

**COMMITTEE ON PAPERS LAID ON THE TABLE
(2015-2016)**

SIXTEENTH LOK SABHA

SEVENTH REPORT

(Presented on 27 April,2016)



सत्यमेव जयते

LOK SABHA SECRETARIAT

NEW DELHI

April, 2016/Vaisakha 1938(Saka)

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COMPOSITION OF COMMITTEE ON PAPERS LAID ON THE TABLE
(2015-2016)

Shri Chandrakant Khaire - ***Chairperson***

M E M B E R S

2. Shri Dushyant Chautala
3. Shrimati Veena Devi
4. Shri P.C. Gaddigoudar
5. Shri Laxman Giluwa
6. Shri Choudhury Mohan Jatua
7. Shrimati Mausam Noor
8. Shri Bheemrao B. Patil
9. Shri Sanjaykaka Ramchandra Patil
10. Shri Bishnupada Ray
11. Shri Midhun Reddy
12. Shri Uday Pratap Singh
13. Shri Virendra Singh
14. Shri P.R. Sundaram
15. Shri Manohar Untwal

SECRETARIAT

1. Shri U.B.S. Negi - Joint Secretary
2. Smt. Rita Jailkhani - Director
3. Smt. Maya Lingi - Additional Director
4. Shri T.R. Nauriyal - Under Secretary
5. Smt. Rajni Bhagat - Senior Executive Assistant

INTRODUCTION

I, the Chairperson, Committee on Papers Laid on the Table of the House (2015-16), having been authorized by the Committee to present this Report on their behalf, present this Seventh Report in respect of delay in laying of the Annual Reports together with Audited of Rail Land Development Authority, New Delhi.

2. In terms of the recommendation of the Committee on Papers Laid on the Table contained in its First Report (5th Lok Sabha) presented to the House on 08.03.1976, an Organization which receives Grants-in-aid from the Government of India is required to lay its Annual Report and Audited Accounts within nine months of the closure of Accounting Year.

3. The Committee considered the matter of delays in laying of the Annual Reports and Audited Accounts of the Rail Land Development Authority, New Delhi and took oral evidence of the representatives of the Ministry of Railways at their sitting held on 09 January, 2015

4. The Committee considered and adopted this Report at their sitting held on 18 April, 2016.

5. The Committee wish to express their thanks to the officers of the Ministry of Railways for furnishing the written replies, other material/information and for placing their views in the matter before the Committee.

6. For the facility of reference and convenience Observations / Recommendations of the Committee have been printed in bold letters at the end of the Report.

7. A Statement* – showing summary of Observations/Recommendations made by the Committee is appended to the Report.

New Delhi
April, 2016
Vaisakha, 1938 (Saka)

Chandrakant Khaire
Chairperson
Committee on Papers Laid on the Table

(iv)

**Will be appended at the time of Printing the Report.*

REPORT

Delay in laying of the Annual Reports and Audited Accounts of the Rail Land Development Authority, New Delhi

* * *

The Rail Land Development Authority (RLDA), New Delhi is a statutory Authority, under the Ministry of Railways, set-up by an Amendment to the Railways Act, 1989, for development of Railway Land as entrusted by the Central Government for commercial use for the purpose of generating revenue by non-tariff measures. RLDA has been constituted in terms of Extraordinary Gazette Notification dated 31.10.2006, as amended on 05.01.2007. The Rules for functioning of RLDA have also been notified in the Extraordinary Gazette dated 04.01.2007. The RLDA received Grant-in-aid of Rs.11.29 Crore from the Ministry of Railways during 2013-14.

2. As per Section 21 of the Rail Land Development Authority (Constitution) Rules, 2007 the Authority shall prepare in such form and at such time in each financial year as may be prescribed, its Annual Report, giving a full account of its activities during the previous financial year.
3. Further, Section 22 of the said Rules states that after the annual report and the accounts as certified by the Comptroller and Auditor General together with the audit report have been approved by the Board, the same shall be forwarded annually to the Central Government and the Central Government shall cause these to be laid before each House of Parliament.
4. In terms of recommendation of the Committee on Papers Laid on the Table contained in its First Report (5th Lok Sabha), para 3.5; presented to the House on 08.03.1976, an Organization, which receives Grants-in-aid from the Government of India is required to lay their Annual Report and Audited Accounts together alongwith **Review Statement** within 09 months of the close of the respective Accounting Year. To comply with this requirement proper time schedule should be laid down for compilation of Annual Report and Accounts and their auditing. The Committee felt that normally a period of 3 months would be sufficient for compilation of accounts and their submission to audit; the next 6 months might be given for auditing of accounts; printing of the report and sending it to Government for laying.
5. However, the scrutiny by the Parliamentary Committee on Papers Laid on the Table reveals that there were repeated delays in laying of the Annual Reports and Audited Accounts of the RLDA for the years 2006-2007 to 2014-2015. The dates of laying and extent of delay, in laying of the Annual Reports/Audited Accounts of the RLDA have been given at **Annexure-I**

6. The chronological sequence in respect of finalization of Annual Reports and Audited Accounts pertaining to the years 2009-10 to 2013-14 as furnished by the Ministry is appended at **Annexure-II**.

7. The detailed breakup regarding time taken by the Authority in the process of compilation of Annual Accounts till laying the Papers on the Table is as under :-

Year	Duration of submission of Audit Accounts	Time taken in Auditing the Accounts and furnishing of final Audit Report	Time taken in getting the documents translated, printed and sending the same to the Ministry	Time taken by the Ministry in laying the documents on the Table of the House	Time taken in getting the documents translated, printed and sending the same to the Ministry and laying them on the Table of the House	Time taken by the Ministry/Authority in laying of the documents on the Table of the House and delay in laying them on the Table of the House
2009-10	01.04.2010 to 06.10.2010 (06 months)	06.10.2010 to 20.05.2011 (7½ months)	20.05.2011 to 15.11.2011 (06 months)	15.11.2011 to 02.05.2013 (17½ months)	-	37M-9M= 28 M
2010-11	01.04.2011 to 05.09.2011 (05 months)	05.09.2011 to 28.02.2012 (5½ months)	28.02.2012 to 22.02.2013 (12 months)	22.02.2013 to 02.05.2013 (2½ months)	-	25M-9M= 16 M
2011-12	01.04.2012 to 03.08.2012 (04 months)	03.08.2012 to 17.05.2013 (9½ months)		-	17.05.2013 to 21.02.2014 (9½ months)	23M-9M= 14 M
2012-13	01.04.2013 to 08.08.2013 (04 months)	08.08.2013 to 09.04.2014 (08 months)		-	09.04.2014 to 09.03.2015 (11 months)	23M-9M= 14 M
2013-14	01.04.2014 to 16.09.2014 (5½ months)	16.09.2014 to 23.02.2015 (5 months)		-	23.02.2015 to 11.08.2015 (05½months)	16M-9M= 7 M

8. When the Committee enquired to what extent the reasons of each stage were beyond the control of the Management of the Authority/Ministry, the Ministry in its written response stated as under:-

"Auditing and Certification of Annual Reports and Accounts are to be done by C&AG as per schedule and target time prescribed by the Ministry of Finance's OM 17(3)/2011-E-II (A) dated 05.09.2011. Therefore, the other works related to finalization and submission of the Annual Reports and Accounts can follow only thereafter."

9. On being asked by the Committee about the Internal Auditing mechanism to ensure timely compilation of Accounts of the RLDA and also to minimize audit queries at the time of auditing, the Ministry, in its written Note, informed the Committee as under :-

" RLDA has hired Chartered Accountant Firm for compilation of Accounts and Internal Audit of Accounts and also to minimize audit queries at the time of auditing."

10. In response to a query by the Committee about the status of computerization of Accounts to facilitate speedy and timely compilation of Accounts of the RLDA , the Ministry, in its written note, stated as under :-

"Accounts of RLDA are being maintained in Tally-9 by the hired Chartered Accountant Firm. However Integrated Information System (IIS) is in pipeline to embrace entire accounting activity of RLDA. This will entail speedy and tally compilation of Accounts of RLDA in future."

11. When Committee desired to know as to whether any mechanism is in place in the Ministry to monitor the progress at each stage of finalization of documents of RLDA so as to ensure timely laying of the documents, the Ministry in a written note stated as under :-

"RLDA has been advised to improve the procedure for timely laying of the documents to Ministry so that Annual Reports and Audited Accounts of RLDA can be laid in time in the Parliament."

12. On being asked by the Committee as to whether any time limit has been fixed by the Ministry/RLDA in this regard, the Ministry in its written note stated as under :-

"RLDA has to adhere the target time fixed by Ministry of Finance OM No. 17(3)/2011-E-II(A) dated 5.09.2011. However no such schedule has been laid down either by the RLDA or by the Ministry indicating normative time for completion of the task at each stage involved right from finalization of Annual Reports and Accounts and Tabling the same in each House of the Parliament."

13. The Committee considered the matter of delays in laying of the Annual Reports and Audited Accounts of RLDA for the years 2009-2010 to 2013-2014 and took evidence of the representatives of the Ministry of Railways and Rail Land Development Authority, New Delhi on the said issue on 09.01.2015.

14. Elaborating further the reasons for delay in laying of the Annual Reports and Audited Accounts of the RLDA, the Secretary of the Ministry during the evidence stated as under:

"...Under Rule No.22 of RLDA constitution, they are supposed to prepare their Annual Report and accounts after the completion of financial year. They are supposed to get it audited by the C&AG. After that their draft report comes to us.

We reply to those draft objections or points. Then a final report is submitted which, after approval of Board of Directors of RLDA, is submitted to the Railway Ministry. then it is approved by the Minister and then it is laid on the Table of the House. This meeting is presently for two reports of 2009-10 and 2010-11 which were delayed substantially.

As regards the 2009-10, when we drafted the annual accounts the format was revised by C&AG and accounts recast in October 2010. So we had to submit the audited accounts on the new format. That was reason number one. Then it took quite substantial time in C&AG office of approximately five months for audit. And then draft report was received. After we replied to their objections, the final report was submitted which came to RLDA. They got it translated in Hindi. That process also took time. then it was submitted to Railway Board sometime in 2011 November. I admit that there was a delay. This report was somehow misplaced in Railway Board's office and when we were submitting the next year's report it came to the notice that the earlier report could not be submitted. Then we got a copy and submitted both 2009-10 and 2010-11 reports together to Railway Board. These are the basic reasons for delay and I admit the delay. "

15. The Committee have time and again emphasized that both the Annual Reports and Audited Accounts of an Organisation should be laid simultaneously to enable the Members of Parliament to get a complete picture of the working and activities of the Organisation. However, the Committee are disappointed to note that the Ministry of Railways has failed to comply with the statutory provisions and specific recommendation of the Committee in laying the requisite documents of the RLDA before Parliament during the years 2006-2007 to 2014-2015. The Committee consider it as grave irregularity on the part of the Administrative Ministry/RLDA which certainly amounts to abdication of Parliamentary responsibility and can hardly be overlooked. The Committee, therefore, recommend that the Ministry should make all out efforts to plug the systemic loopholes so as to eliminate avoidable delays and formulate an action plan to ensure that Parliamentary obligations in the matter of timely laying of the documents in the House are duly met. The Committee would like to be apprised of the initiatives taken/ being taken by the Ministry in this regard.

16. While examining the reasons for delay in laying of the documents of the RLDA for the years 2009-2010 to 2013-2014, the Committee note that there was undue delay at all the stages, i.e compilation of Annual Accounts, submission of Annual Accounts to Audit

Authorities, receiving final Audit Reports from Audit Authorities, finalization of Annual Report, getting the documents translated, printed and sending the same to the Ministry for laying them on the Table of the House. The Committee are dismayed to note that reasons for delay in this regard have not been furnished by the Ministry except for the year 2009-2010 which were delayed even after compilation of Annual Accounts of the RLDA in September, 2010 due to change in format as per direction of the Controller & Auditor General (C&AG). The Committee feel that all the stages in the process were well within the control of the Ministry/RLDA and thus, avoidable but for lack of any mechanism in place to monitor the whole process in the matter. The Committee, therefore, recommend that a mechanism may be put in place in the Ministry to ensure that avoidable delays are eliminated to expedite the process for laying of documents timely before the House. The Committee would like to be apprised of the action taken by the Ministry/RLDA in this regard.

17. The Committee also note that the time taken in auditing of accounts and furnishing the audit report ranges from 6 to 8 months for the years from 2009-2010 to 2013-2014. The reasons for taking such a long time for completing the Audit Report are not clear. The Committee urge the Ministry of Railways to take up the issue with audit authorities for completion of audit to avoid consequential delays in laying of the documents before the Parliament. The Committee would like to be apprised of the action taken in this regard.

18. The Committee note with concern that documents of the RLDA for the year 2009-2010 submitted to the Ministry on 15.11.2011 were laid on the Table of the House on 02.05.2013 of the inordinate delay of 17½ months. The reason adduced for the same was that the documents of the RLDA for the year 2009-2010 were misplaced in the office of the Railway Board and the same was noticed while laying of documents of the RLDA for the succeeding year. This only shows the lackadaisical approach of the Ministry on the issue. The Committee, therefore, recommend that the matter may be investigated and

responsibility may be fixed for the lapses which resulted in misplacement of the relevant documents and punitive action against the same may be taken. The Committee also recommend that corrective measures may also be taken so as to avoid such delays in future. The Committee would like to be apprised of the action taken by the Ministry/Railway Board in this regard.

New Delhi
18 April, 2016
29 Vaisakha, 1938 (Saka)

Chandrakant Khaire
Chairperson
Committee on Papers Laid on the Table

Annexure-I
vide para 05 of the Report

Statement showing the dates of laying of the Annual Reports and Audited Accounts of the Rail Land Development Authority, New Delhi.

Year	Date of laying of Annual Reports and Audited Accounts	Extent of delay
2006-07	19.08.2010	32 months
2007-08	19.08.2010	20 months
2008-09	08.09.2011	20 months
2009-10	02.05.2013	28 months
2010-11	02.05.2013	16 months
2011-12	21.02.2014	14 months
2012-13	09.03.2015	14 months
2013-14	11.08.2015	07 months
2014-15	16.03.2016	02½ months

Annexure-II
vide para 06 of the Report

Statement showing the chronological sequence in respect of finalization of the Annual Reports and Audited Accounts of the RLDA for the years 2009-2010 to 2013-2014

<i>S. No.</i>	<i>Particulars</i>	<i>2009-10</i>	<i>2010-11</i>	<i>2011-12</i>	<i>2012-13</i>	<i>2013-14</i>
a.	The date on which the RLDA approached the Audit Authorities to appoint the auditors for auditing the Accounts and date of their appointment	06.10.10	05.09.11	-	-	-
b.	The date of compilation of Annual Accounts of the RLDA	16.09.10	01.09.11	-	-	-
c.	The date on which the Annual Accounts were submitted to Auditors for auditing	06.10.10	05.09.11	03.08.12	08.08.13	16.09.14
d.	The date and duration for auditing the Annual Accounts of the RLDA by Auditors	26.10.10 to 10.01.11	21.09.11 to 02.01.12	09.11.12	06.11.13	25.09.14 to 19.12.14
e.	The date of queries raised by Auditors during auditing of Annual Accounts	26.10.10 to 10.01.11	21.09.11 to 02.01.12	17.01.13	08.01.14	-
f.	The date on which the replies to the audit queries was furnished to the Auditors	24.03.11	14.02.12	04.02.13	16.04.14	-
g.	The date on which draft Audit Report was issued by Audit Authorities	04.03.11	19.01.12	-	-	27.01.15
h.	The date on which the final Audit Report received by RLDA	20.05.11	28.02.12	17.05.13	09.04.14	08.05.15
i.	The date of finalisation of Annual Reports	09.08.11	21.06.12	19.04.13	29.03.14	23.02.15
j.	The date on which documents were got approved from the Competent Authority	09.08.11	21.06.12	03.07.13	12.06.14	23.02.15 (Since the observations are same as that of Draft Audit Report, no fresh approval was taken from RLDA Board)
k.	The date on which documents were taken up for translation and the time taken for completing the task	24.08.11	28.01.13	17.08.13	12.06.14	11.05.15
l.	The date on which documents were taken up for printing and the time taken for completing the task	24.08.11	28.01.13	17.08.13	12.12.14	15.05.15 to 15.07.15
m.	The date on which documents were sent to the Ministry for being laid in Parliament and the reasons for delay, if any	15.11.11	22.02.13	-	-	-
n.	The date of laying of the documents on the Table of the House and delay if any, on the part of Ministry in this regard	02.05.13	02.05.13	21.02.14	09.03.15	11.08.15

**THE MINUTES OF THE SITTING OF THE
COMMITTEE HELD ON 09.01.2015**

The Committee sat on Friday, 09 January, 2015 from 1200 hrs to 1230 hrs. in Committee Room 'E', Parliament House Annexe, New Delhi.

PRESENT

Shri Bishnu Pada Ray - **In the Chair**

MEMBERS

2. Shri Laxman Giluwa
3. Shri Choudhary Mohan Jatua
4. Shri Sanjay Kaka Patil
5. Shri Manohar Untwal

SECRETARIAT

1. Shri R.S. Kambo - Joint Secretary
2. Shri Shiv Kumar - Director
3. Smt. Maya Lingi - Additional Director

2. In the absence of the Chairperson, the Committee chose Shri Bishnu Pada Ray to act as Chairperson for the sitting under Rule 258(3) of the Rules of Procedure and Conduct of Business in Lok Sabha. Thereafter, the Acting Chairperson welcomed the Members to the sitting of the Committee.

3. Then, the representatives of the Ministry of Railways and Rail Land Development Authority, New Delhi were ushered in. The following were present:

REPRESENTATIVES OF THE MINISTRY OF RAILWAYS

1. Shri A. K. Mital Chairman
(ex-officio Principal Secretary to GoI)
2. Shri V.K. Gupta Member Engineering,
(ex-officio Secretary to GoI)
3. Shri Alok Ranjan Adviser (Land & Amenities)

REPRESENTATIVES OF THE RAIL LAND DEVELOPMENT AUTHORITY, NEW DELHI

1. Shri Y.P. Singh Vice Chairman
2. Shri B. K. Singh General Manager/Accounts

4. At the outset, the Chairperson welcomed the representatives of the Ministry of Railways and Rail Land Development Authority(RLDA), New Delhi to the sitting of the Committee.

5. The Committee, thereafter, took evidence of the representatives of the Ministry and RLDA on the issue of delay in laying of the Annual Reports and Audited Accounts of the RLDA for the years 2006-2007 to 2013-2014.

6. The representative of the Ministry explained before the Committee that the Annual Reports and Audited Accounts of the RLDA for those years were laid before House with delays because the RLDA being a new Organisation was not fully aware of the procedures to this effect. He further explained that for the year 2009-10, after drafting of the Annual Accounts, the format was revised by C&AG in October, 2010 - necessitating submission of the Audited Accounts in a new format. Also C&AG office took approximately 05 months for Audit. The documents in question also got misplaced in Railway Board's office which came to the notice of the Ministry during submitting the next year's 2010-11 Report. However, the documents for year 2011-12 have been laid on 17.07.2014. For the year 2012-13, documents are under submission of the Minister of Railways and for the year 2013-14, documents are under the Audit of C&AG. They also apprised the Committee that steps have been taken to ensure timely laying of the documents in future.

7. Thereafter, the Acting Chairperson thanked the representatives of the Ministry of Railways and RLDA for furnishing the requisite information.

8. The witnesses then withdrew.

9. A copy of the verbatim proceedings of the sitting of the Committee has been kept on record.

The Committee then adjourned.

**Extracts of the Minutes of the sitting of the Committee held on 18.04.2016
in respect of Rail Land Development Authority, New Delhi**

**THE MINUTES OF THE EIGHTH SITTING OF THE
COMMITTEE HELD ON 18.04.2016**

* * *

The Committee held its sitting on Monday, 18 April, 2016, from 1100 hours to 1230 hours in Committee Room No.'62', Parliament House, New Delhi.

PRESENT

Shri Chandrakant Khaire - Chairperson

MEMBERS

2. Shri P. C. Gaddigoudar
3. Shri Laxman Giluwa
4. Shri Choudhury Mohan Jatua
5. Shri Bheemrao B. Patil
6. Shri Manohar Untwal

SECRETARIAT

1. Shri U.B.S. Negi - Joint Secretary
2. Smt. Maya Lingi - Additional Director

**REPRESENTATIVES OF THE MINISTRY OF HEALTH AND FAMILY WELFARE
(DEPARTMENT OF HEALTH & FAMILY WELFARE)**

1. Shri B.P. Sharma Secretary
2. Shri Sudip Srivastav Director
3. Shri S.C. Rajiv Director

REPRESENTATIVES OF THE ALL INDIA INSTITUTES OF MEDICAL SCIENCES

4. Dr. Nitin M. Nagarkar Director, AIIMS, Raipur and officiating charge of Director AIIMS, Bhopal
5. Dr. A.K. Mahapatra Director, AIIMS, Bhubaneswar

- | | | |
|----|-------------------|----------------------------|
| 6. | Dr. Sanjeev Misra | Director, AIIMS, Jodhpur |
| 7. | Dr. G.K. Singh | Director, AIIMS, Patna |
| 8. | Dr. Raj Kumar | Director, AIIMS, Rishikesh |

2. At the outset, Chairperson welcomed the Members to the sitting of the Committee.

3. Thereafter, the Committee took up consideration of the draft Seventh Report regarding delay in laying of the Annual Reports and Audited Accounts of The Rail Land Development Authority, New Delhi.

4. After deliberations, the Committee adopted the Report with the following modification:

Para 18

"the matter may be investigated and responsibility may be fixed for the lapses which resulted in misplacement of relevant documents and punitive action against the officials responsible for the same may be taken."

The Committee authorized the Hon'ble Chairperson to present the same to the Parliament.

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The Committee then adjourned