

**COMMITTEE ON PAPERS LAID ON THE TABLE  
(2006-2007)**

**FOURTEENTH LOK SABHA**

**DRAFT TWELFTH REPORT**

**(Presented on 17 May,2007)**

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**LOK SABHA SECRETARIAT  
NEW DELHI**

**May, 2007/Vaishakha, 1929(Saka)**

## CONTENTS

	<b>PAGE</b>
<b>COMPOSITION OF THE COMMITTEE ON PAPERS LAID ON THE TABLE (2006-2007)</b>	<b>(iii)</b>
<b>INTRODUCTION</b>	<b>(iv)</b>
<b>CHAPTER</b>	
I      Delay in laying Annual Reports and Audited accounts of Banaras Hindu University, Varanasi	1
II.     Delay in laying Annual Reports and Audited Accounts of Central Agricultural University, Imphal, Manipur.	9

### **APPENDIX**

\* Summary of recommendations/observations contained in the  
Report

**COMPOSITION OF THE COMMITTEE ON PAPERS LAID ON THE TABLE**  
**(2006-2007)**

**Shri Hannan Mollah - Chairman**

**MEMBERS**

2. Shri Avtar Singh Bhadana
3. Shri Adhir Chowdhury
4. Shri Jai Prakash
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13. Shri Begun Sumbrai
14. Shri Chengara Surendran
- \*15. Shri Munshi Ram

**SECRETARIAT**

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Shri J.P Sharma	-	Joint Secretary
Shri R.S. Misra	-	Director
Shri K. Jena	-	Deputy Secretary

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\* Nominated w.e.f. 1.11.2006

## **INTRODUCTION**

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

2. As a result of examination of certain papers laid on the Table of Lok Sabha, the Committee have come to certain conclusions in regard to delay in laying of the Annual Reports and Audited Accounts of the (i) Banaras Hindu University, Varanasi; and (ii) Central Agricultural University, Imphal, Manipur.

3. The Committee took oral evidence of the representatives of the Ministry of Human Resource Development (Department of Higher Education) on 13.6.2006 in connection with delay in laying the Annual Reports and Audited Accounts of Banaras Hindu University, Varanasi on 13.6.2006. The Committee also took oral evidence of the representatives of the Ministry of Agriculture (Department of Agricultural Research and Education) on 24.1.2007 in connection with delay in laying the Annual Reports and Audited Accounts of Central Agricultural University, Imphal.

4. The Committee wish to express their thanks to the representatives of the Ministries of Human Resource Development (Department of Higher Education) and Agriculture (Department of Agricultural Research and Education) for appearing before the Committee and furnishing the information required by the Committee.

5. The Committee considered and adopted this Report at their sitting held on 16 May, 2007.

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

**NEW DELHI**  
**May, 2007**  
**Vaishakha, 1929 (Saka)**

**HANNAN MOLLAH,**  
**Chairman,**  
**Committee on Papers Laid on the Table**

## CHAPTER I

### DELAY IN LAYING ANNUAL REPORTS AND ATUDITED ACCOUNTS OF BANARAS HINDU UNIVERSITY, VARANASI

1.1 Banaras Hindu University (BHU), Varanasi, was established in 1916 under the Banaras Hindu University Act, 1915 to promote the study of Religion, Literature, History, Science and Art. The University is financed mainly by the grants-in-aid given by the Government of India. During the year 2003-04 the University had been sanctioned a grant of Rs. 193.43 crore by the University Grants Commission/Government of India. The audit of accounts of the University has been entrusted to C&AG.

1.2 As per recommendation of Committee on Papers Laid on the Table, the Annual Reports and Audited Accounts of autonomous bodies are required to be laid within nine months of the close of the accounting year. However, there have been inordinate delays in laying the Annual Reports and Audited Accounts of Banaras Hindu University year after year. The extent of delay in laying the documents of the University since 1999-2000 is as under :-

<u>Year</u>	<u>Date of laying</u>	<u>Extent of delay</u>
1999-2000	14.08.2001	07 months
2000-2001	17.12.2002	12 months
2001-2002	23.07.2004	19 months
2002-2003	26.04.2005	16 months
2003-2004	14.03.2006	14 months

The documents for the years 2004-05 and 2005-06 which should have been laid by 31.12.2005 and 31.12.2006 respectively have not been laid so far.

1.3 The Committee, at their sitting held on 3 January, 2006 considered the delay in laying the documents of Banaras Hindu University and also took oral evidence of the representatives Ministry of Human Resource Development (Department of Secondary and Higher Education) and Banaras Hindu University at their sitting held on 13<sup>th</sup> June, 2006.

1.4 The delay in laying the University's documents is not of recent origin. The Committee had earlier examined the delay in laying the documents of the University and brought out the Ministry's failure to adhere to the time schedule and also recommended that a provision with regard to laying of Annual Report and Audited Accounts of Banaras Hindu University before Parliament should be incorporated in the relevant Act [(11<sup>th</sup> Report, (7<sup>th</sup> Lok Sabha)]

1.5 On the question of absence of laying provision in Banaras Hindi University Act, a representative of the Department of Secondary and Higher Education stated:-

“You are very correct in your assessment that the absence of a legal provision should not prevent us from doing what is right and appropriate. In fact, since the Universities have the power to even amend the statute and bring them into force with the approval of the visitor, this could easily be done even through the statutes. There is no need to amend the Act. In 1982 it was introduced. In 1984, although it had been passed by the Upper House, the Lower House was dissolved and after that this has, somehow, not come. But, in the meanwhile, the new Bills which were introduced in Parliament for subsequent Central Universities, all of them carry these provisions. We would report to you that in respect of these two Universities, these are very old Universities as you know in the constitution itself Delhi University and that BHU along with the AMU are mentioned, for them, we will urge that the Vice-Chancellors could kindly consider and bring before the appropriate body of the University and introduce this discipline. After all, it is only a self-disciplining through their own statutes and , we would use our good offices with the visitor to get it approved by him. So, there is no need for any more of the process of amending the Act.”

1.6 The Committee have also emphasised in the past that in the 'statement of reasons for delay' the Government should invariably indicate in chronological order the dates of

finalisation of the reports and accounts, their submission to audit, issue of inspection reports, replies given on points raised in the reports and finally the receipt of the audit from the Audit Authorities so that the House may identify stage and extent of delay and suggest remedial measures therefor. However, no such details have been given in the delay statements laid alongwith the documents of the University pertaining to the years 2000-01 and 2002-03. On being asked about the reasons for not complying with the above recommendation of the Committee, the Ministry of Human Resource Development (Department of Secondary and Higher Education) in a written reply stated as under:-

*“The Ministry is aware of the above recommendation of the Committee. The dates of submission of accounts to Audit, furnishing replies to audit objections and receipt of English and Hindi versions of the Audit Certificate and Audit Report were indicated in the delay statements pertaining to the years 2000-2001 to 2002-2003. The remaining dates could not, however, be indicated for want of the relevant information from the University. The recommendation of the Committee will be complied with more strictly in future. The Ministry has already addressed on 16.1.2006 the Vice-Chancellors of all Central Universities to indicate specifically all the dates required to be given in the delay statement in all such cases where the documents are not made available to the Ministry within the prescribed time for laying in the Parliament”*

1.7 The chronology of finalisation of documents of the University from 2000-01 to 2003-04 is stated to be as under :-

<i>SL.N.</i>	<i>2000-2001</i>	<i>2001-2002</i>	<i>2002-2003</i>	<i>2003-2004</i>
<i>1. Date of compilation of accounts</i>	<i>24.08.2001</i>	<i>31.08.2002</i>	<i>20.08.2003</i>	<i>-</i>
<i>2. Handing over of accounts to auditors</i>	<i>27.08.2001</i>	<i>28.10.2002</i>	<i>13.10.2003</i>	<i>17.11.2004</i>
<i>3. Compilation of balance sheet</i>	<i>10.09.2001</i>	<i>30.09.2002</i>	<i>30.09.2003</i>	<i>-</i>
<i>4. Handing over balance sheet to the auditors</i>	<i>15.09.2001</i>	<i>11.11.2002</i>	<i>13.10.2003</i>	<i>-</i>
<i>5. Time taken by auditors in auditing</i>	<i>09.07.2001 to 29.09.2001</i>	<i>22.10.2002 to 22.11.2002</i>	<i>13.10.2003 to 17.12.2003</i>	<i>-</i>
<i>6. Replies given by the University to audit objection</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>December 04 and February 05</i>

7.	<i>Receipt of final Audit Report</i>	-	-	-	30.08.2005
8.	<i>Approval of accounts by the competent authority</i>	13.03.2002	28.10.2002	23.09.2003	
9.	<i>Documents taken up for translation &amp; Printing</i>	01.10.2002	01.12.2002	20.12.2003	
10.	<i>Sending the documents to the Ministry for laying</i>	18.10.2002	24.12.2003	25.02.2005	23.1.2006
11.	<i>Date of laying</i>	17.12.2002	23.07.2004	26.04.2005	14.3.2006

1.8 It may be seen from the above statement that the University has taken 5 to 7 months in respect of the years 2000-01 to 2003-04 for compilation of their accounts/balance sheet and handing them over to auditors as against the prescribed period of 3 months. Time taken for approval of accounts by the competent authority ranged from 3 to 9 months. Time taken for translation and printing of documents for these years was 3 to 7 months. The Ministry after receipt of the documents from the University has also taken 2 to 7 months to lay them on the Table of the House during the year 2000-01 to 2002-03. Identifying the reasons for delay in laying the documents of the University for these years (2000-01 to 2002-03), the Ministry of Human Resource Development (Department of Secondary & Higher Education) in a written reply stated as under :-

*“Banaras Hindu University is a very large university comprising of 15 Faculties, 127 Departments, four affiliated colleges and various other units/centers. It has five funds at its disposal each of which contains large number of heads of accounts. In addition to several plan schemes, the University undertakes about 200 externally funded research projects every year. Besides, there are more than 400 heads of accounts under the special purpose fund. The accounts of the University are maintained at three different places namely, Main Finance Wing, Institute of Medical Sciences (IMS) and the Institute of Technology (IT). After close of the financial year, the figures of IMS and IT are also merged in the Cash Book of the Main Finance Wing. Compilation of the University accounts, therefore, takes considerable time. The same is the case with the preparation of the annual report, which contains information obtained from all the Faculties, Departments, Colleges and other units centers. As the report is prepared in English, rendering of its Hindi translation also takes considerable time. Then the*



*press takes further time in printing of the report. Another reason given by the University for delay in finalisation of the annual report is that it contains the abridged audited annual accounts of the University and its preparation is considerably delayed due to non-receipt of the audit report and audit certificate from the office of the Principal Accountant General.”*

1.9 On being asked whether the University has internal auditing mechanism so as to ensure timely compilation of accounts and to resolve the audit query, the Ministry of Human Resource Development (Department of Secondary and Higher Education) in a written note stated that the University has an Internal Audit Unit headed by an Internal Audit Officer in the rank of a Deputy Registrar.

1.10 Asked to state whether the process of accounting has been computerised to facilitate timely compilation of accounts, the Ministry in their written reply have stated that the computerization of the accounting processes has already been initiated by the University and it is expected that the computerized Cash Book generation process for all the five major funds would be completed by the end of the current financial year.

1.11 In this regard, a representative (Department of Secondary and Higher Education) during evidence further added :-

“Sir, I would also like to add that while computerization will definitely improve productivity and timely submission of accounts, the old universities like the BHU and the AHU as also Delhi University have a legacy – The staff has not been trained in the new ways of doing things. We may have to have some patience with them as they are preparing their staff to do this. Our experience is that the new universities, the younger universities by definition, have taken to it in a big way. Hyderabad is a classic example and there is not a single year in which they have delayed their submission of accounts.”

1.12 To another query as to whether any time schedule had been laid down by the Ministry indicating normative time for completion of the task at each stage involved in

finalisation and laying of the documents of the University, the Ministry in their written reply have stated as under :-

*“As regards timely finalization of documents and laying them on the Table of the House within the stipulated time period, the Ministry have furnished a time schedule to the University in July, 2003 for finalization of documents at various stages. The time schedule is as under:-*

- (i) Finalisation of accounts by 31<sup>st</sup> May*
- (ii) Completion of the audit of accounts by C&AG by 31<sup>st</sup> July*
- (iii) Finalisation of Annual Report including Hindi version by 31<sup>st</sup> July*
- (iv) Approval of the audited accounts by the Finance Committee/Governing Body by 30<sup>th</sup> September*
- (v) Forwarding the requisite number of printed copies of the Annual Report & Audited Accounts to the Ministry of Human Resource Development by 31<sup>st</sup> October.*

1.13 Asked to state whether the Ministry have any mechanism to monitor the progress of work relating to timely finalisation and laying of the requisite documents, the Ministry in a written reply stated as under:-

*“The Deputy Secretary in-charge of central universities in the Ministry is responsible for monitoring of the timely submission of the documents and he, wherever necessary, takes up the matter with the university authorities. Periodic review is also undertaken at the level of Joint Secretary. The statutory requirement of timely preparation of annual accounts and balance sheet for submission to C&AG of India is also highlighted by the Ministry officials in meetings of the Finance Committees of the central universities”.*

**1.14 Banaras Hindu University under the administrative control of the Ministry of Human Resource Development (Department of Secondary and Higher Education) has been a habitual defaulter in the matter of timely laying of annual report and audited accounts. A scrutiny of dates of laying of these documents of the university pertaining to the years 1999-2000 to 2003-2004 shows that the delay in laying the documents ranges from 7 to 19 months in respect of each year. The**

documents for the years 2004-05 and 2005-06 which should have been laid by 31.12.2005 and 31.12.2006 respectively have not been laid so far. The delay in laying the University's documents by the Ministry is not of recent origin. The Committee had as early as in their 11<sup>th</sup> Report (7<sup>th</sup> Lok Sabha) brought out the Ministry's failure to adhere to the time schedule of laying BHU's documents. The Committee feel that no serious efforts have been made by Ministry of Human Resource Department (Department of Secondary and Higher Education) to ensure timely submission of the documents of the University to the House, which reflects poorly on the working of the Ministry. The Committee urge that the Ministry shall take all out efforts to see that the documents of the University for the years 2004-05 and 2005-06 are laid at the earliest.

1.15 The Committee had recommended in their 11<sup>th</sup> Report (7<sup>th</sup> Lok Sabha) that there should be a specific provision in the Banaras Hindu University Act for laying of the annual report and audited accounts of the University on the Table of both the Houses of Parliament so that they are not legally handicapped. The Committee have been informed that though a Bill to amend the Banaras Hindu University Act was passed by the Rajya Sabha in 1984, the Bill could not be passed in Lok Sabha due to its dissolution. The Committee regret to note that no efforts have been made by the Ministry thereafter in this regard. The Department of Secondary and Higher Education have now proposed that the University would take steps to incorporate a suitable provision in the statutes of the University. The Committee do not agree with proposal. There is a laying provision in the Acts of other Central Universities. The Committee, therefore, reiterate that a provision of laying the Annual Report

**and Audited Accounts be incorporated in the Banaras Hindu University Act and action be taken in this regard immediately. The Committee would like to be apprised of the action taken in this regard.**

**1.16 The Committee note that the University has taken as long as 5 to 7 months for compiling their accounts for the years 2000-01 to 2003-04 as against the prescribed period of 3 months. The Committee note that computerisation of the accounting process has only recently been initiated. The Committee desire that the task of computerisation should be completed in a time bound manner and it should be ensured that there is no delay in compilation of accounts in future.**

**1.17 The Committee further note that another reason for delay in laying the Annual Report and Audited Accounts of the University is unduly long time taken in completing the formalities such as getting approval of documents, translation/printing and dispatching the documents to the Ministry. The Committee note that after completion of audit, the University has taken 14 to 20 months in respect of the years 2000-01 to 2002-03 for completing such formalities. After receipt of the documents from the University, the Ministry appear to have taken 2 to 7 months to lay them before the House. The Committee feel that timely completion of these formalities is within the control of the University/Ministry and thus the delay is avoidable. The Committee hope that necessary steps will be taken to ensure that there is no avoidable delay on the part of the University/Ministry in future.**

## CHAPTER II

### **Delay in laying Annual Reports and Audited Accounts of Central Agricultural University, Imphal, Manipur.**

...

2.1 The Central Agricultural University, Imphal was set up in November, 1993 under the Central Agricultural University Act, 1992. The main objective of the University is to provide need based, location-specific, integrated system of agricultural education together with research and extension education in the North-Eastern region of the country. The University is financed mainly by grant from the Indian Council of Agricultural Research (ICAR), an apex body under the Ministry of Agriculture (Department of Agricultural Research and Education). During the year 1997-98, the University received grants of Rs. 3.98 crore.

2.2 In terms of Section 29 and 30 of the Central Agricultural University Act, the Annual Report and Audited Accounts of the University shall be submitted to the Central Government which shall (as soon as may be) cause the same to be laid before both Houses of Parliament.

2.3 The dates of laying of Annual Reports & Audited Accounts of the University during the years 1993-94 to 1997-98 and the extent of delay involved for each year is as follows:-

<i>Year</i>	<i>Date of laying the audited accounts</i>	<i>Extent of delay</i>
<i>1993-1994 to 1996-1997</i>	<i>12.12.2005</i>	<i>8 to 11 years</i>
<i>1997-1998</i>	<i>25.7.2006</i>	<i>over 7years</i>

2.4 As per recommendations of the Committee on Papers Laid on the Table, the Annual Report and Audited Accounts of an organisation should be laid together within nine months of the close of respective accounting year on the Table of the House. It may be observed from the above that though the audited accounts for the years from 1993-94 to 1997-98 have been laid on the Table, Annual Reports in respect of these years have not been laid so far. The Ministry of Agriculture (Department of Agricultural Research and Education) have stated in this regard (31 October, 2006) as under:-

*“No Annual Report has been laid on the Table of the House since the inception of the University. However the Annual Reports of the year 2004-05 and 2005-06 have been approved by the Board of Management and they have been sent to the press for printing”.*

2.5 The Committee have emphasised in the past that if for any reason the Annual Report and Audited Accounts and Audit Report thereon cannot be laid within the stipulated period of nine months from the closing of the financial year, the Ministry should lay within 30 days of expiry of the prescribed period or as soon as the House meets, whichever is later, a statement explaining the reasons for not laying the Annual Report and Audited Accounts within the stipulated period. However, no such delay statements in respect of any of the above said years have been laid by the Ministry.

2.6 The chronological dates of finalisation of Audited Accounts for the five years (1993-94 to 1997-98) as furnished by the Ministry of Agriculture are as under:-

---

SN		1993-94 and 1994-95	1995-96	1996-97	1997-98
1.	Submission of Annual Accounts to the Accountant General (Audit), Manipur, Imphal by Central Agricultural University for conducting audit.	22.12.1998	30.3.2000	12.4.2000	21.4.01
2.	Receipt of Draft Audit Report from the Accountant General, Manipur, Imphal	7.6.1999	23.5.2000	23.5.2000	1.1.02
3.	Submission of Parawise comments on Draft Audit Report to Accountant General, Manipur, Imphal by CAU.	10.9.1999	13.6.2000	13.6.2000	15.4.02
4.	Receipt of final Audit Report from Accountant General, Manipur, Imphal	7.1.2000	Combined Audit Report in respect of Accounts for the year 1995-96 and 1996-97 was received on 8 <sup>th</sup> January,2001. This was sent to Ministry of Agriculture on 21.12.2001, but the Ministry directed to obtain separate Audit Report in respect of each accounting year. Accordingly, the Accountant General Manipur was requested to furnish separate Audit Report which was received on 12 <sup>th</sup> September,2002.	Combined Audit Report in respect of Accounts for the year 1995-96 and 1996-97 was received on 8 <sup>th</sup> January,2001. This was sent to Ministry of Agriculture on 21.12.2001, but the Ministry directed to obtain separate Audit Report in respect of each accounting year. Accordingly, the Accountant General Manipur was requested to furnish separate Audit Report which was received on 12 <sup>th</sup> September,2002.	23.7.03
5.	Approval by the Board of Management of the University	31.10.2000	31.10.2000	31.10.2000	1.7.05
6.	Submission of Annual Accounts to the Visitor as approved by the B.O.M.	21.9.04	21.9.2004	21.9.04	18.7.05
7.	Observations communicated by visitor office on Annual Accounts.	9.11.04	9.11.04	9.11.04	-
8.	Consideration of visitors' observations by Board	18.4.05	18.4.2005	18.4.05	-

9.	Receipt of the approval of the visitor	-	-	-	13.9.05
10.	Translation into Hindi and printing of Annual Accounts with audit report in both languages i.e., Hindi & English	-	-	-	19.6.06
11.	Date of submission of printed copies of Annual Accounts & Audit report to the Under Secretary, DARF	28.8.2005	28.8.05	28.8.2005	19.6.06
12.	Date of laying the documents on the Table of the House	12.12.2005	12.12.05	12.12.05	25.7.06

2.7 It may be observed from the above, that the University has taken as long as 37 to 57 months in respect of the years 1993-94 to 1997-98 for submission of accounts to auditors. The auditors have taken 17 to 30 months for completing the audit and issue of Audit Report for the years 1993-94 to 1997-98. After approval of the accounts for the years 1993-94 to 1996-97 by the Board of Management of the University on 31.10.2000, the printed copy of the same were submitted to the Ministry on 28.8.05 i.e. after the gap of about 5 years and these documents were laid on the Table of the House on 12.12.2005. As regards the accounts for the year 1997-98, these were compiled after delay of 34 months and the auditors took 27 months for giving final Audit Report and the same were approved by the Board on 1.7.2005 i.e. after a gap of 24 months.

2.8 The Committee considered the matter at its sitting held on 18 December, 2006 and thereafter took oral evidence of the representatives of Ministry of Agriculture and Central Agricultural University, Imphal at their sitting held on 24 January, 2007.

2.9 The Secretary, Ministry of Agriculture stated in this connection during the evidence as under:-

*“It is a fact that it is delayed considerably and it is regrettable. We have done that. I would like to brief the hon. Committee as to what action we have taken. In the last three years massive efforts have been made. There was no Controller, there was no*



*finance man or senior people to manage. We advertised time and again. But nobody opted for that. We tried even for deputation. But again nobody opted for it. Ultimately we provided one person from our Department. He actually started working and then right from 2004 onwards, I am mentioning before the Committee, that either it is submitted, it is printed or in the press or with the auditors up to 2005-06. Right from 1993 till 2005-06 now not only the accounts but the Annual Reports are at various stages. There is no reason that with this massive effort anything would be pending beyond 2007. In the North-East we have colleges in different States. We have to compile them and it takes more than nine months. From our side everything has been submitted. I telling that there has been enormous amount of delay.”*

2.10 Asked to state the broad reasons for such inordinate delay in laying the documents and non-laying of Annual Reports along with the Audited Accounts of the University, the Ministry of Agriculture (Department of Agricultural Research and Education) in their written reply (19 January, 2007) have stated as under:-

*“In the beginning the Vice-Chancellor remained busy in acquiring land from various State Government to establish constituent Colleges. The positions of all statutory officers could also not be filled up for want of suitable candidates due to remoteness of the region coupled with local problems, no eligible candidates were willing to serve there. The supporting staff was also nominal. Therefore, the annual reports could not be prepared in time.*

*As regards audited accounts of the University, the posts of accounts knowing persons viz. Accountant, Assistant Comptroller, Deputy Comptroller and Comptroller along with others were advertised many times since the inception of the University but the response was very poor and no suitable eligible candidate could be recruited. The University is located at a very remote place and in the absence of special monetary benefits the eligible qualified candidates did not get attracted to serve there despite repeated attempts. It was only in the year 2001 that one Deputy Comptroller was loaned from the ICAR, Delhi to serve the University on deputation basis. The other accounts posts are still vacant except that of Comptroller, which was filled up in March, 2006. Most of the posts of subordinate staff also were vacant and whatever nominal staff was available, they being newly recruited were not conversant with the system of preparation of annual accounts being newly recruited.*

*However, during the period from 1998-2003 the work of preparation of annual accounts was taken to hand with the help of other skeleton administrative staff and accounts for the year 1993-94 to 1998-99 were prepared and got audited by the Accountant General (Audit) Manipur in 2000 and 2001. Further process of obtaining approval of the Board of Management on the audit reports and their presentation to the visitor was also started during the year 2000 and only then the University was able to submit its audited accounts from 1993-94 to 1997-98 to Govt. of India, Ministry of Agriculture for being laid on the table of the House of Parliament. Similarly the submission of audited accounts for the year 1997-98 which was pending for want of approval of B.O.M. was also expedited. Therefore, in nutshell, the delay of 8-11 years in laying of audited accounts in both Houses of Parliament occurred due to the following reasons:-*

1. *Non-filling of posts of accounts knowing persons.*
2. *Late receipt of final audit reports from Accountant General, Manipur.*
3. *Delay in obtaining approval of B.O.M. due to its non-constitution.*

*With a view to ensure timely laying of documents, the Ministry have added-*

*“The efforts were however intensified during the year 2005 and annual accounts for as many as six years i.e. from 1999-2000 to 2004-05 were prepared, got approved by B.O.M. and sent to Accountant General for audit. The A.G. has completed the audit. However, final reports are yet to be received from him. The accounts for 2005-06 have also been prepared. So, at the moment whole pendency of annual accounts has been cleared from the University side.”*

2.11 On being asked to state whether the aforesaid reasons were not within the control of the University, the Ministry of Agriculture stated that the University made best efforts to fill up the positions of accounts staffs but due to lack of response, the needful could not be done.

2.12 To a query about the status of computerisation of accounting activities of the University, the Ministry of Agriculture have stated in a written reply that most of the work in the accounts section is being done on computers but 100% computerisation requires more time and efforts are afoot to ensure full computerisation in the near future.

2.13 Explaining the reasons for unduly long time taken by auditors in completing the accounts for the year 1997-98, the Ministry in their written reply have stated as under:-

*“The constituent colleges of the University are situated in different states of North East where from the CAU Headquarter has not only to procure the data but every clarification/analysis is to be done with interacting with the College. Many times persons from headquarter which are already short in number have to camp in all constituent colleges to facilitate/complete the compilation of accounts. After that all the queries of the audit is to be dealt in same cumbersome mode by contacting all the colleges whenever required. Moreover it is to be mentioned that the office of the A.G. Manipur took about 8 months to provide Draft Audit Report but the University replied within 4 months inspite of all odds. On the other hand frequent Bandh calls in Manipur have its own effect not only on our University but the office of the A.G. Manipur also delaying the whole process.”*

2.14 To a specific query as to whether the Ministry have ever taken up the matter with the audit authorities regarding expeditious completion of audit and release of audit certificate, the Ministry in their written reply have stated as under:-

*“The Vice Chancellor himself monitored the audit process by directing the officers of the University to take up the Audit work on priority keeping always in touch with the A.G. Manipur. The University official frequently visited the office of the A.G. by personally going there and meeting them whenever required to clarify the queries raised during the audit of the accounts of the University.”*

2.15 When asked about the nature and number of queries raised by the auditors at the stage of auditing the accounts (1997-98) which took 3 months (1.1.2002 to 13.4.2002) to resolve those queries by the University, the Ministry have furnished the following information:-

“The queries raised by the auditors to resolve are as under:-

- a. Rectification in the schedule of assets
- b. Correction of CPF Balance sheet
- c. Rectification of schedule of assets
- d. Maintenance of separate bank account for externally funded projects
- e. Charging of depreciation
- f. Incorporation of bank reconciliation statement for account no. Ag1/1/1167 Maintenance of ledgers and registers
- g. Non appointment of Comptroller
- h. Non submission of Utilization certificate in respect of ICAR Grants”.

2.16 Asked to state whether there is any internal accounting mechanism to ensure smooth and timely auditing of accounts by the auditors, the Ministry in a written reply have stated that “during the years 1993 to 2004, there was no system of internal audit of the University. However, the University has started the system of Internal Audit and mechanism is being developed to monitor the audit process so that the queries raised during the audit can be minimised.

2.17 Asked to state the reasons for taking 24 months to approve the accounts for the year 1997-98 by the Board of Management after its receipt from the A.G. Imphal, the Ministry in their written reply have stated as under :-

*“The tenure of the members of Board of management had expired in August, 2002. Thereafter, a very lengthy process involving collection and scrutiny of bio-data of suitable persons from all over the country had to be completed and sent to His Excellency, the President of India as visitor of the Central Agricultural University for reconstituting the same. This whole exercise took very long time. However, as soon as it was reconstituted in the year 2004, the requisite approval on the audited annual accounts was obtained.”*

2.18 Regarding the steps to be taken to avoid such delays in future, the Ministry in their written reply stated as under:-

*“Steps will be initiated for reconstitution much in advance of expiry of the term of BOM. Besides, the meeting of BOM will also be convened at regular prescribed intervals and in addition special meetings as and when required for such purposes of urgent nature will be held.”*

2.19 As regards the efforts made by the Ministry to facilitate timely laying of documents, the Ministry have stated that-

*“The Ministry was in touch from time to time reminding the University for preparing the accounts but simultaneously the University apprised the Ministry with the problems of the University regarding non availability of staff and unwillingness of people in going to insurgency filled North East region.”*

2.20 When asked to state whether the Ministry/University have laid down the time schedule giving target dates for completion of work at each stage regarding finalisation of annual accounts and report, the Ministry have stated that a time schedule giving target dates for completion of each stage of finalisation of Annual Accounts and Annual Report of Central Agricultural University (CAU) Imphal, has been prepared and sent to CAU, Imphal Manipur for compliance which reproduced as under:-

Submission of Annual Accounts to the Accountant General (Audit), Manipur, Imphal by Central Agricultural University for conducting audit	30 <sup>th</sup> April
Receipt of Draft Audit from the Accountant General, Manipur, Imphal	15 <sup>th</sup> June (expected)
Submission of Parawise comments on Draft Audit report to Accountant General Manipur, Imphal	30 <sup>th</sup> June
Approval of the Board of Management of the University for annual accounts at the instance of A.G. Manipur, Imphal	15 <sup>th</sup> July
Receipt of final audit Report from Accountant General, Manipur, Imphal	15 <sup>th</sup> August (expected)
Re-submission of the Annual Accounts to the Board of Management after compliance of its observations	15 <sup>th</sup> September
Final approval of the Board of Management to the annual accounts with audit report	30 <sup>th</sup> September (expected)
Submission of the Annual Accounts to the Visitors as approved by B.O.M.	15 <sup>th</sup> October (expected)
Receipt of the approval of the Visitor	15 <sup>th</sup> November
Translation into Hindi and printing of Annual Accounts with audit report in both languages i.e. Hindi and English	30 <sup>th</sup> November
Date of submission of printed copies of Annual Accounts & Audit report to the Department	7 <sup>th</sup> December

2.21 On being asked whether this time schedule was made available to the Ministry, the Ministry have stated that CAU is well aware of its duty to submit the Audited Accounts and Annual Reports of the CAU to Parliament within the stipulated period and also aware of the procedure/guidelines in this regard.

2.22 Regarding status of finalisation and laying of Annual Reports for the years 1993-94 and 2005-06 and the audited accounts for the year 1998-99 to 2005-06, the Ministry in their written reply have stated as under :-

*“The annual report for the year 2004-05 is ready. Similarly, the annual report for the year 2005-06 has also been prepared and is in the press for printing. As regards annual reports for the years 1993-94 to 2003-04, the University has taken up the work of compilation of reports for the year 1993-*

*94 to 1997-98 in the first instance. The draft report will be placed before the Board of Management in the month of February for approval and will be got printed before 31<sup>st</sup> March, 2007."*

**2.23 The Committee are distressed to note that there has been inordinate delay in laying the audited accounts of the Central Agricultural University (CAU), Imphal, Manipur which is receiving grants from Government of India and the University has failed in timely laying of documents on time on the Table of the House since its inception in 1993. The recommendation of the Committee that Annual Report and Audited Accounts should always be laid together on the Table of the House within nine months of the close of respective accounting year and if for any reason the Annual Report and Audited Accounts and Audit Report thereon cannot be laid within the stipulated period of nine months from the closing of the financial year, the Ministry should lay within 30 days of expiry of the prescribed period or as soon as the House meets, whichever is later, a statement explaining the reasons for not laying the Annual Report and Audited Accounts so as to enable the Parliament to have a complete picture of the performance and activities of the University. However, the prescribed procedure has not been adhered to. The Committee regret to note that this recommendation has not been taken note of by the Ministry of Agriculture in respect of CAU, Imphal, Manipur. The CAU, Imphal, Manipur had been a regular habitual defaulter in laying of their Audited Accounts and no sincere efforts was made by them in the past for laying of Annual Reports. The University laid Audited Accounts for the years from 1993-94 to 1997-98, however, Annual Reports in respect of these years have not been laid so far.**

**2.24 According to the Ministry of Agriculture, the delay of 7 to 11 years in laying of Audited Accounts in both the Houses of Parliament occurred due to the non-filling of posts of account knowing person, late receipt of final audit reports from Accountant General, Manipur and delay in obtaining approval of Board of Management for its non-constitution. The Committee find that University has taken as long as 37 to 57 months in respect of the years 1993-94 to 1997-98 for submission of accounts to auditors. The auditors have taken 17 to 30 months for completing the audit and issue of Audit Report for the years 1993-94 to 1997-98. After approval of the accounts for the years 1993-94 to 1996-97 by the Board of Management of the University on 31.10.2000, the printed copy of the same were submitted to the Ministry on 28.8.05 i.e. after the gap of about 5 years and these documents were laid on the Table of the House on 12.12.2005. As regards the accounts for the year 1997-98, these were compiled after delay of 34 months and the auditors took 27 months for giving Final Audit Report and the same were approved by the Board on 1.7.2005 i.e. after a gap of 24 months.**

**2.25 The Committee feel that the inordinate delay on the part of the University in submission of accounts, completion of auditing and delay in printing was totally within the control of the University and thus avoidable. Therefore, the argument as non-availability of accounts knowing personnel is not tenable and hence cannot be accepted.**

**2.26 The Committee believe that the delay has been due to utter failure of the Ministry to oversee the working of the University. The University was running and getting grants for so many years but no Annual Report and Audited Accounts were laid**

before the Parliament. The argument that the situation was beyond control of the University cannot be accepted. The Committee hope that the University will lay all its pending Annual Reports/Audited Accounts within the shortest time feasible. The Committee urge that the time schedule indicating target dates for completion of various stages involved in the finalisation of Annual Report and Audited Accounts formulated in this regard be strictly taken note of and it should be ensured that documents of the University are laid on the Table of the House in time in future.

**NEW DELHI**  
**May, 2007**  
**Vaishakha, 1929 (Saka)**

**HANNAN MOLLAH,**  
**Chairman,**  
**Committee on Papers Laid on the Table**



## APPENDIX

### SUMMARY OF RECOMMENDATIONS/OBSERVATIONS CONTAINED IN THE REPORT

<b>Sl. No.</b>	<b>Ref. to Para No. of the Report</b>	<b>Summary of Recommendations/Observations</b>
1	2	3
1.	1.14	<p>Banaras Hindu University under the administrative control of the Ministry of Human Resource Development (Department of Secondary and Higher Education) has been a habitual defaulter in the matter of timely laying of annual report and audited accounts. A scrutiny of dates of laying of these documents of the university pertaining to the years 1999-2000 to 2003-2004 shows that the delay in laying the documents ranges from 7 to 19 months in respect of each year. The documents for the years 2004-05 and 2005-06 which should have been laid by 31.12.2005 and 31.12.2006 respectively have not been laid so far. The delay in laying the University's documents by the Ministry is not of recent origin. The Committee had as early as in their 11<sup>th</sup> Report (7<sup>th</sup> Lok Sabha) brought out the Ministry's failure to adhere to the time schedule of laying BHU's documents. The Committee feel that no serious efforts have been made by Ministry of Human Resource Department (Department of Secondary and Higher Education) to ensure timely submission of the documents of the University to the House, which reflects poorly on the working of the Ministry. The Committee urge that the Ministry shall take all out efforts to see that the documents of the University for the years 2004-05 and 2005-06 are laid at the earliest.</p>
2.	1.15	<p>The Committee had recommended in their 11<sup>th</sup> Report (7<sup>th</sup> Lok Sabha) that there should be a specific provision in the Banaras Hindu University Act for laying of the annual report and audited accounts of the University on the Table of both the Houses of Parliament so that they are not legally handicapped. The Committee have been informed that though a Bill to amend the Banaras Hindu University Act was passed by the Rajya Sabha in 1984, the Bill could not be passed in Lok Sabha due to its dissolution. The Committee regret to note that no efforts have been made by the Ministry thereafter in this regard. The Department of Secondary and Higher Education have now proposed that the University would take steps to incorporate a suitable provision in the statutes of the University. The Committee do not agree with proposal. There is a laying provision in the Acts of other Central</p>

Universities. The Committee, therefore, reiterate that a provision of laying the Annual Report and Audited Accounts be incorporated in the Banaras Hindu University Act and action be taken in this regard immediately. The Committee would like to be apprised of the action taken in this regard.

3. 1.16 The Committee note that the University has taken as long as 5 to 7 months for compiling their accounts for the years 2000-01 to 2003-04 as against the prescribed period of 3 months. The Committee note that computerisation of the accounting process has only recently been initiated. The Committee desire that the task of computerisation should be completed in a time bound manner and it should be ensured that there is no delay in compilation of accounts in future.
4. 1.17 The Committee further note that another reason for delay in laying the Annual Report and Audited Accounts of the University is unduly long time taken in completing the formalities such as getting approval of documents, translation/printing and dispatching the documents to the Ministry. The Committee note that after completion of audit, the University has taken 14 to 20 months in respect of the years 2000-01 to 2002-03 for completing such formalities. After receipt of the documents from the University, the Ministry appear to have taken 2 to 7 months to lay them before the House. The Committee feel that timely completion of these formalities is within the control of the University/Ministry and thus the delay is avoidable. The Committee hope that necessary steps will be taken to ensure that there is no avoidable delay on the part of the University/Ministry in future.
5. 2.23 The Committee are distressed to note that there has been inordinate delay in laying the audited accounts of the Central Agricultural University (CAU), Imphal, Manipur which is receiving grants from Government of India and the University has failed in timely laying of documents on time on the Table of the House since its inception in 1993. The recommendation of the Committee that Annual Report and Audited Accounts should always be laid together on the Table of the House within nine months of the close of respective accounting year and if for any reason the Annual Report and Audited Accounts and Audit Report thereon cannot be laid within the stipulated period of nine months from the closing of the financial year, the Ministry should lay within 30 days of expiry of the prescribed period or as soon as the House meets, whichever is later, a statement explaining the reasons for not laying the Annual Report and Audited Accounts so as to enable the Parliament to have a complete picture of the performance and activities of the University. However, the prescribed procedure has not been adhered to. The Committee regret to note that this recommendation has not been taken note of by the Ministry of Agriculture in respect of

CAU, Imphal, Manipur. The CAU, Imphal, Manipur had been a regular habitual defaulter in laying of their Audited Accounts and no sincere efforts was made by them in the past for laying of Annual Reports. The University laid Audited Accounts for the years from 1993-94 to 1997-98, however, Annual Reports in respect of these years have not been laid so far.

6. 2.24 According to the Ministry of Agriculture, the delay of 7 to 11 years in laying of Audited Accounts in both the Houses of Parliament occurred due to the non-filling of posts of account knowing person, late receipt of final audit reports from Accountant General, Manipur and delay in obtaining approval of Board of Management for its non-constitution. The Committee find that University has taken as long as 37 to 57 months in respect of the years 1993-94 to 1997-98 for submission of accounts to auditors. The auditors have taken 17 to 30 months for completing the audit and issue of Audit Report for the years 1993-94 to 1997-98. After approval of the accounts for the years 1993-94 to 1996-97 by the Board of Management of the University on 31.10.2000, the printed copy of the same were submitted to the Ministry on 28.8.05 i.e. after the gap of about 5 years and these documents were laid on the Table of the House on 12.12.2005. As regards the accounts for the year 1997-98, these were compiled after delay of 34 months and the auditors took 27 months for giving Final Audit Report and the same were approved by the Board on 1.7.2005 i.e. after a gap of 24 months.
7. 2.25 The Committee feel that the inordinate delay on the part of the University in submission of accounts, completion of auditing and delay in printing was totally within the control of the University and thus avoidable. Therefore, the argument as non-availability of accounts knowing personnel is not tenable and hence cannot be accepted.
8. 2.26 The Committee believe that the delay has been due to utter failure of the Ministry to oversee the working of the University. The University was running and getting grants for so many years but no Annual Report and Audited Accounts were laid before the Parliament. The argument that the situation was beyond control of the University cannot be accepted. The Committee hope that the University will lay all its pending Annual Reports/Audited Accounts within the shortest time feasible. The Committee urge that the time schedule indicating target dates for completion of various stages involved in the finalisation of Annual Report and Audited Accounts formulated in this regard be strictly taken note of and it should be ensured that documents of the University are laid on the Table of the House in time in future.

