

Plans for Agartala and whether the Central Government will consider this at the time of finalisation of the plan ?

SHRI RAM NIWAS MIRDHA : We are very much conscious of the need to develop tele-communication in the North-Eastern region and, much more so, in Tripura. It is true that Agartala is at present not connected by the national subscribers dialling. But we are making all efforts to link it as early as possible. We are providing satellite circuit, first to connect Agartala with Delhi. Then there is the demand to connect Agartala to Calcutta. That we are also exploring, to give satellite connection to Calcutta because the normal channels do not work and satellite communications take a little time to develop.

Therefore, our effort is that at least these two connections are given as early as possible. Then we have other schemes for developing connections between Agartala and to district headquarters.

We have another scheme of the integrated digital network for the whole of Agartala and I can assure the hon. Member through you that all that needs to be done to establish Agartala's contacts with Delhi and Calcutta and other places, as well as development of tele-communication to Tripura as a whole, are getting our attention.

SHRI AJOY BISWAS : In Minister's reply, it is stated "Guidelines have been given to the State units for finalising their plans." What guidelines have been given to the State units ?

SHRI RAM NIWAS MIRDHA : These guidelines are general in the sense that when the Seventh Plan was of a bigger size, from Rs. 11,000 crores to Rs. 13,000 crores we had different guidelines and now we have revised them to be more realistic in the light of the reduced allocation for our sector. For example, one guideline is that all district headquarters should be automated and linked with the Capital as early as possible. There are similar other broad guidelines. Another guideline is that, wherever UHS link is necessary, it should be installed and reliable transmission system should be made as early as possible. These are some of the guidelines we have given to

them in the light of which they will recast their plan and then we will proceed further.

Working of the Institute of Cost and Works Accountants of India

*416. **SHRIMATI GEETA MUKHERJEE :** Will the Minister of INDUSTRY be pleased to state :

(a) whether Government are aware of a bank reconciliation gap of over Rs. 32 lakhs detected in the internal audit report of the Institute of Cost and Works Accountants of India for quarter ended December, 1984;

(b) whether it is a fact that a sum of about Rs. 12 lakhs was claimed to have been deposited with the banks by the same Institute, but the same is not tallying with records lying with the banks;

(c) if so, what steps Government contemplate in the matter with a view to project the interests of 1.5 lakh students and 6000 members of the Institute; and

(d) whether Government propose to take action under section 35 of Cost and Works Accountants Act, 1959 by dissolving the council of the Institute ?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT (SHRI M. ARUNACHALAM) : (a) to (d). A Statement is given below.

Statement

(a) and (b). The Institute of Cost and Works Accountants of India have informed that the Internal Auditors have not reported a gap of over Rs. 32 lakhs in their report for the quarter ended December 1984. However, they have mentioned in their report that the following amounts deposited by the Institute and accounted for in the cash book were not linked with the bank statement and vice-versa.

(Rs. in lakhs)

Deposited as per cash book but not linked with bank statement :	12.59
Credited in bank statement but not linked with cash book :	20.17

According to the Institute they are receiving a large number of demand drafts/cheques and these are deposited in the banks immediately. Students also directly deposit fees, on behalf of the Institute, in three banks with whom the Institute has accounts through out the country and send the receipted challans to the Institute. The Bankers give credit, in bank statement of the Institute, only after getting advice from their branches and in case of outstation cheques only after realisation. Since the reconciliation of balance as per bank statement with that of the Accounts of the Institute is a continuous process, the difference, if any, gets adjusted during the subsequent period as per normal commercial accounting.

(c) and (d). In view of the above, no action is required.

SHRIMATI GEETA MUKHERJEE : The Institute of Cost and Works Accountants of India is in Shambles. The hon. Minister, in reply to my question, has laid a statement on the Table which is the version of the Institute itself. I do not know whether the Minister has examined the statement which he himself has laid on the Table. Here it is said that the internal audit has not reported any irregularities, but at the same time it is also said :

“However, they have mentioned in their report that the following amounts deposited by the Institute and accounted for in the cash book were not linked with the bank statement and *vice versa*.”

My question was about reconciliation gap. And the figure mentioned here is also the same, Rs. 32 lakhs. And they have said, “...the following amounts deposited by the Institute and accounted for in the cash book were not linked with the bank Statement and *vice versa*.” Is it not another name for ‘reconciliation gap’? As far as my information goes, in their very annual accounts they have mentioned the question of reconciliation gap. Kindly examine this. Then in a subsequent meeting of the Council, they have written off the balances in respect of the differences appearing in the bank reconciliation statement. I want to know whether the Minister is aware of that or not, I also want to know whether the Minister is

aware of the fact that several lakhs of rupees worth of cheques and drafts which were returned by the banks, most of which are stale, have all been accounted, revalidated and subsequently credited to the bank. This is not a question of ‘process’ as you have given in your reply. Because of all these revealing facts, I want to know whether the hon. Minister will seriously take up this question and institute a high powered accounting inquiry into the finances of this Institute.

[Translation]

MR. SPEAKER : Wonderful, Geetaji, besides your own household, you have understood the entire accounts of another institution.

[English]

THE MINISTER OF ENERGY (SHRI VASANT SATHE) : The first question is whether there has been any large scale mis-accounting or false accounting, and if we find that there is any mischief or *mala fide*, only then the question of inquiry or action would arise. This is an autonomous body set up under an Act as far back as 1944 ; this is a very old organisation. Here our normal policy is not to interfere in autonomous organisations like the Chartered Accountants body or the University or other such organisations. Here the facts that the hon. Member has alleged are not, unfortunately, true. The hon. Member herself relied on this Balance Sheet or Report that they submit. This is the latest upto 31st March, 1985. In that they have stated that bank balance upto reconciliation adjustment 31-3-1984, pending adjustment, is only Rs. 52,672 and not Rs. 32 lakhs.

SHRIMATI GEETA MUKHERJEE : It is written off.

SHRI VASANT SATHE : Where is it written off? They have not written it off. There is no mention of any writing off.

SHRIMATI GEETA MUKHERJEE : Whether in the Council meeting it was written off or not? Please give me answer for that.

MR. SPEAKER : No direct dialogue.

(Interruptions)

SHRI VASANT SATHE : Sir, I need your protection.

MR. SPEAKER : Because it is a case of lady, I shall give you protection. (*Interruptions*)

SHRI VASANT SATHE : I am stating the facts.

SHRIMATI GEETA MUKHERJEE : No.

SHRI VASANT SATHE : I am quoting from the book on which you have relied.

I am quoting from that.

SHRIMATI GEETA MUKHERJEE : I have put a specific question.

SHRI VASANT SATHE : From whatever facts you have given, by whatever sources you have, I have found from enquiry that there is no ground to spect any *mala fide*. It is a question of reconciliation and that process is going on. If we find that any mischief is being done anywhere, we will not hesitate to take action.

SHRIMATI GEETA MUKHERJEE : Sir, allow me to lay on the Table of the House, the letter, of one of the members of the very Council of this body. I request the Minister to go through it and to take appropriate action. Without going into all that, he should not apply cosmetics to the financial mismanagement.

MR. SPEAKER : Send it to him.

SHRI VASANT SATHE : I am not used to cosmetics. (*Interruptions*)

Normally it is the privilege of the ladies.

MR. SPEAKER : If you do that, will allow a privilege motion against you.

SHRI S. JAIPAL REDDY : Now, Sir, the roles have been reversed.

SHRI VASANT SATHE : I will request the Hon. Member to send whatever information she has, I will pass it on to my colleague, the Minister of Industries for whom I am deputising here today, for necessary action.

Manufacture of Epabx by Indian Telephone Industries at Palghat

*417. SHRIMATI KISHORI SINHA : Will the Minister of COMMUNICATIONS be pleased to state :

(a) whether the Centre for Development of Telematics (C-DOT) has designed a EPABX incorporating many unique features;

(b) if so, whether this technology will be utilised by the Indian Telephone Industries in manufacturing EPABX at its Palghat factory ; and

(c) if not, the reasons thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF COMMUNICATIONS (SHRI RAM NIWAS MIRDHA) : (a) Yes, Sir.

(b) Yes, Sir.

(c) Does not arise.

SHRIMATI KISHORI SINHA : The Hon. Minister has given answer to the (a) and (b) parts of my question in affirmative. If it is so, I would like to know the reason for allowing import of three foreign technologies.

SHRI RAM NIWAS MIRDHA : These three foreign technologies were allowed some-time back before the C-DOT and EPABX were evolved. Therefore, we cannot stop at this stage when C-DOT technologies also are going to be tried and other manufactures are going in for collaboration. The procedure followed was that global enquiries were invited and a number of foreign companies quoted their terms, etc. for transfer of technology of Indian parties in the State sector as well as in the private sector. As a result of the evaluation, three technologies were selected from foreign countries and the choice was given to all the parties to have licence to collaborate with any one of them. After this has happend, C-DOT brought out this model of EPABX. Now 90 parties have applied for accepting this technology of C-DOT. We have not yet decided to whom to give licence for this. But looking into the great rush for this indigenous technology of ours, some decision will be taken very soon.