

Public Accountability Of National Undertakings

“NUMEROUS MEASURES” PROPOSED

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MADRAS, February 3.

THE Auditor-General of India, Mr. A. K. Chanda, said here today that the Union Government was considering the institution of numerous measures to make “public accountability of nationalised undertakings” more complete without unduly interfering with the autonomous operation of the units.

He, however, did not say what those measures would be.

Mr. Chanda, who was speaking at a reception held in his honour by the Institute of Chartered Accountants, enumerated the means designed by the Government, at present, to secure proper accountability of national undertakings. He dismissed as flippant the suggestion that State-promoted companies were placed beyond the pale of parliamentary control. He maintained that adequate provisions had been made to secure parliamentary control over those undertakings, consistent with the requirements of autonomy, which was so essential for the successful operation of public enterprises.

The Accountant-General said: “State enterprise in India is on trial. It has, however, come to

be established in the teeth of opposition of vested interests. It is necessary for the success of this policy (of promoting State enterprises) to provide a form of management suitable to the requirements of each undertaking, endowed with the same degree of flexibility in operation as private enterprises. It is equally necessary to provide for accountability consistent with this requirement in which essentials will remain and irritants disappear.”

Mr. Chanda allayed the fear of chartered accountants that the progressive expansion of the public sector had considerably restricted the scope of their employment. He assured them that the bulk of State enterprises would continue to employ chartered accountants as their normal auditors, the Comptroller and Auditor-General retaining the right only of supervisory and discretionary audit.