

oldest pending case refers to a case in which payments have not been made, it may in all probability refer to a case where a firm has not pressed its claim for the remaining 2% + 5% payment after having received 95%-98% payment on submitting proof of despatch. The final payment depends upon striking to manufacturing schedules, commissioning and working of the stores, receipt of the entire quantity of indented material, warranty period, and in case of default arbitration, blacklisting and other legal action under the contract. A simple average of time taken would not therefore reflect the promptness with which payments are released. In fact, on production of proof of despatch above 90% payments are generally released within two weeks. From a hurried reckoning of the readily available records at the Headquarter office of the Chief Controller of Accounts the oldest case in which final payment has not been claimed/made pertains to an ad hoc tender No. SE. 3/9237 dated 3.1.5.65 for an amount of Rs. 517.92 being the 5% of the contract value.

(c) No.

(d) Does not arise in view of (c) above.

(e) No.

(f) It has been decided that items exclusive and specific to Central Government Departments have been allowed for direct purchase by such departments, e.g., P & T, Railways and Defence. It is only with the general and common items that the DGS&D are now concerned. There is no proposal as such to take over any items now being dealt by such departments including the Department of Defence Supplies.

**Alleged Embezzlement of Rs. 20.44 crores detected during audit of Central Coalfields Ltd.**

4547. SHRI DILEEP SINGH BHURIA : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the Central Coalfields Limited (a Government Company) would not produce vouchers for Rs. 20.44 crores for the expenditure incurred on various items during the course of audit for the year 1982 by the Comptroller and Auditor General of India;

(b) if so, the reasons responsible for

embezzlement of such a huge amount in the Company; and

(c) the action taken by Government in this regard so far ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) to (c). The expenditure of Rs. 20.44 crores represents the value of purchase of stores and equipments by Coal India Limited on behalf of the Central Coal fields Limited. These payments were initially made by Coal India Limited and subsequently debits passed on the Central Coalfields Limited. Since the initial payment was recorded in the Coal India Limited's books, the original vouchers relating to these purchases were retained by Coal India Limited and debit advice and other supporting details in respect of Rs. 20.44 crores were shown to the Auditors. As stated above, the original vouchers in respect of these payments were retained by Coal India Limited, for production to their Auditors and consequently not furnished by Central Coalfields Limited. The Coal India Limited, holding company, is making purchases of stores and equipments on behalf of the subsidiary companies including Central Coalfields Limited, centrally and the debits for the value of the stores and equipments supplied to the subsidiaries are raised along-with supporting details in the form of Debit Memo.

The point raised by the Auditors is merely on technical grounds and there is no embezzlement. Therefore, the question of taking action against any person does not arise.

[Translation]

**Report of C&AG on Public Undertakings**

4548. SHRI DILEEP SINGH BHURIA : Will the Minister of FINANCE be pleased to state :

(a) whether the Comptroller and Auditor General of India, in his Fifth Report of 1983, has pointed out financial irregularities and improper maintenance of accounts in all the 215 Public Sector Companies; and

(b) if so, the action taken in this regard by Government so far ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b). No Sir. As per the Report of the Comptroller and Auditor General of India Union Government (Commercial) 1983, Part-V, out of 215 Government Companies including their subsidiaries, the Comptroller and Auditor General had selected 174 Government Companies and their subsidiaries for the purpose of comments upon or supplement to the auditors' reports. The CAG has listed in Section I the "important points" contained in the reports received from the auditors. In Section II he has given some comments on these reports. These, at best, could be called 'mistakes/omissions' noticed in the course of audit of accounts of Government Companies and Section 619B Companies. These cannot be construed as either financial irregularities or improper maintenance of accounts. Based on the observations on the accounts made by Government Audit, the accounts of 44 Government Companies were revised by the respective Companies.

[English]

**Discontent in Central Public Sector Undertakings**

**4549. SHRI R. ANNANAMBI :** Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that discontent is brewing at the top level in the central public sector undertakings following a decision to apply only those who have a minimum of two years to retire to board level posts;

(b) if so, whether Government are also aware that the decision has direct impact mostly on technical posts; and

(c) if so, the stand of Government in this regard ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) to (c). The policy to appoint people to Board level posts who have at least two years of service before retirement is to ensure a measure of continuity at the highest policy making level of the enterprises concerned, which is necessary. This is equally applicable to all posts at the Board level.

**Allocation for Upgradation of Revenue and District Administration**

**4550. SHRI K. RAMAMURTHY :** Will the Minister of FINANCE be pleased to state :

(a) which are the 12 States that needed upgradation of the standards of Revenue and District Administration, for the purpose of which the Seventh Finance Commission had recommended an allocation of Rs. 64.41 crores for the period 1979-84;

(b) the State-wise allocation of the above provisions; and

(c) whether it has been ensured that the concerned State Governments have spent this provision for upgrading the Revenue and District Administration ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) to (c). A Statement showing the amounts recommended by the Seventh Finance Commission for upgradation of Standards of Revenue and District Administration and the amounts released to the States so far is placed on the Table of the House. The grants were released based on the progress of expenditure reported by the States.

**Statement**

(Rs. in lakhs)

Sl. No.	Name of the State	Total grant recommended	Total grant released so far
1	2	3	4
1.	Andhra Pradesh	250.00	250.00
2.	Assam	470.00	329.19