of these years. The Annual Report and Audited Accounts for the year 2003-2004 which should have been laid on the Table by 31.12.2004

were not laid till the matter was considered by the Committee.

13. 4.13

It appears from the information furnished by the Ministry of Human Resource Development (Department of Elementary Education & Literacy) that the time taken by audit in completing their task and furnishing audit report is considerably long. Though the time taken by Audit in this regard ranges from seven to thirteen months, the Ministry of Human Resource Development (Department of Elementary Education & Literacy) do not seem to have taken up the matter with DGACR to impress upon them the need for timely completion of their task in order to avoid consequential delay in laying of the documents on the Table of the House. The Committee urge that the matter should be taken up suitably with the DGACR at the level of the Secretary, Elementary Education & Literacy and the Committee be apprised of the action taken.

14. 4.14

The Committee find that another reason for delay in laying the Audited Accounts of the Council has been the unduly long time taken by the Council in completing formalities after receipt of the final audit report. The Committee note that after receipt of audit report, the Council has taken 4 to 5 months every year in completing the formalities such as getting approval of the documents, translation/printing and sending them to the Ministry for laying. The Committee feel that time taken for these tasks is within the control of the Council and delay in this regard is avoidable. The Committee,

therefore, stress that the Ministry of Human Resource Development (Department of Elementary Education & Literacy) should lay down a time schedule of indicating target dates for completion of the task at each stage involved in finalisation of the documents, viz. compilation of Annual Accounts, preparation of Annual Report, audit of Accounts, approval of the documents, translation and printing, processing in the Ministry, laying on the Table of the House and it should be ensured that the schedule is strictly adhered to. The Committee hope that with these measures, the Annual Report and Audited Accounts of the Council could be laid on the Table of the House within the stipulated time in future.
