

COMMITTEE ON PAPERS LAID ON THE TABLE
(2016-2017)

SIXTEENTH LOK SABHA

NINTH REPORT

(Presented on 08 December, 2016)



सत्यमेव जयते

LOK SABHA SECRETARIAT

NEW DELHI

December, 2016/Agrahayana 1938(Saka)

C O N T E N T S**PAGE**

**COMPOSITION OF THE COMMITTEE ON PAPERS LAID
ON THE TABLE (2016-2017)** (iii)

INTRODUCTION (v)

REPORT

Delay in laying of the Annual Reports and Audited Accounts of the University Grants Commission, New Delhi 01

ANNEXURES

Annexure – I Statement showing the dates of laying of the Annual Reports and Audited Accounts of the University Grants Commission, New Delhi for the years 2006-2007 to 2014-2015 08

Annexure - II Statement showing the chronological sequence in respect of finalization of the Annual Reports and Audited Accounts of the University Grants Commission, New Delhi for the years 2011-2012 to 2013-2014 09

Annexure - III Letter/D0 letters issued by the Ministry of Human Resource Development (Department of Higher Education) to the University Grants Commission, New Delhi regarding expeditious submission of the Annual Reports and Audited Accounts of the University Grants Commission, New Delhi for the years 2011-2012 to 2013-2014

APPENDICES

Appendix-I Extracts of the Minutes of the sitting of the Committee held on 13.07.2015 24

Appendix-II Extracts of the Minutes of the sitting of the Committee held on 28.11.2016 26

COMPOSITION OF COMMITTEE ON PAPERS LAID ON THE TABLE
(2016-2017)

Shri Chandrakant Khaire

-

Chairperson

MEMBERS

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 Jaikhani - 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 (2016-17), having been authorized by the Committee to present this Report on their behalf, present this Ninth Report in respect of delay in laying of the Annual Reports together with Audited Accounts of University Grants Commission, 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 University Grants Commission, New Delhi and took oral evidence of the representatives of the Ministry of Human Resource Development (Department of Higher Education) at their sitting held on 13 July, 2015

4. The Committee considered and adopted this Report at their sitting held on 28 November, 2016.

5. The Committee wish to express their thanks to the officers of the Ministry of Human Resource Development (Department of Higher Education) 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.

New Delhi
28 November, 2016
07 Agrahayana, 1938 (Saka)

Chandrakant Khaire
Chairperson
Committee on Papers Laid on the Table

REPORT***Delay in laying of the Annual Reports, together with Audited Accounts and Audit Report of the University Grant Commission, New Delhi***

* * *

The University Grants Commission, New Delhi was formally established in November 1956 as a statutory body of the Government of India through an Act of Parliament for the coordination, determination and maintenance of standards of university education in India. In order to ensure effective region-wise coverage throughout the country, the UGC has decentralized its operations by setting up six regional centres at Pune, Hyderabad, Kolkata, Bhopal, Guwahati and Bangalore. The Head Office of the UGC is located at Delhi as well. . It is financed mainly by grants from the Central Government.

2. As regards laying of the Annual Reports and Audited Accounts of UGC on the Table of the House, Section 19 of UGC Act 1956 stipulates the following:

- (i) The Commission shall cause to be maintained such books of account and other books in relation its account in such form and in such manner as may, in consultation with the Comptroller and Auditor-General of India, be prescribed.
- (ii) The Commission shall, as soon as may be after closing its annual accounts, prepare a statement of accounts in such form, and forward the same to the Comptroller and Auditor-General by such date, as the Central Government may, in consultation with the Comptroller and Auditor-General determine.
- (iii) The accounts of the Commission shall be audited by the Comptroller and Auditor-General at such times and in such manner as he thinks fit.
- (iv) The Annual accounts of the Commission together with the audit report thereon shall be forwarded to the Central Government and the Government shall cause the same to be laid before both Houses of Parliament and shall also forward a copy of the audit report to the Commission for taking suitable action on the matters arising out of the audit report."

The provision contained in clause 212.(3) (iv) of GFR,2005 also states the following:

"The annual reports and audited statements of accounts of Autonomous organizations are required to be laid on the table of the Parliament. In such cases, the Ministries or Departments of Central Government need not incorporate performance-cum-achievement reports in the annual reports in the annual reports. In all other cases, if the grant-in-aid exceed Rupees twenty-five lakhs, the Ministry or Departments of the Central Government should include in their Annual Report achievements vis-a-vis the amount spent, the purpose and destination of the grants. In cases where the grants-in-aid are for Rupees twenty-five lakh or less, the Ministry or Department of the Central Government should include in their annual report their own assessment of the achievements or performance of the institutions or Organizations."

3. As per the recommendations of the Committee on Papers Laid on the Table contained in its Paras 1.16 and 3.5 of First and Paras 4.16 and 4.18 Second Reports of 5th Lok Sabha, and Paras 3.6 to 3.8 of Second Report of 6th Lok Sabha, the Annual Reports and Audited Accounts alongwith Review Statement are required to be laid within 09 months after the close of the 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 and if for any reason, the Annual Reports and Audited Accounts of UGC could not be laid within the prescribed period of 9 months, the Ministry concerned should lay a Statement within 30 days of the expiry of the said period or as soon as the House meets whichever is later, explaining the reasons as to why the documents could not be laid in time.

4. The scrutiny by the Committee on Papers Laid on the Table reveals that the Annual Reports and Audited Accounts of the UGC for the years 2006-07 to 2013-2014 were laid on the Table of the House with delays ranging from 2 ^{1/2} months to 11 ^{1/2} months. The dates of laying and extent of delay, in laying of the Annual Reports/Audited Accounts of the UGC have been given at **Annexure-I**. Moreover, the "Delay Statements" explaining the reasons for not laying the Annual Reports and Audited Accounts of UGC for the aforesaid years have also not been laid on the Table of the House.

5. The Annual Report and the Audited Accounts of UGC for the year 2014-15 have been laid on the Table of the House within the stipulated time.

6. The chronological sequence in respect of finalization of Annual Reports and Audited Accounts of UGC for the years 2011-2012 to 2013-2014, as received from the Administrative Ministry is appended at **Annexure-II**.

7. The Committee considered the matter of delays in laying of the Annual Reports and Audited Accounts of UGC for the years 2006-2007 to 2013-2014 and took evidence of the representatives of the Ministry of Human Resource Development (Department of Higher Education) and UGC on the issue on 13 July, 2015.

8. On being categorically asked by the Committee about the reasons for laying the Annual Reports and Audited Accounts of UGC for the years 2011-2012 to 2013-2014, the Ministry in its written note submitted as under:-

"As regards the delay in laying of Annual Reports and Audited Accounts of the UGC, it is stated that initially during the year 2006-2007, the delay was for a period of 11 1/2 months. The UGC has stated that the delay took place during the course of audit of accounts and receipt of report from the Director General of Accounts (Central Expenditure). It has further stated that efforts were however made to submit the Annual Report and Annual Accounts well in time. Some delay has also occurred in the UGC in furnishing its accounts to the DGACE for audit and in responding to its comments. The Annual Report and Audited Accounts are also examined in the Ministry before these are laid before the Parliament. This period has, however, been kept to the bare minimum. This Ministry has constantly reminded the UGC to adhere to the stipulated timelines in furnishing its accounts to the DGACE for audit."

9. On being asked by the Committee about the status of computerization of Accounts to facilitate speedy and timely compilation of Accounts of the UGC, the Ministry in its written note submitted as under:-

"The Commission has stated that the process of accounting and preparation of accounts is semi-computerized and efforts are being made to make it fully computerized."

10. The Committee have also been informed that there is an internal audit mechanism in the Commission to ensure timely compilation of Accounts and also to minimize the Audit related queries.

11. When the 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 UGC so as to ensure timely laying of the documents, the Ministry in its written note stated as under :-

"The Higher Education Bureau in the Ministry of Human Resource Development monitors the progress in laying of the Annual Report and Audited Annual Account of the Commission before the Parliament. The correspondences undertaken with the Commission while monitoring the laying of the Annual Report and Audited Annual Account of the Commission before the Parliament are at **Annexure III**."

12. As regards the query of the Committee about the remedial measures taken to ensure timely laying of the documents in the House, the Ministry in its written reply stated as under:-

" The Commission has reported that it is trying its best to ensure timely submission of audited accounts to MHRD for laying before the Parliament within the prescribed period."

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

"---You have rightly said it that the time schedule of nine months fixed by the Committee has not been followed for the last seven years. I would like to state to the Committee that there has been very much improvement during the years 2011-12, 2012-13 and 2013-14. Earlier there used to be delay of eleven and half months but now this delay has come down to two or two and half months. There is a schedule of nine months which was fixed by the Committee of 5th Lok Sabha. CAG has given its break-up as to how much time should be taken in each activity. Compilation of accounts is held from April to June. By the end of June 60 days are allotted for submission and auditing of the same to DG. Reply from UGC is submitted to DG by 14-15th September. Submission of final SAR is made by DG by 15th to 30th September. 1st to 15th November is earmarked for translation work and its outer limit is 15th November to 1st December and 10-12th December. Parliament Secretariat requires 4-5 days for submission. Delay was reported during the last three years i.e. the years 2011-12, 2012-13 and 2013-14. It was completed by 20th of March for the year 2011-12. For the year 2012-13 it was submitted by 23rd of July where as for the year 2013-14 it was submitted by 18th of March. There are two-three main reasons for it. One is that the UGC is an autonomous body. Its two meetings are held. If any one meeting is held, the process of work will get expedited. Another thing is that the time is being taken in translation, which should be reduced and it is feasible. Third thing is that sometimes special commission meeting is also held. Now-a-days there is a meeting held in every two months for which we have to wait. Members of UGC will see the accounts and then they will approve them. There is a suggestion received and most probably we will follow it this year that the special commission meeting will be held once and if possible there should be only one meeting in which approval may be accorded and thus this work could be completed on time. In this regard, a lot of discussions was held with UGC in the last month and we hope that the report will be submitted on time in Parliament this year ."

14. *During the evidence, the Secretary of the University Grants Commission explained as under:-*

" We have to get the reports from all the 40 Central universities and that is the reason why there is some delay in the finalisation of accounts. This year we have finalised the accounts on 30th of last month and we have the Commission's meeting scheduled on 27th instant. We are finalising the accounts and we would be passing the accounts in the Commission meeting and sending to the DG of Audit. But I must bring it to the notice that in the last two years, the audit is supposed to take 109 days for the whole process of auditing that includes, auditing and presentation of the draft report, out responses subsequent to it and the final report but the total duration taken by the audit has been 167 days, that is, almost 60 days beyond normal permissible limit as per the schedule which the Secretary has told you. Sir 60 day delay technical happen at the level of DG of Audit. In the previous year also, the delay has been for 162 days. The total timeline is 109 days. That was one of the niche areas where things can be changed also; we did follow it up with the DG of Audit. I personally had taken up the matter numerous times; and also written letters to him in January stating that we are waiting for his audit report to be presented before the Parliament. We cannot present the annual report unless we present the annual accounts along with it. Annual report was normally ready but we were waiting for the final audit report so that we could present it to Parliament.'

15. The Committee note with deep concern the recurring delays in laying of the Annual Reports and Audited Accounts of the University Grants Commission on the Table of the House, inspite of its repeated emphasis to comply with the recommendation of the Committee contained in its First & Second Report of 5th Lok Sabha and 5th Report of 6th Lok Sabha so as to enable the Members of Parliament to get a complete picture of activities of the Organisation. However, the Committee regret to note that the University Grants Commission, has failed to comply with the statutory provision and specific recommendations made by the Committee in its Reports presented to the House in the past. This is clearly evident from the fact that Annual Reports and Audited Accounts of the University Grants Commission pertaining to the years from 2006-2007 to 2013-2014 were laid on the Table of the House with delays ranging from 2^{1/2} months to 11^{1/2} months. In its 9th Report of 6th Lok Sabha) and 11th Report of 10th Lok Sabha, the Committee brought out the Ministry's failure to adhere to the time schedule of laying UGC's documents. The Committee are distressed to point out that the Department of Higher Education has not cared all these years to evolve any mechanism to ensure timely laying of the Annual Report and Audited Accounts and prompt discharge of their responsibility towards Parliament in respect of laying of the documents of

the UGC. This only shows that there is lack of concerted and coordinated efforts on the part of all those involved in the process. The Committee, therefore, strongly recommend the Ministry to pay utmost attention to the most pertinent recommendations of the Committee by making all out efforts to ensure that Annual Reports and Audited Accounts of the UGC are laid on the Table of the House within stipulated time in future.

16 The Committee also note with anguish that the Ministry/UGC did not care to lay a Statement explaining the reasons as to why the Reports/Accounts could not be laid for the aforesaid years within the presented period. Nevertheless, while examining the reasons for delays in laying of the Annual Reports and Audited Accounts of UGC on the Table of the House for the years 2006-2007 to 2013-2014, the Committee note that though finalisation of Annual Accounts, translation of documents in Hindi Version and getting approval of documents from Competent Authorities were the minor reasons for delay, the main reason for delay in laying the documents for these years was stated to be the delay in auditing the accounts and issue of final Audit Report. The representatives of the Ministry/UGC during the course of evidence explained to the Committee that the Audit Authorities took more than 160 days in the process of auditing of Annual Accounts and furnishing of Final Audit Report for the last two years as against 109 days prescribed by Comptroller & Auditor General for the purpose. The representatives of the Ministry/UGC also apprised the Committee that they had personally taken up the matter for early auditing of Annual Accounts and furnishing of Final Audit Report with D.G.(audit). The Committee appreciate that due to efforts made by the Ministry/UGC, the Annual Report and Audited Accounts of UGC for the year 2014-2015 have been laid on the Table of the House within stipulated time. However, the Committee also note that if for any reasons, these documents could not be laid in the Table of the House within the stipulated period, then it would be imperative for them to lay a Statement explaining the reasons for the same with a period of 30 days of the expiry of that period of nine months or as soon as the House meets, whichever is later. The Committee also urge the Ministry to evolve an effective mechanism ensuring that documents are laid by the Commission within the stipulated time frame

failing which responsibility be fixed and strict action be taken against the erring officials. The Committee also hope that the work relating to complete computerization of Accounts will be expedited to facilitate speedy and timely completion of accounts of the UGC. The Committee would like to be apprised of the initiatives undertaken by the Ministry/UGC in this regard.

New Delhi
28 November, 2016
07 Agrahayana, 1937 (Saka)

Chandrakant Khaire
Chairperson
Committee on Papers Laid on the Table

Annexure-I**vide para 04 of the Reports**

Statement showing the dates of laying of the Annual Reports and Audited Accounts of the University Grants Commission, New Delhi.

Year	Date of laying of Annual Reports and Audited Accounts	Extent of delay
2006-07	16.12.2008	11 1/2 months
2007-08	03.08.2009	07 months
2008-09	01.12.2010	11 months
2009-10	10.08.2011	07 1/2 months
2010-11	30.03.2012	03 months
2011-12	20.03.2013	03 months
2012-13	23.07.2014	07 months
2013-14	18.03.2015	02 1/2 months
2014-2015	21.12.2015	-

Annexure-II
vide para 06 of the Reports

The chronological sequence in respect of finalization of Audited Accounts of the UGC for the year 2011-12 to 2013-14

Description	2011-12	2012-13	2013-14
a) The date on which the Commission approached the Audit Authorities to appoint the auditors for auditing the Accounts and date of their appointment;	DGACE is the designated auditor for the Commission.	DGACE is the designated auditor for the Commission.	DGACE is the designated auditor for the Commission.
b) The date of compilation of Annual Accounts of the Commission	25.06.2013 (due date was 30.06.2012)	25.06.2013 (due date was 30.06.2013)	30.06.2014 (due date was 30.06.2013)
c) The date on which the Annual Accounts of the Commission were submitted to Auditors for auditing.	04-07-2012*	09-09-2013	04-08-201
d) The date and duration for auditing the Annual Accounts of the Commission by Auditors.	14.8.12 to 27.9.12	01.10.13 to 15-11-13	***22-09-2014 to first week of Oct., 2014
e) The date of queries raised by Auditors during auditing of Annual Accounts.	19.10.2012	15.01.2014	17-12-2014
f) The date on which the replies to the audit queries was furnished to the auditors.	13.12.2012	21.01.2014	19-12-2014
g) The date on which draft Audit Report was issued by Audit Authorities.	19.10.2012	15.01.2014	17-12-2014
h) The date on which the final Audit Report received by Commission	01.01.2013	24.02.2014	20-01-2015
i) The date of finalization of Annual Reports.	26.02.2013	17.12.2013(Eng.) 1.05.2014(Hindi)	18-02-2015
j) The date on which documents were got approved from the Competent Authority	23.01.2013	26.02.2014	03.02.2015
k) The date on which documents were taken up for translation & Printing and the time taken for completing the task	23.01.2013	11.03.2014 to 07.04.2014	18.02.2015
l) The date on which documents were sent to the Ministry for being laid in House; and	26.02.2013 (due date was 31.12.2012)	30.05.2014** (due date was 31.12.2014)	23-02-2015 (due date was 31.12.2014)
m) The date of laying of the documents on the Table of the House.	20.03.2013 (Documents sent to Parliament on 12.03.2013)	23.07.2014 (Monsoon session started on 7th July, 2014. Documents sent to Parliament on 14.07.2014)	18.03.2015 (Documents sent to Parliament on 12.03.2015)

*Annual Accounts of UGC has been sent to DGACE on 04.07.2012 after approval of competent authority i.e. Chairman Annual Account were later on ratified by the Commission in its meeting held on 18th 19th July, 2012.

** Date of receipt of the final document corrected copies of Annual Report from the UGC in MHRD (Letter No.F.I-23-2013(PUB) dated 30th May, 2014.

*** Letter dated 14.08.2014 received from Auditors to start audit from 05.09.2014 but it was actually started from 22.09.2014.

Please see Original Report

**EXTRACTS OF THE MINUTES OF THE FORTEENTH SITTING OF THE
COMMITTEE ON PAPERS LAID ON THE TABLE (2014-2015)**

* * *

The Committee sat on Tuesday, 13 July, 2015, from 15:00 hrs to 16:20 hrs. in Committee Room No. 'D', Parliament House Annexe, New Delhi.

PRESENT

Shri Chandrakant Khaire - Chairperson

MEMBERS

2. Smt Veena Devi
3. Shri P.C. Gaddigoudar
4. Shri Laxman Giluwa
5. Shri Choudhary Mohan Jatua
6. Shrimati Mausam Noor
7. Shri Bishnu Pada Ray
8. Shri P.R.Sundaram
9. Shri Dushyant Chautala

SECRETARIAT

Smt. Maya Lingi - Additional Director

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

3. Then, the representatives of the Ministry of Human Resource Development (Department of Higher Education) were ushered in. The following were present:

**REPRESENTATIVES OF THE MINISTRY OF HUMAN RESOURCE DEVELOPMENT
(DEPARTMENT OF HIGHER EDUCATION)**

- | | | |
|----|-------------------------|----------------------|
| 1. | Shri Vinay Sheel Oberoi | Secretary |
| 2. | Ms. Ishita Roy | Joint Secretary (HE) |

REPRESENTATIVES OF THE UNIVERSITY GRANTS COMMISSION, NEW DELHI

Prof. Jaspal Singh Sandhu Secretary

4. At the outset, the Chairperson welcomed the representatives of the Ministry of Human Resource Development (Department of Higher Education) and the University Grants Commission, New Delhi to the sitting of the Committee.

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

6. In this context, the representative of the Commission explained before the Committee that one of the main reasons for the delayed submission of Annual Reports and Audited Accounts of the Commission for the last two years was the late receipt of Audited Accounts and Audit Reports thereon from the Audit Authorities. The Committee were further apprised that efforts were being made by the Authorities concerned to ensure for early receiving of Audited Accounts and Audit Reports thereon so that the documents are laid well within the time limit before Parliament. The Committee impressed upon the Ministry/ Commission to take every corrective measure to curb delays in laying of the documents in the House.

7. Thereafter, the Hon'ble Chairperson thanked the representatives of the Ministry and the Commission for responding to queries raised by the Members in connection with examination of the subject.

8. The witnesses then withdrew.

9. XX XX XX XX XX

 XX XX XX XX XX

The Committee, then, adjourned.

Appendix-II**EXTRACTS OF THE MINUTES OF THE FOURTH SITTING OF THE COMMITTEE ON PAPERERS
LAID ON THE TABLE OF THE HOUSE HELD ON 28.11.2016**

* * *

The Committee held its sitting on Monday, 28 November, 2016, from 1500 hours to 1545 hours in Committee Room 'D', Parliament House Annexe, New Delhi.

PRESENT

Shri Chandrakant Khaire - **Chairperson**

MEMBERS

2. Shrimati Veena Devi
3. Shri P.C. Gaddigoudar
4. Shri Laxman Giluwa
5. Shri Uday Pratap Singh
6. Shri Virendra Singh
7. Shri P.R. Sundaram
8. Shri Manohar Untwal

SECRETARIAT

1. Smt. Rita Jailkhani - Director
2. Smt. Maya Lingi - Additional Director

REPRESENTATIVES OF THE MINISTRY OF MINORITY AFFAIRS

1. Shri Rakesh Garg Secretary
2. Mrs. Rakhee Gupta Bhandari Joint Secretary

REPRESENTATIVES OF THE MAULANA AZAD EDUCATION FOUNDATION, NEW DELHI

Shri Madhukar Naik Dheeravath Secretary

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

3. Thereafter, the Committee took up consideration of the draft Ninth Report regarding delay in laying of the Annual Reports and Audited Accounts of University Grants Commission, New Delhi.
4. After deliberations, the Committee adopted the Report with the modification as contained in the Annexure
5. The Committee authorized the Hon'ble Chairperson to present the same to the Parliament.

The Committee then adjourned.

Annexure

Add the following at para 16 after the sentence ending with ' whichever is later ' but before the second last sentence, line 4 from below.

The Committee also urge the Ministry to evolve an effective mechanism ensuring that documents are laid by the Commission with in the stipulated time frame failing which responsibility be fixed and strict action be taken against the erring officials.