Report of the Comptroller and Auditor General of India

for the year ended March 2005

Union Government (Civil)

Autonomous Bodies

No.3 of 2006

CONTENTS

PREFACE

This Report for the year ended 31 March 2005 has been prepared for submission to the President under Article 151 of the Constitution. The results of test audit of the financial transactions of the Central Autonomous Bodies under the various provisions of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 are set out in this Report. This Report includes 49 paras.

The audited organisations are autonomous bodies of varying character and discipline. These organisations are intended to perform certain specified services of public utility or to execute certain programmes and policies of the Government, essentially out of financial assistance from the Government. Such bodies and authorities include Major Port Trusts, Centre for Development of Telematics, Prasar Bharati, Indian Institutes of Technology, Indian Institutes of Management and other educational and research institutions.

The cases mentioned in this Report came to notice in the course of test audit during the year 2004-2005.

OVERVIEW

General

Annual accounts of Autonomous Bodies

In 2004-05 there were 253 central autonomous bodies whose accounts were to be certified under Section 19 (2) and 20 (1) of the CAG's (DPC) Act, 1971. Government of India released Rs. 12290.67 crore towards grants and Rs. 90.54 crore towards loan to 242 bodies during 2004-05. Information on the amount of government grants released to the remaining 11 bodies was not available.

Grants amounting to Rs. 5600.48 crore (45.57 *per cent* of total grants) were disbursed by the Ministry of Human Resource Development to 91 educational institutions, Rs. 870.35 crore (7.08 *per cent* of total grants) were disbursed by the Ministry of Health and Family Welfare to 23 health and research institutions and Rs. 340.33 crore (2.77 *per cent* of total grants) were disbursed by the Ministry of Commerce to 14 autonomous bodies.

Audited accounts for 2003-04 of 251 central bodies were to be placed before the Parliament by 31 December 2004. Of these, audited accounts of 71 bodies were submitted for audit within the stipulated time. The accounts of 14 bodies were not submitted for audit by the concerned organisations as on December 2005.

(Paragraph 1.1)

Ministry of Health and Family Welfare

All India Institute of Medical Sciences

The All India Institute of Medical Sciences failed to recover licence fee from the State Bank of India at the rate prescribed by the government for the space provided to it. This resulted in short recovery of Rs. 41.43 lakh for the period from March 1999 to December 2004.

(Paragraph 6.2)

Ministry of Human Resource Development

Indian Institutes of Technology and other institutions

Indian Institutes of Technology (IIT), Delhi; Kharagpur; Mumbai; MNNIT

Allahabad; NITIE Mumbai and VNIT Nagpur failed to recover service tax amounting to Rs. 1.16 crore from their clients on consultancy services rendered to them. As a result, the institutes made the service tax payment out of their own funds.

(Paragraph 8.3)

Kendriya Vidyalaya Sangathan

Deviating from the Memorandum of Understanding, the Kendriya Vidyalaya Sangathan did not consult the Indian Institute of Management, Kolkata before commencing work on a school building. This resulted in a dispute and stoppage of work on the project and consequential idling of investment of Rs. 1.59 crore for two years. The project cost had also escalated by Rs. 95 lakh.

(Paragraph 8.4)

Ministry of Information and Broadcasting

Prasar Bharati

Undue concession was extended to the producer of a serial by way of irregular grant of additional Free Commercial Time up to July 2001. During the subsequent period of telecast, the producer enjoyed concessional telecast fee and the same total quantum of Free Commercial Time. Undue financial benefit of Rs. 10.66 crore accrued to the producer on these counts..

(Paragraph 9.1)

Doordarshan failed to appoint operational and maintenance staff for nine low power TV transmission systems built during March 2002 to September 2004 which resulted in their idling as well as idling of investment of Rs. 6.74 crore. Further, it also failed to commission studios set-up at six stations during March 2001 to March 2005 at a cost of Rs. 22.55 crore even 12 to 48 months after their completion.

(Paragraph9.2)

Doordarshan procured two transmitters before erecting the TV Tower at Vadodara which resulted in idling of Rs. 3.82 crore for two to four years as of July 2005. The guarantee for the equipment also lapsed while these were idling.

(Paragraph 9.3)

Ministry of Labour

Employees' Provident Fund Organisation

The Employees' Provident Fund Organisation spent Rs. 9.32 crore on distribution of gold medallion to its staff in contravention of Government of India's economy instructions and the Fundamental Rules.

(Paragraph 10.2)

Ministry of Shipping

Chennai Port Trust

The inconsistent decisions of the Chennai Port Trust and the Ministry after placing the work order for construction and supply of a dredger, led to the belated delivery of the dredger with consequent avoidable expenditure of Rs. 2.61 crore.

(Paragraph 12.1)

The Chennai Port Trust fixed unrealistic high base rent for leasing out of an office complex in November 2000. Consequently, several units of the office complex remained vacant even after floating eight tenders resulting in loss of revenue of Rs. 1.19 crore.

(Paragraph 12.3)

Kolkata Port Trust

Kolkata Port Trust in violation of Government directives invested Rs. 22.25 crore upto July 2000 in 141.76 lakh units of US-64 scheme. It also failed to assess the declining trend of US-64 and to take timely action on redemption of its investment in the scheme. The Port Trust in May 2003 ultimately suffered a capital loss of Rs. 8.07 crore on redemption of these units.

(Paragraph 12.5)

Mormugao Port Trust

The Mormugao Port Trust, Goa purchased 20,500 sq. mtrs of land for Rs. 2.46 crore in May 1999 with no specific utilisation plan resulting in the land lying idle even after six years of its purchase.

(Paragraph 12.7)

Tuticorin Port Trust

Tuticorin Port Trust constructed an additional warehouse in August 2002 based on an unrealistic projection of future requirement and under estimation of the available capacity in the three existing warehouses. This resulted in blocking up of Rs 1.62 crore of Port funds.

(Paragraph 12.10)

Visakhapatnam Port Trust

Decision of Visakhapatnam Port Trust to make investments in privately placed bonds of Industrial Development Corporation of Orissa Ltd. in disregard of the guidelines of the Department of Public Enterprises resulted in a loss of Rs 78.25 lakh.

(Paragraph 12.11)

Visakhapatnam Dock Labour Board short realised Rs 2.88 crore due to incorrect interpretation of its resolution.

(Paragraph 12.12)

Failure of Visakhapatnam Dock Labour Board to raise the rate of levy on Coromandel Fertilizers Limited led to under realisation of revenue of Rs. 70.25 lakh.

(Paragraph 12.13)

Ministry of Urban Development

Delhi Development Authority

Delhi Development Authority failed to take timely action to cancel the allotment of a plot despite persistent breaches of the terms of allotment by the allottee, which deprived it of prime land worth Rs. 92.06 lakh. In addition, composition fee of Rs. 43.45 lakh also remained unrecovered.

(Paragraph 14.1)

Delhi Development Authority suffered a loss of Rs. 72.90 lakh due to investment of surplus funds at lower rate of interest.

(Paragraph 14.2)

Ministry of Youth Affairs and Sports

Sports Authority of India

Sports Authority of India failed to take timely action to acquire and maintain the shunt capacitors for regulating the power supply at the prescribed power factor of 0.85. This resulted in payment of penalty of Rs. 1.95 crore for the period August 1997 to January 2001.

(Paragraph 15.1)

Sports Authority of India purchased equipment worth Rs. 1.10 crore during 1988-2004 which remained unutilised.

(Paragraph 15.2)

Sports Authority of India irregularly provided vehicles and mobile phones to its chairperson/vice-chairperson and their personal staff etc. at a cost of Rs. 72.03 lakh.

(Paragraph 15.3)

CHAPTER I : GENERAL

1.1 Annual accounts of autonomous bodies

Bodies established by or under law made by the Parliament and containing specific provisions for audit by the Comptroller and Auditor General of India are statutorily taken up for audit under Section 19(2) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act 1971 (Act). Audit of other organisations (corporations or societies) is entrusted to the Comptroller and Auditor General of India in public interest under Section 20(1) of the Act ibid. The nature of audit conducted under these provisions is certification of annual accounts as well as value for money audit.

As on 31 March 2005 there were 253 central autonomous bodies whose annual accounts were to be audited by the Comptroller and Auditor General of India as the sole auditor under Sections 19(2) and 20(1) of the Act.

During 2004-05, grants and loans amounting to Rs. 12290.67 crore and Rs. 90.54 crore respectively were released by the Union Government to 242 autonomous bodies (**Appendix-I**). Of these, grants amounting to Rs. 5600.48 crore (45.57 *per cent* of total grants) were disbursed by the Ministry of Human Resource Development to 91 educational institutions, Rs. 870.35 crore (7.08 *per cent*) were disbursed by the Ministry of Health and Family Welfare to 23 health and research institutions, Rs. 340.35 crore (2.77 *per cent*) were disbursed by the Ministry of Commerce to 14 autonomous bodies and Rs. 173.97 crore (1.41 *per cent*) were disbursed by the Ministry of Culture to 26 autonomous bodies.

Information for 2004-05 in respect of 11 bodies were not furnished by the concerned Ministries; thus, the amount of Government grants released by them was not available as of December 2005 (**Appendix-II**).

1.1.1 According to information furnished by various Ministries there were 198 central autonomous bodies as on 31 March 2005, which were substantially financed by grants/loans from the Union Government and attracted audit by the Comptroller and Auditor General of India under the provisions of Sections 14(1)/14(2) of the Act. Audit under these provisions is in the nature of value for money audit. These bodies received grants/loans amounting to Rs. 3346.68 crore from the Union Government during 2004-05 (**Appendix-III**). Annual accounts of these entities are audited by Chartered Accountants.

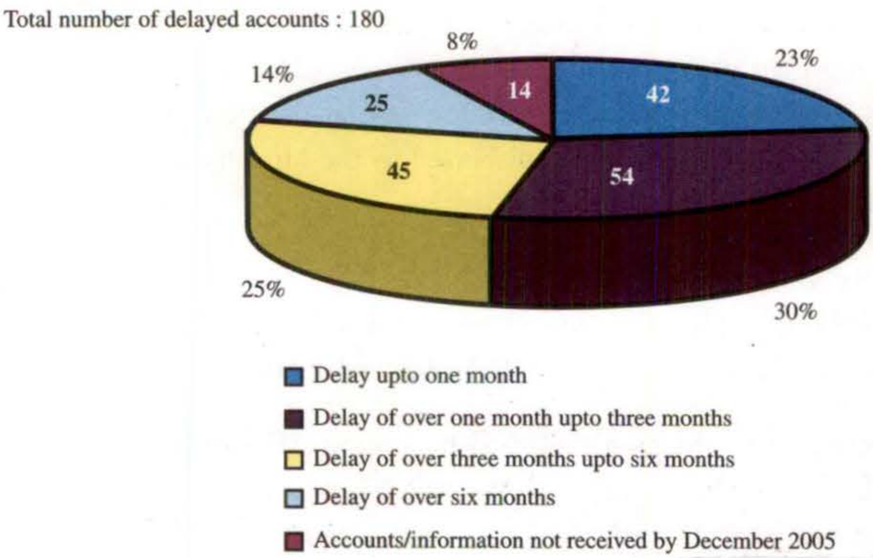
1.1.2 Delay in submission of accounts by autonomous bodies

The Committee on Papers Laid on the Table of the House recommended in their First Report (5th Lok Sabha) 1975-76 that after the close of the accounting year, every autonomous body should complete its accounts within a period of three months and make them available for audit and that the reports and the audited accounts should be laid before Parliament within nine months of the close of the accounting year.

For the year 2003-04, audit of accounts of 251 Central autonomous bodies was to be conducted under Sections 19(2) and 20 (1) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 and these audited accounts were to be placed before the Parliament by 31 December 2004. Out of these, the accounts of 71 autonomous bodies only were made available for audit within the prescribed time limit of three months after the close of the accounting year. Submission of accounts of 180 autonomous bodies was delayed as indicated below: -

Delay upto one month	42
Delay of over one month up to three months	54
Delay of over three months upto six months	45
Delay of over six months	25
Accounts/information not received by December 2005	14
Total	**180**

Extent of delay in submission of accounts



In **Appendix-IV** the position of Autonomous Bodies whose accounts were delayed between three to six months and for over six months is given.

The list of bodies whose accounts were not received as of December 2005 is given in **Appendix-V**.

1.1.3 Arrears in submission of accounts

A few Autonomous Bodies are yet to submit the accounts even for earlier years as per details given below:

1.	National Commission for Backward Classes, New Delhi	1993-94 onwards
2.	Central Agricultural University, Manipur	2002-03 onwards
3.	Indian Council for World Affairs, New Delhi	1999-2000 onwards
4.	National Legal Service Authority, New Delhi	1997-98 onwards
5.	Bharat Shiksha Kosh, New Delhi	2002-03 onwards

1.2 Delay in presentation of Reports in relation to accounts of Central Autonomous Bodies in both the Houses of Parliament

According to the existing arrangements for entrustment of audit under Section 20(1) and the provisions contained in Section 19(A)(2) of the Act ibid, audit reports are required to be placed before the Parliament. There have been abnormal delays in presentation of audit reports in respect of a number of Central Autonomous Bodies. As on 31 October 2005, 67 audit reports of 45 bodies have not been tabled in the Parliament. The details of the cases, where there have been delays are indicated in **Appendix VI**. The delay in presentation of audited accounts has deprived both the Houses of Parliament of information on the financial position and performance of the Central Autonomous Bodies.

1.3 Non-preparation of accounts by Central Universities in the Uniform Format of Accounts

Based on the recommendations of the Parliamentary Committee on Papers Laid on the Table, the Government of India, Ministry of Finance had prescribed a Uniform Format of Accounts to be adopted by the Central autonomous bodies with effect from the financial period 2001-02. However, the following Central Universities have not adopted the Uniform Format of Accounts. This has adversely impacted the quality of the annual financial statements of these universities:

1. Delhi University
2. Jamia Milia Islamia, New Delhi
3. Aligarh Muslim University, Aligarh
4. Banaras Hindu University, Banaras
5. Maulana Azad National Urdu University, Hyderabad
6. North-Eastern Hill University, Shillong
7. Assam University, Silchar

Information in respect of Central Agricultural University, Manipur, Imphal was not available.

On the matter being pointed out in audit, the Ministry stated (September 2005) that three Central Universities viz., Jamia Millia Islamia, Aligarh Muslim

University and Maulana Azad National Urdu University would hopefully adopt the uniform format of accounts from the annual accounts for the year 2005-06. It also stated that the remaining four Central Universities namely Delhi University, Banaras Hindu University, Assam University and North-Eastern Hill University had been experiencing certain problems in adopting the uniform format of accounts and they were in constant touch with the University Grants Commission to resolve the problems and switch over to the new format of accounts at the earliest.

The fact, therefore, remains that despite recommendations of a Parliamentary Committee and instructions of the Government of India, all the Central Universities have not switched over to the prescribed format of accounts with the result that the purpose of bringing similarity and transparency in accounts has not been achieved.

1.4 Utilisation certificates

Consequent on the departmentalisation of accounts in 1976 certificates of utilisation of grants were required to be furnished by the Ministries/Departments concerned to the Controllers of Accounts in respect of grants released to statutory bodies, non-government organisations etc to ensure that the grants had been properly utilised for the purpose for which these were sanctioned. The Ministry/Department-wise details indicating the position of total number of 55155 outstanding utilisation certificates involving Rs. 14425.17 crore in respect of grants released upto March 2004 due by March 2005 (after 12 months of release of grant) are given in **Appendix-VII**.

Out of a total of 44141 utilisation certificates involving Rs. 12687.15 crore which were awaited from 10 major Ministries/Departments at the end of March 2005, 37597 certificates involving Rs. 7492.55 crore related to grants released upto March 2003 as shown below:

Utilisation certificates outstanding as on 31 March 2005

(Rupees in crore)

Sl. no.	Ministry/Department	For the period ending March 2004		For the period ending March 2003	
		Number	Amount	Number	Amount
1.	Elementary Education and literacy	1748	3941.51	1212	2132.48
2.	Health	2452	2943.81	1956	1975.33
3.	Family Welfare	1593	1877.58	1170	738.46
4.	Environment and Forests	6923	849.21	5923	726.32
5.	Youth Affairs and Sports	7278	676.99	5930	487.15
6.	Higher Secondary Education	3342	652.84	2510	404.96
7.	Social Justice and Empowerment	11664	583.51	10862	525.39
8.	Culture	8887	475.89	7866	394.57
9.	Urban Development	169	361.05	100	31.80
10.	Urban Employment and Poverty Alleviation	85	324.76	68	76.09
Total		**44141**	**12687.15**	**37597**	**7492.55**

Thus, Ministries/Departments before releasing grants to statutory bodies and non-government organisations did not satisfy themselves about utilisation of grants in 85 *per cent* cases involving 59 *per cent* of the total grants released.

Even though a very large number of utilisation certificates had not been received, yet the following Ministries/Departments[1] released fresh grants to the defaulting statutory bodies/non-government organisations during 2004-05 without insisting on the utilisation certificates in respect of grants released in the previous years. Fresh grants were released despite Ministry of Finance, Department of Expenditure's instructions (May 2003) following the judgement of the High Court of Delhi directing that no fresh grant was to be released unless utilisation certificates for the previous grants were furnished.

Fresh grants released during 2004-05

(Rupees in crore)

Sl. No.	Ministry/ Department	Utilisation Certificates due		Amount of fresh grants released without obtaining utilisation certificates of previous year
		Number	Amount	
1.	Atomic Energy	2	1.50	1.00
2.	Andaman and Nicobar Administration	38	49.53	52.11
3.	Civil Aviation	1	0.17	1.00
4.	Chemical and Petrochemicals	1	1.33	23.05
5.	Finance	9	20.15	63.97
6.	National Legal Service Authority	205	15.05	3.15
7.	Tourism	2	0.75	3.00
Total		**258**	**88.48**	**147.28**

By releasing fresh grants without ensuring that the previous grants had been utilised for the purpose for which they were sanctioned, the Ministries/Department contravened one of the essential conditions for the release of further instalments.

[1] In terms of the information received from the Ministries/Departments as of December 2005.

CHAPTER II : MINISTRY OF COMMERCE AND INDUSTRY

Department of Commerce

Export Inspection Council

2.1 Avoidable expenditure and blocking of funds

Export Inspection Council's failure to establish an office for its secretariat resulted in avoidable expenditure of Rs 21.35 lakh and blockage of Rs. 49.34 lakh for more than twelve years besides loss of interest Rs. 60.03 lakh.

To establish its secretariat in New Delhi, the Export Inspection Council (EIC) decided in April 1991 to acquire two plots in Vikas Puri measuring 169 square metres each. In March 1993, EIC deposited Rs. 49.34 lakh with the Delhi Development Authority (DDA) as consideration for these plots; however, EIC did not take possession of the plots and in May 1994, on account of financial stringency, EIC decided to surrender the plots. This was not possible without formal possession; hence, EIC completed the legal requirements, for which it incurred an expenditure of Rs. 10.71 lakh, during July - November 1998. Thereafter the issue remained unattended.

After a lapse of more than three years, in August 2002, EIC requested DDA to allot an alternate plot of land. DDA allotted a plot measuring 650 square metres at Lado Sarai, New Delhi and possession was taken in December 2002 on payment of Rs. 7.77 lakh.

Later, in January 2003, EIC formally approved the proposal to surrender the plots at Vikas Puri and requested DDA to refund Rs. 49.34 lakh alongwith interest thereon. DDA cancelled allotment of the plots in Vikas Puri in December 2004 and refunded Rs 38.70 lakh in May 2005 after adjusting Rs 10.64 lakh towards outstanding amount of ground rent and interest on delayed payment of ground rent upto the date of cancellation of allotment. However, DDA did not refund/adjust the interest on the amount which remained blocked with it from April 1993 to May 2005.

Audit noted that EIC was presently (December 2005) operating from a rented building and paying Rs 5.51 lakh per month towards rent. Further, the building being constructed at Lado Sarai would house only the Export Inspection Agency (EIA), a field organisation of EIC as the accommodation was not sufficient for both EIC and EIA. As a result, the original objective of constructing an office building to accommodate EIC Secretariat was not fulfilled.

Thus, poor planning and indecision on the part of EIC resulted in avoidable expenditure of Rs. 21.35 lakh (10.64+10.71) as interest payments, ground rent and stamp duty. Also, an amount of Rs. 49.34 lakh remained blocked for more than twelve years on which there was loss of interest Rs. 60.03 lakh (calculated at the rate ten *per cent* for the period from April 1993 to May 2005) while EIC continued to incur recurring expenditure on monthly rent.

The Ministry accepted the facts (October 2005).

CHAPTER III : MINISTRY OF COMMUNICATION AND INFORMATION TECHNOLOGY

Department of Telecommunications

Centre for Development of Telematics

3.1 Avoidable payment of customs duty

Centre for Development of Telematics, Bangalore wrongly interpreted a notification, resulting in avoidable payment of customs duty amounting to Rs. 18.84 lakh on the import of integrated circuits.

In terms of the first schedule to the Customs Tariff Act 1975, the import of electronic integrated circuits and micro assemblies was exempt from customs duty. The Government of India, by a notification issued in July 1996, exempted certain goods falling within the said schedule from the whole of duty, when imported by public funded research institutes, universities, etc. This was further amended by a notification issued in March 2002, according to which the exemption would be from so much of the portion of duty, which was specified in the schedule, as was in excess of five *per cent* ad valorem. Thus, the duty payable on such goods was only five *per cent* ad valorem, even if a higher rate was prescribed in the schedule. The notification of March 2002 did not impose any duty on goods for which no duty was prescribed in the schedule.

The Centre for Development of Telematics (C-DOT), Bangalore had been importing integrated circuits. It was noticed in audit that consequent upon the notification of March 2002, C-DOT started paying customs duty on integrated circuits at the rate of five *per cent* though no duty was prescribed in the schedule. The amount of duty paid during 2002-04 was Rs 18.84 lakh.

C-DOT, Bangalore stated in October 2004 that the notification issued by customs authorities did not specify that the items for which no duty was payable in the schedule would be exempted from the levy of five *per cent* ad valorem duty for public funded institutions. The reply of C-DOT was not acceptable because as per the notification issued in March 2002, the customs duty on the goods specified in the schedule in excess of five *per cent* was exempted. This clearly indicated that no duty was payable on the goods already exempted in the schedule.

Department of Telecommunication stated in November 2005 that the issue was being got examined through external experts for taking the appropriate corrective action.

Thus, incorrect interpretation of the Govt. notification resulted in avoidable payment of customs duty amounting to Rs. 18.84 lakh on the import of integrated circuits exempted from such levy.

CHAPTER IV : MINISTRY OF CULTURE

National Council of Science Museums, Kolkata

4.1 Avoidable loss of interest

Absence of sound fund management, control and a well-defined investment policy led to a revenue loss of Rs. 33.42 lakh to the National Council of Science Museums.

The National Council of Science Museums, Kolkata (NCSM), invested the entire amount of Provident Fund balances of its employees in short term deposits with Public Sector Banks, without following the pattern of investments prescribed by the Government of India although repeated mention in this regard was made in earlier Audit Reports.

Audit noted that between May 2002 and May 2005, in respect of 32 cases involving Rs. 7.49 crore, the NCSM, continued the practice of investment and reinvestment of the principal along with the interest thereon in short term deposits, each with a tenure of a maximum of one year, with public sector banks. It suffered a loss of Rs. 33.42 lakh that could have been earned as interest had the same been invested in term deposits of longer duration.

This occurred because of the absence of a well defined investment policy coupled with poor fund management and control.

The NCSM, in reply (September 2004), stated that investments were made with the approval of the Director General in terms of Clause 20 of the NCSM's Bye-laws. The reply was not tenable since the tenure options of the investments/reinvestments were neither discussed in detail in the individual case files nor did the Bye-laws of NCSM prevent the organisation from investing its funds in a more profitable manner. On the other hand, the Bye-laws allowed for alteration of the investments with the authorisation of the Director General.

The Ministry in their reply (August 2005) stated that the Council had lowered the period of investments from 2000-01 onwards with the expectation of an upward trend of the interest rate in the future and admitted that the continuous fall in the rate of interest was not anticipated by NCSM.

CHAPTER V : MINISTRY OF FINANCE

Department of Economic Affairs

Insurance Regulatory and Development Authority

5.1 Irregular appointment of consultant

The Insurance Regulatory and Development Authority arbitrarily appointed a consultant in violation of the guidelines of the Central Government and the Central Vigilance Commission and made irregular payment of Rs. 21.75 lakh.

According to the guidelines issued in February 1998 by Government of India, a consultant can be engaged for tapping of skills that are not available within an organisation. The guidelines further provide that consultants should be engaged for the minimum period necessary subject to the ceiling of two years. The consolidated fee payable to a consultant is to be decided by the concerned Ministry/Department in each case subject to the limit of Rs. 26,000 per month (with no DA, HRA, CCA or any other relief). The Central Vigilance Commission (CVC) had also stressed (January 2002) that consultants should be appointed only when absolutely necessary after following the competitive tendering system and collecting adequate data about the performance, capability and experience of the expert and the appointment should be made in a transparent manner.

Audit ascertained (April 2004) that the Insurance Regulatory and Development Authority (Authority) had appointed 'X', a journalist, as a consultant from 1 August 2002 on a monthly remuneration of Rs. 50000, to advise the Authority on the planning and publication of a monthly journal. The appointment was not made on the basis of competitive tendering but was pursuant to the discussions that the Authority's Chairman had with 'X' at Chennai. Additional benefits of reimbursement of conveyance charges, petrol charges, telephone expenses, newspapers/magazines and rent of accommodation were also allowed subsequently based on a request (September 2002) from 'X'. As the initial appointment letter of August 2002 was silent about the period for which the appointment was made, the then Chairman issued a letter in March 2003 stating that the contract would continue till 31 July 2005 i.e. for three years from the date of appointment against the prescribed maximum period of two years.

The consultant received Rs. 21.75 lakh from August 2002 to June 2005 towards remuneration and other benefits*. The decision of the Authority to appoint 'X' was arbitrary and inconsistent with the general guidelines and instructions issued by the Central Government and the CVC from time to time.

The Authority stated (August 2004) that it was not necessary to issue an advertisement for selection of an Editor as it would not only have entailed additional costs but would also have been time consuming. The reply of the Authority was not tenable as the appointment, level of remuneration, granting of other benefits etc. were in violation of the clear Government guidelines and the standing instructions of the CVC. Further, consultants are to be engaged for specific and time bound jobs and not for regular work.

In response to the Audit observation, the Ministry forwarded (June 2005) the reply of the Authority which highlighted the qualification/experience of the consultant and stated that remuneration and perks were paid to the consultant keeping in view the prevailing market standards. It also stated that the present tenure of the consultant was expiring by the end of July 2005 and action had been initiated for appointing an Editor through advertisement. It was also stated in the reply that while the Authority was generally guided by the practices of the Union Government in service matters, it enjoyed a certain autonomy and it was not mandatory for it to adopt all government practices.

The reply was not tenable as the appointment was not made in a transparent manner after following the competitive tendering system in terms of the general principles and guidelines issued by the CVC. Further, the remuneration paid to the consultant should not have exceeded the ceiling of Rs. 26,000 per month (with no DA, HRA, CCA or any other relief) fixed by the Government of India, Department of Personnel and Training in February 1998 in the case of non-officials (outside experts) engaged on a whole-time basis. Also, the maximum period of engagement of a consultant (outside expert) could not exceed two years in terms of the same guidelines. While the Authority does enjoy autonomy in administrative matters, yet at the same time it cannot overlook the general standards of propriety and transparency in appointment as laid down by various orders of the Government and the CVC.

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* Remuneration Rs. 17.00 lakh plus other benefits towards reimbursement of expenses on accommodation, telephone facility, conveyance, newspapers and petrol charges amounting to Rs. 4.75 lakh.

CHAPTER VI : MINISTRY OF HEALTH AND FAMILY WELFARE

National Institute of Health and Family Welfare

6.1 Avoidable loss of interest

Retention of large cash balances in current accounts by the National Institute of Health and Family Welfare in violation of its bye-laws, resulted in minimum loss of interest of Rs. 71.91 lakh during 2000-01 to 2004-05.

Clause 49 of the bye-laws of the National Institute of Health and Family Welfare (Institute), stipulates that its funds shall be lodged and transacted through a current account with the State Bank of India or any nationalised bank. The bye-laws further stipulate that part of such balance in the bank as may not be required for expenditure for some time may be invested in short term fixed deposits or kept in savings fund of the bank as reserve fund. As soon as the balance kept in such interest-bearing account is required for expenditure, it can be re-transferred to the current account. The Reserve Bank of India had also decided (August 1983) to grant facility for conversion of current accounts into saving bank accounts in the nationalised banks to registered societies and other institutions not liable to pay Income Tax under the Income Tax Act. As a result of such conversion, the societies/institutions could earn interest at saving bank rates on their funds with the bank.

Audit ascertained that the Institute had been maintaining eight bank accounts (three current accounts and five saving bank accounts) with the State Bank of India and the Syndicate Bank, R. K. Puram, New Delhi. Out of three current accounts, the Institute had violated its bye-laws in respect of two accounts as it had neither transferred surplus amounts from these accounts to saving account nor invested these in short term deposits. Consequently, during 2000-01 to 2004-05, the Institute had monthly balances ranging between Rs. 48.69 lakh and Rs. 16.23 crore in these accounts, which did not earn any interest. Although cash balances in these accounts continued to accumulate, the Institute failed to initiate action to invest the surplus funds in short term deposits or at least keep them in saving account. Further, the matter was pointed out earlier by Audit (March 2004) and the Ministry of Health and Family Welfare had similarly advised the institute in April 2004.

Retention of large cash balances in the two current accounts resulted in loss of interest of Rs. 71.91 lakh (at the minimum) during 2000-01 to 2004-05 calculated on the minimum monthly balances lying in these accounts at the saving bank interest rate of 3.5 *per cent* per annum.

In response to the Audit observation the Institute stated (July 2005) that it had invested Rs. 50 lakh in Fixed Deposit in March 2005 out of one current account. The Institute also stated that it had opened saving account for other current accounts in April 2005.

However, Audit noted that the institute could have avoided minimum loss of interest of Rs. 71.91 lakh if it had taken timely action in the matter in accordance with its bye-laws or even on the advice of the Ministry and Audit.

The matter was referred to the Ministry in August 2005; their reply was awaited as of February 2006.

All India Institute of Medical Sciences

6.2 Short recovery of rent

All India Institute of Medical Sciences failed to recover licence fee at the rate prescribed by the government from the State Bank of India for the space provided to it resulting in short recovery of Rs. 41.43 lakh for the period from March 1999 to December 2004.

Audit ascertained (August 2004) that All India Institute of Medical Sciences (Institute) had provided (July 1971) office space measuring 4836.62 square feet to the State Bank of India (Bank) within its premises, without executing a lease deed with it, at a nominal licence fee of Rs. 172 per month. The Bank which started as an Extension Counter under South Extension (Part I) Branch, New Delhi for providing banking facilities to the Institute, its employees and patients had, over the years, grown into a full-fledged branch with substantial business.

In September 2000, 29 years after providing the space to the Bank, the Institute decided to revise the monthly licence fee to Rs. 2.42 lakh at the rate of Rs. 50 per square feet. This revision was based on the rent being recovered from other commercial establishments functioning within the premises and at the recommendations of a Negotiating Committee. However, the Bank did not agree to the revision on the ground that it was providing some banking facilities free of cost to the Institute. The Bank assessed the value of free services at more than Rs. 20 lakh per annum; however, it did not furnish the details of the 'free of cost' services. After prolonged negotiations the Bank offered (August 2001) to pay licence fee at a lump sum monthly rate of Rs. 0.50 lakh. The Institute accepted (March 2002) the licence fee offered by the Bank which was far lower than the rent recovered from other commercial establishments operating within its premises. Audit noted (August 2004) that the licence fee accepted by the Institute was far less than the rate of Rs. 220 per square metre per month prescribed by the government as chargeable from banks with effect from 16 March 1999. The licence fee recoverable from the Bank at this rate worked out to Rs. 0.99 lakh per month.

Further, at the request of the Bank, the Institute allotted additional space of 53.67 square metres (577.49 square feet) and 65.41 square metres (703.81 square feet) to it for expansion in September 2001 and May 2003 respectively. However, licence fee for this space has not been recovered from the Bank from the date of allotment up to December 2004. The licence fee for the additional accommodation at government prescribed rates worked out to Rs. 7.45 lakh upto December 2004.

Thus, the failure of the Institute to charge rent prescribed by the government resulted in short recovery of licence fee of Rs. 41.43 lakh (Rs. 33.98 lakh + Rs. 7.45 lakh) from the Bank for the period from March 1999 to 31 December 2004.

On the matter being pointed out by Audit, the Ministry stated (October 2005) that in compliance with the decision of the Government of India taken in January 2004 to charge licence fee from banks at the rate of Rs. 220 per sq. metre with effect from 16 March 1999, the Institute had raised a demand (January 2005) for recovery of licence fee at the rates fixed by the government. The Bank had paid licence fee at the rate of Rs. 220 per sq. metre with effect from January 2005 and the Institute had executed a lease deed for a period of five years from January 2005. About recovering revised licence fee retrospectively from 16 March 1999, the Ministry stated that the Bank had not agreed to it on the ground that there was no provision for retrospective revision of rent. However, the Institute was pursuing the matter with the Bank and the agreement in force between the Institute and the Bank would be referred to the Ministry of Urban Development for consultation.

CHAPTER VII : MINISTRY OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES

Automotive Research Association of India, Pune

7.1 Excess Payment of Service Tax

Due to non-adherence of provision of Service Tax Rules 1994, ARAI made excess payment of Service Tax resulting in blocking of Rs. 1.28 crore, besides loss of interest of Rs. 8 lakh.

According to rule 6 of the Service Tax Rules 1994, Service Tax is payable on the value of taxable service received during any calendar year. Audit noted (September 2004), that the Automotive Research Association of India (ARAI), paid service tax on the value of invoice issued instead of on the value of taxable service realised. During the period from July 2003 to March 2004, ARAI paid service tax of Rs. 2.26 crore on the basis of invoice issued for Rs. 31.74 crore. However, the value realised for the actual service during the period from July 2003 to March 2004 was Rs. 12.22 crore, for which service tax payable worked out to Rs. 0.98 crore. Thus, ARAI paid (August 2003 to March 2004) an excess amount of Rs. 1.28 crore on account of service tax to the Central Excise Department for the period from July 2003 to March 2004.

While accepting the facts, ARAI stated in December 2004 and August 2005 that there was no need to file a return for recovery of excess payment of Service Tax as ARAI has recovered the same within three months by adjusting it from Service Tax payable from April 2005. However, due to the failure of ARAI to observe the provisions of Service Tax Rules, excess payment of Rs. 1.28 crore was made over a period of one year leading to blocking of fund and loss of revenue of Rs. 0.08 crore by way of interest upto March 2005.

The matter was referred to the Ministry in May 2005; their reply was awaited as of December 2005.

CHAPTER VIII : MINISTRY OF HUMAN RESOURCE DEVELOPMENT

Department of Secondary and Higher Education

Delhi University

8.1 Irregular grant of advance increments

University of Delhi made irregular payment of Rs. 25.07 lakh as advance increments to 32 teachers in violation of the orders of University Grants Commission.

The University Grants Commission (UGC), with the approval of the Ministry of Human Resource Development, had extended the benefit of two advance increments to the University teachers at the time of their promotion as Reader/Lecturer (Selection Grade). However, this was applicable to those teachers who had acquired or would acquire Ph.D on or after 01 January 1996. In August 2001, UGC further extended this benefit to the teachers who had acquired Ph.D during their service period prior to 01 January 1996 and had not been given the benefit of advance increments as per the earlier career advancement scheme. The benefit was payable with effect from 27 July 1998.

Audit ascertained that the University of Delhi (University) granted two advance increments from 27 July 1998 to 32 teachers who had secured Ph.D before joining the University. The grant of two advance increments to such teachers was irregular as the orders of UGC clearly stated that the benefit was meant for those teachers who had acquired Ph.D while in the service of the University. Thus, the University made irregular payment of Rs. 25.07 lakh to 32 teachers for the period 27 July 1998 to 30 September 2003. The payment made in similar cases for the subsequent period was not furnished by the University to Audit.

In response to Audit observation (March 2005), while the University confirmed (July 2005) that the benefit was admissible to only those teachers who acquired Ph.D during service before 01 January 1996 in terms of the orders of UGC, it did not clarify the reason for the benefit being extended to those teachers who had secured their Ph.D. before joining the University.

The Ministry stated (September 2005) that in the absence of any reply from the University, they presumed that the above facts were correct.

Indian Institute of Management, Indore

8.2 Avoidable expenditure on electricity consumption

Failure of the Indian Institute of Management, Indore to accurately assess the requirement of electricity demand resulted in an avoidable expenditure of Rs. 39.76 lakh on payment of additional demand charges. In addition, low power factor charges amounted to Rs. 15.32 lakh.

The Indian Institute of Management Indore (Institute) executed an agreement in January 2003 with the Madhya Pradesh State Electricity Board (MPSEB), for an HT connection for supply of 2000 KVA contract demand for its newly constructed building at Rau, Indore. According to the tariff of MPSEB, forming part of the agreement, the demand charges for the month should be the actual maximum KVA of the consumer or 75 *per cent* of the contract demand or 60 KVA whichever is higher.

Audit noted (August 2004) that MPSEB started billing for electricity for the new building from June 2003. During June 2003 to July 2005, the actual demand ranged between 183 KVA and 516 KVA. This was significantly below 75 *per cent* of the contract demand.

MPSEB issued bills for 1500 KVA, each month, being 75 *per cent* of the contract demand. The resulted in avoidable expenditure of Rs. 39.76 lakh towards additional demand charges for the period June 2003 to July 2005. The agreement with MPSEB further provided that if the average monthly power factor of the consumer falls below 90 *per cent,* then the consumer should, for each one *per cent* fall in his average monthly power factor, pay one *per cent* of the total amount of bill, as energy charges.

The average power factor ranged between 0.57 and 0.88 during the period from June 2003 to July 2005, except in September, October 2004 and May-July 2005. As a result, the Institute paid Rs. 15.32 lakh towards low power factor charges for these periods.

In response to the Audit observation (August 2004), the Institute stated (August 2004) that its requirement was worked out at 2000 KVA but due to delay in shifting to the new campus, the actual utilisation fell short of the demand. The Institute further stated (February 2005) that the contract was made for a period of two years from 21 June 2003 to 20 June 2005 and subsequently its requirement was reassessed at 700 KVA. An application was made to the MPSEB for lowering the demand load from 2000 KVA to 700 KVA.

However, Audit ascertained (August 2005) that MPSEB had reduced the contract demand to only 1000 KVA in accordance with the Section 7-12 of Electricity Supply code with effect from August 2005.

Audit also noted that the initial assessment of contract demand had no relation to the actual requirement, which resulted in wasteful expenditure amounting to Rs. 39.76 lakh during June 2003 to July 2005.

The matter was referred to the Ministry in October 2004; their reply was awaited as of February 2006.

Indian Institutes of Technology and other institutions

8.3 Irregular expenditure due to non-recovery of service tax

Indian Institute of Technology (IIT), Delhi; Kharagpur; Mumbai; MNNIT Allahabad; NITIE Mumbai and VNIT Nagpur failed to recover service tax amounting to Rs. 1.16 crore from their clients on consultancy services rendered to them and incurred expenditure out of their own funds for depositing the tax.

According to Sections 32 and 65 of the Finance Act, 1994, service tax is leviable on scientific and technical consultancy services. In July 2001, the provisions of this Act were amended making the public funded research institutions including the Indian Institutes of Technology (IIT) liable to charge service tax from the clients for scientific and technical consultancy services.

Audit noted (February 2004) that IIT, Delhi had received Rs. 4.21 crore on account of consultancy services rendered during the period from 16 July 2001 to 26 December 2002 without recovering service tax of Rs. 21.05 lakh at the prevailing rate of *five percent*. In response to Audit observation (February 2004), the Institute deposited (April 2004) Rs. 21.05 lakh as service tax out of its own income instead of recovering it from the clients. Thus, failure to adhere to the statutory conditions relating to recovery of service tax resulted in the IIT incurring expenditure out of its own funds. IIT Delhi also confirmed (February 2005) the facts and added that it had started collecting service tax from clients from 27 December 2002.

Audit also noted that similar payments amounting to Rs. 95.15 lakh on account of service tax and interest for delayed payment were made by the following institutions as detailed below out of their own funds:

(Rupees in lakh)

Sl. No.	Name of the Institution	Period of services provided	Month of payment	Amount
1.	IIT, Kharagpur	July 2001 - March 2004	April 2004	9.72
2.	IIT, Mumbai	July 2001 - September 2002 August 2002 - December 2003	July 2004 October 2004	60.79
3.	MNNIT[1], Allahabad	July 2003 - June 2004	November 2004	2.35
4.	NITIE[2], Mumbai	July 1997 - March 2002	March 2003	13.14
5.	VNIT[3], Nagpur	July 1997 - July 2001	September 2001	9.15
	Total			**95.15**

[1] Motilal Nehru National Institute of Technology, Allahabad
[2] National Institute for Industrial Engineering, Mumbai
[3] Visweswaraya National Institute of Technology, Nagpur

Thus, a total Rs. 1.16 crore was not recovered by these institutions from their clients towards service tax.

On the matter being pointed out in audit, IIT Kharagpur while admitting the mistake stated (February 2006) that it was under the impression that service tax would not be applicable to IIT till Excise Department raised demand for service tax in March 2004. It added that it had no option but to deposit Rs. 9.72 lakh from its own income from such services. The Institute added that it had now recovered Rs. 6 lakh from some clients and had been regularly following up with the others to recover the balance. In response to audit observation pertaining to IIT Delhi, the Ministry stated (February 2006) that IIT Delhi paid service tax from the funds generated by enhancing overhead charges for the period from 16 July 2001 to 26 December 2002. Similar argument was given by the NITIE, Mumbai whose reply was forwarded by the Ministry in January 2006. The Ministry also stated (February 2006) that IITs were being advised to make efforts to collect service tax in respect of past services from respective clients wherever it was possible. The payment of service tax by IIT Delhi out of overhead charges was not correct as service charge is a distinct item which cannot be mixed up with overhead charges which are to meet certain specific types of expenses.

Kendriya Vidyalaya Sangathan

8.4 Idling of investment due to deviation from Memorandum of Understanding

In deviation from the Memorandum of Understanding, KVS did not consult IIM, Kolkata, before commencing work on a school building resulting in a dispute which remained unresolved leading to stoppage of work on the project and consequential idling of investment of Rs. 1.59 crore for two years. The project cost is likely to escalate by Rs. 95 lakh because of the time overrun.

The Indian Institute of Management (IIM), Kolkata and the Kendriya Vidyalaya Sangathan (KVS) entered into a Memorandum of Understanding (MOU) in May 1994. In terms of this MOU, IIM Kolkata earmarked five acres of land with boundary pillars within its campus to KVS for construction of a school building. The design of the building had to be prepared either by the architect of IIM Kolkata or by the architect authorized by KVS, working closely with the former.

Audit ascertained (October 2003) that KVS accorded (February 1997) administrative approval and expenditure sanction for construction of the building through CPWD, Kolkata, at an estimated cost of Rs. 3.11 crore. However, IIM Kolkata was not consulted on the drawings of the building or the approach road. The stipulated date of completion of the work of pile foundation was September 2000; it was March – April 2002, for the school building. KVS also released Rs. two crore to CPWD in five instalments between March 1997 and January 2002. CPWD took up the work of earth filling and pile foundation in December 1998 and completed it in December 2002 at a cost of Rs. 1.59 crore. However, the work of superstructure of the building could not be taken up as IIM Kolkata did not permit transport of building materials and equipment through the campus on the ground that the approach road to the school site proposed by KVS was a colony road with residential quarters of faculty members and other staff of IIM Kolkata on both sides. According to IIM Kolkata, movement of heavy trucks would completely disturb the peace of the surroundings and create dust pollution and suggested that KVS should use peripheral approach road along the boundary wall. KVS did not agree with this proposal as this road, besides falling outside the proposed school premises, was non-motorable and KVS was not prepared to bear the heavy expenditure on its upgradation. The issue of the approach road remained unresolved and the construction work could not be taken up. Consequently the investment of Rs. 1.59 crore on earth filling and pile foundation remained idle for 18 months.

In response to Audit observation, KVS stated (October 2003) that IIM Kolkata, being the sponsoring authority, should have extended co-operation to the construction agency as the land had also been provided by them for constructing the building. It also added (September 2004) that Director IIM Kolkata who was also the Chairman of Vidyalaya Management Committee, Kendriya Vidyalaya, Joka was informed about approval of drawings. It further added that administrative approval and expenditure sanction of Rs. 2.47 crore for construction of super-structure was accorded in March 2003 and the stipulated date of completion was September 2005. This work had started in July 2004 after IIM Kolkata permitted temporary use of approach road and the progress of work was totally dependent on availability of approach road to the site which was under the control of IIM Kolkata.

The reply of KVS was not tenable as the dispute arose because it did not secure the approval of IIM Kolkata to the architectural drawings as required under the MOU. The dispute remained un-resolved till 24 July 2004; even thereafter, no clear-cut agreement was reached to ensure availability of approach road for smooth execution of work.

KVS further intimated (May 2005) that 38 percent of the work had been carried out till March 2005.

The matter was referred to the Ministry in May 2004. The Ministry while accepting the facts stated (February 2005) that the work had been completed and KVS at IIM Kolkata, Joka was functioning successfully.

The reply of the Ministry ran counter to the reply of KVS which stated (May 2005) that only 38 *per cent* of the work had been completed till March 2005. KVS intimated in December 2005 that only 55 *per cent* of the work had been completed till September 2005. Audit further ascertained that 65 *per cent* of the construction work had been completed as of November 2005 and the school continued to be run in a temporary building with brick wall and tin roof provided by the IIM Kolkata. Thus, 35 *per cent* of the work was yet to be completed even after the stipulated date of completion.

Thus, in deviation from the MOU, KVS did not consult IIM Kolkata, before commencing work on the school building and finalising the preliminary drawings. This resulted in a dispute which remained unresolved leading to stoppage of work on the project and consequent idling of investment of Rs. 1.59 crore for 18 months. Further, escalation in cost of construction by Rs. 95 lakh has already occurred.

National Council of Educational Research and Training

8.5 Short recovery of water charges

The National Council of Educational Research and Training recovered water charges at rates fixed around 15 years ago that were a fraction of the rates paid by NCERT. This resulted in short recovery of water charges amounting to Rs. 32.80 lakh during the period 2001-02 to 2004-05.

The National Council of Educational Research and Training (NCERT) has 477 residential flats of different categories for its staff at Sri Aurobindo Marg (343) and Pappankalan (134) in Delhi. These were allotted during 1970-1996 and in March 2001 respectively. Audit ascertained (July 2003) that water charges were not being recovered from the occupants as per actual consumption at the rates charged by the Delhi Jal Board (DJB) and Delhi Development Authority (DDA). The recoveries were being effected at rates ranging from Rs. 9 to 16 per month per quarter fixed around 15 years ago for types I to V of quarters. In case of Director's bungalow, Rs. 20 per month was being charged.

NCERT did not get separate meters installed in the 343 staff quarters located in its campus at Sri Aurobindo Marg. While recoveries from the staff were effected at flat rates, NCERT was billed on commercial rates by DJB through consolidated bills received for the office buildings and staff quarters together. NCERT accepted these facts but stated (August 2004) that it was not possible to work out the expenditure on water consumed in the staff quarters.

Audit also observed that in the Pappankalan quarters where water supply was being provided by DDA, NCERT made payment at a flat rate of Rs. 157 per month for each quarter. However, water charges were recovered from the staff at a flat rate of Rs. 9 to 16 per month on the ground that the bulk water meter was not functioning. In order to estimate the expenditure on water consumed in the quarters in NCERT campus at Sri Aurobindo Marg, Audit adopted the flat rate of Rs. 157 per staff quarter per month which NCERT paid to DDA for its Pappankalan quarters. On this basis, the total water charges recoverable by NCERT from the occupants of staff quarters at both Sri Aurobindo Marg and Pappankalan during 2001-02 to 2004-05 worked out to Rs. 35.32 lakh against which NCERT had recovered Rs. 2.52 lakh only. This resulted in short recovery of Rs. 32.80 lakh.

In response to the Audit observation (May 2005) NCERT regretted (June 2005) non-revision of flat rates that were fixed about 15 years ago. It added that the rates would soon be revised to Rs. 50 per month to ensure that no loss was caused to the Council. The Ministry (August 2005) also endorsed the views of NCERT. However, Audit noted that the proposed revision of the flat rate at Rs. 50 per month will still entail NCERT heavily subsidising the occupants which is inadmissible. Instead, NCERT should expeditiously get separate meters installed for its staff quarters. Till such time as the meters are installed, NCERT should immediately enhance the rate of recovery from each occupant to the charges levied by the DJB and the DDA.

8.6 Loss due to delay in award of contract

Delay in placing of order by the National Council of Educational Research and Training for sale of damaged paper, resulted in a loss of Rs. 10.70 lakh.

NCERT decided (September 2002) to dispose damaged and unserviceable papers (165.335 metric tons) lying in the Publication Department and constituted a Disposal Committee (Committee) in March 2003. This Committee in turn constituted (May 2003) a technical committee, which fixed a reserve price of Rs. 5.75 per kilogram. The notice inviting tender (NIT) was issued in the leading newspapers in September 2003. In all, nine bids were received and the second highest bid of firm 'X' for Rs. 21.21 lakh was recommended by the Committee on 23 October 2003 which was approved by the competent authority on 21 November 2003. The highest bid for Rs. 23.61 lakh was not considered due to non-deposit of earnest money.

Audit noted that NCERT sent the award letter to firm 'X' on 17 December 2003 i.e. 56 days after its selection. The firm refused to accept the offer on the ground that award letter was issued to it very late. Subsequently, fresh tenders were invited (March 2004) and the contract was awarded in May 2004 to firm 'Y' for Rs. 10.51 lakh. Thus, delay in awarding the contract and failure to specify a time validity clause period for the offer, in the NIT, resulted in a loss of Rs. 10.70 lakh.

In response to the Audit observation (May 2005), NCERT admitted the delay in sending the offer letter to firm 'X' attributed (June 2005) it to the time taken to obtain the required approvals. It also admitted the flaw of not including a time validity clause in the NIT which allowed the firm to refuse the offer made in December 2003.

The Ministry while admitting the delay due to administrative procedure stated (July 2005) that there was no malafide involved in issue of award letter.

Visva Bharati

8.7 Idle expenditure on "Dedicated Feeder"

Idle capital expenditure of Rs. 1.03 crore on a dedicated feeder line and avoidable expenditure of Rs. 1.25 crore towards hiring charges and fuel expenses for standby generators.

To overcome frequent power break downs, Visva-Bharati (University) had approached (June 1993) the West Bengal State Electricity Board (WBSEB), Kolkata with a request for the financial estimate for a work to provide uninterrupted power supply through a dedicated feeder. WBSEB submitted (August 1993) a proposal with an estimate of Rs. 86.50 lakh with certain terms and conditions as follows:

(a) the entire amount was to be deposited in advance within the validity period of three months;

(b) the University needed to obtain specific clearance from the Department of Power, Government of West Bengal for the dedicated feeder to be free from load shedding; and

(c) the 11 KV overhead line, to serve as the 'dedicated feeder', was to be drawn from the existing Bolpur 33/11 KV sub-station and subsequently to be connected to a proposed 132/33 KV sub-station at Bolpur whenever the latter came.

The additional capital expenditure incurred for this purpose would be borne by the University. The University agreed to the proposal in November 1993.

However, the University could not deposit the advance within the stipulated date; as a result WBSEB submitted a revised estimate for Rs. 91.10 lakh in December 1993. The University deposited the amount in March 1994. WBSEB commenced the work in June 1994 which was scheduled to be completed in May 1995. However, since some additional works were undertaken by the WBSEB with the consent of the University, the work on the dedicated feeder was completed in September 1998. Meanwhile, WBSEB advised the University (March 1998) to apply to the Power Department to obtain the necessary clearance to declare the feeder 'load shedding free'. The University took up the matter with WBSEB to operationalise the dedicated feeder in February 2000.

In March 2001, WBSEB intimated the University that stability in power supply could be achieved by connecting the dedicated feeder directly with the 132/33 KV sub-station at Bolpur (commissioned in 1997) that involved additional expenditure to be borne by the University, as agreed to in November 1993. However, the University (April 2001) expressed its inability to incur further expenditure. After a lapse of four years, the University in January 2005, deposited the additional amount of Rs. 12.03 lakh with the WBSEB, for the proposed work. After the work was completed in May 2005, the University requested the Power Department, Government of West Bengal for the necessary clearance and notification to declare the dedicated feeder free from load shedding. Necessary notification in this regard was awaited (November 2005).

Thus even seven years after completion of works related to the installation of the dedicated feeder, the University could not achieve the objective of minimizing load shedding. As a result it had to make standby arrangements for electricity supply by hiring generators from private parties during the period from October 1998 to February 2005 and incurred an expenditure of Rs. 1.25 crore towards hiring charges and fuel expenses for these generators only.

Further, the expenditure of Rs. 1.03 crore on the dedicated feeder remained idle (November 2005). This occurred on account of the University's inability to get necessary clearance from the Power Department to operationalise the load shedding free dedicated feeder.

The matter was referred to the Ministry in August 2005. They confirmed that the University had not received the required notification from the Government of West Bengal for the dedicated feeder to be free from load shedding (November 2005).

CHAPTER IX : MINISTRY OF INFORMATION AND BROADCASTING

Prasar Bharati

9.1 Undue benefit to a producer

An undue concession was extended to the producer of a serial by way of irregular grant of additional Free Commercial Time up to July 2001. During the subsequent period of telecast, the producer enjoyed concessional telecast fee and the same total quantum of free commercial time as before. Undue financial benefit of Rs. 10.66 crore accrued to the producer on these counts.

Prasar Bharti (PB) telecast a sponsored serial titled 'Shaktiman', which started in September 1997 under the category of children's programme. After 15 August 1999 (76th episode), this serial was telecast on Sundays in the super 'A' category (prime time) slot. The producer of the serial was charged telecast fee at the rate of Rs.7.20 lakh per episode till the 130th episode telecast on 22 October 2000 and at the rate of Rs.10.80 lakh thereafter with free commercial time (FCT) of 180 seconds at the rate of 90 seconds per half an hour.

Audit noted that additional FCT of 60 seconds per half an hour had been allowed in the beginning since the serial was classified in the children's category. In March 2000, PB informed the producer that while the programme had been granted extension for 26 episodes beyond the 104 episodes already sanctioned, the additional FCT would be withdrawn from the 118th episode (telecast on 16 July 2000). Despite this decision, PB continued to allow additional FCT of 120 seconds per telecast from 16 July 2000 onwards. No reasons were on record to indicate why PB did not enforce its own decision. It was only after July 2001 that the normal FCT was enhanced to 300 seconds in terms of the revised rate card. The undue benefit accruing to the producer for the period between July 2000 and July 2001 on account of additional FCT was Rs.4.90 crore.

The rate card of the telecast fee was revised in July 2001, according to which the telecast fee per episode chargeable for this programme from 22 July 2001 to 12 August 2001 (166th to 169th episodes) was Rs. 20.30 lakh. The telecast fee was further enhanced to Rs. 21.35 lakh per episode from 19 August 2001 (170th episode) till the last episode of the serial telecast on 3 November 2002 (220th episode). However, the Board had decided (June 2001) to freeze the telecast fee at Rs.10.80 lakh from 6 May 2001 making it clear that the telecast fee for this programme would remain pegged at that level irrespective of possible future extensions of the programme.

The reason recorded by PB for freezing the telecast fee was that the programme had a high TRP and was the only channel driver on DD National network on Sunday morning. However, Audit noted that their was no justification to freeze the fee because the FCT had already been increased to 300 seconds on 22 July 2001. Hence, the producer was given double benefit by way of substantially reduced telecast fee as well as enhanced FCT. The revenue loss suffered by the PB on this account worked out to Rs.5.76 crore for the period form 22 July 2001 to 3 November 2002 as per details given below :

Period		No. of telecast	Telecast fee chargeable as per new rate card	Fee charged	Difference	Total loss
From	To		*(Rupees in lakh)*			
22.7.2001	12.8.2001	4	20.30	10.80	9.50	38.00
19.8.2001	3.11.2002	51	21.35	10.80	10.55	538.05
Total						**576.05**

Thus, the total undue benefit extended to the producer by way of additional FCT from 16 July 2000 to 8 July 2001 and by way of concessional rate of telecast fee from 22 July 2001 to 3 November 2002 worked out to Rs.10.66 crore.

The matter was referred to the Ministry in May 2005; their reply was awaited as of February 2006.

9.2 Non-commissioning of TV transmission systems and studios

Doordarshan failed to appoint operational and maintenance staff for nine low power TV transmission systems built during March 2002 to September 2004. The consequent non-commissioning of these equipment resulted in their idling as well as idling of investment of Rs. 6.74 crore. Further, Doordarshan also failed to commission studios set up at six stations during March 2001 to March 2005 at a cost of Rs. 22.55 crore even 12 to 48 months after their completion.

Doordarshan (DD) wing of PB installs high/low power transmission systems at various stations in order to ensure maximum coverage of its various programmes. Audit ascertained (April 2005) that it had built nine low power transmission systems at various stations during March 2002 to September

2004 at a total cost of Rs. 6.02 crore. It incurred a further expenditure of Rs. 72.08 lakh on these systems as of March 2005. However, these systems had not been commissioned due to non-sanctioning of staff for operation and maintenance. Station-wise details are given below:

(Rupees in crore)

Sl. No.	Name of the station	Staff proposal sent to the Ministry	Date of completion of the transmission system	Cost
1.	LPT, Fatehabad	May 2003	September 2004	0.90
2.	LPT, Kaithal	May 2003	March 2004	0.73
3.	LPT, Khajuwala	May 2003	February 2004	0.58
4.	LPT, Kolhapur	May 2003	January 2003	0.70
5.	LPT, Mudhol	May 2003	January 2002	0.68
6.	LPT, Punganur	May 2003	January 2002	0.85
7.	LPT, Satrasal	May 2003	March 2003	0.78
8.	LPT, Sindhnur	May 2003	March 2002	0.71
9.	LPT, Bhalda	May 2003	February 2003	0.81
			Total	**6.74**

Audit also noted that the very proposals for sanctioning of staff for stations at serial numbers four to nine were sent to the Ministry only 2 to 15 months after the date of completion of the TV transmission systems. There was no prescribed system or manualised procedure in the DD to ensure the availability of staff for timely commissioning of the systems. Thus, non-sanctioning of staff for operation and maintenance of these TV transmission systems resulted in idling of equipment and investment totalling Rs. 6.74 crore for periods ranging from 11 to 43 months as of August 2005. DD informed in December 2005 that the transmission system had been commissioned at Khajuwala in September 2005; at Fatehabad, Kaithal, Kolhapur, Mudhol, Punganur and Sindhnur in October 2005 and at Bhalda in November 2005 by redeployment of staff. However, the transmission system at Satrasal was yet to be commissioned as of December 2005.

Similarly, DD had set up six TV studios during March 2001 to March 2004 at a cost of Rs. 17.73 crore. These studios had not been commissioned even 12 to 48 months after their completion as of March 2005 and incurring of further expenditure of Rs. 4.82 crore on them during 2004-05. The studio-wise details are:-

(Rupees in crore)

Sl. No.	Name of the Station	Staff proposal sent to Ministry	Date of completion of the studio	Cost
1	Patiala	May 2003	March 2001	2.90
2.	Calicut	May 2003	March 2002	3.06
3.	Madurai	May 2003	March 2003	7.41
4.	Warangal	May 2003	March 2003	2.53
5.	Coimbatore	May 2003	March 2004	3.61
6.	Rajouri	May 2003	March 2004	3.04
			Total	22.55

In response to the Audit observation (April 2005), DD stated in May 2005 that the studios could not be commissioned due to non-sanctioning of staff by the Ministry. It added that Prasar Bharati had no power to sanction the staff. Audit noticed that the proposals for sanctioning of staff for studios at serial numbers 1 to 4 were sent to the Ministry 2 to 26 months after the date of completion of the studio. Thus, due to non-sanctioning of staff, the studios were not commissioned as of March 2005 and it resulted in idling of investment of Rs. 22.55 crore. DD informed in December 2005 that the TV studio had been commissioned at Warangal in April 2005; at Madurai and Coimbatore in August 2005 and at Patiala in November 2005 by deploying staff from other Kendras and studios.

Thus, non-appointment of staff well in time for commissioning of TV transmission systems and studios resulted in idling of equipment and investments besides non-fulfillment of the objectives of DD.

The Ministry stated (January 2006) that while commissioning of the technically ready projects through redeployment of staff had been the consent endeavour of PB, it was becoming increasingly difficult for PB to manage these stations as they were not in a position to fill up the posts lying/vacant due to non-receipt of clearances from the Ministry of Finance. It also added that despite these odds, DD had commissioned eight out of nine low power transmission systems by redeployment of staff. The fact remains that non-resolution of issues relating to operating staff resulted in delayed commissioning and non-commissioning of systems.

9.3 Premature procurement

Premature procurement of two transmitters by Doordarshan resulted in idling of Rs. 3.82 crore for two to four years as of July 2005. The guarantee for the equipment also lapsed.

In order to extend its coverage to viewers within 68 km radial distance, DD approved the establishment of a 10 KW VHF TV transmitter with a 140 metre high steel tower at Vadodara in May 1998. It placed an order (June 1999) with a central Public Sector Undertaking (PSU) for the supply of fabricated material and erection of the tower at a cost of Rs. 1.18 crore. The scheduled delivery was in September 2000. However, the PSU failed to erect the tower till December 2004 and thereafter DD decided to change its technical specification and accordingly the delivery was refixed in February 2006.

Audit ascertained (December 2004) that DD was aware that no work on the tower was carried out till February 2001 and yet placed an order (February 2001) with another central PSU for supply of the transmitter to be installed in the proposed T.V. tower for telecast of DD-I programmes. The transmitter was supplied in March 2001 at a cost of Rs. 1.95 crore. DD placed another order (December 2002) with the same firm for the supply of another transmitter, for installation in the said tower, for telecast of DD-II programmes. This transmitter was also supplied in March 2003 at a cost of Rs. 1.87 crore. The guarantee period for the first transmitter was 12 months whereas, for the second it was 24 months from the date of receipt of the consignment. Audit noted (December 2004) that these transmitters were lying idle due to non-erection of the TV tower. Further, foundation work of the tower started only in February 2003 and the revised date for the supply of T.V. tower components was February 2006.

Thus, premature purchase of the transmitters resulted in idling of equipment procured at a cost of Rs. 3.82 crore, for two to four years as of July 2005. In the meantime, the guarantee periods of these transmitters had also lapsed, exposuring DD to the risk of further expenditure should any defect come to notice at the time of their installation. The equipment have also remained unutilised for a considerable period of their economic life.

The matter was referred to the Ministry in August 2005; their reply was awaited as of February 2006.

9.4 Blocking of funds

Failure of Doordarshan to pursue the claim for refund of Rs. 62.39 lakh from the Delhi Vidyut Board resulted in blocking of this amount for over 5 years and 5 months and consequential loss of interest of Rs. 34.53 lakh.

Audit ascertained that the Delhi Vidyut Board (DVB) raised (December 1999) a supplementary bill for Rs. 62.39 lakh on the Central Production Centre (CPC), Doordarshan, New Delhi for electricity charges, for the period April 1998 to July 1999, on the basis of average consumption for the months from August to October 1999. CPC contested this supplementary bill as it had been regularly making payment of its electricity bills on the basis of meter reading. Nevertheless, it paid (December 1999) Rs. 62.39 lakh under protest, to avoid disconnection of electricity. It requested DVB in March 2000 for refund of this amount.

Audit noted (June 2005) that CPC did not take any follow up action in the matter after March 2000. This resulted in Rs. 62.39 lakh remaining blocked with DVB (now REPL[*]) for over 5 years and 5 month, as of May 2005, and consequent loss of interest of Rs. 34.53 lakh, worked out on the basis of the average borrowing rate of interest of the GOI of 10.22 *per cent* per annum.

In response to the Audit observation, Doordarshan stated (September 2005) that after the issue was raised by Audit in March 2005, it had taken up the matter with REPL for final settlement on priority basis.

The matter was referred to the Ministry in June 2005; their reply is awaited as of February 2006.

Satyajit Ray Film and Television Institute, Kolkata

9.5 Injudicious investment on staff quarters

The Satyajit Ray Film and Television Institute, Kolkata invested Rs. 2.20 crore on construction of 41 staff quarters without properly assessing the need. As a result many staff quarters remained vacant due to poor demand from the staff, while the Institute had to pay Rs. 27.47 lakh as house rent allowance to them.

The Satyajit Ray Film and Television Institute, Kolkata (Institute) constructed 41 staff quarters of B, C, D and E types including a bungalow for the Director between October 2000 and August 2002. An amount of Rs. 2.20 crore was

[*] Reliance Energy and Power Limited.

spent on construction. It was noticed in audit (July 2004) that between 2001-2002 to 2004-2005, a large number of quarters varying from 26 to 31 remained vacant for different periods. The Institute explained (July 2004 and December 2004) the vacancies by stating that the Institute being located on the outskirts of the city, normal amenities were not available and living conditions were not very conducive and a large percentage of employees did not apply for allotment of quarters.

The Ministry stated (February 2005) that the initial decision was to provide quarters for 25 *per cent* of the total staff complement of 212 of the Institute. However, since only 75 posts were sanctioned for the Institute, provision of quarters for 55 *per cent* of the staff was made keeping in view the remote location of the Institute. The Ministry also stated that the vacant staff quarters were utilised for the participants of off-line courses of short duration and some quarters had also been rented out to other educational institutions.

In the absence of any efforts made by the Ministry or the Institute to ascertain the likely demand for staff quarters, the decision to provide for quarters for 55 *per cent* of the sanctioned staff strength would seem to be an arbitrary one with the result that as of March 2005, as many as 26 out of 41 quarters were lying vacant. Meanwhile, the Institute paid Rs. 27.47 lakh as house rent allowance for the period 2001-2005 to its staff.

CHAPTER X : MINISTRY OF LABOUR

Employees' Provident Fund Organisation

Regional Provident Fund Commissioner, Kolkata

10.1 Shortcomings in the Computerised Employees' Pension System resulted in incorrect payment of pensionary benefits.

- **The Employees' Provident Fund Organization, in 1995, introduced countrywide Computerised Employees' Pension System for computation of pensionary benefits under the Employees' Pension Scheme.**
- **Analysis of data revealed that due to deficiency in design, the computations made by the application were in contradiction with the Scheme provisions. This led to short payment of commuted value of pension to the extent of Rs. 34.51 lakh in 910 cases and overpayment of Rs. 51.78 lakh in 1462 cases.**
- **The Return of Capital (ROC) was also calculated short by Rs. 95.46 lakh in 968 cases and excess by Rs 1.41 crore in 1581 cases.**
- **There was short payment of pension amounting to Rs. 3.93 lakh per month in 4645 cases and overpayment of pension amounting to Rs. 5.36 lakh per month in 5893 cases (as of January 2005).**
- **The application accepted wrong beneficiaries for the ROC scheme in 235 cases involving an amount of Rs. 1.25 crore.**

10.1.1 Introduction

The Employees' Provident Fund Organisation (EPFO) came into being following the enactment of the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In 1995, EPFO introduced countrywide Computerised Employees' Pension System (CEPS), an application developed by the National Informatics Centre for computation of pensionary benefits under the Employees' Pension Scheme[1], 1995 (Scheme) and generation of Pension Payment Orders. The operating system for the application is SCO-UNIX open server 5.0.5 and the software works on SCO-FOXBASE package.

Audit of the application was conducted using sample data pertaining to Office of the Regional Provident Fund Commissioner, Salt Lake, Kolkata. Out of a total of 24,534 records 17,900 records relating to the period 3 April 2000 to 14 January 2005, was selected for audit. This data was analysed using MS Excel for assessing its reliability and consistency and compliance of the information

[1] This Scheme replaced the Employees' Family Pension Scheme, 1971 w.e.f. 16 November 1995.

processing function with the rules governing the scheme. The audit findings are elaborated in succeeding paragraphs.

10.1.2 System Design Deficiency

Audit observed that there were a number of deficiencies in the system design of the application software leading to nonconformity with the provisions of the scheme. It was also found lacking in essential validation checks which help in keeping the data within the prescribed ranges. The observations are as follows:

(a) Incorrect computation of pensionary benefits

According to the Employees Pension Scheme 1995, the pension is payable to employees depending on whether they were members of the Family Pension Scheme 1971, which ceased in November 1995 or of the new Scheme. Further, for the employees joining before 16 November 1995, pension also depended on their age i.e. (i) less than 48 years; (ii) 48 years but less than 53 years; and (iii) 53 years or more, as on 16 November 1995.

Test check of the pension files and analysis of data revealed a number of deviations from the provisions of the Scheme, in computation of the pensionary benefits. The CEPS application did not correctly categorise the members of the Employees' Family Pension Scheme, 1971 according to the age groups prescribed in the Scheme. Further, the provision of the Scheme required proportionate reduction of the pension for employees with less than 24 years eligible service on the date of superannuation (58 yrs). However, the application did not contain this feature. Further, for employees opting for both commutation and Return of Capital (ROC)[2] , the ROC should be worked out on the amount remaining after deducting the sum commuted from payable pension. However, the software application deducted 10/12.5 *per cent* of the original pension payable and not the entire commuted amount.

These deficiencies and consequent incorrect computations by the CEPS application resulted in short payment of commuted value of pension to the extent of Rs. 34.51 lakh in 910 cases and overpayment of Rs. 51.78 lakh in 1462 cases during the period from April 2000 to January 2005. The Return of Capital (ROC) was also calculated short by Rs. 95.46 lakh in 968 cases and calculated in excess by Rs. 1.41 crore in 1581 cases during the same period. It also led to short payment of pension amounting to Rs.3.93 lakh per month in 4645 cases and overpayment of pension amounting to Rs.5.36 lakh per month in 5893 cases (as on January 2005).

The Regional Office noted the observations and stated (March 2005) that the matter was required to be taken up with the EPFO Head Office, New Delhi.

[2] ROC is a lump sum amount payable if a member opts to draw reduced pension in lieu of the pension normally admissible.

(b) Wrong beneficiary for ROC

According to Para 13(1) of the Scheme three alternatives are available to a member to avail of the benefits of the ROC. Under alternative two, an amount equal to 90 times the original monthly pension is payable to the nominee of the deceased member on the remarriage/death of the widow (spouse). In such cases, the beneficiary of the ROC should be a person (nominee) other than the widow/spouse.

However, analysis of data in respect of 555 cases, where the second alternative of ROC was exercised, revealed that in 235 cases involving an amount of Rs. 1.25 crore, the spouse (wife/husband) had been shown as beneficiary of the ROC, in complete contravention of the Scheme. As a consequence, in two cases the ROC was actually shown as credited to the widow.

While accepting the observation, the Regional Office stated (March 2005) that the cases of the deceased members would be settled with the approval of the EPFO Head Office, New Delhi.

10.1.3 Absence of validation checks

Audit noted that validation checks were not incorporated, to keep the data within acceptable range for important parameters such as pensionable salary and date of exit. Further, the field of the date of opting for pension before attaining the age of 58 years was left blank in certain cases. Details are given in **Annexure-A.**

10.1.4 System Implementation

Audit found that the pace of capture of data in electronic form was slow and a few manual processes were still in place as the application software was not capable of processing the same. The observations are given below:

Poor progress of electronic data capture

The Manual of Accounting Procedure (Part-III) of EPFO provided for creation of an Employees' Master File in the application software, containing particulars in respect of each member of the Scheme so that the period of non-contributory service as well as the period out of employment between two spells of employment could be ascertained at the time of issue of worksheet and Pension Payment Order (PPO).

Audit scrutiny revealed that out of a total of 6,91,781 members of the Scheme, data in respect of only 2,21,549 members (representing 32 *per* cent) had been entered in the Employees' Master till January 2005. The Regional Office stated (February 2005) that steps were being taken to capture the full data in the members' database file and on completion of the same automatic generation of the worksheet showing pension computation would be possible.

10.1.5 Conclusion and recommendations

Due to deficiency in system design, the computations in many cases made by the application were found to be in contradiction with the provisions of the scheme leading to short/overpayment of pensionary benefits. Moreover, the application also lacked essential validation checks. Thus, the application failed to stabilise even after ten years of its implementation.

The organisation should review the CEPS application and incorporate necessary changes wherever there is deviation from the Scheme and appropriate validation controls should be incorporated.

The matter was referred to the Ministry in March 2005; their reply was awaited as of December 2005.

10.2 Irregular expenditure on gold medallions

The EPFO in contravention of Government of India's economy instructions and the Fundamental Rules, spent Rs. 9.32 crore on distribution of gold medallion to its staff.

The Employees' Provident Fund Organisation (EPFO) was established in 1952. To commemorate its Golden Jubilee Year (2002), the Central Board of Trustees, Employees' Provident Fund (Board), in its Special Meeting (December 2002) decided to allow each employee a lump sum financial benefit equal to the amount of one increment for a year. The total estimated expenditure involved was Rs. 4.05 crore. However, when the decision of the Board was placed before the Chairman, he desired that the possibility of giving a permanent token of like value in gold or silver may be explored which would be uniform for all employees. Accordingly, the Board in its 160th Meeting, held on 28 March 2003, decided to give a gold medallion of 8 grams to each employee on its rolls during 2002-2003 and also to the members of Board of Trustees, as on 31 March 2003. A supply order was placed on MMTC Ltd. on 26 June 2003 and 19461 gold medallions were purchased at a cost of Rs. 9.32 crore which were distributed through the EPFO's regional offices and Headquarters. The expenditure was booked under the head 'Publicity/advertisement charges'.

Audit noted (July 2004) that the decision of the EPFO to grant an advance increment or its equivalent in value to its employees was ab initio against the Fundamental Rule 27 (5) which, *inter alia*, states that advance increments cannot be granted as reward for meritorious work or in lieu of certain perquisites allowed. Also, the action of the EPFO in spending Rs. 9.32 crore on procuring and distributing gold medallions to its staff and members of Board of Trustees was in violation of the Ministry of Finance, Department of Expenditure's instructions of October 1992 reiterated in March 2002 for effecting economy in government expenditure. Further, the decision of the

EPFO to cover members of the Board under the eligibility criteria for grant of gold medallion was also against standards of financial propriety especially as the scheme was intended to be in the nature of an incentive to the employees. The booking of this expenditure under the head 'Publicity/advertisement charges' was irregular as this head is meant for booking expenditure incurred on making people aware of the activities of the EPFO.

In response to the audit observation (July 2004) the EPFO stated (August 2004) that the expenditure on purchase of the gold coins was within the competence of the Board and distribution of gold medallions was a part of publicity. The Ministry (October 2005) also endorsed the views of the EPFO. However, Audit noted that this reply was not tenable as the distribution of gold medallions to EPFO staff was in outright violation of the basic principles of financial propriety.

Regional Provident Fund Commissioner

Sub-Regional Officer, Nagpur

10.3 Idle capital investment on account of vacant quarters

Improper judgement in assessing actual demand for staff quarters resulted in idle capital investment of Rs. 3.08 crore.

The Executive Committee of the Employees Provident Fund Organisation (EPFO) accorded approval for the construction of 159 Staff Quarters and a Community Centre in Nagpur in November 1995. Subsequently, in October 1996 the number of quarters to be constructed was reduced to 119 on the basis of willingness obtained from the officials for acceptance of quarters. Accordingly an agreement was executed in January 1997 with the National Building Construction Corporation limited (NBCC) for construction of 119 quarters. NBCC constructed 119 quarters at a cost of Rs. 6.95 crore and handed them over to EPFO in May 2000.

Audit noted (June 2005), that 54 out of 119 quarters were lying vacant since the date of possession due to lack of demand as per details given below:

Sr. No.	Type	Entitled Scale (Rs.)	No. of Tenements	Allotted	Vacant
1.	I	2550-3049	8	6	2
2.	II	3050-5499	72	39	33
3.	III	5500-8499	32	15	17
4.	IV	8500-11999	6	4	2
5.	V	12000-15099	1	1	-
		Total	119	65	54

As a result, capital investment of Rs. 3.08 crore remained idle till June 2005 because the demand for the quarter was not assessed with due care.

The Regional Provident Commissioner (Maharashtra) replied (July 2003) that a proposal had been submitted to the Central Provident Fund Commissioner (CPFC) New Delhi in September 2002 seeking permission to sell 40 quarters on an outright basis to the employees of SRO and to allot a few vacant quarters to employees of other organisations. Ministry replied in December 2003 that a proper review was conducted prior to the construction of quarters and accordingly the number of quarters was reduced to 119. However, during the four years i.e. from 1996 to 2000, that elapsed for the completion of the construction work, many employees took House Building Advance and constructed their own houses which also led to vacant quarters. CPFC, New Delhi replied in September 2004 that no proposal to sell the quarters was under consideration. Ministry further replied in November 2005 that nearly 70 posts would be filled up shortly and vacant quarters would be on demand.

The reply of the Ministry was not acceptable as the decision for constructing 119 Quarters were taken in September 1997. By then, the contents of the V Pay Commission providing for a percentage on the basic pay as the base for calculation of House Rent Allowance was known. At this juncture EPFO should have reviewed the demand for housing.

Thus absence of due care in assessing the actual demand for staff quarters by the EPFO resulted in idle capital investment of Rs. 3.08 crore.

Further, the Ministry has not yet taken any decision to utilise these vacant quarters. Consequently 54 quarters have been lying vacant after May 2000.

Annexure-A

(Referred to in para 10.3.1)

Audit Observation	Organisation's reply	Audit Remarks
Absence of validation check over pensionable salary and wage: the system depicted (in four cases) both pensionable salary and wage of the member on date of exit as zero even though the pensionable service was not zero.	Though the pensionable salary was shown as zero, computer calculated the minimum pension correctly with reference to date of commencement of pension.	The application should not have accepted pensionable salary of a member as zero if the pensionable service is greater than zero.
Absence of validation over date of exit: in 11 cases the age of the member on the date of exit (i.e. cessation of membership from the Scheme) was more than 58 years. Besides, in one case the application accepted an invalid date of exit of a member (10/23/9872).	The members had attained 58 years and pension was computed accordingly. Further, the pension of the member had been computed correctly with reference to his actual date of exit i.e. 23/10/1998 instead of the invalid date.	CEPS application should not have accepted a later date than on which a member attains 58 years or a later date as the date of exit.
Important Fields left blank: the field for the date of opting for pension before attaining 58 years was left blank in 306 relevant cases; the same field contained dates in 10 cases where the member did not choose the option of retiring before 58 years.	The field remained inactive for superannuation pension cases as the date of attainment of 58 years is automatically taken. In reduced pension cases, the field is activated after entering the option "Y".	The field was left blank although none of the cases were superannuation pension case.

CHAPTER XI : PLANNING COMMISSION

Institute of Applied Manpower Research

11.1 Avoidable expenditure on payment of interest

The Institute of Applied Manpower Research delayed payment of ground rent for the land allotted to it on perpetual lease, which resulted in avoidable expenditure of Rs. 19.13 lakh towards interest.

The Delhi Development Authority (DDA) allotted (August 1994 and November 1995) to the Institute of Applied Manpower Research (IAMR) 15.12 acres of land in Narela for construction of its campus. The land was given on perpetual lease at a total premium of Rs. 3.02 crore. In addition, IAMR was to pay annual ground rent at the rate of 2.5 *per cent* of the total premium which worked out to Rs. 7.56 lakh. The rent was payable in advance in January every year.

Audit observed (March 2005) that DDA had raised a demand (December 2003) for payment of Rs. 37.97 lakh which included arrears of ground rent of Rs. 19.66 lakh and interest on the arrears amounting to Rs. 18.31 lakh. IAMR requested DDA (February 2004) for waiver of interest on belated payment which was not acceded to by the latter (July 2004) DDA raised a further demand (September 2004) for Rs. 0.82 lakh as interest (upto 14 September 2004) on the unpaid interest. Consequently, IAMR had to pay Rs. 19.13 lakh in August and September 2004 as interest on the delayed payments of ground rent including interest on unpaid interest.

In response to Audit observation (March 2005) IAMR stated (April 2005) that the delay had occurred due to financial constraints and procedural delays connected with referring the matter to DDA for deciding about waiving of interest. The reply was not tenable as according to the conditions of allotment of land, the ground rent was payable annually in advance irrespective of a demand notice. Inaction of IAMR led to avoidable expenditure of Rs. 19.13 lakh towards interest charges.

The Government of India while admitting payment of penal interest to DDA stated (October 2005) that it had been delayed as the latter had not provided the civic amenities like water, sewerage and electricity. The reply was not tenable as levy of ground rent by DDA on the leased land has nothing to do with provision of civic amenities which are given by the municipal authorities.

CHAPTER XII : MINISTRY OF SHIPPING

Chennai Port Trust

12.1 Avoidable expenditure due to delay in taking decision

Failure to decide between outsourcing the Chennai Port's dredging requirements and owning a dredger contributed to the delay in delivery of the dredger ordered by the Port and resulted in avoidable expenditure of Rs. 2.61 crore.

The Chennai Port Trust maintained the required depth in the Port with its own dredger *Coleroon* and by engaging dredgers of the Dredging Corporation of India (DCI).

The port dredger *Coleroon* had completed its economic life of 20 year by 1996 and required replacement. The Port decided (August 1996) to procure a dredger for replacing *Coleroon*. After inviting tenders, the Port Trust placed (November 2000) the work order costing Rs. 52.24 crore with the Cochin Shipyard Limited (CSL) for delivery of a dredger within 24 months.

Meanwhile, the Secretary (Shipping) of the Ministry, noting the high cost of dredging, suggested (September 2001) to the Port Trust to examine the possibility of selling the dredger under construction, and then to in-charter it for dredging in the Port. Acting on this suggestion, the Port Trust approached (January 2002) DCI to purchase the dredger. DCI agreed, subject to execution of a long-term dredging contract (10 to 20 years) with them. But, the Ministry, without assigning any reasons, did not agree (April 2003) to the Port entering into such a long-term contract with DCI. Thereafter, the Port Trust approached CSL for sale of the dredger directly from their shipyard. Accordingly, CSL initiated action in June 2003.

CSL completed the construction (cost: Rs. 56.23 crore) in October) 2003. As CSL was taking action to sell the dredger directly, the Port Trust allowed retention of the dredger by them. However, in March 2004, the Port Trust asked CSL to deliver the dredger if it could not sell the dredger in the near future. Meanwhile, the Port Trust paid an additional amount of Rs. 40 lakh to CSL towards charges for upkeep, maintenance, etc., for the period from October 2003 and for trials arranged for three prospective buyers. The Port Trust took delivery of the dredger in May 2004.

In the meantime, the dredger *Coleroon* was decommissioned in October 2002.

The Port Trust, after inviting tenders (February 2003) entrusted (June 2003) the work of deepening of Dr. Ambedkar Dock basin (estimated quantity 8.67 lakh cu.m.) and maintenance dredging in turning circle, approach channel, etc., (estimated quantity 7.15 lakh cu.m.) to DCI at rates ranging from Rs. 84 to Rs. 96.50 per cu.m., in addition to payment of Rs. 60 lakh towards mobilisation and demobilisation charges. The DCI commenced the work in September 2003 and completed it in March 2004.

During 2004-05, the Port Trust deployed its new dredger and dredged 8.91lakh cu. m. The average dredging cost for the new dredger worked out to Rs. 61.68 per cu.m. including depreciation.

Initially, the Port Trust made (May 1996) a strong case in the feasibility study, for the acquisition of a new dredger, as the most economical option. Even in January 2002, the Committee constituted for examining the capacity and suitability of the proposed dredger concluded that the dredger under construction was most economical. Yet the Chennai Port Trust accepted the Ministry's suggestion for selling the dredger under construction.

In December 2003, when the Ministry advised the Port Trust to prepare a comparative study, the Port Trust reported that outsourcing was cheaper than owning a dredger, contradicting their earlier study. However, after taking delivery of the new dredger and operating it, the Port Trust reported (October 2004) to the Ministry that operating the dredger was more economical than engaging DCI. No response of the Ministry to this change in stand of the Port had been received (October 2005).

Hence, the shifting stands of the Port Trust and the Ministry points to serious deficiencies in the process of evaluating dredging options.

The Port Trust while entrusting the work of dredging including maintenance dredging to DCI in June 2003 did not consider the possibility of utilising the newly constructed dredger evidently due to its decision to sell the dredger. Had the Port Trust used the new dredger for maintenance dredging during September 2003 - March 2004, they need not have paid Rs. 7.58 crore to DCI and could get the job done at an estimated cost of Rs. 4.97 crore, thus saving Rs. 2.61 crore.

Thus, the inconsistent decisions of the Port Trust and the Ministry, after placing a work order for construction and supply of a dredger, led to the belated delivery of the dredger with consequent avoidable expenditure of Rs. 2.61 crore.

The matter was referred to the Ministry in August 2005; their reply was awaited as of December 2005.

12.2 Loss of revenue

The decision of the Chennai Port Trust not to levy appropriate charges for additional supply of sophisticated ABG cranes on non-BRS Port users led to continued loss of revenue aggregating to Rs. 1.24 crore till May 2005.

Between June 1997 and June 1998, the Chennai Port Trust (ChPT) hired four 10 tonne electric level luffing shore cranes (ABG Cranes) for a period of eight years. Pending fixation of appropriate hire charges for these new cranes, the Port supplied these cranes to the two Port users under Berth Reservation Scheme[1] (BRS operators) as well as other users on collection of hire charges at the rates[2] applicable to supply of additional 10 tonne cranes in the Scale of Rates (SOR).

The Chief Mechanical Engineer (CME) of the Port furnished the details of the newly inducted ABG cranes to the Financial Advisor and Chief Accounts Officer (FA&CAO) in November 1998 for fixing the rate of hire charges recoverable from users. After prolonged deliberations stretching over a period of 27 months regarding the number of shore cranes for which charges were included in the berth hire charges and on the levying of separate charges for the new cranes supplied, etc., the CME proposed (March 2001) a rate of Rs 15,000 per crane per shift with a minimum of Rs 7500 per half shift or part thereof. The FA&CAO, justifying the fixation of higher rate for ABG cranes in view of their higher capacity and productivity, proposed (May 2001) to recover the differential cost from all the users from the dates of their induction. The Chairman, ChPT approved the proposal in May 2001. However, in a meeting of heads of department of the Port held in November 2002, presided over by the Chairman, it was decided to recover the enhanced charges only from BRS operators.

As berth hire charges (BHC) in SOR included the charges for only one shore crane, ChPT ought to have extended the enhanced rate to other Port users also

[1] Under Berth Reservation Scheme two berths with a shore crane each were reserved for two licensees on special conditions like payment of berth reservation charges in addition to regular berth hire charges and other vessel related charges, utilisation of these berths by the Port during the non-occupancy of the berths by the licensees' vessels.

[2] At Rs. 1592.50 per crane per shift with a minimum of Rs. 822.50 per half shift or part thereof up to March 2000 and thereafter at Rs. 3185 per crane per shift with a minimum of Rs. 1645 for half shift or part thereof.

for use of ABG cranes as additional cranes. Hence, the decision of November 2002 to exclude the non-BRS operators from the levy of enhanced rates was not justified.

The decision of ChPT to exclude the non-BRS operators from the purview of the enhanced charges on the ABG cranes supplied additionally led to a loss of revenue on continued basis that had accumulated to Rs 1.24 crore till May 2005. Besides, the demand for Rs 77.76 lakh towards differential charges relating to the period from June 1997 to September 2001 raised on BRS operators was yet to be realised (November 2005).

The Ministry in their reply (December 2005) justified the non-levy of charges for additional supply of ABG cranes on the non-BRS operators on the following grounds:

(i) Till the general revision of SOR in October 2002, the number of cranes for which charges were included in the berth hire charges was not specifically mentioned in SOR. Hence, there was no need to levy charges for additional supply of cranes. Further, the Port's initial proposal to collect the differential hire charges was objected to by the Port users on the ground that there was no provision in SOR for collection of differential cost.

(ii) Individual tariff items may not be strictly cost based in view of the overall cost plus approach adopted by the Tariff Authority for Major Ports (TAMP).

(iii) Fixation of new rates whenever new equipment are purchased or hired would destabilize the SOR and lead to underutilisation of the latest addition to the pool of equipment due to higher tariff. Further as per TAMP's observation, tariff should be the same for similar services.

(iv) Non-recovery of capital cost of new equipment would only be a short term phenomenon confined only to the period between the date of procurement and the next general revision of tariffs. The two general review proposals for revision of tariff in March 2000 and October 2002 would have taken care of the lease rent payable for the ABG cranes.

The Ministry's reply was not tenable in view of the following:

(a) The Ministry did not take into account the fact that only one shore crane was used while indicating the number of cranes for which charges were included in the berth hire charges. Further, the Port had clarified to TAMP during revision of SOR in October 2002 that the composite berth hire charges included charges for only one crane. The Port Trust also collected charges for additional supply of these cranes at the rates applicable to 10 tonne cranes pending fixation of appropriate hire charges for these new cranes.

Further, there was a specific provision in the SOR (till October 2002) for recovery of actual charges incurred by the Port from the Port users whenever hired cranes were provided to them. Hence, Ministry's reply that there was no provision in SOR was not tenable.

(b) There was a specific provision in the Port's Manual for fixation of appropriate rate whenever a new machinery was purchased. The ABG cranes were more sophisticated with higher capacity and productivity and they were hired at a huge cost of Rs 4.66 crore per year with 2 *per cent* annual escalation. TAMP also suggested (February 2001) a separate rate when the service rendered varied or a new facility was created at a huge cost. Thus there was justification for fixation of enhanced rate and Port Trust also acted initially only as per the provisions in the Port's Manual and SOR.

(c) The stand of the Ministry would apply to BRS operators also but the Port Trust decided to revise the rate for them.

Hence, the Ministry's reply justifying the exclusion of non-BRS operators from levy of enhanced rates on the sophisticated ABG cranes inducted at a huge cost and supplied additionally was not justified, and not in the financial interests of the Port.

12.3 Vacant units in a building specifically constructed for Port users

The Port Trust fixed unrealistically high base rent for allotment of office space and imposed other restrictive conditions that resulted in loss of revenue of Rs 1.19 crore.

To meet the demand from Port users for provision of accommodation close to the container terminal, the Board of Trustees (Board) of the Chennai Port Trust approved (April 1996) construction of an office complex comprising basement, ground floor and five upper floors with a total built up area of about 4200 sq.m. at an estimated cost of Rs. 4.84 crore. The construction was completed in November 2000 at a cost of Rs. 4.53 crore. The total built up area was 4512.91 sq.m. including the basement designed for car parking.

The Port Trust calculated (January 2001) monthly rental value of the building at Rs. 377 per sq.m. after reckoning (a) depreciation at 2 *per cent* (b) maintenance at 5 *per cent* and (c) return and interest at 20 *per cent* on the estimated cost of building and (d) tax at 30 *per cent* on the above elements. Though market rent in the area ranged between Rs. 130 and Rs. 215 per sq.m., the Port Trust decided (April 2001) to adopt the above base rent for allotment on the ground that the office complex was newly constructed with adequate facilities.

The Port Trust invited the tender for allotment of office space only in July 2001, seven months after completion of the building due to delay in fixing the minimum reserve rent. The lease period for allotment of units (each floor divided into two units) was three years and was extendable at the discretion of the Board.

The other conditions of the tender included (i) payment of one year lease rent as non-refundable premium and one year lease rent as security deposit, (ii) 10 *per cent* annual (compounded) increase in the rate of license fee, (iii) additional levy for proportionate common open area around the building at Rs. 38 per sq.m. and (iv) separate license fee for car parking area in the basement at the same rate applicable for office space allotted. Against 16 tenders documents sold, only one offer (Rs. 390 per sq.m. per month) for one unit on the fourth floor was received.

The Port Trust allotted (November 2001) one unit on the fourth floor to the firm initially for three years. Based on further request, the Port Trust allotted (December 2001) the second unit on the fourth floor to the same firm at the same rate. The licensee however vacated the two units in November 2004.

The Port Trust redivided the remaining floor space into 41 units and invited the second tender in February 2002 with similar terms and conditions. Though 20 tender documents were sold, no offer was received.

The Port Trust invited the third tender in April 2002 without indicating the minimum reserve rent. All other conditions of the earlier tender remained the same. Based on an offer for 17 units, all the units on the second and the third floors were allotted (June 2002) at Rs. 215 per sq.m. per month. The fourth tender fixing minimum rent of Rs. 200 (July 2002) did not elicit any response.

In the fifth tender (July 2003), the Port Trust reduced the rate for car parking to Rs. 60 per sq.m. per month besides reducing the rate of annual increase in license fee to 5 *per cent* (compounded). The tender condition for payment of additional license fee for open area was also withdrawn. Further, the lease period was fixed as ten years but the bidder had to quote rate for the entire floor. No offer was received for this tender also. In December 2003, the allottee of the second and the third floors vacated the premises.

The rentable area of office premises so far tendered included a proportionate share of common areas like corridor/lobby, staircase, lift and toilets. In view of the repeated poor response, the Port Trust reworked (April 2004) the rentable area as per the CPWD Manual, by excluding the common covered areas. Thus 3662 sq.m. (ground floor and other four floors except to fourth floor) tendered earlier was reduced to 2079 sq.m.

Adopting the revised area and redividing each floor into four to six units, the Port Trust invited the sixth tender in April 2004 in which the condition of non-refundable premium was withdrawn. The license fee was fixed at Re. one per sq.m. per year with 30 *per cent* escalation after every five years. A reserved upfront premium for ten years was fixed based on the rate of Rs. 130 per sq.m. (Rs. 60 per sq.m. for basement) per month with 2 *per cent* annual escalation after allowing 6 *per cent* discount factor. The upfront premium for ten years was to be paid within one month from the date of allotment. Based on the offers all the units on second floor, third floor and entire basement were allotted from August 2004 for ten years.

Subsequently, two tenders (seventh and eighth) were invited in July 2004 and October 2004 with similar conditions. The Port Trust allotted one unit on the first floor and all units on the fifth floor from October 2004 and all units on the fourth floor from December 2004 based on these two tenders. The allotments of office space under sixth to eighth tenders were made at upfront premium based on the monthly rates ranging between Rs. 132 and Rs. 141 per sq.m. As of May 2005, four units on first floor and entire ground floor remained vacant.

The above chain of events indicates that the realistic monthly rent for the building in 2001 was about Rs. 130 per sq.m. The Port Trust's expectation of rent that this building would fetch ignored the fact that prevalent market rent rates would be the determinant factor and not its calculation based on return on investment, depreciation, etc. But the Port Trust, apart from fixing the minimum reserve rent at a higher level, imposed additional conditions in the first four tenders viz. payment of non-refundable premium without any firm commitment for longer lease period, additional levy for open space, etc. The rentable area upto fifth tender included a proportionate share of common covered space.

Had the Port Trust adopted an approach in alignment with market realities, the loss of revenue of Rs. 1.19 crore (calculated at Rs. 130 per sq. m.), due to the area remaining vacant, during November 2000 to May 2005, could have been avoided.

The Ministry replied (April 2005) that the Port Trust initially fixed the reserve price based on the principle of return on investment and when that option did not yield the expected result, the next option of fixing the reserve price based on the scale of rates of the Port and the market rate were followed. The Ministry further stated that even after reducing the reserve price to Rs. 130 per sq.m., some units remained vacant.

Ministry's reply does not constitute acceptable justification for the Port's actions, because they ignored market realities in their decision making process. Further, the financial impact of the restrictive conditions were not quantified and taken into account while determining the base rentals.

Cochin Port Trust

12.4 Extension of undue advantage to a private firm

Cochin Port Trust extended undue advantage to a private firm by not levying penal interest of Rs. 31.96 lakh for the delay in remittance of premium amount as stipulated in the conditions of allotment of land on lease.

Cochin Port Trust (CoPT) allotted (June 2000) about 4.79 acres of land in the commercial category on lease to Konkan Storage Systems Private Limited (firm) at a premium of Rs. 71.85 lakh for construction of a tank farm. The period of lease was 30 years at the annual rent of Rs. 4.13 lakh per acre. The conditions of allotment stipulated that the firm should take possession of the land within 15 days from the date of allotment order failing which the rent would accrue from the 16th day of the allotment order. The firm was required to remit security deposit equivalent to lease rent for one year (Rs. 19.80 lakh), the premium amount (Rs. 71.85 lakh) and the half-yearly rent (Rs. 9.90 lakh) in advance. The firm accepted the offer and remitted the security deposit of Rs. 19.80 lakh and advance instalment of half yearly rent of Rs. 9.90 lakh in July 2000. The premium amount was, however, not remitted in advance as required in the allotment order but in four instalments between March 2001 and November 2002.

Clause 21 of the allotment order provided for levy of penal interest at the rate of 24 *per cent* per annum in the event of delay in payment of dues to CoPT. But no penal interest was levied on the firm as per the conditions of allotment for the delayed remittance of the premium amount. The penal interest for the delay worked out to Rs. 31.96 lakh.

In response to the Audit observation (April 2003), CoPT initially justified the non-realisation of penal interest and argued that the firm was given extension of time for remittance of premium amount since they were facing liquidity crisis at that time and stringent action would have resulted in the investor backing out. It was also stated that Clause 21 of the order applied only to dues and not to the payments which were the preconditions for taking over the land.

The argument was not tenable as remittance of premium in advance was a pre requisite for allotment and when the offer for allotment was accepted by the bidder, the premium became due to Port Trust. CoPT had placed the issue before the Board of Trustees in June 2003 and the Board referred the matter to a sub committee. Final decision of the committee was awaited (September 2005).

The matter was referred to the Ministry in October 2005; their reply was awaited as of December 2005.

Kolkata Port Trust

12.5 Avoidable loss on investment

Kolkata Port Trust's investment in the US-64 scheme in breach of Government's directives, coupled with its failure to take timely action to redeem the units resulted in an avoidable capital loss of Rs. 8.07 crore.

In December 1994, the Government of India had explicitly barred the investment of Provident Fund (PF) balances by PSUs and the Port Trusts in equity based mutual funds having elements of speculation and risk. But the Trustees of the PF (Contributory/Non-contributory) of the Kolkata Port Trust (Port Trust), which had already invested Rs. 9.83 crore form its PF in 57.33 lakh units of US-64 scheme (Scheme) of the Unit Trust of India (UTI) in January/July 1994, invested an additional amount of Rs. 7.60 crore between July 1995 and August 1995 in 48.83 lakh units. Also, during the next four years it reinvested the dividend and bonus amounting to Rs. 4.82 crore in 35.60 lakh units of the Scheme. The total amount invested in the Scheme stood at Rs. 22.25 crore in July 2000 in 1.42 crore of units.

It was only much later, in December 2002, that the Ministry of Shipping clarified that investment in UTI was permitted, after the Port Trusts considered all relevant factors including rate of return, risk factors etc.

Meanwhile, in July 1998 UTI announced that the reserves of the Scheme had turned negative to the extent of Rs. 1098 crore. This was followed by redemption of US-64 units amounting to Rs. 1500 crore in the first six months of the fiscal year ending June 1999. Despite these developments, the Port Trust retained its investment in the Scheme. In July 2000, the dividend declared was 13.75 *percent*, which fell to 10 *percent* in July 2001. In addition, the UTI announced the suspension of sale and repurchase of its US-64 units. No dividend was declared by UTI subsequently.

Audit noted that during 1999 and 2000, the Port Trust had invested its PF balance in other deposits and bonds and earned interest at the rate of 14 *percent* and 13 *percent* respectively per annum. However, the Port Trust did not consider redeploying its balances in the Scheme in such deposit or funds despite the declining trend of returns and the significant erosion of its reserves. In March 2003, the UTI had intimated the Port Trust that they had decided to terminate the Scheme from June 2003. Consequently, the Port Trust considered (April 2003) that it would be financially beneficial to invest the proceeds in earmarked Government securities at the higher rate of fixed interest and redeemed (May 2003) all the 1.42 crore units of the Scheme for Rs. 14.18 crore against the total cost of investment of Rs. 22.25 crore. This resulted in capital loss of Rs. 8.07 crore.

Thus, the Port Trust's decision to invest in a Scheme having elements of speculation and risk, that was in violation of Government's extant directive, coupled with its failure to take timely action to redeem its investment in the Scheme resulted in an avoidable loss of Rs. 8.07 crore.

The Port Trust stated in August 2005 that the Trustees of PF could not apprehend the fall in the rate of dividend in respect of US-64 Scheme in July 2001. The Ministry also endorsed the views of the Port Trust in October 2005. Audit noted that the reply is not acceptable since the Trustees had ignored UTI's announcement in July 1998 that the reserves of this Scheme had turned negative. Further, Audit attempted to verify Port Trust's reply by seeking details of the meetings of the Trustees of the Provident Fund in which matters relating to the declining returns from the Scheme were considered prior to its closure.

These records were not made available and the Port Trust stated that the Trustees did not meet on a regular basis regarding investments. Hence, there was no evidence to conclude that the Port's decision to hold US-64 units in the face of declining returns and eroding reserves was a considered one. This pointed to a serious inadequacy in the Port's financial management.

Marine Engineering and Research Institute, Kolkata

12.6 Undue benefit to a supplier

Undue benefit to a supplier by releasing payment, in violation of the conditions in the purchase order, for an equipment that remained uninstalled resulted in unfruitful expenditure of Rs 59.78 lakh defeating the very purpose of procurement.

The Ministry of Shipping sanctioned (March 2001) Rs 60 lakh to the Marine Engineering and Research Institute, Kolkata for purchase and installation of an old Marine Propulsion Engine with accessories, to update its training facilities according to the 'Standard of Training Certification & Watch keeping of Sea farers' prescribed by the International Maritime Organisation in August 1998. The purchase order for the supply and installation of the engine was placed with M/s. Maritime Engineers (supplier) at a cost of Rs 58.35 lakh in March 2001 without specifying any time schedule for the supply and installation of the engine.

The purchase order clearly mentioned that any item (s) found unserviceable, damaged or not conforming to the specification(s) would summarily be rejected at the cost of the supplier and that the payment would be released only after transportation, successful installation and satisfactory commissioning as well as trial of the engine. During transportation by the supplier, the engine had overturned in the premises of the Institute in August 2001. Thereafter, till June 2005, it could not be installed and commissioned due to the damage caused by the accident. Full repairs would have required complete dismantling and rectification of the internal defects of the engine. However, the Institute released the entire payment of Rs. 59.78 lakh including sales tax to the supplier between July 2001 and 2002 though the conditions in the purchase order requiring successful installation and satisfactory commissioning as well as trial of the engine were not fulfilled.

The Institute in reply (October 2005) stated that overhauling of the engine was nearly completed and that the engine would only be taken into stock after completion of activities relating to engine trial.

The reply did not clarify the reasons on account of which the entire payment was released in violation of the conditions mentioned in the purchase order. Non-installation of the engine over the last four years defeated the purpose of its procurement which was to impart training to the cadets of the Institute. Thus, unfruitful expenditure of Rs. 59.78 lakh, was incurred by the Institute.

The matter was referred to the Ministry in July 2005; their reply was awaited as of December 2005.

Mormugao Port Trust

12.7 Unfruitful investment

The Port Trust purchased 20,500 sq. mtrs of land for Rs. 2.46 crore with no specific utilisation plan resulting in the land lying idle even after six years of its purchase.

The Mormugao Port Trust (Port Trust) had proposed (June 1998) purchase of 20,500 sq. mtrs. of land offered by the Vasco Planning and Development Authority (VPDA) at a total cost of Rs. 2.46 crore for future Port development works and other utility services. The Government of India approved the proposal in principle in August 1998 on the condition that the expenditure would be met by the Port from its own internal resources. Accordingly, the Port Trust purchased the land from VPDA for Rs. 2.46 crore and executed an agreement of conveyance (May 1999).

Audit noted that the Ministry had advised the Port (August 1999) to send the Plan for use of the said land and take steps to prevent encroachment. Though the Port had replied (October 1999) that the land could be used for development of container freight station, the land actually remained unutilised (June 2005).

Further, inspite of a provision in the agreement of conveyance that on payment of the entire purchase price a final sale deed shall be executed and registered, the Port had not completed the registration of the land in its name (June 2005).

The Port replied (March 2005) that though many companies had shown interest in the said land to stock bulk clean cargo, only one had come forward with utilisation plan. The Port further stated that the land being adjacent to the NH 17-A is a prime property and an asset to the Port considering the paucity of land in the Port area. As regards the sale deed, VPDA was requested in February 2005 to execute the same.

The reply showed that the Port Trust had no specific plans to use the land for Port services and was instead waiting for private parties to come up with proposals. Moreover, the funds spent on this land acquisition could have been utilised by the Port for productive revenue yielding purposes, instead of the idle investment in lands, which in any case is not the Port's core business.

The matter was referred to the Ministry in July 2005; their reply was awaited as of December 2005.

Mumbai Port Trust

12.8 Avoidable expenditure

Failure of the Port to bring to the notice of the Arbitrator non-claim of duty drawback on re-export of one dredger by the contractor led to avoidable payment of Rs. 41 lakh as reimbursement of customs duty. Subsequently, an amount of Rs. 47.06 lakh (including interest of Rs. 6.06 lakh) was recovered from the contractor at the instance of the audit.

Mumbai Port Trust (Port Trust) engaged (November 2000) a foreign contractor (contractor) to carry out maintenance dredging for two years 2000-01 and 2001-02. Clause 70.2 of General Condition of the contract stipulated that if there was any addition to or reduction in the cost to the contractor due to change in legislation occurring after "the date 30 days prior to the latest date for submission of tenders", the same should be added to or deducted from the contract price. In the Conditions of Particular Application, clauses 54.13 and 73.1 (a) enjoined on the contractor the responsibility of payment of all duties, fees and other charges applicable from time to time in connection with or arising from the execution of work or supply of materials and equipment.

The contractor imported (November 2000) two dredgers for use in dredging at the Port. At the time of submission of tenders (June 2000) and import of the dredgers in the first year of contract, the import of dredger was exempt from customs duty. However, the exemption was withdrawn and a duty of five *percent* became payable with effect from March 2001. Consequently, the contractor paid customs duty aggregating to Rs. 6.88 crore while importing (September 2001) two dredgers for the second year of the contract. The contractor claimed reimbursement of duty from the Port in terms of the condition governing additional cost arising from change in legislation. The claim was refused by the Port and the issue was referred to (October 2001) arbitration.

The two dredgers were re-exported (December 2001) by the contractor on completion of the Port's contract. The re-export being within six months of the import, customs duty drawback of Rs. 5.85 crore at 85 percent of the customs duty paid on import was admissible to the contractor under the Customs Act 1962. However, the contractor claimed duty drawback of Rs.5.44 crore on one dredger. The duty drawback was not claimed on the second dredger as the contractor intended to import the second dredger again for another work without paying duty by virtue of the unclaimed drawback.

Subsequently, in the arbitration award (January 2003) the contractor's claim for reimbursement was upheld and the Port was asked to reimburse the duty of Rs. 6.88 crore after adjusting the duty drawback of Rs. 5.44 crore along with 10 percent interest from the date of award up to the date of payment.

However, the Port failed to verify matters and did not appraise Arbitrator of the fact that when computing the amount payable by the Port, the duty drawback on the second dredger amounting to Rs. 0.41 crore that was not claimed by the contractor for his own reasons, was not excluded. As a result, the Port paid a sum of Rs. 1.45 crore including interest of Rs. one lakh involving excess payment of Rs. 41 lakh excluding interest.

In response to the Audit observation (December 2003), the Port Trust issued notice to the contractor (September 2004) and recovered Rs. 47.06 lakh (October 2004) including interest of Rs. 6.06 lakh from him. The Ministry confirmed (June 2005) the aforesaid recovery.

12.9 Short recovery of sales expenses from the sale proceeds of unclaimed cargo

Sales expenses of unclaimed cargo were recovered at a flat rate of 10 *per cent* from the sale proceeds without verifying actual expenses. This resulted in short recovery of Rs. 7.97 crore during the period 1998-99 to 2003-04.

To realise Customs/Port Trust dues, cargo which is not cleared or not claimed within two months of landing is sold by the Port Trust following the procedure laid down in the Major Port Trust Act, 1963 (Act).

According to the provisions contained in Section 63 of the Act, the proceeds of every sale under Section 61 or 62 shall be applied first towards payment of the expenses of the sale. In accordance with the relevant decision of the Board of Trustees of the Mumbai Port Trust (June 1968), the sales expenses were required to be worked out on the basis of actual expenditure. However, subsequently, it was directed by the Chairman of the Port Trust (July 1991) that sales expenses should be recovered at the flat rate of 10 *per cent* of the sale proceeds with effect from 1989-90. The basis for this decision was not available with the Port Trust.

Audit ascertained (March 2004) that the actual expenditure incurred by the Port Trust on sale of unclaimed cargo, between 1998-99 to 2002-03 varied between 11 *per cent* and 28 *per cent*[3] of the amounts realised from the sale for such cargo. In 2003-04, sales expenses were abnormally high at 217 *per cent* due to the fact that only a few lots could be sold because of a newly introduced system of e-auction bids. The Port Trust realised sale proceeds of Rs. 82.71 crore from these sales and incurred expenditure of Rs. 16.24 crore on these sales during 1998-2004 but recovered only Rs. 8.27 crore only towards sale expenses involving a short recovery of Rs. 7.97 crore.

The Ministry responded (December 2004) that Audit considered salaries and wages of staff of Docks Auction Sales Branch while calculating establishment expenses instead of salaries of employees actually attending the auction sale

[3] 1998-99 – 11 *per cent*, 1999-2000 – 28 *per cent*, 2000-01 – 26 *per cent*, 2001-02 – 16 percent, 2002-03 – 15 *per cent*, 2003-04 – 217 *per cent*

related work. The reply was not acceptable because prior to 1990 when the sales expenses were recovered on actual basis, such expenses included establishment expenses, that salaries of warehouse, sales section and audit staff.

Audit also noted that the Chairman, Mumbai Port Trust had approved (December 2004) revision of the rate of allocation of sales expenses from 10 *per cent* to 21 *per cent*, taking into account the actual sales expenses incurred during the previous six years. Thus the gap between sales expenditure and its recovery, pointed out in audit, was sought to be bridged by the Port Trust by enhancing the percentage of recovery.

Tuticorin Port Trust

12.10 Unnecessary construction of a warehouse

Construction of an additional warehouse based on under-estimation of existing storage capacity and unrealistic projection of future demand resulted in blocking up of funds amounting to Rs. 1.62 crore.

The Tuticorin Port had three warehouses for general cargo with a floor capacity* of about 7,000 tonne each depending on the stowage and density of cargo after leaving aisle spaces for the movement of trucks etc.

Following a demand (February 1997) from Port users for additional warehouse capacity, the Traffic Department of the Port conducted (April 1997) a study of the quantum of cargo that might require warehousing during the next five years. In this study, the annual capacity utilisation of the three existing warehouses was estimated at 1.50 lakh tonne of general cargo with average transit time of two months. With projection of warehousing requirement at 2.19 lakh tonne for 1997-98, increasing to 2.46 lakh tonne for 2000-01 and 2001-2002, the study proposed construction of an additional warehouse. The proposal was recommended (August 1998) by the Project Investment Committee and approved by the Board of Trustees of the Port in August 1998. Construction of the additional warehouse with floor capacity of 5700 tonne was completed in August 2002 at a cost of Rs. 1.62 crore.

Audit noted the following:

(i) The basis for estimating the capacity utilisation of the three old warehouses and annual projection of cargo requiring warehousing during

* Warehouse I-5220 sq. m.; Warehouses II and III-4860 sq.m. each

1997-2002 were not on record. The actual total annual cargo that moved through the three warehouses during 1994-95 to 1996-97 varied only between 85,279 and 88,720 tonne with transit time of general cargo ranging from one to four months. Yet, the Traffic Department projected (April 1997) the warehousing requirement between 2.19 lakh and 2.46 lakh tonne per annum for 1997-2002 without indicating any basis for the steep rise. The Project Investment Committee, constituted specifically to examine the proposal for construction of additional warehouse, also did not reassess the justification for an additional warehouse in the light of the steep rise in the projected warehousing requirement.

(ii) Against the annual capacity utilisation of the three old warehouses estimated at 1.50 lakh tonne, the Port accommodated 2.37 lakh tonne of cargo during 2002-03 in the three old warehouses. This indicated incorrect estimation of the available annual capacity of the three existing warehouses.

(iii) The new warehouse with floor space to accommodate 5700 tonne remained vacant for 29 out of 34 months since the date of its commissioning upto May 2005. Cargo occupying floor space ranging from 90 to 2880 sq.m. were stored on 41 days in the new warehouse during the remaining five months. Audit noted that the vacant floor space in the three existing warehouses was quite adequate to accommodate the cargo stored in the new warehouse on 26 days. Efficient control over transit time during the remaining 15 days would have created sufficient space in the existing three warehouses to accommodate more cargo. Moreover, the overall capacity utilisation of the three old warehouses during August 2002 to March 2005 was also poor as detailed below:

Year	Three old warehouses					Additional warehouse	
	Quantity stored (tonne)	**Available area* (sq.m.)**	**Actual area utilised (sq.m.)**	**Vacancy (sq.m.)**	**Percentage of vacancy**	**Quantity stored (tonne)**	**Actual area utilised (sq.m.)**
2002-03	2,36,879	36,30,420 @	9,11,840 @	27,18,580 @	75@	4837	9200 @
2003-04	1,31,867	54,68,040	28,49,100	26,18,940	49	4566	41,960
2004-05	58,710	54,53,100	3,37,610	51,15,490	94	1488	450

* Day-wise area annualised
@ For the period from August 2002 to March 2003

Thus, the construction of an additional warehouse by the Port Trust based on under estimation of available capacity coupled with unrealistic projection of future traffic resulted in avoidable blocking of Port's funds of Rs. 1.62 crore since August 2002.

The matter was referred to the Ministry in August 2005; their reply was awaited as of November 2005.

Visakhapatnam Port Trust

12.11 Non-realisation of interest on the investment in private bonds

Injudicious decision of the Visakhapatnam Port Trust in making investments in privately placed bonds of the company which defaulted and delayed the redemption resulted in a loss of Rs. 78.25 lakh.

The Department of Public Enterprises (DPE), Government of India (GOI) issued guidelines in December 1991 in regard to investment of surplus funds of public sector enterprises. The guidelines specified, *inter-alia*, that

- The maturity of investments should not exceed one year; however, in respect of term deposits with banks the investment could be for a period upto three years.
- The instruments obtained should have been rated by an established credit rating agency and accorded the highest credit rating signifying highest safety.

The Ministry of Surface Transport in September 1996 and April 1997 advised that all the Port Trusts should bear in mind the instructions issued by the DPE while investing surplus funds.

The Visakhapatnam Port Trust (VPT) invested during December 1999 and January 2000 Rs. 11.08 crore in the 13.75 *per cent* privately placed bonds of the Industrial Development Corporation of Orissa Ltd. (company) from the available balances under 'Reserves' (Rs. 8.64 crore) and Provident Fund (Rs. 2.44 crore). The company allotted 1108 bonds with face value of Rs. one lakh each on 28 February 2000 redeemable in three years from the date of allotment. The repayment of the principal amount on the due date and payment of interest thereon was guaranteed by the Government of Orissa until the bonds were .redeemed in full. The company paid interest for four half-year periods at 13.75 *per cent* upto October 2001 and defaulted thereafter. The company paid the redemption proceeds of Rs. 11.08 crore and interest for the period from October 2001 to February 2003 amounting to Rs. 1.82 crore, only on 23 December 2003

VPT raised a claim of Rs. 1.50 crore on the company on 31 December 2003 towards interest for the period from March 2003 to December 2003 at 13.75 *per cent*. However audit worked out the amount due as Rs. 1.55 crore. The company offered to pay interest only at 8.5 *per cent* for the period of delay in redemption. In August 2004 VPT accepted the offer of the company and received Rs 76.63 lakh in full and final settlement of dues. In the process, VPT lost revenue of Rs. 78.25 lakh.

Audit observed that VPT invested its funds in the privately placed bonds issue of three year duration, without making any proper financial appraisal. There was no credit rating of the investment by any agency. The investment was made exclusively on the ground that the Government of Orissa stood guarantee for repayment of principal on redemption of the bonds and payment of interest. However, the financial position of the company and the fact that it incurred losses during 1996-99 was not considered. Audit further noticed that the Securities and Exchange Board of India, when approached by VPT, expressed (January 2003) its inability to take any action in this regard as the issue was privately placed and did not fall within its regulatory purview. Given this exclusion, it was incumbent upon VPT to exercise a higher degree of caution before investing in the company.

Thus, the decision of VPT in making investments in privately placed bonds of the company, in disregard of the DPE guidelines, resulted in a loss of Rs. 78.25 lakh.

VPT stated (May 2004) that the guidelines of the DPE were not applicable to it. The Ministry endorsed (June 2004) the reply of VPT given in May 2004. This was not tenable as the Ministry of Surface Transport had instructed all Port Trusts specifically in September 1996 and April 1997 to follow DPE guidelines on investment of surplus funds. Further, the general need to exercise prudence would include the requirement of seeking a high credit rating of the financial instrument and a detailed financial appraisal of the issuing company.

Visakhapatnam Dock Labour Board

12.12 Short realisation of interest due to incorrect interpretation

Visakhapatnam Dock Labour Board short realised Rs. 2.88 crore due to incorrect interpretation of its resolution.

The Deputy Chairman of the Visakhapatnam Dock Labour Board (VDLB) accorded sanction (October 2000) for the investment of Rs. 20 crore with the Visakhapatnam Port Trust (VPT) subject to the condition that VPT should be asked to pay interest that would have been earned if the funds were invested in long-term avenues. This was brought to the notice of the Investment Committee. VPT sought an additional (October 2000) temporary loan of Rs. 25 crore and stated that the terms and conditions of the loan could be agreed mutually.

VDLB in its meeting held in October 2000, taking into cognizance the offer of the Indian Telephone Industries at the Coupon rate of interest at 12 *per cent* per annum, resolved to collect interest at 12 *per cent* per annum on the investment of Rs. 20 crore made with VPT and further decided to collect from VPT the prevailing rate of interest for future investments.

VDLB invested in all Rs. 72.50 crore with the VPT during October 2000 to March 2002. VPT refunded the amounts, in spells, by March 2003. VPT also paid the interest as calculated by it in spells.

Although the VDLB resolution was clear that for future investments the rate of interest prevailing on the date of such investment will apply, VPT calculated the interest payable to VDLB at varying rates instead of adopting the prevailing rate on the date of investment for the entire tenure of each investment. The rates applied by VPT were

Period	**Rate of Interest (*per cent*)**
5 October 2000 to 25 September 2001	12.00
26 September 2001 to 28 December 2001	10.25
29 December 2001 to 31 March 2002	9.48
1 April 2002 to 11 March 2003 (Final payment)	8.00

Further, there was no written agreement between VDLB and VPT on the rate of interest to be allowed from time to time. VDLB did not calculate the interest due on the investment on its own, but merely accepted the interest paid by VPT. Audit worked out the interest due on investment as Rs. 15.36 crore applying the appropriate rate of interest on the date of each investment. However, VPT paid Rs. 12.48 crore, in all, towards interest. This led to short realisation of Rs. 2.88 crore.

VDLB, while admitting that no terms and conditions were drafted, stated (May 2004) that the rates of interest were modified by VPT in consultation with VDLB since the VDLB Board resolved that the applicable rate of interest would be the prevailing market rates from time to time. Ministry endorsed

(September 2004) the reply of the Dock Labour Board.

The reply of the Ministry was not tenable as the resolution was very clear that subsequent investment with VPT would be at the rate of interest prevailing on the date of investment. Further, VPT and VDLB constitute distinct legal entities created under different central legislations. As a result, the management of each entity is obliged to act in the best financial interest of the respective entity and financial investments must be governed by an explicit agreement.

12.13 Loss of revenue

Failure of Visakhapatnam Dock Labour Board to raise the rate of levy on Coromandel Fertilizers Limited led to under-realisation of revenue of Rs. 70.25 lakh.

Prior to January 1994, Coromandel Fertilizers Limited (company) used to pay Re. one per tonne for handling fertilizer cargo by employing its own labour at its fertilizer berth at the Visakhapatnam Port. The rate of Re. one per tonne was indicated in an agreement between the company and the VDLB executed in November 1990. In January 1994, VDLB resolved to enhance the levy to Rs. two per tonne but did not pursue the matter with the company to get the latter's acceptance. No formal agreement enhancing the levy was also executed.

VDLB raised the bill at the enhanced rate of Rs. two per tonne for the period November 1994 to March 1996 in November 1996. The bill for the period April 1996 to March 1998 was raised only in September 1998. Subsequent bills were raised regularly. The levy due from the company for the period November 1994 to May 2005 was Rs. 1.26 crore calculated at the rate of Rs. two per tonne.

In October 1998, the company took the stand that VDLB's decision to enhance the levy to Rs. two per tonne had not been conveyed to them and offered to pay Re. one per tonne as before. The matter eventually went to an Arbitrator in accordance with the agreement of November 1990. The Arbitrator, in his award of May 2003, advised the parties to enter into a fresh agreement enhancing the levy to Rs. 1.50 per tonne with effect from 1 January 1999. While the company accepted the award in August 2003, VDLB did not formally pass any resolution adopting the new rate nor took any steps to enter into a fresh agreement with the company. The company paid Rs. 55.75 lakh at the old rate of Re. one per tonne for the period November 1994 to May 2005.

The entire process of raising the demands on the company for the levy, revision of the levy rate and formalisation of the arrangement with the company seems to have been handled by VDLB in a dilatory manner. The demands were raised late, the levy rate was enhanced and communicated to the company but the matter was not pursued for the latter's concurrence and agreement and lastly, even after the arbitrator gave the award, VDLB did not impose the levy at the awarded rate.

Calculated at the rate of Rs. two per tonne, an amount of Rs. 1.26 crore became due from the company to VDLB for the period November 1994 to May 2005. The realisation was Rs. 55.75 lakh only. Thus, there is under realisation of the levy to the extent of Rs. 70.25 lakh. Even if VDLB had calculated the levy at the rate of Rs. 1.50 per tonne with effect from 1 January 1999, further revenue of Rs 19.30 lakh would have accrued to it for the period up to May 2005.

The matter was referred to the Ministry in October 2004; their reply was awaited as of January 2005.

CHAPTER XIII : MINISTRY OF TEXTILES

National Institute of Fashion Technology, Kolkata

13.1 Avoidable Expenditure

Unrealistic fixation of quantum of contract demand led to avoidable expenditure of Rs. 27.16 lakh towards payment of electricity charges by the National Institute of Fashion Technology, Kolkata.

The National Institute of Fashion Technology, Kolkata (NIFT) had entered into an agreement with WBSEB in September 1999 for supply of high voltage electrical energy at its office premises for a period of five years from 1999-2000 to 2003-04. The agreement provided for contact demand of 600 KVA in the first two years and 700 KVA, 800 KVA and 1000 KVA in 2001-02, 2002-03 and 2003-04 respectively. NIFT was liable to pay the Annual Minimum Guaranteed Revenue (AMGR) at prescribed rates, even if the actual consumption fell short of the contract demand.

Audit noted that for the period from February 2000 to March 2004 the actual power consumption fell short, and varied only between 15 and 36.9 *per cent* of the contract demand. The expenditure of Rs. 27.16 lakh that was incurred towards AMGR by NIFT during this period, was largely avoidable with a more practical and realistic assessment of its power requirement.

In response to audit observation of August 2002, NIFT approached WBSEB in March 2003 for revising the contract demand and a fresh agreement was executed in November 2003. By this agreement, the contract demand was reduced to 300, 400, 450 KVA for the following three years with effect from January 2004 and was fixed thereafter at 500 KVA for the next two years.

In its reply to the audit observation of July 2005, NIFT stated (July 2005) that the contract demand had been fixed through a survey of experts engaged by NIFT Headquarters, New Delhi. At the same time, NIFT accepted the audit observation.

The Ministry stated (September 2005) that contract demand was fixed keeping in view the additional power required for the offices of the Jute Manufactures' Development Council (JMDC) and the Apparel Export Promotion Council (AEPC), that were to be constructed within the same premises. However, there was considerable delay in construction of the AEPC building. Construction of

JMDC building did not start at all and the Boy's and Girl's Hostels, that were to be constructed within the premises, were also subsequently abandoned. Hence, the actual power consumption continued to be much less than the contract demand. The Ministry also stated that there was scope for further growth of the Centre and new academic, administrative and hostel blocks would be constructed very shortly and therefore, the present contract demand would be met.

However, the fact remained that the quantum of the contract demand was fixed without ensuring guaranteed utilisation of power by AEPC and JMDC during the period February 2000 to March 2004.

CHAPTER XIV : MINISTRY OF URBAN DEVELOPMENT

Delhi Development Authority

14.1 Inaction on the part of DDA

The Delhi Development Authority was deprived of prime land worth Rs. 92.06 lakh due to failure to take timely action to cancel the allotment of a plot despite persistent breaches of terms of allotment. Composition fees of Rs. 43.45 lakh also remained unrecovered.

Rule 6(v) of Chapter-II of the Delhi Development Authority (Disposal of Nazul Land) Rules 1981, provides that the Authority shall lease nazul land at pre-determined rates to industrialists who are required to shift their industries from non-conforming areas to conforming areas under the Master Plan. The terms of such lease agreement stipulate that the lessee shall not sell or transfer the land or any part of it without the consent of the Authority. Further, the lessee is required to construct his building within two years of receipt of possession of the land. In the event of death of the lessee, the person on whom the title devolves shall within three months give notice of such devolution to the Authority. In the event of breach of the terms of the agreement, the Authority retains the right to resume possession of the land and the building thereon without payment of any compensation to the lessee.

The Delhi Development Authority (DDA) allotted industrial plot No. C-183 at Rewari Line Industry Area, Phase-II (Mayapuri Industrial Area) measuring 605 sq. yards to Rex Auto Industries in September 1966. However, the lessee did not construct the building within the stipulated time limit. Extension of time was granted upto June 1978. Despite this extension, no building was constructed. The allottee expired in May 1988 but in breach of the lease terms, no notice was given of the devolution of the title of the plot. DDA took no action on the breaches of the terms of the lease except to issue routine show cause notices in December 1992 and in June 1996.

In August 1998, 10 years after the date of death of the allottee, the mother (the party) of the deceased proprietor of the firm requested DDA to grant extension of time to complete the building and to transfer the plot in her name. The plot was transferred in her name in May 1999 and extension of time for construction was granted in January 2001 upto June 2001, subject to payment of a composition fee of Rs. 1.10 crore which included ground rent due upto 14 July 2001 and interest on ground rent upto 14 March 2001.

Thereafter, on the representation of the party, the Vice Chairman DDA waived the composition fee for the period 1968 to 1975 and from 31 August 1998 to 18 June 2001. A revised demand letter for Rs. 43.45 lakh was issued in June 2001. But the party again represented for waiver of the entire amount which was not agreed to. The buyer resold the plot in September 2002. The occupier of the property carried out unauthorised constructions in January 2003 and covered 100 *per cent* of the plot. No clearance was obtained from the authority for these transactions as required under the lease agreement.

Subsequently, a complaint was received in DDA (January 2003) regarding the unauthorised constructions and the sale of plot by the party. DDA finally cancelled the allotment of the plot in May 2003. The occupants filed a case before the Additional District Judge, Delhi, who passed orders for initiation of eviction proceeding under the Public Premises Act, 1971 for violation of the terms of the lease deed. The eviction proceedings were in progress (December 2005). Meanwhile, DDA requested the MCD Commissioner in May/June 2003 to initiate action against the unauthorised construction.

Evidently DDA had failed at every stage to enforce the terms of the lease and to protect its interest by ascertaining the status of the land, particularly during the period of construction, so as to ensure timely action to repossess the plot. Infact, no action was taken till receipt of complaint in January 2003. DDA could have resumed possession of the land when the party failed to pay the revised composition fee in June 2001 itself. Persistent inaction on the part of DDA resulted in its being deprived of prime land worth Rs. 92.06 lakh valued at the current market rate and non recovery of the composition fees including ground rent and interest thereon of Rs. 43.45 lakh.

The matter was referred to the Ministry in August 2005. Ministry stated (November 2005) that eviction proceedings were in progress and added that after obtaining eviction orders and physical possession of the property, DDA may not suffer any financial loss, if the property was disposed of at the prevailing market rate. The reply is not tenable as there was no justification for the inaction on the part of DDA in enforcing the terms of the lease agreement and resuming possession of the land as well as recovering the composition fee. Possible further sale of the property at market rate is not pertinent point as the same position would have prevailed had the Authority been able to repossess the property earlier by taking timely action to enforce the terms of the allotment.

14.2 Loss of Interest

Loss of interest amounting to Rs. 72.90 lakh due to investment at lower rate of interest.

Section 23(3) of the Delhi Development Act,1957 provides that the DDA may keep in its current bank account such sum of money out of its fund as may be prescribed by rules and any money in excess of the said sum shall be invested in such manner as may be approved by the Central Government. The DDA constituted in January 1998 an investment committee consisting of the Chief Accounts Officer as Chairman, Director (LC) and Financial Advisor (H) as members and Senior Accounts Officer (Accounts) as Secretary to determine the bank in which the excess amounts are to be invested.

Audit noted that the DDA invested of Rs.205 crore (Rs. 170 crore at the rate of 6.10 *per cent* on 22 March 2004 and Rs.35 crore at the rate of 6.05 *per cent* on 24 March 2004) in Syndicate Bank for three years and one day. However, the prevailing rate of interest during the same period and for the same term was 6.21 *per cent* as availed of by other autonomous bodies with the Syndicate Bank. Failure of DDA to avail of the highest rate of interest resulted in loss of interest of Rs. 72.90 lakh.

The Ministry stated in September 2005 that sealed quotations are received from the nationalised banks on their panel on the date of investment and the highest rates received were taken into consideration and investment made accordingly.

The reply was not tenable as a higher rate of interest was available at the time of investment and it should have been possible for the DDA to independently ascertain the interest rate prevailing on the day of investment so as to avail of the most advantageous rate rather than rely solely on quotations received.

DDA also stated (September 2005) that their investment procedure had been revised. After receipt of sealed tenders, the first three banks quoting the highest rates were now given a further opportunity to enhance their rates. In case rates were further enhanced by these banks then investment was made with them at their negotiated rate or otherwise at the highest quoted rate.

14.3 Delhi Development Authority regularised encroachment and unauthorised construction

Delhi Development Authority regularised encroachment and unauthorised construction of school buildings by a private school on DDA land. It however took no action to recover damage charges of which had been calculated as Rs. 35.07 lakh despite lapse of over ten years.

In accordance with Rule 20 read with Rule 5 of the DDA (Disposal of Developed Nazul Land) Rules, 1981, DDA allots nazul land to educational societies recommended by the Directorate of Education of the Government of NCT of Delhi for setting up and running of schools. The land is allotted subject to fulfillment of certain specified terms and conditions and at rates determined by the DDA in accordance with the extant rules. Failure to adhere to the terms of payment of the premium, ground rent, etc. fixed for allotment of the land renders the allotment liable for cancellation as well as for action to recover pending dues. Sections 40/40-A of the DDA Act provides for recovery of the dues of the Authority as arrears of land revenue.

In April 1988, the DDA allotted a plot of land measuring 3.228 acres at Saraswati Garden to the DAV College Management Committee at Rs.8 lakh per acre for construction of a school. On payment of the premium and ground rent of Rs.16.40 lakh in May 1988, the plot was handed over to the Committee in July 1988. Subsequently, the residents of the locality objected to the construction of the school at the site. In February 1989, the Management Committee requested DDA for allotment of an alternative site. Without waiting for a formal allotment, the DAV college management committee entered into an agreement with the Reserve Bank Staff Cooperative Housing Society in August 1989 for construction of the school at a plot of land in Paschim Vihar. In December 1989, DDA formally offered the same plot measuring 2.492 acre at Paschim Vihar to the committee at a rate of Rs.23.75 lakh per acre. Instead of acting on the offer, the college management committee took up the construction of the school which was completed in three phases between 1990 and 1995.

Though this land belonged to DDA and not to the RBI Staff Co-operative Housing Society, DDA took no notice till 5 August 1993 when it issued a show cause notice to the Committee treating the school as an encroachment and an unauthorised construction. The Committee failed to respond to the show cause notice and DDA issued sealing orders of the unauthorised construction on 12 August 1993. The Committee thereafter submitted its reply on the same day viz. 12 August 1993 and subsequently DDA offered on 25 August 1993 to regularise the unauthorised encroachment subject to the condition that the allotment shall be made at the current rates and damages will be paid by the Committee for the period of unauthorised occupation of the site. On acceptance of these terms, the land was allotted to the Committee in December 1993 at the rate of Rs. 23.75 lakh per acre. The Committee deposited the premium in June 1996. In January 1999, DDA issued a notice requiring the Committee to pay the damage charges which had amounted to Rs. 35.07 lakh. Despite an assurance given in July 1998 to pay the damage charges, the committee failed to pay the damage charge. However, no further action was taken and the damages remained unpaid as of June 2005 viz. even after expiry of seven years from the date of issue of notice.

Thus, lackadaisical approach of the DDA in protecting its interests had enabled the Committee to obtain unauthorised possession of DDA land and thereafter even construct a school building over a period of three years without eliciting any reaction. Though the Committee had taken possession of the site from the Reserve Bank Staff Co-operative Housing Society in 1989-90 and started construction, DDA failed to take cognizance of the encroachment and unauthorized construction till August 1993 when it was essentially faced with a fait accompli. Thereafter, though damages were imposed and despite an undertaking by the Committee to pay the damage charges, DDA took no meaningful action to recover the damage charges except to merely issue a routine notice in January 1999. No steps were taken to either resume the land or to initiate proceedings to recover its dues as arrears of land revenue under the provisions of the DDA Act. Consequently, while the unauthorized encroachment was regularized, the damage charges of Rs.35.07 lakh remained unrecovered despite lapse of over eleven years from the date of regularization/allotment of the land.

DDA stated in July 2005 that though the society was at fault for unauthorised possession of the alternative site without making the payment asked for, they have already been penalised to some extent by being forced to pay the prevailing zonal rate for the present allotment. Since it was not possible to give the original plot, it was decided to revise damage charges. The society had represented against the revised charges fixed which is yet to be finalised.

The reply of DDA was not tenable because allowing a society to occupy and construct on land under their irregular possession only encourages such presumptive action on the part of societies to the detriment to the interests of the DDA. Further, revised damage charges has not yet been finalised despite lapse of six years since January 1999.

The matter was referred to the Ministry in August 2004 and a reminder issued in July 2005; their reply was awaited as of December 2005.

CHAPTER XV : MINISTRY OF YOUTH AFFAIRS AND SPORTS

Sports Authority of India

15.1 Penalty due to low power factor

Sports Authority of India paid penalty of Rs. 1.95 crore for the period August 1997 to January 2001 for not maintaining the power factor at the prescribed level.

Delhi Vidyut Boards (DVB)[1] tariff for power supply effective during the period 1997-2001 was based on the power factor of 0.85. Consumers were required to install and maintain shunt capacitors of adequate ratings in proper working condition to ensure that the average power factor of supply taken did not fall below 0.85. In case the average power fact fell below 0.85, then DVB levied surcharge at specified rates.

Sports Authority of India (SAI) had been drawing power supply from HT lines of DVB for the Indira Gandhi Stadium in which the power factor ranged from 0.48 to 0.79, that was below the prescribed power factor of 0.85. Consequently, DVB levied low power factor surcharge amounting to Rs. 1.95 crore for the period August 1997 to January 2001. The situation arose due to its defective shunt capacitors. The expenditure could have been avoided, had SAI taken timely action to acquire and maintain the shunt capacitors and regulate the power supply at the prescribed power factor of 0.85.

SAI stated (March 2002) that reasons for low power factor varying from 0.4 to 0.7 at the point of HT supply had been investigated by BHEL, which had submitted an estimate for Rs. 56 lakh in 1993 for providing Power Factor Improvement Panel. But they could not implement the recommendation due to the high cost involved. SAI stated that the existing manual control panels have been reactivated and these have succeeded in maintaining the desired power factor. The reply did not constitute adequate justification as SAI had already paid a penalty more than three times the estimated cost of the panel.

The matter was referred to the Ministry in August 2005; their reply was awaited as of February 2006.

[1]The functions have been transferred to BSES Ltd. after privatisation of power distribution.

15.2 Idling of equipment

Sports Authority of India (SAI) failed to utilise the equipment worth Rs. 1.10 crore purchased (1988-2004).

Audit scrutiny of the records of SAI's equipment revealed that in the following cases, equipment purchased between 1988-2004 had not been utilised.

(a) SAI imported (November 1988) a machine costing Rs. 20.76 lakh which had the capacity of manufacturing 14400 clay pigeons per day. The machine was procured for Dr. Karni Singh Shooting Range without assessing the actual requirement of the range and the financial viability of manufacturing vis-à-vis import of clay pigeons. Only 3.13 lakh clay pigeons were manufactured between 1991 and 1995 and the machine was kept idle thereafter. No action has been taken to dispose it of. In response to Audit observation, SAI stated (December 2005) that manufacturing of clay pigeons through this machine was not found economical in comparison with the imported clay pigeons. Apparently, this aspect was not considered at the time of purchase of the equipment.

(b) The existing manually operated target system was replaced by the electrically operated Conventional Target Box System in October 2001 at a cost of Rs. 40.79 lakh for the Afro-Asian Games. However, due to non-availability of target paper rolls, which were required to be imported, these machines could not be used by the shooters for practice during coaching camps. On the matter being pointed out in audit, SAI stated in December 2005 that a source for manufacturing indigenous target paper roll has since been developed. However, Audit noted that the equipment remained un-utilised since the date of procurement i.e. from October 2001 to November 2005.

(c) Examination of the stock register revealed that sports equipment costing Rs. 23.82 lakh procured between April 1993 and August 2003 were lying idle (July 2004) at sub-centre Guwahati for periods ranging from 10 months to 10 years. SAI stated (June 2004) that these were being used for conducting national level tournaments etc. as and when allotted to the Centre. However, Audit noted that no national level tournament was organised at Guwahati during this period. Thus, there was total idling of equipment.

(d) Netaji Subhas Southern Centre, Bangalore purchased sports equipment costing Rs. 25.02 lakh during 2001-02 to 2003-04 and distributed them to various sub-centres even though there were either no coaches for the relevant disciplines or absence of such disciplines in the centres. Thus, expenditure of Rs. 25.02 lakh was incurred on these items, which remained unutilised. The Centre stated (August 2004) that the items would be utilised at the earliest.

The matter was referred to the Ministry in September 2005; their reply was awaited as of February 2006.

15.3 Inadmissible expenditure

Sports Authority of India incurred irregular expenditure of Rs. 72.03 lakh on vehicles and mobile phones provided to its chairperson/vice-chairperson and their personal staff etc.

SAI was established by the Government of India in 1984 as a registered society. The Governing Body of SAI has the Union Minister for Youth Affairs and Sports as its Chairperson (ex-officio), the Union Minister of State for Youth Affairs and Sports as its Vice-Chairperson (ex-officio) and 24 other members. According to the Memorandum of Association (MoA) of SAI, the non-official members and ex-officio members of the Governing Body are to be given only TA/DA as per rules of the Government of India.

Audit ascertained that the SAI spent Rs. 22.49 lakh during 2000-2004 on the use of hired vehicles provided to the Union and the State Ministers of Youth Affairs and Sports in their capacity as the chairperson and the vice chairperson of the Governing Body respectively as well as to their personal staff. It also incurred an expenditure of Rs. 7.44 lakh during 1997-98 to 2002-03 on mobile phones given to the chairperson, the vice chairperson, their personal assistants and officers on special duties attached to them. This was also admitted (November 2005) by the Ministry. In addition, the SAI incurred an expenditure of Rs. 42.10 lakh during 2000-2005 on the maintenance and petrol of staff cars provided to the above-mentioned Ministers. The total expenditure of Rs. 72.03 lakh was not admissible under the provisions of MoA and was irregular.

15.4 Avoidable interest payment

Failure of Sports Authority of India to pursue a case properly in a court of law resulted in avoidable interest payment of Rs. 12.75 lakh.

Delhi Centre of Society for Physical Education and Sports (Society), Patiala, was merged with SAI in May 1987. Before merger, it floated a national sports raffle-lottery. The draw was held on 29 September 1984 and a claimant holding the winning ticket of Rs. 5.70 lakh was denied the prize by the Society on the ground that genuineness of the ticket produced by her was doubtful. The claimant filed a suit against the Society on 8 July 1985 in the High Court of Delhi. Consequent on merger of the Society, SAI had been pursuing the case since May 1989.

Audit ascertained that in 1989, the High Court of Delhi made an ex-parte decision due to non-appearance by defence counsel and subsequently passed a decree in April 2002 directing SAI to make payment of prize money of Rs. 5.70 lakh alongwith interest at the rate of 12 *per cent* per annum from 8 July 1985 till the date of disbursement to the claimant. The cost of the suit amounting to Rs. 0.10 lakh was also awarded to the claimant. Audit noticed that the legal cell of the SAI came to know about this judgment only in July 2003. By that time the case had become time-barred for appeal. SAI ultimately paid Rs. 12.75 lakh as interest and Rs. 0.10 lakh as the cost of the suit in addition to prize money of Rs. 5.70 lakh on 27 February 2004.

Thus, failure of the SAI to pursue the case properly resulted in avoidable interest payment of Rs. 12.75 lakh besides losing the opportunity to appeal.

The matter was referred to the Ministry in June 2005; their reply was awaited as of February 2006.

CHAPTER : XVI

16.1 Follow up action on Audit Reports-Summarised Position

The Lok Sabha Secretariat issued instructions in April 1982 to all Ministries to furnish notes to the Ministry of Finance (Department of Expenditure), indicating remedial/ corrective action taken on various paragraphs contained in the Audit Reports, soon after these were laid on the Table of the House.

In their Ninth Report (Eleventh Lok Sabha) presented to the Parliament on 22 April 1997, PAC desired that submission of pending Action Taken Notes (ATNs) pertaining to Audit Reports for the years ended March 1994 and 1995 be completed within a period of three months and recommended that ATNs on all paragraphs pertaining to the Audit Reports for the year ended March 1996 onwards be submitted to them duly vetted by Audit within four months from the laying of the Reports in Parliament.

A review of the position of receipt of ATNs on paragraphs included in Audit Reports (Autonomous Bodies) upto the period ended 31 March 2004 **(Appendix-VIII)** revealed that the Ministries did not submit remedial/corrective ATNs in respect of a large number of paragraphs inspite of the above instructions. Out of 110 paragraphs on which ATNs were required to be sent, final ATNs in respect of 38 paragraphs were awaited while ATNs in respect of 72 paragraphs had not been received at all.

Out of 72 paragraphs on which ATNs had not been received, 35 paragraphs pertained to Reports for the years ended March 1989 to March 1993 which relate to the Ministry of Urban Development and Poverty Alleviation.

(Dr. A.K. BANERJEE)
Director General of Audit
Central Revenues

New Delhi
Dated 9 MAR 2006

Countersigned

(VIJAYENDRA N. KAUL)
Comptroller and Auditor General of India

New Delhi
Dated 10 MAR 2006

APPENDIX - I

(Referred to in paragraph 1.1)

Grants/loans released during 2004-2005 to central autonomous bodies audited under sections 19(2) and 20(1) of CAG's (DPC) Act, 1971

(Rupees in lakh)

Sl. No.	Ministry/Department /Name of Body	Grant	Loan
	Agriculture and Co-operation		
1.	Central Agricultural University, Imphal	24.42	Nil
2.	Coconut Development Board, Kochi	2000.00	Nil
3.	National Co-operative Development Corporation, New Delhi	2330.00	Nil
4.	National Horticulture Board, Gurgaon	7000.00	Nil
5.	National Institute of Agricultural Extension Management, Hyderabad	350.00	Nil
6.	National Oil Seeds and Vegetable Oil Development Board, Gurgaon	1600.00	Nil
		13304.42	**Nil**
	Agriculture Research and Education		
7.	Indian Council of Agricultural Research, New Delhi	162696.00	Nil
		162696.00	**Nil**
	Animal Husbandry and Dairying		
8.	Veterinary Council of India, New Delhi	65.00	Nil
		65.00	**Nil**
	Chemicals and Fertilizers		
9.	National Institute of Pharmaceutical Education and Research, Mohali	1046.00	Nil
		1046.00	**Nil**
	Coal & Mines		
10.	Coal Mines Provident Fund Organisation, Dhanbad	Nil	Nil
		Nil	**Nil**
	Commerce		
11.	Agricultural & Processed Food Products Export Development Authority, New Delhi	61.03	Nil
12.	Coffee Board (General Fund Accounts), Bangalore	6341.32	Nil
13.	Coffee Board (Pool Fund Accounts), Bangalore	Nil	Nil
14.	Export Inspection Agency, Chennai	Nil	Nil
15.	Export Inspection Agency, Cochin	Nil	Nil
16.	Export Inspection Agency, Delhi	Nil	Nil
17.	Export Inspection Agency, Kolkata	Nil	Nil
18.	Export Inspection Agency, Mumbai	Nil	Nil
19.	Export Inspection Council, Kolkata	Nil	Nil
20.	Marine Products Export Development Authority, Kochi	4533.30	Nil
21.	Rubber Board, Kottayam	10140.00	Nil
22.	Spices Board, Kochi	Nil	Nil
23.	Tea Board, Kolkata	10317.00	Nil

Sl. No.	Ministry/Department /Name of Body	Grant	Loan
24.	Tobacco Board, Guntur	2642.50	Nil
		34035.15	**Nil**
	Consumer Affairs		
25.	Bureau of Indian Standards, New Delhi	Nil	Nil
		Nil	**Nil**
	Culture		
26.	Allahabad Museum Society Allahabad	200.54	Nil
27.	Asiatic Society, Kolkata	565.00	Nil
28.	Central Institute of Budhist Studies, Leh	690.00	Nil
29.	Central Institute of Higher Tibetan Studies, Sarnath, Varanasi	580.00	Nil
30.	Centre for Cultural Resources and Training, New Delhi	1236.84	Nil
31.	Eastern Zonal Cultural Centre, Kolkata	295.63	Nil
32.	Gandhi Smriti and Darshan Samiti, New Delhi	588.93	Nil
33.	Indian Museum, Kolkata	1609.50*	Nil
34.	Indira Gandhi National Centre for the Arts, New Delhi	38.00	Nil
35.	Indira Gandhi Rashtriya Manav Sangrahalaya, Bhopal	455.00	Nil
36.	Kalakshetra Foundation, Chennai	340.00	Nil
37.	Lalit Kala Academy, New Delhi	790.03	Nil
38.	National Council of Science Museum, Kolkata	2960.21	Nil
39.	National Museum of History of Art Conservation and Museology, New Delhi	154.75	Nil
40.	National School of Drama, New Delhi	725.00	Nil
41.	Nehru Memorial Museum and Library, New Delhi	714.00	Nil
42.	North Central Zone Cultural Centre, Allahabad	330.80	Nil
43.	North East Zone Cultural Centre, Dimapur	173.35	Nil
44.	North Zone Cultural Centre, Patiala	390.57	Nil
45.	Sahitya Akademi, New Delhi	969.22	Nil
46.	Salarjang Museum, Hyderabad	880.00	Nil
47.	Sangeet Natak Akademi, New Delhi	1184.71	Nil
48.	South Central Zone Cultural Centre, Nagpur	276.90	Nil
49.	South Zone Cultural Centre, Thanjavur, Tamil Nadu	284.85	Nil
50.	Victoria Memorial Hall, Kolkata	669.05	Nil
51.	West Zone Cultural Centre, Udaipur	294.22	Nil
		17397.10	**Nil**
	Defence		
52.	Himalayan Mountaineering Institute, Darjeeling	63.11	Nil
53.	Jawahar Institute of Mountaineering and Winter Sports, Pehalgam	21.43	Nil
54.	Nehru Institute of Mountaineering, Uttarkashi	67.61	Nil
		152.15	**Nil**
	External Affairs		
55.	Haj Committee	Nil	Nil

* Including Rs. 734.50 lakeh (NE)

Sl. No.	Ministry/Department /Name of Body	Grant	Loan
56.	Indian Council for Cultural Relations, New Delhi	5750.00	Nil
57.	Indian Council of World Affairs, New Delhi	165.00	Nil
		5915.00	**Nil**
	Environement and Forest		
58.	Central Zoo Authority of India, New Delhi	1950.00	Nil
59.	Wild Life Institute of India, Dehradun	760.00	Nil
		2710.00	**Nil**
	Finance		
60.	Insurance Regulatory and Development Authority, Hyderabad	Nil	Nil
61.	Securities and Exchange Board of India, Mumbai	Nil	Nil
		Nil	**Nil**
	Health and Family Welfare		
62.	All India Institute of Medical Sciences, New Delhi	28900.00	Nil
63.	Central Council for Homoeopathy, New Delhi	97.00	Nil
64.	Central Council for Research in Ayurveda and Siddha, New Delhi	3531.00	Nil
65.	Central Council for Research in Homoeopathy, New Delhi	1239.00	Nil
66.	Central Council for Research in Unani Medicine, New Delhi	2457.07	Nil
67.	Central Council for Research in Yoga and Naturopathy, New Delhi	240.00	Nil
68.	Central Council of Indian Medicine, New Delhi	96.90	Nil
69.	Chittaranjan National Cancer Institute, Kolkota	1795.00	Nil
70.	Dental Council of India, New Delhi	18.00	Nil
71.	Indian Council of Medical Research, New Delhi	27745.00	Nil
72.	Indian Nursing Council, New Delhi	50.00	Nil
73.	Medical Council of India, New Delhi	145.00	Nil
74.	Morarji Desai National Institute of Yoga, New Delhi	357.00	Nil
75.	National Board of Examination, New Delhi	20.00	Nil
76.	National Institute of Ayurveda, Jaipur	1025.98	Nil
77.	National Institute of Health and Family Welfare, New Delhi	1157.87	Nil
78.	National Institute of Homoeopathy, Kolkata	904.54	Nil
79.	National Institute of Mental Health and Neuro Sciences, Bangalore	4467.00	Nil
80.	National Institute of Naturopathy, Pune	195.00	Nil
81.	Pharmacy Council of India, New Delhi	10.00	Nil
82.	Post Graduate Institute of Medical Education & Research, Chandigarh	12400.00	Nil
83.	Rashtriya Aarogya Nidhi, New Delhi	130.00	Nil
84.	Rashtriya Ayurveda Vidyapeeth, New Delhi	53.98	Nil
		87035.34	**Nil**
	Home Affairs		
85.	National Human Rights Commission, New Delhi	1258.00	Nil
		1258.00	**Nil**
	Human Resource Development		
86.	Aligarh Muslim University, Aligarh	17356.30	Nil
87.	All India Council for Technical Education, New Delhi	6400.00	Nil

Sl. No.	Ministry/Department /Name of Body	Grant	Loan
88.	Assam University, Silchar	3362.83	Nil
89.	Auroville Foundation, Auroville, Tamil Nadu	210.40	Nil
90.	Baba Saheb Bhimrao Ambedkar University, Lucknow	221.67	Nil
91.	Banaras Hindu University, Varanasi	18527.61	Nil
92.	Bharat Shiksha Kosha, New Delhi	Nil	Nil
93.	Board of Apprenticeship Training, Chennai	112.03	Nil
94.	Board of Apprenticeship Training, Kanpur	92.00	Nil
95.	Board of Apprenticeship Training, Mumbai	69.00	Nil
96.	Board of Practical Training, Kolkata	79.97	Nil
97.	Central Tibetan Schools Administration, New Delhi	1640.00	Nil
98.	Delhi University, New Delhi	14551.65	Nil
99.	Dr. B.R. Ambedkar National Institute of Technology, Jallandhar	728.00	Nil
100.	Indian Council of Historical Research, New Delhi	655.76	Nil
101.	Indian Council of Philosophical Research, New Delhi	331.00	Nil
102.	Indian Council of Social Sciences Research, New Delhi	3945.00	Nil
103.	Indian Institute of Advanced Studies, Shimla	557.93	Nil
104.	Atal Bihari Vajpayee Indian Institute of Information Technology and Management, Gwalior	597.50	Nil
105.	Indian Institute of Information Technology, Allahabad	900.00	Nil
106.	Indian Institute of Management, Ahmedabad	Nil	Nil
107.	Indian Institute of Management, Bangalore	75.00	Nil
108.	Indian Institute of Management, Indore	1045.83	Nil
109.	Indian Institute of Management, Kolkata	400.00	Nil
110.	Indian Institute of Management, Kozhikode	1150.00	Nil
111.	Indian Institute of Management, Lucknow	1115.00	Nil
112.	Indian Institute of Technology, Chennai	10325.00	Nil
113.	Indian Institute of Technology, Delhi	12630.00	Nil
114.	Indian Institute of Technology, Guwahati	3748.00	Nil
115.	Indian Institute of Technology, Kanpur	10688.50	Nil
116.	Indian Institute of Technology, Kharagpur	10812.96	Nil
117.	Indian Institute of Technology, Mumbai	10511.00	Nil
118.	Indian Institute of Technology, Roorkee	7623.56	Nil
119.	Indian School of Mines, Dhanbad	1799.00	Nil
120.	Indira Gandhi National Open University, New Delhi	6665.48	Nil
121.	Jamia Millia Islamia, New Delhi	7158.53	Nil
122.	Jawaharlal Nehru University, New Delhi	8942.30	Nil
123.	Kendriya Hindi Shikshan Mandal, Agra	958.00	Nil
124.	Kendriya Vidyalaya Sangathan, New Delhi	69349.00	Nil
125.	Lal Bahadur Shastri Rashtriya Sanskrit Vidyapeeth, New Delhi	554.05	Nil
126.	Mahatma Gandhi Antarrashtriya Hindi Vishwavidyalaya, Wardha	315.42	Nil
127.	Malviya National Institute of Technology, Jaipur	1266.50	Nil
128.	Maulana Azad National Institute of Technology, Bhopal	1322.00	Nil
129.	Maulana Azad National Urdu University, Hyderabad	1300.00	Nil

Sl. No.	Ministry/Department /Name of Body	Grant	Loan
130.	Mizoram University Aizal	2851.03	Nil
131.	Motilal Nehru National Institute of Technology, Allahabad	1215.00	Nil
132.	Nagaland University, Kohima	2441.43	Nil
133.	National Bal Bhavan Society, New Delhi	675.97	Nil
134.	National Institute of Public Co-operation and Child Development, New Delhi	1067.38	Nil
135.	National Book Trust, New Delhi	880.00	Nil
136.	National Commission for Women, New Delhi	440.00	Nil
137.	National Council for Promotion of Sindhi Language, Vadodara	76.00	Nil
138.	National Council for Promotion of Urdu Language, New Delhi	1100.00	Nil
139.	National Council for Teachers Education, New Delhi	Nil	Nil
140.	National Council of Educational Research and Training, New Delhi	5375.55	Nil
141.	National Council of Rural Institutes, Hyderabad	Nil	Nil
142.	National Institute of Educational Planning and Administration, New Delhi	535.33	Nil
143.	National Institute of Foundry and Forge Technology, Ranchi	671.00	Nil
144.	National Institute of Technical Teachers Training & Research, Bhopal	655.00	Nil
145.	National Institute of Technical Teachers Training & Research, Chandigarh	760.00	Nil
146.	National Institute of Technical Teachers Training & Research, Chennai	672.50	Nil
147.	National Institute of Technical Teachers Training & Research, Kolkata	522.50	Nil
148.	National Institute of Technology, Durgapur	1550.00	Nil
149.	National Institute of Technology, Hamirpur	889.00	Nil
150.	National Institute of Technology, Jamshedpur	1962.00	Nil
151.	National Institute of Technology, Kozhikode	2098.50	Nil
152.	National Institute of Technology, Kurukshetra	1122.50	Nil
153.	National Institute of Technology, Patna	1100.00	Nil
154.	National Institute of Technology, Rourkela	2382.50	Nil
155.	National Institute of Technology, Silchar	1265.00	Nil
156.	National Institute of Technology, Srinagar	1459.00	Nil
157.	National Institute of Technology, Surathkal	2300.00	Nil
158.	National Institute of Technology, Tiruchirapalli	1925.00	Nil
159.	National Institute of Technology, Warangal	2010.00	Nil
160.	National Institute of Industrial Engineering, Mumbai	666.66	Nil
161.	National Institute of Open Schooling, New Delhi	540.00	Nil
162.	Navodaya Vidyalaya Samiti, New Delhi	58866.00	Nil
163.	North Eastern Hill University, Shillong	7217.36	Nil
164.	North Eastern Regional Institute of Science and Technology, Nirjuli, Itanagar	1350.00	Nil
165.	Pondicherry University, Pondicherry	1682.70	Nil
166.	Project of History of Indian Science, Philosophy and Culture, New Delhi	169.82	Nil

Sl. No.	Ministry/Department /Name of Body	Grant	Loan
167.	Rashtriya Sanskrit Sansthan, New Delhi	3130.00	Nil
168.	Rashtriya Sanskrit Vidyapeeth, Tirupati	539.45	Nil
169.	Sant Longowal Institute of Engineering and Technology, Chandigarh	1100.00	Nil
170.	Sardar Vallabh Bhai National Institute of Technology, Surat	1512.50	Nil
171.	School of Planning and Architecture, New Delhi	855.00	Nil
172.	Tezpur University, Tezpur	2109.45	Nil
173.	University Grants Commission, New Delhi	190260.00	Nil
174.	University of Hyderabad, Hyderabad	4279.62	Nil
175.	Visvesvaraya National Institute of Technology, Nagpur	1650.00	Nil
176.	Visva Bharati, Santiniketan	4023.31	Nil
		560047.84	**Nil**
	Agro-Rural Industries		
177.	Coir Board, Kochi	1942.00	10.00
178.	Khadi and Village Industries Commission, Mumbai	54338.00	151.00
		56280.00	**161.00**
	Information and Broadcasting		
179.	Prasar Bharati, New Delhi	101078.00*	8593.00
180.	Press Council of India, New Delhi	142.26	Nil
		101220.26	**8593.00**
	Labour & Employment		
181.	Central Board of Workers Education, Nagpur	2340.00	Nil
182.	Employees Provident Fund Organisation, New Delhi	Nil	Nil
183.	Employees State Insurance Corporation, New Delhi	Nil	Nil
184.	V.V. Giri National Labour Institute, Noida, Uttar Pradesh	457.96	Nil
		2797.96	**Nil**
	Law & Justice		
185.	National Judicial Academy, Bhopal	94.00	Nil
186.	State Legal Services Authority, (UT) Chandigarh	5.00	Nil
		99.00	**Nil**
	Power		
187.	Bureau of Energy Efficiency, New Delhi	36.00	Nil
188.	Central Electricity Regulatory Commission, New Delhi	645.05	Nil
189.	National Power Training Institute, Faridabad	1412.00	Nil
		2093.05	**Nil**
	Railways		
190.	Centre for Railway Information Systems, New Delhi	Nil	Nil
		Nil	**Nil**
	Rural Development		
191.	Council for Advancement of People's Action and Rural Technology, New Delhi	6985.00	Nil

* Includes Rs. 10,240 lakh for pension and leave salary contribution for employees of Central Government on deemed deputation to Prasar Bharati paid by way of bank adjustment and under revision non-plan there was an unspent balance of Rs. 569 lakh with Prasar Bharati.

Sl. No.	Ministry/Department /Name of Body	Grant	Loan
192.	National Institute of Rural Development, Hyderabad	1641.90	Nil
		8626.90	**Nil**
	Science and Technology		
193.	Sree Chitra Tirunal Institute of Medical Sciences & Technology, Thiruvananthapuram	4505.00	Nil
194.	Technology Development Board, New Delhi	4810.00	Nil
		9315.00	**Nil**
	Shipping		
195.	Chennai Port Trust, Chennai	Nil	Nil
196.	Cochin Port Trust, Cochin	Nil	300.00
197.	Indian Institute of Maritime Studies, Mumbai	300.00	Nil
198.	Jawahar Lal Nehru Port Trust, Navasheva	Nil	Nil
199.	Kandla Dock Labour Board, Kandla	Nil	Nil
200.	Kandla Port Trust, Gandhidham	Nil	Nil
201.	Kolkata Dock Labour Board, Kolkata	952.00	Nil
202.	Kolkata Port Trust, Kolkata	952.00	Nil
203.	Mormugao Port Trust, Mumbai	Nil	Nil
204.	Chairman Mumbai Port Trust Erstwhile Mumbai Dock Labour Board, Mumbai	Nil	Nil
205.	Mumbai Port Trust, Mumbai	Nil	Nil
206.	New Mangalore Port Trust	Nil	Nil
207.	Paradip Port Trust, Paradip	Nil	Nil
208.	Seaman's Provident Fund Organisation, Mumbai	Nil	Nil
209.	Tariff Authority of Major Ports, Chennai	200.00	Nil
210.	Tuticorin Port Trust, Tuticorin	Nil	Nil
211.	Vizag Dock Labour Board, Vishakapatnam	Nil	Nil
212.	Vizag Port Trust, Vishakapatnam	Nil	Nil
		2404.00	**300.00**
	Scientific and Industrial Research		
213.	Council of Scientific and Industrial Research, New Delhi	126647.00	Nil
		126647.00	**Nil**
	Social Justice and Empowerment		
214.	Ali Yavar Jung National Institute for the Hearing Handicapped, Mumbai	1028.00	Nil
215.	Central Adoption Resource Agency, New Delhi	115.00	Nil
216.	Central Wakf Council, New Delhi	137.00	Nil
217.	National Commission for Backward Classes, New Delhi	133.00	Nil
218.	National Institute for Visually Handicapped, Dehradun	495.00	Nil
219.	National Institute of Mentally Handicapped, Hyderabad	1225.00	Nil
220.	Dr. Shyama Prasad Mukherjee National Institute of Orthopaedically Handicapped, Kolkata	580.00	Nil
221.	National Trust for Welfare of Persons with Austism, Cerebral Palsy, Mental Retardation and Multiple Disabilities, New Delhi	Nil	Nil
222.	Pandit Deen Dayal Upadhyay Institute for the Physically Handicapped, New Delhi	560.00	Nil
223.	Rehabilitation Council of India, New Delhi	286.00	Nil

Sl. No.	Ministry/Department /Name of Body	Grant	Loan
224.	Swami Vivekananda National Institute for Rehabilitation Training & Research, Cuttack	1017.00	Nil
		5576.00	**Nil**
	Telecommunications and Information Technology		
225.	Telecom Regulatory Authority of India, New Delhi	1627.00	Nil
226.	Telecom Regulatory Authority of India CPF Account	Nil	Nil
		1627.00	**Nil**
	Textile		
227.	Central Silk Board, Bangalore	16331.50	Nil
228.	Jute Manufactures Development Council, Kolkata	3870.00	Nil
229.	National Institute of Fashion Technology, New Delhi	3755.00*	Nil
230.	Textiles Committee, Mumbai	525.00	Nil
		2448.15	**Nil**
	Urban Development & Poverty Alleviation		
231.	Delhi Development Authority, New Delhi	Nil	Nil
232.	Delhi Urban Arts Commission, New Delhi	89.00	Nil
233.	Lakshadweep Building Development Board, Kavaratti	Nil	Nil
234.	National Capital Region Planning Board, New Delhi	190.00	Nil
235.	Rajghat Samadhi Committee, New Delhi	180.00	Nil
		459.00	**Nil**
	Water Resources		
236.	Betwa River Board, Jhansi	Nil	Nil
237.	Brahamputra Board, Guwahati	2568.00	Nil
238.	Narmada Control Authority, Indore	Nil	Nil
239.	National Water Development Agency, New Delhi	2100.00	Nil
		4668.00	**Nil**
	Youth Affairs and Sports		
240.	Lakshmibai National Institute of Physical Education, Gwalior	900.00	Nil
241.	Nehru Yuva Kendra Sangathan, New Delhi	4351.00	Nil
242.	Sports Authority of India, New Delhi	13893.00	Nil
		19144.00	**Nil**
	Grand total	**1229067.32**	**9054.00**

* Rs. 255 lakh paid by PAO (Handicraft)

APPENDIX - II

(Referred to in paragraph 1.1)

Bodies audited under sections 19(2) and 20(1) of the CAG's (DPC) Act 1971, whose information for 2004-2005 not received as of December 2005

Sl. No.	Ministry /Name of Body
	Culture
1.	Delhi Library Board, New Delhi
2.	Khuda Baksh Oriental Public Library, Patna
3.	Raja Ram Mohan Roy Library Foundation, Kolkata
4.	Rampur Raza Library Board, Rampur
5.	National Culture Fund, New Delhi
	Environment and Forest
6.	Animal Welfare Board, Chennai
7.	National Bio-Diversity Authority, New Delhi
	Law
8.	National Legal Service Authority, New Delhi
	Human Resource Development
9.	National Commission for Minority Educational Institutions, New Delhi
10.	National Institute of Adult Education, New Delhi
	Shipping
11.	Mumbai Port Trust Pension Fund Trust

APPENDIX - III

(Referred to in paragraph 1.1)

Grants released during 2004-2005 to central autonomous bodies audited u/s 14(1) and 14(2) of CAG's (DPC) Act, 1971

(Rupees in lakh)

Sl. No.	Ministry/Name of Body	Grant	Loan
	Agriculture and Co-operation		
1.	National Co-operative Union of India	2925.00	Nil
2.	National Council for Co-operative Training	1332.00	Nil
3.	Small Farmers Agriculture Business Consortium	14863.28	Nil
	Atomic Energy		
4.	Atomic Energy Education Society, Mumbai	1377.00	Nil
5.	Harish Chandra Research Institute, Allahabad	920.00	Nil
6.	Institute of Mathematical Sciences, Chennai	960.00	Nil
7.	Institute of Physics, Bhubaneswar	1035.12	Nil
8.	Institute of Plasma Research, Gandhi Nagar	6800.00	Nil
9.	Saha Institute of Nuclear Physics, Kolkata	5328.00	Nil
10.	Tata Institute of Fundamental Research, Mumbai	13764.90	Nil
11.	Tata Memorial Centre, Mumbai	8226.16	Nil
	Bio-Technology		
12.	Centre for DNA finger printing and Diagnostics, Hyderabad	13.00	Nil
13.	Institute of Bio-resources and Sustainable Development, Imphal	3.37	Nil
14.	Institute of Life Sciences, Bhubneshwar	5.00	Nil
15.	National Brain Research Centre, Gurgaon	21.00	Nil
16.	National Centre for Cell Science, Pune	16.92	Nil
17.	National Centre for Plant Genome Research, New Delhi	10.95	Nil
18.	National Institute of Immunology, New Delhi	28.85	Nil
	Chemical and Fertilisers		
19.	Central Institute of Plastics Engineering Technology, Chennai	985.80	Nil
20.	Institute of Pesticide Formulation Technology, Gurgaon	273.65	Nil
	Civil Aviation		
21.	Aero Club of India, Safdarjung Airport	100.00	Nil
	Commerce		
22.	Engineering Export Promotion Council, Kolkata	1507.06	Nil

Sl. No.	Ministry/Name of Body	Grant	Loan
23.	Federation of Indian Export Organisation	650.00	Nil
24.	Indian Institute of Foreign Trade	460.53	Nil
25.	Quality Council of India	20.00	Nil
26.	Shellac Export Promotion Council, Kolkata	73.42	Nil
27.	Sports Goods Export Promotion Council	142.49	Nil
	Company Affairs		
28.	Competition Commission of India	156.00	Nil
	Culture		
29.	Nav Nalanda Mahavihara, Bhiar	385.00	Nil
	Defence		
30.	Cantonment Board, Ahmednagar	195.00	Nil
31.	Cantonment Board, Barrackore	167.00	Nil
32.	Cantonment Board, Chakrata	129.00	Nil
33.	Cantonment Board, Clement town	117.00	Nil
34.	Cantonment Board, Danapur	124.00	Nil
35.	Cantonment Board, Firozepur	165.00	Nil
36.	Cantonment Board, Kasauli	102.00	Nil
37.	Cantonment Board, Khasyol	112.00	Nil
38.	Cantonment Board, Lansdowne	121.00	Nil
39.	Cantonment Board, Ramgarh	141.00	Nil
40.	Cantonment Board, Ranikhet	351.38	Nil
41.	Cantonment Board, Wellington	161.62	Nil
42.	Institute of Defence Studies and Analysis	1219.00	Nil
	Environment And Forests		
43.	Central Pollution Control Board, New Delhi	2689.48	Nil
44.	Govind Ballab Pant Himalayan Institute of Environment and Development	806.00	Nil
45.	Indian Council of Forestry Research & Education, Dehradun	4870.59	Nil
46.	Indian Institute of Forest Management, Bhopal	570.63	Nil
47.	Indian Plywood Industries Research and Training Institute, Bangalore	453.70	Nil
	Finance		
48.	Indian Investment Centre, New Delhi	190.00	Nil
49.	Industrial Credit and Investment Corporation of India	5000.00	Nil
50.	Industrial Finance Corporation of India Ltd.	31600.00	Nil
51.	Institute of Economic Growth, New Delhi	45.00	Nil
52.	National Agriculture Bank for Rural Aid and Development	4279.98	Nil
53.	National Institute of Financial Management, Faridabad	150.00	Nil
54.	National Institute of Public Finance & Policy, New Delhi	179.04	Nil

Sl. No.	Ministry/Name of Body	Grant	Loan
55.	Pension Fund Regulatory and Development Authority	100.00	Nil
56.	State Industrial Development Bank of India	2117.50	Nil
	Food Processing Industries		
57.	Paddy Processing Research Centre Thanjavur	173.70	Nil
	Health and Family Welfare		
58.	All India Institute of Speech and Hearing, Mysore	911.00	Nil
59.	Cancer Research Institute, Chennai	150.00	Nil
60.	Central Council Combined Building Complex	258.00	Nil
61.	Central Drug Research Institue, Lucknow	250.00	Nil
62.	Gandhi Gram Institute of Rural Health and Family Welfare Trust, Tamil Nadu	73.00	Nil
63.	Gujarat Cancer and Research Institute	150.00	Nil
64.	Indian Medical Association, New Delhi	25.00	Nil
65.	Institute of Post-Graduate Teaching and Research in Ayurveda, Jamnagar	584.00	Nil
66.	International Institute of Population Sciences, Mumbai	545.00	Nil
67.	Kasturba Health Society ,Wardha	1000.00	Nil
68.	Lala Ram Swaroop Institute of Tuberculosis and Allied Diseases, New Delhi	1520.00	Nil
69.	National Academy of Medical Sciences, New Delhi	77.00	Nil
70.	National Institute of Biologicals	4000.00	Nil
71.	National Institute of Sidha, Chennai	475.00	Nil
72.	National Institute of Unani Medicine, Bangalore	700.00	Nil
73.	New Delhi T.B Centre	90.00	Nil
74.	North Eastern Indira Gandhi Institute of Health and Medical Sciences, Shillong	7000.00	Nil
75.	Pasteur Institute of India, Coonoor	900.00	Nil
76.	State Innovation in Family Planning Services Project Agency, Lucknow	4623.00	Nil
77.	Vallabhbhai Patel Chest Institute, New Delhi	1000.00	Nil
78.	Voluntary Health Services, Chennai	1200.00	Nil
	Human Resource Development		
79.	Association of Indian Universities	70.00	Nil
80.	Avinash Institute of Home Science and higher Education, Women's Coimbatore	952.70	Nil
81.	Banasthali Vidyapith, Banasthali	439.68	Nil
82.	Central Board of Secondary Education, New Delhi	21.00	Nil
83.	Central Institute of English and Foreign Languages, Hyderabad	1512.71	Nil
84.	Central Institute of Indian Language, Mysore	1531.73	Nil
85.	Central Social Welfare Board, New Delhi	8053.23	Nil
86.	Dayal Bagh Educational Institute, Agra	477.09	Nil
87.	Directorate of Adult Education, New Delhi	83600.00	Nil

Sl. No.	Ministry/Name of Body	Grant	Loan
88.	Gandhigram Rural Institute, Gandhigram	1111.25	Nil
89.	Gujarat Vidyapith, Ahemdabad	808.39	Nil
90.	Gurukul Kangri Vishwa Vidyalaya, Haridwar	634.99	Nil
91.	Indian Institute of Science, Bangalore	10900.00	Nil
92.	Jamia Hamdard, New Delhi	607.39	Nil
93.	Kendriya Hindi Sansthan, Agra	958.00	Nil
94.	Maharshi Sandipani Rashtriya Veda Vidya Pratishthan, Ujjain	135.00	Nil
95.	National Literacy Mission	0.50	Nil
96.	Sh. Chandershekharandra Saraswati Vishwa Vidyala, Kancheepuram	60.50	Nil
97.	State Institute of Education Technology, Bhubaneshwar	100.00	Nil
98.	State Institute of Education Technology, Hyderabad	100.00	Nil
99.	State Institute of Education Technology, Lucknow	100.00	Nil
100.	State Institute of Education Technology, Patna	100.00	Nil
101.	State Institute of Education Technology, Pune	100.00	Nil
102.	Tata Institute of Social Science, Mumbai	1231.18	Nil
	Industrial Policy and Promotion		
103.	Central Manufacturing Technology Institute, Bangalore	442.00	Nil
	Heavy Industry and Public Enterprises		
104.	Fluid Control Research Institute Palghat, Kerala	300.00	Nil
	Information and Broadcasting		
105.	Children's Film Society India, Mumbai	215.00	Nil
106.	Film and Television Institute of India, Pune	930.31	Nil
107.	Indian Institute of Mass Communication	439.60	Nil
108.	Satyajit Ray's Film & Television Institute, Kolkata	386.00	Nil
	Information Technology		
109.	Centre for Development of Advance Computing, Pune	4300.00	Nil
110.	Centre for Material for Electronics Technology	410.00	Nil
111.	Department of Electronics – Accredited Computer Courses	670.00	Nil
112.	Electronics and Computer Software Export Promotion Council	850.00	Nil
113.	Society for Applied Microwave Electronics Engineering Research, Mumbai	2100.00	Nil
	Small Scale Industries		
114.	Central Footwear Training Institute, Chennai	92.00	Nil
115.	Central Institute of Tool Design, Balanagar, Hyderabad	255.00	Nil
116.	Central Tool Room Training Centre, Kolkata	320.00	Nil
117.	National Council for Cement and Building Material, Harayana	300.00	Nil

Sl. No.	Ministry/Name of Body	Grant	Loan
118.	National Institute for Entrepreneurship and Small Business Development	84.00	Nil
119.	National Productivity Council	708.00	Nil
	Labour & Employment		
120.	Child Labour Abolition Support Scheme Society , Vellore	106.41	Nil
121.	National Instructional Media Institute, Chennai	204.00	Nil
122.	SMILE Project Society, Salem	92.77	Nil
	Ocean Development		
123.	Indian National Centre for Ocean Information Services, Hyderabad	1398.00	Nil
124.	National Centre for Antarctic & Ocean Research, Goa	4423.00	Nil
125.	National Institute for Ocean Technology, Chennai	12125.00	Nil
	Personnel, Public Grievances and Pensions		
126.	Central Civil Services Cultural and Sports Board, New Delhi	40.00	Nil
127.	Grih Kalyan Kendra	40.00	Nil
128.	Indian Institute of Public Administration, New Delhi	220.50	Nil
129.	Sanskriti School	551.50	Nil
	Planning		
130.	Institute of Applied Manpower Research, New Delhi	410.14	Nil
	Power		
131.	Central Power Research Institute, Bangalore	893.79	Nil
	Rural Development		
132.	National Rural Roads Development Agency, New Delhi	500.00	Nil
	Social Justice and Empowerment		
133.	District Rehabilitation Centre, Vijayawada	231.00	Nil
134.	Dr. Ambedkar Foundation, New Delhi	100.00	Nil
135.	LIBENSHILFE Visakhapatnam, Association for the Mentally Handicapped	43.31	Nil
136.	Manasika Vikasa Kendra Vijayawada	72.26	Nil
137.	Maulana Azad Education Foundation	100.00	Nil
138.	National Institute of Social Defence	401.00	Nil
	Science and Technology		
139.	Agarkar Research Institute, Pune	663.00	Nil
140.	Aryabhatta Resarch Institute for observational science, Nainital	700.00	Nil
141.	Birbal Sahni Institute of Palaeobotany, Lucknow	608.00	Nil
142.	Bose Institute, Kolkata	1383.00	Nil
143.	Centre for Liquid Crystal Research, Bangalore	200.00	Nil

Sl. No.	Ministry/Name of Body	Grant	Loan
144.	Indian Academy of Sciences, Bangalore	227.00	Nil
145.	Indian Association for the Cultivation of Science, Kolkata	2320.00	Nil
146.	Indian Institute of Astrophysics, Bangalore	2600.00	Nil
147.	Indian Institute of Geo-magnetism, Mumbai	1168.00	Nil
148.	Indian Institute of Tropical Meteorology, Pune	798.00	Nil
149.	Indian National Academy of Engineering, New Delhi	100.00	Nil
150.	Indian National Science Academy, New Delhi	628.00	Nil
151.	Indian Science Congress Association, Kolkata	181.00	Nil
152.	Indo-French Centre for Promotion of Advance Research	775.00	Nil
153.	Indo-US S&T Forum	400.00	Nil
154.	International Advanced Research Centre for Powder Metallurgy & New Materials, Hyderabad	2800.00	Nil
155.	Jawaharlal Nehur Centre for Advanced Scientific Research, Bangalore	1550.00	Nil
156.	National Academy of Science, Allahabad	243.00	Nil
157.	National Accreditation Board for Testing & Calibration Laboratories, New Delhi	399.00	Nil
158.	Raman Research Institute, Bangalore	1920.00	Nil
159.	Santyendra Nath Bose National Centre for Basic Sciences, Kolkata	845.00	Nil
160.	Technology Information Forecasting and Assessment Council, New Delhi	2509.00	Nil
161.	Vigyan Prasar, New Delhi	520.00	Nil
162.	Wadia Institute of Himalayan Geology, Dehradun	1135.00	Nil
	Scientific And Industrial Research		
163.	Consultancy Development Centre, New Delhi	50.00*	Nil
	Space		
164.	National Atmospheric Research Laboratory	435.00	Nil
165.	National Remote Sensing Agency, Hyderabad	1400.00	Nil
166.	North Eastern Space Applications Centre, Shillong	500.00	Nil
167.	Physical Research Laboratory, Ahmedabad	3329.00	Nil
	Statistics		
168.	Indian Statistical Institute, Kolkata	5282.00	Nil

* CDS got the status of Autonomous Organistion w.e.f. 18.12.2004

Sl. No.	Ministry/Name of Body	Grant	Loan
	Textiles		
169.	All India Handloom Fabric Marketing Co-operative Society, New Delhi	262.39	Nil
170.	Apparel Export Promotion Council	884.47*	Nil
171.	Bombay Textile Research Association	190.90	Nil
172.	Handloom Export Promotion Council, Chennai	349.83♠	Nil
173.	Indian Jute Industries Research Association, Kolkata	299.97	Nil
174.	National Centre for Jute Diversification, Kolkata	578.00	Nil
175.	South India Textile Research Association, Coimbatore	175.70	Nil
176.	Synthetic and Rayon Textile Export Promotion Council	200.77♣	Nil
177.	Wool Research, Thane	66.25	Nil
	Tourism		
178.	Indian Institute of Tourism and Travel Management, Gwalior	126.22	Nil
179.	Institute of Hotel Management Catering Technology and Applied Nutrition, Bangalore	275.00	Nil
180.	Institute of Hotel Management Catering Technology and Applied Nutrition, Guwahati	5.00	Nil
181.	Institute of Hotel Management Catering Technology and Applied Nutrition, Gwalior	59.79	Nil
182.	Institute of Hotel Management Government Polytechnic Compound, Gujarat	457.45	Nil
183.	Institute of Hotel Management, Chennai	139.13	Nil
184.	Institute of Hotel Management, Goa	16.71	Nil
185.	Institute of Hotel Management, Gurdaspur	31.45	Nil
186.	Institute of Hotel Management, Gwalior	49.79	Nil
187.	Institute of Hotel Management, Kolkata	39.52	Nil
188.	Institute of Hotel Management, New Delhi	31.59	Nil
189.	Institute of Hotel Management, Orissa	10.27	Nil
190.	Institute of Hotel Management, Patna	8.00	Nil
191.	Institute of Hotel Management, Shimla	199.87	Nil
192.	National Council for Hotel Management and Catering Technology, Pusa, New Delhi	375.00	Nil
	Tribal Affairs		
193.	Bhartiya Adim Jati Sewak Sangh, New Delhi	43.21	Nil
194.	Tribal co-operative Marketing Development Federation of India Ltd.	600.00	Nil
	Urban Development		
195.	Building Material Technology Promotion Council	492.00	Nil
196.	National Institute of Urban Affairs	168.00	Nil

* Rs. 163.47 lakh paid by M/o Commerce

♠ Rs. 100.62 lakh paid by M/o Commerce

♣ Paid by M/o Commerce

Sl. No.	Ministry/Name of Body	Grant	Loan
	Youth Affairs and Sports		
197.	Rajiv Gandhi National Institute of Youth Development, Chennai	245.00	Nil
198.	Indian Olympic Association, New Delhi	12.45	Nil
	Grand Total	**334667.78**	**Nil**

APPENDIX - IV

(Referred to in paragraph 1.1)

Delay in submission of annual accounts for the year 2003-04 by autonomous bodies audited under section 19(2) and 20 (1)

Sl. no.	Name of the Autonomous Bodies	Date of Receipt of Accounts
(A)	**Delay of three to six months**	
1.	Indian Council of Agricultural Research, New Delhi	1.10.2004
2.	Tejpur University, Tejpur	4.10.2004
3.	V.V. Giri National Labour Institute, Noida	5.10.2004
4.	Sant Longowal Institute of Engineering and Technology,Longowal	6.10.2004
5.	Motilal Nehru National Institute of Technology, Allahabad	11.10.2004
6.	Narmada Control Authority, Indore	11.10.2004
7.	National Institute of Mental Health and Neuro Sciences, Bangalore	11.10.2004
8.	Export Inspection Agency, Calcutta	12.10.2004
9.	Post Graduate Institute of Medical Education and Research, Chandigarh.	13.10.2004
10.	Indian Institute of Management, Bangalore	18.10.2004
11.	Indian Institute of Management, Calcutta	18.10.2004
12.	National Instt of Technology, Silchar	18.10.2004
13.	National Water Development Agency, New Delhi	18.10.2004
14.	Coffee Board (General Fund Accounts), Bangalore	20.10.2004
15.	Nehru Yuva Kendra Sangathan, New Delhi.	20.10.2004
16.	Sahitya Akademi, New Delhi.	26.10.2004
17.	Rajghat Samadhi Committee, New Delhi	28.10.2004
18.	School of Planning and Architecture, New Delhi.	29.10.2004
19.	National Institute of Educational Planning & Administration, New Delhi.	2.11.2004
20.	National Institute of Technical Teachers Training and Research, Chennai	2.11.2004
21.	North-Zone Cultural Centre, Patiala	4.11.2004
22.	Chittaranjan National Cancer Institute, Calcutta	5.11.2004
23.	Indian Institute of Marine Studies, Mumbai	5.11.2004
24.	Indian Institute of Technology, Chennai	10.11.2004
25.	Indira Gandhi National Open University, New Delhi.	11.11.2004
26.	National Horticulture Board, Gurgaon	11.11.2004
27.	National Institute of Technology, Durgapur	16.11.2004
28.	Banaras Hindu University, Banaras	17.11.2004
29.	National Institute of Technology, Hamirpur	18.11.2004
30.	Bureau of Indian Standards, New Delhi.	22.11.2004

31.	National Book Trust, New Delhi.	22.11.2004
32.	Delhi Library Board	23.11.2004
33.	Insurance Regulatory Development Authority, Hyderabad	24.11.2004
34.	Rashtriya Sanskrit Sansthan, New Delhi.	2.12.2004
35.	National Institute of Technology, Kurukshetra	6.12.2004
36.	Indira Gandhi National Center for the Arts, New Delhi.	7.12.2004
37.	Sports Authority of India, New Delhi.	7.12.2004
38.	Brahmaputra Board, Guwahati	9.12.2004
39.	Technology Development Board, New Delhi	9.12.2004
40.	National Institute of Adult Education, New Delhi	10.12.2004
41.	Indian Museum, Calcutta	14.12.2004
42.	Indira Gandhi Rashtriya Manava Sangrahalaya, Bhopal	16.12.2004
43.	National Capital Region Planning Board, New Delhi.	17.12.2004
44.	Vishva Bharati, Shantiniketan	20.12.2004
45.	Mahatma Gandhi Antarrashtriya Hindi Vishwavidyalaya, Wardha	23.12.2004
(B)	**Delay of over six months**	
1.	National Institute of Technology, Patna	3.01.2005
2.	Lakshmibai National Institute of Physical Education, Gwalior .	7.01.2005
3.	Malviya National Institute of Technology, Jaipur	12.01.2005
4.	National Institute of Homoeopathy, Calcutta	25.01.2005
5.	Indian Institute Of Management, Ahmedabad	2.02.2005
6.	Babasaheb Bhimarao Ambedkar University, Lucknow	3.02.2005
7.	National Culture Fund, New Delhi	9.02.2005
8.	National Museum of History of Art Conservation & Museology, New Delhi	15.02.2005
9.	North-Central Zone Cultural Centre, Allahabad	17.02.2005
10.	Raja Ram Mohan Roy Library Foundation, Calcutta	1.03.2005
11.	National Instt of Technology,Tiruchirapalli	21.03.2005
12.	Indian Council for Cultural Relations, New Delhi.	31.03.2005
13.	Prasar Bharati, New Delhi	1.04.2005
14.	Delhi Development Authority	6.04.2005
15.	National Institute of Fashion Technology, New Delhi.	11 .04.2005
16.	South Zone Culture Centre Thanjavur	18.04.2005
17.	Indian Institute of Technology, Guwahati	19.04.2005
18.	Indian Institute of Information Technology and Management, Gwalior	18.05.2005
19.	Assam University, Silchar	24.05.2005
20.	Eastern-Zonal Cultural Centre, Calcutta	06.06.2005
21.	Delhi University.	30.06.2005
22.	Nagaland University, Kohima	17.07.2005

23.	Central Adoption Resource Agency, New Delhi	18.08.2005
24.	Bureau of Energy Efficiency	25.08.2005
25.	South-Central Zone Cultural Centre, Nagpur	26.09.2005

APPENDIX - V

(Referred to in paragraph 1.1)

Non-submission of annual account for the year 2003-04 by autonomous bodies as of December 2005

Sl. no.	Organisations
1.	Central Agricultural University, Imphal
2.	Central Electricity Regulatory Commission, New Delhi
3.	Coal Mines Provident Fund Organisation, Dhanbad.
4.	Haj Committee, Mumbai
5.	Indian Institute of Technology, Roorkee
6.	Indian Council of World Affairs, New Delhi
7.	Mizoram University, Aizal
8.	National Commission for Backward Classes, New Delhi.
9.	Bharat Shiksha Kosh, New Delhi
10.	State Legal Service Authority (U.T.) Chandigarh.
11.	North-East Zone Cultural Centre, Dimapur, Nagaland
12.	National Legal Service Authority, New Delhi
13.	National Bio-Diversity Authority, New Delhi
14.	National Institute of Public Co-operation and Child Development, New Delhi

APPENDIX - VI

(Referred to in paragraph 1.2)

List of Autonomous bodies in respect of which Audit Reports have not been presented before the Parliament (Status as on 31.12.2005)

Sl. No.	Ministry/name of AB	Year of Audit Report	Date of issue of AR to GOI/AB
Agriculture & Cooperation			
1.	National Horticulture Board, Gurgaon	2003-04	3.6.2005
2.	Central Agricultural University, Imphal	1997-98	23.7.2003
Home Affairs			
3.	National Human Rights Commission, New Delhi	2003-04	11.04.2005
Human Resource Development			
4.	Indian Institute of Information & Technology Management, Gwalior	2002-03	29.11.2004
5.	Visva Bharati, Santiniketan	2003-04	31.8.2004
6.	Assam University, Silchar	2001-02 2002-03	21.1.2004 20.5.2005
7.	Indian Institute of Technology, Kanpur	2003-04	24.02.2005
8.	Indian Institute of Information Technology, Allahabad	2003-04	06.07.2005
9.	Baba Saheb Bhimrao Ambedkar University, Lucknow	2000-01 2001-02	25.7.2005 25.7.2005
10.	Banaras Hindu University	2003-04	19.8.2005
11.	Moti Lal Nehru National Institute of Technology	2003-04	--
12.	Kendriya Hindi Shikshan Mandal, Agra	2003-04	19.07.2005
13.	Mizoram University, Aizawal	2001-02	13.07.2005
14.	Regional Engineering College Srinagar National Institute of Technology, Srinagar	2001-02 2002-03 2003-04	5.11.2002 15.1.2004 5.11.2002
15.	South Central Zone Cultural Centre, Nagpur	2002-03	28.03.2005
16.	Mahatma Gandhi International Hindi University, Wardha	1997-98 to 2000-01	1.4.2003
17.	National Commission for Women, New Delhi	2002-03 2003-04	09.12.2003 18.03.2005
18.	National Institute of Open Schooling, New Delhi	2001-02 2002-03 2003-04	21.06.2004 20.08.2004 23.06.2005
19.	School of Planning and Architecture, New Delhi	2001-02 2002-03 2003-04	19.09.2003 12.07.2004 29.06.2005
20.	Delhi University	2000-01 2001-02	20.12.2004 29.03.2005
21.	All India Council for Technical Education, New Delhi	2003-04	13.06.2005
22.	Project History of Indian Science, Philosophy and Culture, New Delhi	2002-03 2003-04	09.03.2004 27.12.2004
23.	Navodaya Vidyalaya Samiti, New Delhi	2003-04	14.10.2005

Health & Family Welfare			
24.	National Institute of Naturopathy, Pune	2003-04	16.08.2004
25.	Indian Council of Medical Research, New Delhi	2003-04	16.08.2005
Labour			
26.	Central Board for Workers Education, Nagpur	2003-04	27.11.2004
27.	Employees Provident Fund Organisation, New Delhi	2003-04	04.04.2005
Law Justice & Company Affairs			
28.	State Legal Services Authority, U.T. Chandigarh	2003-04	2.11.2004
Social Justice & Empowerment			
29.	Central Adoption Resource Agency, New Delhi	2000-01 2001-02	13.07.2005 21.03.2005
Culture			
30.	Khuda Baksh Oriental Public Library, Patna	2003-04	12.1.2005
31.	Eastern Zone Cultural Centre, Kolkata	2003-04	--
32.	West Zone Cultural Centre, Udaipur	1995-96 to 1998-99 1999-2000 2002-03 2003-04	14.8.2000 24.11.2000 7.1.2004 31.12.2004
33.	Rampur Raza Library Board, Rampur	2003-04	21.4.2005
34.	North Central Zone Cultural Centre, Allahabad	2003-04	08.06.2005
35.	Kalakshetra Foundation, Chennai	2003-04	24.08.2004
36.	South Zone Cultural Centre, Thanjavur	1995-96 to 97-98 1998-99 1999-2000 2000-01 2002-03	25.01.2000 20.12.2000 17.12.2001 18.12.2002 21.05.2004
37.	Lalit Kala Akademi	2003-04	24.04.2005
38.	National Culture Fund	2003-04	13.07.2005
39.	Sangeet Natak Akademi	2003-04	10.03.2005
40.	Delhi Library Board	2003-04	27.05.2005
41.	Nehru Memorial Museum and Library	2003-04	10.08.2005
42.	National Museum Institute	2003-04	16.06.2005
43.	Sahitya Akademi	2002-03 2003-04	28.05.2004 03.06.2005
44.	Indira Gandhi National Centre for the Art	1995-96 to 98-99 1999-00 2000-01	13.08.2001 18.07.2005 18.07.2005
Youth Affairs & Sports			
45.	Lakshmi Bai National Institute of Physical Education, Bhopal	2002-03	11.4.2005

APPENDIX - VII

(Referred to in paragraph 1.4)

Outstanding utilisation certificates

Ministry/Department	Period to which grants relate (upto March 2004)	Utilisation Certificates outstanding in respect of grants released upto March 2004 which were due by 31st March 2005	
		Number	Amount *(Rupees in lakh)*
Agriculture	1990-91	3	11.25
	1991-92	8	16.50
	1992-93	1	2.50
	1996-97	4	2.35
	1997-98	8	28.28
	1998-99	3	1.75
	2000-01	1	0.95
	2001-02	6	2.45
	2002-03	9	35.70
	2003-04	101	11592.97
		144	**11694.70**
Andaman and Nicobar Administration	**2003-04**	38	4953.10
		38	**4953.10**
Atomic Energy	1991-92	1	2.51
	1996-97	5	5.21
	1997-98	6	4.79
	1998-99	7	9.92
	1999-00	8	17.46
	2000-01	12	21.66
	2001-02	10	9.84
	2002-03	40	167.24
	2003-04	90	579.99
		179	**818.62**
Chemicals and Petrochemicals	2002-03	1	133.00
	2003-04	4	574.93
		5	**707.93**
Civil Aviation	2003-04	1	17.43
		1	**17.43**
Commerce and Textile			
(i) Commerce	2000-01	6	326.00
	2001-02	4	162.00
	2002-03	58	8741.00
	2003-04	75	12428.00
		143	**21657.00**
(ii) Textiles	1978-79	11	47.23
	1979-80	3	14.60
	1980-81	3	3.88
	1981-82	1	0.40
	1982-83	4	1.75
	1984-85	2	0.88
	1985-86	3	2.15
	1988-89	1	0.30
	1989-90	3	1.75

Ministry/Department	Period to which grants relate (upto March 2004)	Utilisation Certificates outstanding in respect of grants released upto March 2004 which were due by 31st March 2005	
		Number	**Amount** ***(Rupees in lakh)***
	1990-91	1	3.32
	1991-92	3	0.75
	1992-93	9	22.40
	1993-94	9	9.51
	1994-95	31	26.27
	1995-96	49	288.94
	1996-97	17	52.77
	1997-98	19	55.31
	1998-99	13	41.24
	1999-00	34	141.46
	2000-01	36	108.00
	2001-02	37	69.67
	2002-03	70	288.72
	2003-04	251	1768.43
		610	**2949.73**
Defence	1978-79	1	10.49
	1979-80	1	11.65
	1980-81	1	13.64
	1981-82	2	18.76
	1982-83	2	21.96
	1983-84	2	23.36
	1984-85	2	28.18
	1985-86	1	40.44
	1986-87	1	49.77
	1987-88	1	25.85
	1988-89	1	54.07
	1989-90	1	65.18
	1990-91	1	753.11
	1991-92	7	71.88
	1992-93	1	79.00
	1993-94	7	90.00
	1994-95	7	97.40
	1995-96	4	76.60
	1996-97	7	146.35
	1997-98	7	173.00
	1998-99	5	254.27
	1999-00	6	299.00
	2000-01	7	322.00
	2001-02	5	450.27
	2002-03	5	530.00
	2003-04	2	316.50
		87	**4022.73**
Environment and Forest	1981-82	15	5.79
	1982-83	21	41.00
	1983-84	90	58.50
	1984-85	143	229.80
	1985-86	121	495.40

Ministry/Department	Period to which grants relate (upto March 2004)	Utilisation Certificates outstanding in respect of grants released upto March 2004 which were due by 31st March 2005	
		Number	Amount *(Rupees in lakh)*
	1986-87	74	533.77
	1987-88	278	6531.00
	1988-89	359	2543.18
	1989-90	545	192.00
	1990-91	70	123.30
	1991-92	81	1439.00
	1992-93	216	736.00
	1993-94	64	74.18
	1994-95	135	1146.00
	1995-96	10	21.00
	1996-97	440	15732.00
	1997-98	601	9742.00
	1998-99	302	314.00
	1999-00	513	4399.00
	2000-01	532	4991.36
	2001-02	606	11254.67
	2002-03	707	12029.29
	2003-04	1000	12288.90
		6923	**84921.14**
External Affairs	1999-00	2	3.34
		2	**3.34**
Election Commission of India	1996-97	N.A.	5.50
	1998-99	N.A.	0.49
	1999-00	N.A.	0.60
	2000-01	N.A.	17.78
		N.A.	**24.37**
Food Processing Industry	1991-92	2	19.08
	1992-93	9	87.36
	1993-94	18	152.69
	1994-95	24	156.86
	1995-96	19	153.01
	1996-97	15	154.99
	1997-98	18	294.37
	1998-99	34	319.78
	1999-00	43	398.20
	2000-01	72	1114.64
	2001-02	81	1971.94
	2002-03	133	3724.59
	2003-04	232	4316.46
		700	**12863.97**
Finance Economic Affairs	2000-01	3	301.33
	2001-02	6	1774.58
	2002-03	1	93.65
	2003-04	2	108.95
		12	**2278.51**

Ministry/Department	Period to which grants relate (upto March 2004)	Utilisation Certificates outstanding in respect of grants released upto March 2004 which were due by 31st March 2005	
		Number	Amount *(Rupees in lakh)*
Human Resources and Development			
(i) Higher Secondary Education	1977-78	8	11.38
	1978-79	31	32.73
	1979-80	21	24.90
	1980-81	14	37.90
	1981-82	17	44.35
	1982-83	38	73.61
	1983-84	31	61.18
	1984-85	21	31.93
	1985-86	120	630.12
	1986-87	40	139.71
	1987-88	149	728.84
	1988-89	141	662.66
	1989-90	99	976.96
	1990-91	14	12.43
	1991-92	62	317.45
	1992-93	69	479.50
	1993-94	84	663.12
	1994-95	41	237.08
	1995-96	58	334.09
	1996-97	56	698.08
	1997-98	69	2007.00
	1998-99	59	683.44
	1999-00	206	3608.26
	2000-01	217	2217.02
	2001-02	326	3856.07
	2002-03	519	21925.90
	2003-04	832	24788.74
		3342	**65284.45**
(ii) Elementary Education and Literacy	1982-83	1	5.00
	1984-85	1	0.60
	1985-86	9	5.05
	1986-87	19	17.70
	1987-88	4	13.09
	1988-89	21	74.24
	1989-90	34	56.90
	1990-91	12	287.71
	1991-92	7	8.93
	1992-93	11	79.23
	1993-94	34	398.50
	1994-95	38	690.49
	1995-96	67	2120.34
	1996-97	65	999.75
	1997-98	56	838.40
	1998-99	67	1598.50
	1999-00	93	3142.16

Ministry/Department	Period to which grants relate (upto March 2004)	Utilisation Certificates outstanding in respect of grants released upto March 2004 which were due by 31st March 2005	
		Number	Amount *(Rupees in lakh)*
	2000-01	118	31390.96
	2001-02	229	51797.51
	2002-03	326	119723.03
	2003-04	536	180903.26
		1748	**394151.35**
(iii) Women and Child Development	1986-87	130	361.35
	1987-88	204	561.58
	1988-89	311	671.85
	1989-90	356	856.45
	1990-91	266	957.94
	1991-92	307	1527.35
	1992-93	303	1309.67
	1993-94	430	1503.12
	1994-95	441	1509.26
	1995-96	281	1016.13
	1996-97	512	2175.37
	1997-98	323	1232.65
	1998-99	278	3730.56
	1999-00	221	1363.77
	2000-01	251	3512.73
	2001-02	347	1859.32
	2002-03	580	3492.42
	2003-04	393	3962.30
		5934	**31603.82**
Culture	1982-83	2	0.45
	1983-84	4	0.53
	1984-85	10	2.08
	1985-86	3	0.61
	1986-87	8	2.57
	1987-88	5	1.38
	1988-89	14	2.86
	1989-90	13	2.46
	1990-91	72	12.53
	1991-92	91	688.14
	1992-93	771	2747.68
	1993-94	738	5106.41
	1994-95	462	1298.19
	1995-96	500	3581.72
	1996-97	694	3204.90
	1997-98	663	1770.52
	1998-99	526	5011.16
	1999-00	489	1538.33
	2000-01	1057	4368.71
	2001-02	788	3937.23
	2002-03	956	6178.11
	2003-04	1021	8132.80
		8887	**47589.37**

Ministry/Department	Period to which grants relate (upto March 2004)	Utilisation Certificates outstanding in respect of grants released upto March 2004 which were due by 31st March 2005	
		Number	Amount *(Rupees in lakh)*
Youth Affairs	1987-88	20	10.04
	1988-89	103	76.02
	1989-90	153	62.55
	1990-91	185	100.18
	1991-92	133	113.36
	1992-93	386	700.65
	1993-94	377	805.00
	1994-95	234	460.95
	1995-96	349	1007.13
	1996-97	386	4585.47
	1997-98	278	1895.83
	1998-99	544	6532.44
	1999-00	844	4570.46
	2000-01	1040	13701.04
	2001-02	139	652.36
	2002-03	759	13441.87
	2003-04	1348	18983.26
		7278	**67698.61**
Health and Family Welfare			
(i) Health	1980-81	2	1.46
	1983-84	2	24.80
	1984-85	5	29.26
	1985-86	8	2.47
	1986-87	4	3.39
	1987-88	3	23.00
	1988-89	10	2.45
	1989-90	21	47.28
	1990-91	5	5.71
	1991-92	5	0.97
	1992-93	1	0.15
	1993-94	33	1414.68
	1994-95	18	778.54
	1995-96	77	2785.24
	1996-97	104	1678.70
	1997-98	158	6817.34
	1998-99	118	12898.10
	1999-00	268	14270.46
	2000-01	244	41046.21
	2001-02	353	10377.11
	2002-03	517	105326.11
	2003-04	496	96847.41
		2452	**294380.84**
(ii) Family Welfare	1982-83	4	2.95
	1986-87	2	9.45
	1987-88	3	4.13
	1989-90	7	17.35
	1990-91	8	13.00

Ministry/Department	Period to which grants relate (upto March 2004)	Utilisation Certificates outstanding in respect of grants released upto March 2004 which were due by 31st March 2005	
		Number	Amount *(Rupees in lakh)*
	1992-93	2	7.79
	1993-94	14	48.86
	1994-95	37	52.26
	1995-96	94	108.56
	1996-97	99	1070.33
	1997-98	59	862.00
	1998-99	55	547.29
	1999-00	61	3920.25
	2000-01	107	6805.45
	2001-02	191	13083.67
	2002-03	427	47292.36
	2003-04	423	113911.84
		1593	**187757.54**
Home Affairs PAO (Sectt.)	1998-99	1	0.05
	2003-04	1	0.11
		2	**0.16**
Information Technology	2001-02	3	61.00
	2002-03	191	15458.48
	2003-04	229	15182.66
		423	**30702.14**
Industry			
(i) Heavy Industry	2000-01	2	284.00
	2002-03	7	1658.00
	2003-04	12	3092.00
		21	**5034.00**
(ii) Small Scale and Agro Rural Industries	1998-99	2	200.00
	2000-01	1	20.00
	2001-02	6	69.00
	2002-03	1	15.00
	2003-04	17	268.00
		27	**572.00**
(iii) Industrial Policy and promotion	2003-04	10	4347.00
		10	**4347.00**
(iv) Deptt. of Public Enterprises	2002-03	5	40.00
	2003-04	1	12.00
		6	**52.00**
Labour	1979-80	1	0.01
	1982-83	2	0.13
	1985-86	3	1.62
	1987-88	3	2.94
	1988-89	1	6.21
	1989-90	9	10.10
	1990-91	14	19.29
	1991-92	8	26.59
	1992-93	2	0.64
	1993-94	7	6.72
	1994-95	3	3.71

Ministry/Department	Period to which grants relate (upto March 2004)	Utilisation Certificates outstanding in respect of grants released upto March 2004 which were due by 31st March 2005	
		Number	Amount *(Rupees in lakh)*
	1995-96	32	184.36
	1996-97	244	439.88
	1997-98	5	4.58
	1998-99	25	26.92
	1999-00	38	40.68
	2000-01	55	137.93
	2001-02	55	244.66
	2002-03	59	656.33
	2003-04	131	2026.35
		697	**3839.65**
Law Justice and Deptt of Company Affairs			
(i) Ministry of Law Justice and Company Affairs (National Legal Services Authority)	1982-83	2	1.00
	1983-84	5	1.52
	1984-85	5	1.30
	1989-90	3	1.30
	1990-91	1	0.25
	1991-92	7	1.48
	1992-93	8	0.80
	1993-94	8	4.10
	1994-95	5	4.05
	1995-96	12	5.75
	1996-97	22	41.91
	1997-98	28	36.10
	1998-99	60	245.89
	1999-00	47	254.50
	2000-01	27	331.85
	2001-02	18	162.00
	2002-03	26	259.25
	2003-04	41	356.59
		325	**1709.64**
(ii) Legislative Department	1993-94	1	0.05
	1996-97	1	0.05
	2000-01	1	0.02
	2001-02	1	0.03
	2002-03	1	0.02
	2003-04	6	1.07
		11	**1.24**
(iii) Department of legal Affairs	2003-04	1	150.00
		1	**150.00**
Mines	2003-04	15	338.84
		15	**338.84**
Non-conventional Energy Sources	1994-95	2	9.02
	1995-96	2	2.90
	2000-01	1	8.75
	2002-03	3	61.86
	2003-04	48	2350.03
		56	**2432.56**

Ministry/Department	Period to which grants relate (upto March 2004)	Utilisation Certificates outstanding in respect of grants released upto March 2004 which were due by 31st March 2005	
		Number	Amount *(Rupees in lakh)*
Ocean Development	1983-84	8	101.52
	1984-85	22	22.66
	1985-86	45	40.26
	1986-87	23	27.20
	1987-88	83	157.85
	1988-89	48	58.00
	1989-90	92	98.28
	1990-91	17	227.46
	1991-92	20	114.60
	1992-93	8	3.00
	1993-94	16	40.20
	1994-95	9	151.97
	1995-96	53	58.77
	1996-97	52	152.02
	1997-98	71	858.74
	1998-99	79	1147.88
	1999-00	36	2194.01
	2000-01	52	950.97
	2001-02	48	4466.87
	2002-03	38	10435.44
	2003-04	123	2226.53
		943	**23534.23**
Personnel, Public Grievances and Pensions	1999-00	2	16.00
	2003-04	4	57.72
Personnel and Training		**6**	**73.72**
Planning and Statistics	2003-04	18	227.54
Planning Commission		**18**	**227.54**
Road Transport, Highway & shipping	2000-01	1	329.00
	2001-02	1	1.50
	2002-03	6	115.33
	2003-04	7	52.83
		15	498.66
Rural Development	1999-00	3	62.37
	2000-01	3	103.36
	2001-02	4	67.43
	2002-03	53	259.50
	2003-04	110	1249.20
		173	**1741.86**
Social Justice and Empowerment	1987-88	235	233.00
	1988-89	552	1142.00
	1989-90	270	390.00
	1990-91	530	609.00
	1991-92	492	1428.00
	1992-93	355	692.00
	1993-94	646	1095.00
	1994-95	849	1586.00
	1995-96	866	1416.00

Ministry/Department	Period to which grants relate (upto March 2004)	Utilisation Certificates outstanding in respect of grants released upto March 2004 which were due by 31st March 2005	
		Number	Amount *(Rupees in lakh)*
	1996-97	444	951.00
	1997-98	527	13919.00
	1998-99	539	2514.00
	1999-00	457	4080.00
	2000-01	685	4811.00
	2001-02	1979	7915.00
	2002-03	1436	9758.00
	2003-04	802	5812.00
		11664	**58351.00**
Space	1976-77	1	0.05
	1979-80	1	0.05
	1980-81	1	0.38
	1981-82	1	0.03
	1982-83	6	0.74
	1983-84	3	0.66
	1984-85	5	1.47
	1985-86	2	0.15
	1986-87	10	3.90
	1987-88	4	4.88
	1989-90	3	1.91
	1990-91	2	5.34
	1991-92	1	1.24
	1992-93	1	1.01
	1993-94	2	1.28
	1994-95	2	3.05
	1995-96	2	0.45
	1996-97	3	7.56
	1998-99	2	0.45
	1999-00	3	1.95
	2000-01	17	1610.14
	2001-02	45	596.24
	2002-03	71	574.33
	2003-04	145	1021.40
		333	**3838.66**
Tourism	1998-99	1	338.14
	2002-03	3	100.70
	2003-04	6	546.58
		10	**985.42**
Urban Development	1984-85	1	0.40
	1985-86	5	2.25
	1986-87	1	0.50
	1987-88	3	4.15
	1988-89	4	1.15
	1989-90	1	1.50
	1990-91	2	1.56
	1992-93	2	1.65
	1993-94	6	8.10

Ministry/Department	Period to which grants relate (upto March 2004)	Utilisation Certificates outstanding in respect of grants released upto March 2004 which were due by 31st March 2005	
		Number	Amount *(Rupees in lakh)*
	1994-95	10	12.99
	1995-96	6	16.89
	1996-97	4	6.22
	1997-98	3	2.14
	1998-99	2	3.25
	1999-00	5	134.44
	2000-01	2	6.00
	2001-02	23	2390.45
	2002-03	20	586.26
	2003-04	69	32925.18
		169	**36105.08**
Urban employment and poverty alleviation	1983-84	1	0.54
	1985-86	1	0.50
	1986-87	2	0.70
	1988-89	2	1.90
	1989-90	2	4.52
	1990-91	2	2.10
	1991-92	3	6.10
	1992-93	6	49.50
	1993-94	4	1.12
	1995-96	2	5.20
	1996-97	1	1.10
	1998-99	2	251.15
	1999-00	1	0.92
	2000-01	3	593.79
	2001-02	17	2263.13
	2002-03	19	4426.83
	2003-04	17	24866.43
		85	**32475.53**
Water Resources	1986-87	3	17.43
	1987-88	4	6.77
	1988-89	3	8.80
	1989-90	5	4.82
	1990-91	3	7.17
	1991-92	1	9.19
	1994-95	1	2.83
	1995-96	4	21.90
	1997-98	3	8.26
	1998-99	4	2.63
	1999-00	10	6.24
	2000-01	5	8.89
	2001-02	5	5.63
	2002-03	9	12.25
	2003-04	7	4.23
		67	**127.04**
Grand Total		**55155**	**1442516.52**

APPENDIX - VIII

(Refers to Paragraph No.16.1)

Outstanding Action Taken Notes as of October 2005

Sl. No.	Name of the Ministry/Department	Report for the year ended March	Other Autonomous Bodies		
			Due	Not received at all	Under correspondence
1.	Consumer Affairs and Public Distributions	2004	1	1	--
2.	Culture	1997	1	--	1
		1998	1	--	1
		2001	2	--	2
		2004	2	2	--
3.	External Affairs	2004	1	1	--
4.	Finance (Department of Economic Affairs)	2003	1	--	1
		2004	2	--	2
5.	Health and Family Welfare	1999	1	--	1
		2002	2	1	1
		2004	3	--	3
6.	Human Resource Development (Department of Secondary and Higher Education)	2001	4	--	4
		2002	3	3	--
		2003	4	2	2
		2004	11	6	5
	Department of Women and Child Development	2002	1	--	1
7.	Information and Broadcasting	2002	5	--	5
		2003	4	1	3
		2004	4	4	--
8.	Labour	2000	1	--	1
		2001	1	--	1
9.	Shipping	2001	1	1	--
		2002	1	1	--
		2003	3	2	1
		2004	4	3	1

Sl. No.	Name of the Ministry/Department	Report for the year ended March	Other Autonomous Bodies		
			Due	Not received at all	Under correspondence
10.	Small Scale Industries	2000	1	1	--
		2004	2	2	--
11.	Social Justice and Empowerment	2001	1	--	1
		2004	1	1	--
12.	Urban Development and Poverty Alleviation	1989	1	1	--
		1990	5	5	--
		1991	8	8	--
		1992	9	9	--
		1993	12	12	--
		2002	1	1	--
		2003	1	1	--
		2004	3	3	--
13.	Youth Affairs and Sports	1994	1	--	1
Total			**110**	**72**	**38**