

OVERVIEW

General

Annual accounts of Autonomous Bodies

In 2005-06 there were 259 central autonomous bodies whose accounts were to be certified under Section 19 (2) and 20 (1) of the CAG's (DPC) Act, 1971. Government of India released Rs. 13222.69 crore towards grants and Rs. 175.47 crore towards loan to 251 bodies during 2005-06. Information on the amount of government grants released to the remaining 8 bodies was not available.

Grants amounting to Rs. 5257.28 crore (39.76 per cent of total grants) were disbursed by the Ministry of Human Resource Development to 92 educational institutions, Rs. 1007.59 crore (7.62 per cent of total grants) were disbursed by the Ministry of Health and Family Welfare to 23 health and research institutions and Rs. 438.95 crore (3.32 per cent of total grants) were disbursed by the Ministry of Commerce to 7 autonomous bodies.

Audited accounts for 2004-05 of 255 central bodies were to be placed before the Parliament by 31 December 2005. Of these, audited accounts of 81 bodies were submitted for audit within the stipulated time. The accounts of 8 bodies were not submitted for audit by the concerned organisations as on December 2006.

(Paragraph 1.1)

Ministry of Consumer Affairs

Bureau of Indian Standards

Bureau of Indian Standards revised the marking fee in August 1994, but the Management took eleven years to notify and publish it in the official Gazette. This led to an avoidable loss of Rs. 1.63 crore.

(Paragraph 4.1)

Ministry of Finance

Securities and Exchange Board of India

Injudicious decision of the Securities and Exchange Board of India to appoint the Chief Executive Officer and other supporting staff for the Central Listing Authority without formally establishing the latter resulted in wasteful

expenditure of Rs. 43.73 lakh on their pay and allowances and office expenses etc. during 2003-05 when they did not perform any official duty.

(Paragraph 5.2)

Ministry of Human Resource Development

Aligarh Muslim University

The special grant of Rs. one crore for the special repair and maintenance of heritage buildings of Aligarh Muslim University was diverted unauthorisedly.

(Paragraph 6.1)

Indian Institutes of Technology, Delhi

The Indian Institute of Technology, Delhi suffered loss of interest of Rs. 20.13 lakh due to belated claim of annual interest on its 37 investments involving Rs. 114.45 crore under Time Deposit Scheme of the Post Office.

(Paragraph 6.4)

National Council of Educational Research and Training

The National Council of Educational Research did not take timely action to procure paper to meet its requirement for printing text books for the year 2005-06. The delay at different stages of the procurement process led to the Council incurring an additional expenditure of Rs. 1.04 crore

(Paragraph 6.6)

University Grants Commission

The University Grant Commission released advance grant amounting to Rs. 5.48 crore to 24 Universities in March 2004 in violation of the provisions of the schemes as well as General Financial Rules resulting in blocking of funds for a period ranging between 8 and 24 months and consequent loss of interest of Rs. 59.02 lakh for the period from April 2004 to March 2006.

(Paragraph 6.8)

Ministry of Information and Broadcasting

Prasar Bharati

Acquisition by the Prasar Bharati (PB) of cricket telecasting rights without appropriate marketing plan followed by arbitrarily charging the advertisement

rates lower than the projected rates, resulted in loss of expected revenue of Rs. 51.59 crore; PB sustained cash loss of Rs. 9.98 crore in the transaction.

(Paragraph 7.1)

Doordarshan failed to enter into a formal agreement with National Film Development Corporation (NFDC) for supply of films on sponsorship basis on Minimum Guarantee (MG) terms for the period 1 April 2003 to 31 March 2004 despite the latter's request. This enabled NFDC to subsequently back out of its commitment and refuse to supply the films on MG terms from September 2003 onwards. Consequently, Prasar Bharati had to acquire the films on royalty basis from NFDC resulting in loss of revenue of Rs. 6.68 crore during September 2003 to March 2004.

(Paragraph 7.2)

Failure of Doordarshan to place order for supply, installation, testing and commissioning of four 150 metre steel towers at Dharampuri, Radhanpur, Sagar and Tirunelveli within validity period of bids resulted in excess expenditure of Rs. 3.29 crore.

(Paragraph 7.3)

Central Production Centre of Prasar Bharati retained large cash balances in its current account. During 2003-04 and 2004-05, the minimum balances held by CPC ranged between Rs. 1.54 crore and Rs. 14.51 crore, which did not earn any interest. Thus, retention of large cash balances resulted in loss of interest of Rs. 51.98 lakh.

(Paragraph 7.4)

Ministry of Shipping

Kolkata Port Trust

The Virtual Jetty constructed at Sagar at a cost of Rs. 5.73 crore remained unutilised even two years and nine months after its commissioning due to non-availability of barges of appropriate class and size essential for cargo handling rendering the entire expenditure unfruitful. The dredging done at the channel leading to Virtual Jetty at a cost of Rs. 5.96 crore also failed to meet its objective of increasing draft to 7.8 metre required for proper utilisation of the Virtual Jetty.

(Paragraph 8.2)

For pilotage operation from the shore-based pilot station at Sagar Island, Kolkata Port Trust spent Rs. 3.07 crore for dredging/excavation of an approach channel and basin without adequately assessing the efficacy of the measures recommended by the consultant. As a result the approach channel and basin so created had practically ceased to exist rendering the total expenditure of Rs. 3.07 crore wasteful.

(Paragraph 8.3)

Mumbai Port Trust

Mumbai Port Trust incurred expenditure on maintenance of a surplus and non functional vessel resulting in unnecessary expenditure of Rs. 2.95 crore.

(Paragraph 8.6)

Failure of Mumbai Port Trust to avoid considerable time lag between various stages in the award of the contract led to excess expenditure of Rs. 1.30 crore.

(Paragraph 8.7)

Ministry of Small Scale Industries and Rural Agro Industries

Khadi and Village Industries Commission

Khadi and Village Industries Commission failed to ensure the mandatory registration of units. This resulted in non-recovery of registration fee of Rs. 1.33 crore during 2003-04 to 2005-06 from 2538 units financed under REGP scheme.

(Paragraph 9.2)

Ministry of Urban Development

Delhi Development Authority

Delay on the part of Delhi Development Authority in providing structural drawings and materials in accordance with the terms of the agreement coupled with inaction after January 2006 resulted in blocking of funds of Rs. 1.91 crore and delay of three years in construction of a convention centre.

(Paragraph 11.1)

Delhi Development Authority failed to deduct cess from the bills of contractors and deposit Rs. 67.48 lakh with the Delhi Building and Other Construction Worker's Welfare Board in violation of the mandatory provision of the Building and other Construction Worker's Welfare Cess Act 1996. Due to non remittance of the cess, the Authority was also liable for penalty of a sum not exceeding Rs. 68.16 lakh.

(Paragraph 11.2)

Ministry of Youth Affairs and Sports

Sports Authority of India

Short recovery of service tax from the client for providing stadia for organising functions during July 1997 to September 2004 by the Sports Authority of India resulted in expenditure of Rs. 25.56 lakh out of its own funds to deposit the tax. It had also to pay interest of Rs. 38.09 lakh due to belated payment of service tax. The total irregular expenditure was thus Rs. 63.65 lakh.

(Paragraph 12.2)