

ISSUES RELATED TO CULTURAL INSTITUTIONS

MINISTRY OF CULTURE

**PUBLIC ACCOUNTS COMMITTEE
(2023-24)**

SEVENTY-FIFTH REPORT

SEVENTEENTH LOK SABHA



**LOK SABHA SECRETARIAT
NEW DELHI**

SEVENTY-FIFTH REPORT

PUBLIC ACCOUNTS COMMITTEE (2023-24)

(SEVENTEENTH LOK SABHA)

ISSUES RELATED TO CULTURAL
INSTITUTIONS

MINISTRY OF CULTURE



Presented to Lok Sabha on: 20.09.2023

Laid in Rajya Sabha on: 20.09.2023

LOK SABHA SECRETARIAT
NEW DELHI

September, 2023 /Bhadra, 1945 (Saka)

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COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE
(2022-23)

Shri Adhir Ranjan Chowdhury - Chairperson

MEMBERS

LOK SABHA

2. Shri Subhash Chandra Baheria
3. Shri Bhartruhari Mahtab
4. Shri Jagdambika Pal
5. Shri Vishnu Dayal Ram
6. Shri Pratap Chandra Sarangi
7. Shri Rahul Ramesh Shewale
8. Shri Gowdar Mallikarjunappa Siddeshwara
9. Shri Brijendra Singh
10. Shri Rajiv Ranjan Singh alias Lalan Singh
11. Dr. Satya Pal Singh
12. Shri Jayant Sinha
13. Shri Balashowry Vallabhaneni
14. Shri Ram Kripal Yadav
15. Shri Shyam Singh Yadav

RAJYA SABHA

16. Shri Shaktisinh Gohli
17. Shri Bhubaneswar Kalita
18. Dr. Amar Patnaik
19. Dr. C. M. Ramesh
20. Shri Vijayasai Reddy
21. Dr. M Thambidurai
22. Dr. Sudhanshu Trivedi

**COMPOSITION OF SUB-COMMITTEE I OF PUBLIC ACCOUNTS COMMITTEE
(2022-23)**

- | | | |
|---|---|--------------------|
| i. Shri Adhir Ranjan Chowdhury | - | Chairperson |
| ii. Shri Shaktisinh Gohil | - | Convenor |
| iii. Shri Vishnu Dayal Ram | - | Member |
| iv. Shri Gowdar Mallikarjunappa Siddeshwara | - | Member |
| v. Shri Ram Kripal Yadav | - | Member |
| vi. Shri Bhubaneswar Kalita | - | Member |
| vii. Dr.Sudhanshu Trivedi | - | Member |

COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE (2023-24)

Shri Adhir Ranjan Chowdhury

-

Chairperson

MEMBERS

LOK SABHA

2. Shri Thalikkottai Rajuthevar Baalu
3. Shri Subhash Chandra Baheria
4. Shri Bhartruhari Mahtab
5. Shri Jagdambika Pal
6. Shri Vishnu Dayal Ram
7. Shri Pratap Chandra Sarangi
8. Shri Rahul Ramesh Shewale
9. Shri Gowdar Mallikarjunappa Siddeshwara
10. Shri Brijendra Singh
11. Shri Rajiv Ranjan Singh *alias* Lalan Singh
12. Dr. Satya Pal Singh
13. Shri Jayant Sinha
14. Shri Balashowry Vallabbhaneni
15. Shri Ram Kripal Yadav

RAJYA SABHA

16. Shri Shaktisinh Gohil
17. Dr. K. Laxman
18. Shri Derek O' Brien¹
19. Shri Tiruchi Siva
20. Dr. M. Thambidurai
21. Shri Ghanshyam Tiwari
22. Dr. Sudhanshu Trivedi

SECRETARIAT

1. Shri T.G Chandrasekhar - Additional Secretary
2. Smt. Bharti Sanjeev Tuteja - Director
3. Shri Girdhari Lal - Deputy Secretary
4. Shri Ashikho Alemo - Executive Officer

¹ Elected w.e.f. 19.08.2023 consequent upon retirement of Shri Sukhendu Sekhar Ray, MP on 18.08.2023.

INTRODUCTION

I, the Chairperson, Public Accounts Committee (2023-24) having been authorised by the Committee, do present this 75th Report (Seventeenth Lok Sabha) on "Issues related to Cultural Institutions" based on Chapter VI of C&AG Report No. 4 of 2018 relating to the Ministry of Culture

2. The C&AG Report No. 4 of 2018 was laid on the Table of the House on 04.04.2018

3. Public Accounts Committee (2022-23) selected the aforesaid subject and allocated the same to one of their Sub-Committees, *i.e* Sub-Committee I for examination and Report.

4. The Sub-Committee – I of Public Accounts Committee (2022-23) took briefing by Audit on 03.01.2023. Thereafter, the Sub-Committee took oral evidences of the representatives of the Ministry of Culture on the aforementioned subject on 27.01.2023 and 17.02.2023. The Public Accounts Committee (2023-24) decided to continue

5. The Public Accounts Committee (2023-24) considered and adopted the aforesaid Report at their Sitting held on 18.09.2023. The Minutes of the Sittings are appended to the Report.

6. For facility of reference and convenience, the Observations and Recommendations of the Committee have been printed in thick type and form Part- II of the Report.

7. The Committee would like to express their thanks to the representatives of the Ministry of Culture for tendering evidence before them and furnishing the requisite information to the Sub-Committee-I in connection with the examination of the subject.

8. The Committee also place on record their appreciation of the assistance rendered to them in the matter by the Committee Secretariat and the Office of the Comptroller and Auditor General of India.

NEW DELHI

ADHIR RANJAN CHOWDHURY

18 September, 2023

Chairperson

27 Bhadrapada, 1945 (Saka)

Public Accounts Committee

REPORT

PART I

I. INTRODUCTORY

The C&AG Report No. 4 of 2018 for the year that ended on March 2017 contains significant results of the compliance audit of the various Ministries of Union Government.

2. Public Accounts Committee (2022-2023), decided to examine Chapter VI of the aforementioned Report which deals with Ministry of Culture and allocated the same to one of their Sub-Committees *viz.* Sub-Committee – I for examination.

3. The Chapter VI containing four paras - 6.1 to 6.4 dealing with various issues related to Cultural Institutions under the Ministry of Culture covers audit review for the period 2012-13 to 2016-17. In Para 6.1 of this Chapter, Audit noticed that in a scheme for 'Safeguarding the Intangible Heritage and Diverse Cultural Traditions of India (ICH scheme) being implemented by Sangeet Natak Akademi, only 35 out of 324 projects which were sanctioned during 2013-14 to 2015-16 had been completed while 96 grantees did not furnish even the first reports as of March 2017. It was also noticed that the Akademi had reported to the Ministry of Culture expenditure of Rs. 5.77 crore against the actual expenditure of Rs. 4.25 crore under the ICH Scheme. Further, Grants under another Scheme of Financial Assistance to Cultural Institutions were sanctioned in violation of scheme guidelines and a majority of the project proposals were not being routed through State Akademies/Governments and approvals were being accorded without due documentation. In Para 6.2, Audit observed that National Museum, New Delhi, failed to comply with Central Government Account (Receipts and Payments) Rules, 1983, relating to handling of government receipts. Further, it did not route receipts through the cash book nor did it undertake any reconciliation with bank accounts. As a result, Rs. 2.26 crore was irregularly kept outside government accounts for a prolonged period of time. While in the Audit Para 6.3, Audit noticed that the Asiatic Society, Kolkata, deposited excess provident fund contribution of Rs. 1.19 crore in respect of 160 employees in contravention of the Employees Provident Fund and Miscellaneous Provisions Scheme, 1952, in the Audit Para 6.4, Audit observed inaccurate assessment of contract demand by Indira Gandhi Rashtriya Manav Sangrahalaya, Bhopal, and delayed action for reducing the contract demand resulted in avoidable expenditure of Rs. 82.95 lakh towards electricity charges.

4. The Sub-Committee took oral evidence of the representatives of the Ministry of Culture on the subject at their Sittings held on 27.01.2023 and 17.02.2023.

A. Schemes for Promotion and Preservation of Cultural Heritage

5. The Para No.6.I relates to two schemes of the Ministry of Culture i.e. (i) Scheme for Safeguarding the Intangible Cultural Heritage and Diverse Cultural Traditions of India (ICH Scheme) being executed by the Sangeet Natak Akademi on behalf of the Ministry of Culture (MoC) and (ii) Scheme for Financial Assistance to Cultural Institutions and Individuals-Akademi's own scheme.

6. When asked about the role and functions of the Ministry of Culture and Sangeet Natak Akademi under the Schemes for promotion and preservation of cultural heritage, the Ministry in a written reply stated as under:

“The Scheme for Safeguarding the Intangible Cultural Heritage and Diverse Cultural Traditions of India (ICH Scheme) is a Ministry of Culture scheme, with Sangeet Natak Akademi as the Implementing agency. Enclosed Ministry of Culture Order vides F.No. 2-4/2013-UNESCO dated 5th November 2013. (Annexure- I)”

7. On being asked about the monitoring mechanism put in place in the Ministry to ensure implementation of the schemes as per the guidelines/instructions issued therefore and consequent release of funds to the SNA, the Ministry in a written reply stated as under:

“The provision given in the scheme:

Scheme Point 16: Monitoring Mechanism

An appraisal/ inspection of the beneficiary may be done by the Expert Committee/ Sub-Committee or any other designated agency/ officials including Ministry of Culture or any of its organizations at any point of time. Ministry of Culture will be kept informed, through periodical reports/ returns, etc. of the progress of the implementation of the scheme. Joint Secretary concerned in the Ministry of Culture may call at any time, any detail/ information including officials concerning the Scheme.

8. When asked whether the Ministry/ SNA undertake review meetings, the Ministry in a written reply stated as under:

“Yes, SNA conducted review meetings where the project reports were evaluated by the expert committee and evaluations were sent for consideration by the Ministry.”

a) **Scheme for Safeguarding the Intangible Heritage and Diverse Cultural Traditions of India (ICH scheme)**

9. Audit scrutiny revealed that the Ministry of Culture sanctioned the ICH scheme in November 2013 to support and strengthen the efforts of various stakeholders in ensuring wider recognition and acceptance, dissemination, preservation and promotion of the rich cultural heritage of India. The scheme provides for assistance in the form of non-recurring grants in three instalments in the ratio of 50:25:25. The scheme was to be implemented by the Akademi during the XIIth Five-Year Plan and has been extended by MoC upto September 2017. The scheme provided that applications/proposals received in the Akademi for grants should be placed before an Expert Committee (EC) constituted by MoC every two years. Recommendations of the EC were to be approved by MoC after which first instalments would be released to the approved grantees. The scheme guidelines required the EC to fix a time frame for completion of the activity proposed for submission of claims for second/third instalments. An appraisal of the project was to be undertaken by the EC or any other authority designated by MoC prior to the release of second instalment. Final instalment was to be released after completion of the project and submission of documents as proof thereof.

10. When asked of the latest status of the scheme, the Ministry in a written reply stated as under:

“The ICH Scheme time period was for the duration/years 2013-14, 2014-15 and 2015-16. No new proposals were taken up from 2016-2017 onwards. The next cycle for implementing the scheme is to be initiated by the Ministry of Culture by providing an expert committee and restart the scheme. The scheme is not operational at present.”

Incorrect accounting of funds received under ICH scheme

11. Audit noticed that MoC released ₹ 5.57 crore to the Akademi under the ICH scheme during the period from 2013-14 to 2015-16. The funds received vis-à-vis utilisation under the scheme as on March 2017 was as in Table No. 1 below:

Table No. 1: Release of Grants and their Utilisation

Year	Grant received from MoC (₹)	Expenditure shown in UC furnished to MoC (₹)	Expenditure actually incurred under the scheme (₹)
2013-14	67,67,250	87,72,809	57,23,284
2014-15	2,49,00,000	2,48,59,689	1,92,84,926
2015-16	2,40,00,000	2,40,40,311	1,74,43,057
Total	5,56,67,250	5,76,72,809	4,24,51,267

Scrutiny of records revealed the following:

- (i) The Akademi was required to maintain separate accounts for the funds received under the scheme. The Akademi, however, did not maintain separate accounts and merged the expenditure incurred on the ICH scheme with its regular expenditure. During the period 2013-14 to 2015-16, Akademi had incurred an expenditure of ₹ 4.25 crore under the scheme but furnished incorrect Utilisation Certificate for ₹ 5.77 crore.
- (ii) In March 2015, MoC released ₹ 50.95 lakh to the Akademi for carrying out activities related to 'Buddhist Chanting and Thatheras of Punjab' under the ICH scheme. The sanction of MoC stipulated that the funds should be utilised within the same financial year and the unspent balance, if any, should be intimated to the Government.
- (iii) The Akademi furnished a consolidated UC of ICH scheme of ₹ 2.49 crore for the year 2014-15 including expenditure incurred on the activity of Buddhist Chanting and Thatheras of Punjab with unspent balance of ₹ 0.40 lakh. However, in December 2016, the Akademi intimated MoC that it had utilised only ₹ 16.27 lakh out of ₹ 50.95 lakh on the above activity. Thus, not only did the Akademi furnish an incorrect UC to MoC, it also failed to refund the unspent balance or seek MoC's specific permission to spend the unutilised amount of the grant in subsequent years.

12 In reply, the Ministry stated that due to practical operational problem SNA did not open a separate bank account for the purpose. On the direction of the Ministry of Culture, SNA has now opened a separate bank account to bring more transparency in the account in respect of future grant. SNA have initiated the process to examine the receipt and expenditure of identifying the activities which were not covered under the ICH scheme but were ICH activities executed by SNA and to revise UCs to consider for adjustment in future release.

13. When asked what practical operational problem was faced by SNA in opening separate accounts for the funds received under the scheme, the Ministry in a written reply stated as under:

"The ICH Scheme funds were credited to the main account of the Akademi. The ICH Scheme Expert Committee meetings recommended the projects for release of grant installments from that account itself. A proper internal account maintenance mechanism via separate Tally ledgers was utilized till the time the funds were received from the Ministry. As there were various other activities, plans like TSP etc were operating; SNA was and still manages the F&A with limited staff and to maintain separate books of account for effective control purpose, After EDCIL evaluation followed by C&AG Audit's Action Taken Report, SNA had started operating via separate account (out of the few accounts it has)."

14. When asked when directions were issued from the Ministry for correcting the accounting lapse, the Ministry in a written reply stated as under:

"The Ministry understood from the Akademi that the problem was not to open a separate bank account but to open a separate bank account as well as to keep and maintain separate books of account for different scheme. The working staff at the time did not find it feasible and practical to maintain separate books of account for different schemes for control purpose. (b) SNA has now opened a separate bank account and the process of bifurcating the expenditure incurred on activities under ICH and on other activities is expected to bring more transparency in the account in respect of future grant.

15. To a query whether the Ministry has fixed any timeframe for SNA to examine the receipt and expenditure of identifying the activities which were not covered under the ICH scheme but ICH activities were executed by SNA and to revise UCs to consider for adjustment in future release, the Ministry in a written reply stated as under:

"The revised guidelines suggested by the 2nd EC included a 'flow of the project' as a timeframe as the original scheme did not mention on it. These draft review guidelines pertaining to the ICH Scheme for any fresh projects or a new cycle for implementation, on advice by the 2nd EC, have been sent to Ministry and is under consideration."

16. When desired to know whether the Akademi has furnished the revised UCs, the Ministry in a written reply stated as under:

"The Akademi submitted the revised UCs on 3rd March 2021, with the Submission of ATN on C&AG Audit Para No. 6.1 - Schemes for Promotion and Preservation of Cultural Heritage. The UCs are enclosed. (*Annexure -III*)"

17. To a pointed question whether opening a separate bank account will be sufficient to address the issue, the Ministry in a written reply stated as under:

"For implementation of new/fresh cycle of the ICH Scheme the directives of having a separate account will be appropriate and Akademi's accounting mechanism will ensure a streamline control and monitoring."

18. On being asked whether the Sangeet Natak Akademi has provision for internal Audit, the Ministry in a written reply stated as under:

"Yes."

19. Audit noticed that in March 2015, MOC released ₹ 50.95 lakh to the Akademi for carrying out activities related to Buddhist Chanting and Thatheras of punjab, under the ICH scheme. The sanction of MOC stipulated that the funds should be utilised within the same financial year and the unspent balance, if any, should be intimated to the Government.

However, the Akademi furnished a consolidated UC of ICH scheme of ₹2.49 crore for the year 2014-15 including expenditure incurred on the activity of Buddhist Chanting and Thatheras of Punjab with unspent balance of ₹ 0.40 lakh. However, in December 2016, the Akademi intimated MOC that it had utilised only ₹16.27 lakh out of ₹ 50.95 lakh on the above activity. In reply, SNA has been instructed to regularise the "Buddhist Chanting and Thatheras of Punjab" funds and to return the unspent balance to the Ministry.

20. When asked when the instruction was issued to regularize the "Buddhist Chanting and Thatheras of Punjab" funds and to return the unspent balance to the Ministry, the Ministry in a written reply stated as under:

"The Akademi invited the stakeholders, experts, artisans etc., of Thatheras of Punjab and Buddhist Chanting to various festivals, programs, workshops, exhibitions organized by the Akademi. Program schedules of some festivals are enclosed. The ICH elements are related to the ICH domain Traditional Craftsmanship (Thatheras) and Oral traditions and expressions and knowledge and practices concerning man and universe (Buddhist Chanting). Akademi as the national academy of performing arts had made all efforts to include these cultural expressions in various festivals and events where the Government of India campaigns like Make in India was presented through traditional craftsmanship. ICH related activities were organized keeping the presentations of all inscribed elements of India on the Representative List of ICH of Humanity, UNESCO 2003 Convention. India as the member state of the UNESCO 2003 Convention had to submit periodic reports on the developments and progress made on all inscribed elements. In the spirit of implementation of endeavors to enhance the country's ICH related policies, all elements were considered for presentation and promotion, including Thatheras and Buddhist Chanting, in festivals, events, programs etc.

Current status: The unspent balance on support to Thatheras and Buddhist Chanting as on 31st March 2019, have been utilized by the Akademi in other related ICH activities, including the above named ICH elements. ex-post facto approval for these items were duly sought with the request that the said unspent amount were utilized by the Akademi for ICH activities (festivals, workshops, events, ICH meetings, reports to UNESCO which entails collating information from communities, stakeholders, related state bodies, experts, field visits etc.) and offset with such expenditure incurred."

21. When asked reasons for failing to refund the unspent balance or seek MoC's specific permission to spend the unutilized amount of the grant in subsequent years by SNA, the Ministry in a written reply stated as under:

"At the onset it may be noted that any expenditure on programmes incurred by the Akademi falls under Indian Cultural Heritage. The major purpose is to enhance the policy of the government and the national interest through the said scheme. The

Akademi has itself devised its various schemes such that it covers that expenditure under ICH which is of research in nature and is meant for UNESCO convention. While allowing grant to Institutions/ Individuals under the ICH scheme, the Akademi has been following the MoC sanctioned guidelines in this regard. The Akademi had assured the Ministry that it has already taken steps to remove those deficiencies and will take care in future not to recur such kind of irregularity once any new or fresh cycle of ICH Scheme is started in the future. In order to adopt corrective measures and considering the matter of difference of common understanding with ultimate common objectives as a way forward, the Ministry was of the opinion that all expenditure incurred for the purpose of achieving its overall objectives in the public as well as nation's interest and accordingly the Ministry has decided to give one time post facto approvals in all appropriate transactions and allowed to the Akademi to offset unspent balance among schemes, with the result it has been presumed that the excess payment made by the Akademi under the scheme has been met out of general fund provided by the Ministry and therefore the same need not be reimbursed to the Akademi. As mentioned, as per the recommendations of the Investigation Committee of the Ministry of Culture had stated under the utilization of funds received for ICH, SNA will get the administrative expenditure separately (ex-post facto) approved from the competent authority of the Ministry and release of funds utilized by SNA for both administrative expenses and other expenses under the Schemes of ICH. Ex-post facto letters were accordingly sent to the Ministry for the F.Y 2019-20 and 2020-21, for the Competent Authority's approval."

22. When asked about the steps taken by Akademi to remove the deficiencies and to avoid recurrence, the Ministry in a written reply stated as under:

"Adhering to the EDCIL (3rd party evaluation conducted by MoC) and the C&AG Audit held in 2020-2021 and under the guidance of the expert committee, Akademi had blacklisted the individuals and organizations that had not completed their projects. The review meetings of the expert committee had evaluated all reports and used to provide inputs on projects that needed to be reworked and researched again. Akademi had also notified the defaulting grantees for recovery of grants. It is also submitted that most of the grantees have submitted the reports, however reports submitted after the rectification suggested by the expert committee, are in the custody of the Akademi and most of them have been added to the national inventory of ICH."

23. Regarding status of updating of its books of accounts by Akademi, the Ministry in a written reply stated as under:

"Yes"

Deficient implementation of the scheme

24. MoC approved 324 projects during 2013-14 to 2015-16 against which the Akademi had released ₹ 3.69 crore till March 2016 (Annexe-III). No fresh projects were sanctioned after 2015-16. Audit noticed the following:

(i) Dismal rate of completion of projects

- (a) Only 35 out of the 324 projects approved during 2013-14 to 2015-16 have been completed. Further, not even first reports have been received from 96 grantees as of March 2017.
- (b) The scheme guidelines required the EC to fix time frame for completion of the activity proposed for submission of claims for the second/third instalments. In case of non-adherence to the time-line, disqualification/recovery may be effected. However, no such time limit was found recorded in the minutes of meetings of the EC. In the absence of any time limit, no action could be taken for revoking of approvals for incomplete projects and recovery of funds as envisaged in the scheme guidelines. Audit observed that MoC had instructed (March 2017) the Akademi to initiate necessary action immediately to recover the grants released to such grantees who had not submitted their first or reworked reports and convey an update to the Ministry as well as to blacklist such grantees. However, no such action had been taken by the Akademi as of October 2017.

MoC stated (December 2017) that the scheme guidelines would be revised to include provisions for recovering funds from grantees who had failed to complete their projects. Further, Akademi would be directed to strictly adhere to the time frame given to the grantees for submission of reports.

- (c) The scheme guidelines were silent about sanctioning fresh projects to grantees who had not completed their earlier projects. Audit noted that 54 projects of 25 grantees involving grant of ₹ 1.06 crore were approved in successive years without ensuring completion of their earlier projects. Of these, 38 projects (70 per cent) were yet to be completed as of March 2017. These included four grantees who were sanctioned projects in each of the three years from 2013-14 to 2015-16. Sanctioning projects to grantees even before the completion of their earlier projects could contribute to poor rate of completion of projects.

MoC assured (December 2017) that suitable amendments in the scheme guidelines would be done to comply with the audit observation.

- (d) The broader objectives set out in the scheme included systematically safeguarding, promoting and propagating the intangible cultural heritage. The

Akademi did not initiate any steps to document, archive or publish the reports/material received in respect of the completed projects so as to disseminate the research output as intended in the scheme.

Akademi accepted (November 2017) that material received from the grantee institutions has not been utilised in any way. However, it added that it was in the process of developing a website for uploading the material received from the grantees. MoC reiterated (December 2017) the Akademi's assurance in this regard.

25. As per Background Note furnished by the Ministry, SNA has sent letters to all the grantees who have failed to submit/complete their reports/projects. Many have finally submitted their reports after reminders. Recovery proceedings are also being initiated in the case of defaulters. Now, it is regularly monitored. Further, SNA has also started the process of recovering the granted money under the ICH scheme. SNA have started blacklisting those grantees who fail to complete the project and ignore the reminders. In future, a timeline will be fixed on the entire projects recommended under ICH scheme for 2nd and 3rd installments.

26. When asked about the composition of the Expert Committee, the Ministry in a written reply stated as under:

"Ministry of Culture constituted the Expert Committee for the ICH Scheme, for tenure of 2 years. The MoC constituted the first Expert Committee vide order 2-4/2013-UNESCO dated 12 March 2014. The second Expert Committee was reconstituted vide order F.No. U-11/122/2018-UNESCO dated 29 July 2019. Orders enclosed. (*Annexure V*)

27. On being asked about the mechanism in place to ensure that grants are utilized for the purpose for which they are given, the Ministry in a written reply stated as under:

"Sangeet Natak Akademi is the implementing body for the ICH Scheme. The Expert Committee constituted by the MoC reviews and recommends projects for grants. The Expert Committee had while considering the project proposals and appraising the various reports of the beneficiaries had deliberated extensively and methodically and had made all the recommendations based solely on the merit of the proposal or the report accordingly. All the recommendations were duly sent further to the Ministry of Culture for due consideration and approval. The Expert Committee ensured that the grants were utilized for the purpose of the projects. The reports were scrutinized by the committee and further grants were sanctioned only when the Committee recommended it after an appraisal. The sanction letter given to the grantees noted that the Progress report of work done out of the 1st installment received will have to be submitted along with other relevant documents, work reports, documentation (Audio-Video or any other format), ensuring a proper mechanism for

examination of reports and the grant utilization. Moreover, the Akademi had formulated a Blue Print for the grantees for submission of reports, which noted that the grants sanctioned will be utilized for the purpose for which it was sanctioned. Utilization certificates were mandated to be submitted by the grantees. Akademi also acted in a handholding manner, where all the doubts regarding the process, grants, enquiry pertaining to the process of documentation, survey, and data creation were cleared as and when the grantees had approached the Akademi via telephone or emails.”

28. Audit observed that the scheme guidelines were silent about sanctioning fresh projects to grantees who had not completed their earlier projects. Audit noted that 54 projects of 25 grantees involving grant of ₹ 1.06 crore were approved in successive years without ensuring completion of their earlier projects. Ministry of Culture assured (December 2017) that suitable amendments in the scheme guidelines would be done to comply with the audit observation. In the Background Note it is stated that SNA has been instructed to take utmost care, to not consider any such proposals, which are ongoing/repeated for the individual/institution who is an earlier applicant.

29. When asked whether Ministry/ SNA ever noticed during review meetings or otherwise that the scheme guidelines were silent about sanctioning fresh projects to grantees who had not completed their earlier projects, the Ministry in a written reply stated as under:

“Akademi followed the instructions as per the scheme guidelines and the EC evaluated the projects accordingly.

30. Audit pointed out that the broader objectives set out in the scheme included systematically safeguarding, promoting and propagating the intangible cultural heritage. The Akademi did not initiate any steps to document, archive or publish the reports/material received in respect of the completed projects so as to disseminate the research output as intended in the scheme. As per the Background Note, Akademi has created a website for the purpose. The completed projects, appraised by the Expert Committee are in the process of being uploaded. Some projects have already been uploaded.

31. When asked reasons for failing to ensure achievement of the intended objectives of the scheme by the Ministry, the Ministry in a written reply stated as under:

“Sangeet Natak Akademi as the nodal agency of Ministry of Culture for ICH related matters facilitates various aspects that are pertaining to the dissemination of ICH of the country. The erstwhile ICH Scheme, which was operational from 2013-16 was to enrich the National Inventory of ICH of India. The completed projects and related materials paved way for a National Inventory (Work in Progress) as may be explored via the web link: <https://www.sangeetnatak.gov.in/sections/ICH>. The grantees were provided with a National Inventory Register Form which they were

required to fill and duly submit for the purpose of enriching the ICH Inventory. The Akademi has also been uploading the completed projects. Many completed projects have already been uploaded. Furthermore, the Akademi assisted the MoC in formulating a National ICH register which was collated from the projects sanctioned under the aforementioned scheme (web link: <https://www.indiaculture.gov.in/national-list-intangible-cultural-heritage-ich>) It is informed that a report includes written materials, photos, videos and related documents that a grantee may consider vital for its report. This is tantamount to having data in GBs for each report. Akademi's website has many other sections information also, a separate server was felt needed for exclusive ICH dissemination so that this may be implemented."

32. When asked about the action taken to timely upload the completed projects, appraised by the Expert Committee, the Ministry in a written reply stated as under:

"Adhering to the directives given by the Expert Committee, the digitization of all the completed projects were under taken. It is informed that a report includes written materials, photos, videos and related documents that a grantee may consider vital for its report. This is tantamount to having data in GBs for each report. Akademi's website has many other sections information also, a separate server was felt needed for exclusive ICH dissemination so that this may be implemented. The Akademi has requested MoC for related funds time and again. This is to inform that the collective reports of ICH scheme projects includes written documentation, reports, AV documentation, photographs, hard copy reports which may be scanned and digitized etc, the quantity of data is more than 200-250 GB. A semblance of ICH element descriptions, short videos/reels, documentation as Meta data and representative photographs can be added for dissemination and representation purpose."

33. When asked about the status of remaining 141 projects, the Ministry in a written reply stated as under:

"For the three years of the scheme, 324 projects were approved by the first Expert Committee of ICH Scheme (constituted by MoC Order F. No. 2-4/2013-UNESCO, 12th March 2014).

At present, the total number of projects completed for the following 3 cycle years are:

2013-14 –	61 projects
2014-15 –	66 projects
2015-16 -	56 projects

183 projects complete (Includes grantees to which final instalments are yet to be released + grantees to which all instalments released) By the MoC Order F. No.U-11/122/2018-UNESCO dated 29th July 2019, the Re-constituted Expert Committee was formed and a meeting was conducted on 16-20 October 2019 (adhering to the

EDCIL and the C&AG Audit held) to review the backlog reports of the grantees that were awaiting evaluation due to the non-reconstitution of the EC. Following the action taken reports along with the project reports submitted by the grantees. Subsequently, a Sub-Committee was formed and evaluated and reviewed the backlog reports from the cycle year 2013-14, 2014-15 and 2015-16. Nonetheless, the Expert Committee had directed the grantees to submit their final report for the purpose of inventorying and digitalization. Many of the grantees submitted their final reports. However, the Reconstituted EC in its following Committee meeting for Fixing of Responsibility held in 2019-2020 and 2020-21 decided not to release any further instalments to any grantee but suggested to utilise the project materials (Videos, photographs, written documentation) as archival property of the Akademi. Further it also been suggested to get all the pending projects completed.

- a) National Inventory (Work in Progress was to provide the description of the element/diverse cultural expressions obtained through the scheme projects)
- b) 96 Projects from the 141 cases are included in the ICH Inventory.”

34. When enquired regarding the action being taken by the Sangeet Natak Akademi to complete the remaining 141 projects under the ICH Scheme, the Ministry stated as under:

“The remaining 141 projects under the scheme are considered for completion with the guidance of the experts of the particular projects and the remaining installments may be considered for release after evaluation by an ICH Expert Committee. Cautionary reminders are sent to all the grantees for completion and submission of the project reports.

Status of remaining projects (141):

- Out of 141 projects, 86 are included in the National Inventory
- Other 55 projects will be included in the national inventory by October 2023
- All 55 grantees have been contacted to submit reports for evaluation and the final outcome will be processed for updating on the National Inventory (work in progress)”

The Ministry further submitted that revised guidelines for ICH Scheme with supplementary inputs for salvaging the 55 projects have been issued.

35. When asked the latest status of release of all three installments to the grantees pertaining to the year 2013-14 to 2015-16, the Ministry in a written reply stated as under:

“All three instalments (50%+25%+25%) released to:

2013-14 cycle – 37 grantees
2014-15 cycle – 16 grantees”

36. When asked what monitoring mechanism has been put in place by the Akademi/MoC to ensure achievement of scheme objectives, the Ministry in a written reply stated as under:

“Sangeet Natak Akademi was the implementing body for the ICH Scheme. The Expert Committee constituted by the MoC reviews and recommends projects for grants. The Expert Committee while considering the project proposals and appraising the various reports of the beneficiaries had deliberated extensively and methodically and had made all the recommendations based solely on the merit of the proposal or the report accordingly. All the recommendations were duly sent further to the Ministry of Culture for due consideration and approval. The Expert Committee ensured that the grants were utilized for the purpose of the projects. The reports were scrutinized by the committee and further grants were sanctioned only when the Committee recommended it after an appraisal. The sanction letter given to the grantees noted that the Progress report of work done out of the 1st instalment received will have to be submitted along with other relevant documents, work reports, documentation (Audio-Video or any other format), ensuring a proper mechanism for examination of reports and the grant utilization. Moreover, the Akademi had formulated a Blue Print for the grantees for submission of reports, which noted that the grants sanctioned will be utilized for the purpose for which it was sanctioned. Utilization certificates were mandated to be submitted by the grantees. Akademi also acted in a handholding manner, where all the doubts regarding the process, grants, enquiry pertaining to the process of documentation, survey, and data creation were cleared as and when the grantees had approached the Akademi via telephone or emails. The Akademi in order to fulfill the purpose of the ICH scheme had designed an Inventory Form for circulation among the grantees when sanctioning grants, for them to duly fill and submit the form for enriching the Inventory. Sangeet Natak Akademi as the nodal agency of Ministry of Culture for ICH related matters facilitates various aspects that are pertaining to the dissemination of ICH of the country. The erstwhile ICH Scheme, which was operational from 2013-16 was to enrich the National Inventory of ICH of India. The completed projects and related materials paved way for a National Inventory (Work in Progress) as may be explored via the web link: <https://www.sangeetnatak.gov.in/sections/ICH>. The grantees were provided with a National Inventory Register Form (enclosed) which they were required to fill and duly submit for the purpose of enriching the ICH Inventory. This is to inform that the collective reports of ICH scheme projects include written documentation, reports, AV documentation, photographs, hard copy reports which may be scanned and digitized etc, the quantity of data is more than 200-250 GB. A semblance of ICH element descriptions and representative photographs can be added for dissemination and representation purpose. The Akademi has also been uploading the completed projects. Many completed projects have already been uploaded. Furthermore, the

Akademi assisted the MoC in formulating a National List of ICH which was collated from the projects sanctioned under the aforementioned scheme (web link: <https://www.indiaculture.gov.in/national-list-intangible-cultural-heritage-ich>)

37. When asked about the reasons for not uploading project related materials and steps being taken by Akademi to ensure uploading of all the project reports, the Ministry in a written reply stated as under:

“It may please be appreciated that a report includes written materials, photos, videos and related documents that a grantee may consider vital for its report. This is tantamount to having data in GBs for each report. Akademi’s website has many other sections information also. A separate server was felt needed for exclusive ICH dissemination so that this may be implemented. This is to inform that the collective reports of ICH scheme projects includes written documentation, reports, AV documentation, photographs, hard copy reports which may be scanned and digitized etc, the quantity of data is more than 200-250 GB.

To upload all the project a separate website is needed. Now, funds have been released which includes the updating and ugradation of the ICH-SNA Website with enhanced server space. The work has been initiated and will be completed within six months.”

38. When asked about the mechanism in place to ensure that grantees of completed projects upload all relevant materials on the website in a timely manner, the Ministry stated as under:-

“Akademi had earlier created a separate ICH website other than its official website. Keeping in focus the quantum of data of reports, approx. 200-250 GB, following is the mechanism considered:

1. Enhancement of ICH Website server space
2. Purchasing and renewal of the domain and enhancement of the website
3. Enhancement of Technical Team, AV editing, content uploading and maintenance on regular basis.

SNA has commenced the process for a separate website for ICH”

39. In respect of the number of projects under ICH Scheme that have been uploaded in the National Inventory, the representatives of the Ministry submitted during oral evidence as under:

"Sir, except for 45, all the grantees have submitted their final report, which has also been hosted on the website"

40. When asked whether the Revised Guidelines are approved and implemented now, the Ministry in a written reply stated as under:

"The Reconstituted Expert Committee (2019-2021) drafted the Revised ICH Scheme Guidelines based on the recommendations of the EdCIL and the discussion/ Minutes of the various Expert Committee Meetings. Sangeet Natak Akademi had sent the Revised Guidelines to the Ministry of Culture for approval. Meanwhile the Scheme itself is on hold now. The review and approval of the Revised Guideline couldn't take place due the non reconstitution of the General Council of SNA. However the new council has been constituted in November 2022.

41. During oral evidence, the representatives of the Ministry also submitted that the revised draft guidelines are still under consideration by the newly constituted Council. The representatives further apprised the Committee that all changes that have happened in the Scheme at the level of UNESCO, of which India is a member, as well as at the internal level will be considered by the Committee before sending it for approval.

42. When asked whether Akademi has identified all the incomplete projects wherein recovery to be made, the Ministry in a written reply stated as under:

"Yes. Sangeet Natak Akademi had sent letters to grantees who had not submitted any report and those who had not completed their projects. Devendra Singh Solanki returned INR 50,000/- (his 1st instalment amount) for not submitting any report. The Ministry of Culture had directed to Blacklist those grantees of the Scheme who have not submitted any report and to circulate their names among all organizations under the Ministry, so as to debar these grantees from applying under any Scheme implemented by the Ministry of Culture. Action taken was initiated and the list of the Blacklisted grantees was circulated to all organizations under the MoC.

43. In respect of the blacklisted grantees and the amount to remaining to be recovered the Ministry submitted as under:

"Rs.7,12,500/- (Rs. Seven Lakh Twelve Thousand Five Hundred only) The aforementioned blacklisted grantees were given the 1st Installment, i.e. 50% of the total sanctioned amount. The blacklisted grantees are the ones who have not submitted any report since receiving the 1st installment. Letters/ emails have been sent to them for recovery of money.

1. Western Star Arts and Sports Club (grantee 2013-14) – 12,500/-

2. DINESH YADAV (grantee 2015-16) – 1,00,000/-
3. Nirman Kala Manch (grantee 2015-16) – 2,50,000/-
4. SANKALP (grantee 2015-16)- 1,00,000/-
5. YAMINI CULTURAL SOCIETY (grantee 2015-16)- 1,00,000/-
6. BASHIR AHMED BAGAT (grantee 2015-16)- 50,000/-
7. ShantaSerbjeetSingh(Deceased)
(grantee 2013-14) – 1,00,000/-

The defaulting grantees have been blacklisted. The grantees have not returned the sanctioned grants. However the new dispensation of SNA is of the opinion of salvaging the projects by giving one more chance upto October 2023 and include them in the national inventory. It has been decided to extend time till October 2023 to 55 grantees to finish their project failing which recovery proceedings will be summarily initiated within a Month.

44. When asked if the revised scheme guidelines are still not approved, how Akademi is ensuring that fresh projects are not sanctioned to grantees who had not completed their earlier projects, the Ministry in a written reply stated as under:

“The Scheme is on hold. The ICH Scheme was operational for the cycle years 2013-14, 2014-15 and 2015-16. No new proposals were taken up from 2016-2017 onwards.

45. When asked about the steps taken to avoid such cases of oversight/overpayment in future, the Ministry in a written reply stated as under:

“The ICH Scheme is yet to be initiated by the Ministry of Culture for future cycle years. The Reconstituted Expert Committee (2019-2021) prepared Revised Guidelines for the ICH Scheme keeping in perspective an improved and effective system of monitoring mechanism and standard operating procedures.”

46. On being pointed out by the Audit, reply is not tenable as neither the recommendation of EC nor the final report was available on record. Internal checks have been put in place to ensure that final installment of grant is released only after receipt of final report, the Ministry in a written reply stated as under:

“The Expert Committee constituted by the MoC reviews and recommends projects for grants. The Expert Committee had while considering the project proposals and appraising the various reports of the beneficiaries had deliberated extensively and methodically and had made all the recommendations based solely on the merit of the proposal or the report accordingly. All the recommendations were duly sent further to the Ministry of Culture for due consideration and approval. The Expert Committee ensured that the grants were utilized for the purpose of the projects alone. The reports were scrutinized by the committee and further grants were sanctioned only

when the Committee recommended it after an appraisal. Utilization certificates are mandated to be submitted by the grantees. The final instalment (25%) of the grant is disbursed after completion of the project/ activity and submission of relevant documents as proof thereof along with the Utilization Certificate and audited statement of accounts together with statement of Expenditure incurred out of the Akademi's grant for the stipulated financial year of the sanction of the grant. As per the cases mentioned in 6.1.2.2 (ii) (c), the Akademi records exhibit that the grantees Ajit Kumar Jha (case 4); Ajit Kumar (case 5); and Kalicharan Yadav Rawat Nach Mahotsav Samiti (case 6) had duly submitted their reports on the basis of which the EC had recommended the release of instalments.

47. When asked what checks/ internal control have been put in place to ensure that subsequent installments of grants are released only after receipt of previous reports, the Ministry in a written reply stated as under:

"The reports were scrutinized by the expert committee and further grants were sanctioned only when the Committee recommended it after an appraisal. The sanction letter given to the grantees noted that the Progress report of work done out of the 1st instalment received will have to be submitted along with other relevant documents, work reports, documentation (Audio-Video or any other format), ensuring a proper mechanism for examination of reports and the grant utilization. Accordingly 2nd instalments were released on the recommendations of EC. On receiving the full reports (written and AV documentation included), the EC used to consider the finalization of the project and in certain cases recommended the grantees to rework the reports accordingly. Moreover, the Akademi had formulated a Blue Print for the grantees for submission of reports, which noted that the grants sanctioned will be utilized for the purpose for which it was sanctioned. Utilization certificates were mandated to be submitted by the grantees before the release of the final instalment. Furthermore, the reconstituted expert committee drafted the Revised ICH Scheme Guidelines based on the recommendations of the EdCIL and the discussion/ Minutes of the various Expert Committee Meetings. The reconstituted Expert Committee provided the timeline for each research cycle as minimum 6 months and maximum one and half years. The committee also provided a 'Flow of Projects' in the revised guidelines for the systematic submission of the reports and the installments."

48. When asked whether the responsibility has been fixed and action taken, the Ministry in a written reply stated as under:

"As per the Minutes of the Fixing Responsibility Meeting the members of the Sub-Committee stated that the reconstituted Expert Committee will not be involved with the earlier cases/applications/ files and financial implications of the ICH Scheme. They requested Sangeet Natak Akademi to forward the matter to MoC for final closure. Letters/ emails have been sent to the MoC for final decision on the cases.

The MoC vide F.No. U-11/12/2020-UNESCO dated 8th March 2021 stated that the Expert Committee may take a decision for the final closure of the 26 cases pertaining to the cycle year 2015-16. The Reconstituted Expert Committee were apprised about the MoC decision and were presented with the 26 cases for their perusal and decision. However, the tenure of the EC ended in July 2019. The final closure/decision on the aforementioned cases is pending due to the non reconstitution of an expert committee. It is found that out of 141 cases 96 are finding a place in the National Inventory of ICH and all the material and documents are available with the akademi . SNA has now proposed that if allowed all the incomplete projects can be revived and completed without any expenditure. If there are grantees still who wouldn't able to complete the project legal action for recovery can be initiated. Strict administrative memos are being issued to those in charge and the then member secretary of the project who was exclusively posted on contract for the ICH scheme will be issued a show cause notice.

49. When asked about action taken regarding recovery of grants from other two other parties, the Ministry in a written reply stated as under:

“Communication/letters were sent to both parties for recovery of grants. However, both parties have already submitted their final reports, stating utilization of the 1st installment for completion of the project. They were not released the 2nd and 3rd installment.

Violation of scheme guidelines

50. Audit noticed irregular release of funds totalling Rs.5.25 lakh to grantees without complying with scheme guidelines. The scheme guidelines provides for assistance in the form of non-recurring grants in three installments in the ratio of 50:25:25. Recommendations of the Expert Committee were to be approved by Ministry of Culture after which first instalments would be released to the approved grantees. An appraisal of the project was to be undertaken by the EC or any other authority designated by Ministry of Culture prior to the release of second instalment. Final instalment was to be released after completion of the project and submission of documents as proof thereof.

51. To a query whether the Expert Committee conducted appraisals or some other authority was designated for the purpose, the Ministry in a written reply stated as under:

“The Ministry of Culture constituted the first Expert Committee in 2013. The tenure of the committee is 2 years. The Committee recommended projects for the sanction of grants for the cycle years 2013-14, 2014-15 and 2015-16. The Committee appraised and reviewed reports of the grantees; they deliberated extensively and methodically and had made all the recommendations based solely on the merit of the proposal or the report accordingly. The committee recommended reworking of reports

wherever required. The term of the committee expired in March 2016. Due to non reconstitution an Expert Committee by the MoC, the reports of the grantees from the three cycle years remained unapprised. A special meeting of the Expert Committee was called on 31st March 2017 with the approval of the MoC to review the pending reports of 2014-15 and 2015-16 (due to the non reconstitution of the EC, even the 1st report of the grantees from 2015-16 were pending for appraisal). Installments were released to grantees for both cycle years as recommended by the EC. Thereafter, the pending reports remained unapprised due to the non reconstitution of a committee. The MoC reconstituted an Expert Committee on 29th July 2019. The Reconstituted EC (2019-21) decided against reviewing and granting installments to all the grantees from the three cycle years.

52. Audit found that as per the scheme guidelines, only 50 per cent of the sanctioned amount was to be released in the 1st instalment to the approved grantees. Audit noted two cases where 100 percent of the sanctioned grant amounting to Rs.3 lakhs (Rs.1.5 lakhs each) was released (March 2015) in the first instalment itself. Further, one of these grantees was also released 2nd instalment of Rs.37,500 in February 2016 resulting in overpayment. Audit noticed that final instalment of Rs.37,500 was released by the Akademi (February 2016) to a grantee which was not recommended by the EC as the grantee had not submitted the final report. The EC recommended (December 2015) release of 2nd instalments to three grantees who had not furnished the first reports. The instalments amounting to Rs.1.5 lakhs (Rs. 50,000 each) was released in February 2016 to all the three grantees in violation of the scheme guidelines.

53. In action taken reply, the Ministry stated that SNA has been instructed to examine all the cases of overpayment and violations. So far, payment of Rs.75,000/- has been received from Ms. Eli Doye with regards to overpayment.

54. When asked about the current status of the examination of the cases of overpayment and violations and the extent of recovery made thereafter, the Ministry in a written reply stated as under:

"The Akademi Records exhibit that the entire grant amount was released in the 1st installment due to oversight in the case of Ramakrishna Mission Lokshiksha Parishad (case 1) and Ms.Eli Doye (case 2). Payment of ₹ 75,000/- has been received from Ms. Eli Doye with regards to overpayment. However, it may be noted that both the grantees had duly submitted all their reports related to the project grant. The release of the final grant for Mathru Bhoomi Foundation (case 3) was as per the recommendation of the EC after evaluation of their final report. The grantee organization had duly submitted their final report, based on which the EC recommended the final installment. The Akademi records exhibit that the grantees Ajit Kumar Jha (case 4); Ajit Kumar (case 5); and Kalicharan Yadav Rawat Nach

Mahotsav Samiti (case 6) had duly submitted their reports on the basis of which the EC had recommended the release of installments.

Documentation for evaluation of projects

55. Audit found that out of 324 projects sanctioned during 2013-14 to 2015-16, test-check of 47 cases on random basis revealed that the respective files were not maintained properly and did not contain information such as file noting, copies of sanctions, details of approvals; status of reports received, etc. In 14 cases, the project proposals did not contain complete documents required to be submitted with the application despite which the projects were sanctioned in violation of the scheme guidelines. No justifications were found recorded in the minutes of meetings of the EC for recommending these projects.

56. In response, the Ministry stated that SNA has conveyed that as per practice all proposals received whether complete or incomplete were placed before the Expert Committee with the data sheet on the top indicating the facts of the requisite available details. SNA has been instructed to maintain files/documents properly and to not place the incomplete proposals before the Expert Committee for appraisal.

57. When asked whether SNA has devised any system to ensure strict compliance of the instructions/ directions of the Ministry, the Ministry in a written reply stated as under:

“Sangeet Natak Akademi has a dedicated ICH Cell, which maintains proper records of all concerned files, notings as per the protocols of the Akademi. SNA guarantees that the ICH Scheme files/documents are properly maintained and ensures strict compliance of the instructions of the Ministry.

Incorrect depiction of EC recommendations

58. The Audit noticed that while considering the minutes of EC's recommendations (September 2015), MoC decided (November 2015) to review 37 proposals (valuing Rs. three lakh and above) out of 116 recommended proposals for the year 2015-16. After the review, MoC reduced the grants in respect of 14 proposals; increased the grants in three proposals and rejected two proposals citing lack of justification by the EC. The revised list showing EC recommendations as well as decisions taken after the aforesaid review by MoC was submitted to the Minister for approval who accorded his approval in December 2015. Audit observed that one case which had not been recommended by the EC was shown in the revised list as having been recommended by EC for Rs. three lakh which was a misrepresentation of facts. Based on the revised list, the proposal was eventually approved by MoC for Rs. two lakh. Audit scrutiny of the proposals other than the ones reviewed by MoC (having value less than Rs. Three lakh) further revealed four cases where recommendations of EC were changed by the Akademi in the minutes of EC meeting sent to MoC. Out of the said four cases, in three cases the Akademi reduced the recommended

amounts while a proposal not recommended by EC was incorporated as recommended for Rs. two lakh. These four proposals were approved by MoC based on incorrect recommendations of EC submitted by the Akademi.

59. In the Background Note, the Ministry stated that explanation was sought from the concerned official and it seems the discrepancy was not misrepresentation of facts but happened possibly due to an oversight, while formatting/ cutting-pasting the tabular details during processing. All officials have now been instructed to be extra careful while dealing such matters in the future. Further, SNA has conveyed that the mistakes occurred inadvertently and has been instructed to avoid recurrence of such mistakes in future. SNA has sent letters to the concerned applicants for recovery of grants.

60. When asked whether any assessment of the extent of excess amount of grant released to project proponents due to oversight by officials was made, the Ministry in a written reply stated as under:

“The Audit Report of 2018 revealed that out of the 26 cases, 18 cases were such where the Ministry of Culture made necessary changes in the grant amount. The rest are cases where Expert Committee recommendations were incorrectly depicted in the minutes submitted to MoC. The Investigation Committee had recommended that the Ministry should examine all the cases pointed by Audit and fix the responsibility for lapses. A Sub-Committee for Fixing of Responsibility was formed from within Reconstituted Expert Committee to look into the matter. As per the Minutes of the Fixing Responsibility Meeting the members of the Sub-Committee stated that the reconstituted Expert Committee will not be involved with the earlier cases/applications/ files and financial implications of the ICH Scheme. They requested Sangeet Natak Akademi to forward the matter to MoC for final closure. Letters/ emails have been sent to the MoC for final decision on the cases. The MoC vide F.No. U-11/12/2020-UNESCO dated 8th March 2021 stated that the Expert Committee may take a decision for the final closure of the 26 cases pertaining to the cycle year 2015-16. The Reconstituted Expert Committee were apprised about the MoC decision and were presented with the 26 cases for their perusal and decision. However, the tenure of the EC ended in July 2019. The final closure/decision on the aforementioned cases is pending due to the non reconstitution of an expert committee.”

61. When asked details of cases where applicants concerned declined to pay recovery amount as a follow up action by SNA and the extent of incidental cost incurred due to initiation of recovery proceedings, the Ministry in a written reply stated as under:

“Letters were sent to the concerned two cases- Manoj Kumar Das and Dr. Tuisem Shimrah for recovery of grants. Both Manoj Kumar Das and Dr. Tuisem Simrah have already submitted their final reports, stating that they utilized the 1st installment for completion of the project. They were not released the 2nd and 3rd

installment. As per the decision of the Expert Committee the two cases along with the other aforesaid cases mentioned in the previous question were sent to the Ministry of Culture for final closure. The MoC vide F.No. U-11/12/2020-UNESCO dated 8th March 2021 stated that the Expert Committee may take a decision for the final closure. The decision is pending due to the non reconstitution of an EC.”

b) Scheme for Financial Assistance to Cultural Institutions

62. Audit scrutiny revealed that the scheme provides for financial support to institutions engaged in training in the fields of music, dance and drama and to encourage production of new plays and ballets etc. A committee of experts' viz. Grants Committee considers the applications and makes recommendations including the quantum of grants. As per the scheme, financial assistance is to be released in two instalments of 75 *per cent* and 25 *per cent*. The recommendations of the Grants Committee are placed before the Executive Board (EB) of the Akademi for approval as per procedure adopted by the Akademi. However, this procedure has neither been defined in the scheme nor in the Rules and Regulations of the Akademi. The quantum of financial assistance for the projects has also not been defined under this scheme. As a result, there was no consistency in the amounts approved for financial assistance which ranged between ₹ 20,000 and ₹ one lakh in the test checked cases. No justifications were found recorded by the Grants Committee while deciding the quantum of financial assistance to institutions. During 2012-13 to 2016-17, a total of 2,101 grantees were sanctioned ₹ 8.54 crore.

63. Audit noticed that test-check of 210 cases involving ₹ 88.55 lakh revealed the following:

- (i) In six cases, though the grantees had sought financial assistance ranging between ₹ 10 lakh and ₹ 43.80 lakh, the financial assistance sanctioned ranged from only ₹ 30,000 to ₹ 80,000. On the other hand, in a test-checked case, the financial assistance sanctioned by the Akademi was more than what was sought by the grantee without recorded justifications.

Akademi stated (November 2017) that quantum of financial assistance is case sensitive and varies as per the actual need. Reply is not acceptable as no justifications were found on record to assess the actual need of the grantees.

- (ii) The project proposals were required to be submitted through state Akademies or State Governments, where there were no state Akademies. Audit noticed that 166 out of 210 proposals (79 *per cent*) were not submitted to the Akademi through state Akademies or State Governments in violation of the scheme provision.

Akademi stated (November 2017) that though involving state Akademies confirms an institution's existence but in many cases the route gets tougher and some needy aspirants do not get the assistance. The scheme provides for submission of an

advance copy of form directly to the Akademi and the same is examined by the Expert Committee and surprise checks are also conducted on regular basis.

The reply is not acceptable as majority of the cases (79 percent) were not found routed through State Akademi/Government. Consequently, the Akademi was not in a position to verify the bona-fides of the applicants. Further, no inspection reports for surprise checks were found available on record.

- (iii) The applications were required to be accompanied with details related to the institutions, audited statements of accounts for previous year, particulars of financial assistance received from Akademi and their utilisation, activity reports and details of project proposals, etc. Audit noticed 21 test checked cases where approvals were accorded though the documents/details required to be submitted along with the applications were not furnished by the grantees.
- (iv) As per the guidelines, where any grant have been given in the previous years, the first instalment of the current year's grant is to be released on receipt of UCs for past grant(s) along with detailed statement of expenditure. Audit noticed 18 proposals that were sanctioned and grant released even though the UCs for the past grants were pending from the grantees.
- (v) The scheme does not provide for submission of any report by the grantees on completion of the project. No completion/activity report was available in respect of 94 grantees out of 210 test checked cases. Thus, it could not be ensured whether any fruitful results were derived under the scheme.

64. MoC stated (December 2017) that the Akademi is being advised to resort to corrective measures to wipe out such irregularities while considering the proposals of grantee organisations for release of financial assistance to them. The Akademi is also being advised that a "Monitoring Committee" to ascertain the veracity of activities of the institutions against which the funds are released has to be set up by the Akademi so that the purpose of the releases may not be defeated. As per the Action Taken Notes, the Ministry had submitted that keeping in view the budget constraints and mandate of the scheme, token assistance is given to Grantees with the assumption that the rest of the expenses will be borne by the Grantees. The Ministry have stated that in future, the Akademi will place the justifications of the committee for the grant for every proposal.

65. When asked of the concrete initiatives taken towards ensuring transparency in giving grants and the mechanism in place to verify the justifications of the Grants Committee, the Ministry in a written reply stated as under:

"It is worth mentioning that the Grants Committee of the Akademi is equipped with experts from the performing field of Music, Dance, Drama, Puppetry. The recommendations of the Grants Committee are placed before the General Council of the Akademi which is equipped with Government nominees besides experts of the

performing arts of the country from the field of music, dance, drama and puppetry. Ministry has instructed all akademies to streamline the UC and as of now no further grant will be allotted without UC. Ministry has also advised akademies to keep representatives from other institutions giving other grants of MoC in the Grants committee of the respective akademi.”

66. When asked what system has now been adopted by Akademi to ensure full recorded justification of the Committee for sanction of grant for every proposal, the Ministry in a written reply stated as under:

“The Grants Section of the Akademi after checking the applications in all aspects, forward the same application(s) to the concerned Deputy Secretaries of the activity section of the Akademi for expert views. The concerned Deputy Secretary after assessing the work of the institution(s) and the project, gives their views on the files. All the applications are then placed before the Grants Committee for recommended the grant to the cultural institutions.”

67. When asked whether the project proposals are now being submitted through Akademies/Governments, the Ministry in a written reply stated as under:

“The Akademi is accepting all the applications, received from cultural institutions forwarded by the State Governments/ Governments or directly by the Cultural institutions.”

68. When asked what system has been adopted to ensure that the approvals are now being accorded to only complete applications, the Ministry in a written reply stated as under:

“As per the guidelines of the scheme only the complete applications are accepted for consideration.”

69. When asked what directions were issued by the Akademi to the Grantees for timely submission of UCs before release of subsequent grants, the Ministry in a written reply stated as under:

“After the approval of the minutes of the Grants Committee, a sanction letter is issued to the Grantee institutions alongwith the assurance certificate, utilization certificate & with other documents, with the instructions that the 1st installment will be released after receiving the assurance certificate and the 11nd installment is released after the receiving of UCs and audited accounts with the supporting documents of the events.”

70. When asked what action has been taken by the monitoring committee to monitor/verify activities of grantee institutions, the Ministry in a written reply stated as under:

“The final installment of the grant is released by the Akademi only after submission of UCs, audited accounts by the CA and with the documentary proof of the event, for which the grant was released to the institution.”

71. When asked whether the grantee institutions are now submitting reports of the completed projects, the Ministry in a written reply stated as under:

“Yes.”

72. When asked how Akademi ensures access to the lowest strata of society residing farthest corners of the country to avail the benefits of the scheme, the Ministry in a written reply stated as under:

“The Akademi also consider applications received directly from the cultural institutions other than the applications recommended by the State Akademies. On the basis of applications received and keeping in view the activities and standing of the institution(s) and having due regard to the type of activities proposed the Grants Committee recommended grant to the institutions. From the last few years it is observed that the applications received in the Akademi for the financial assistance are increasing. There are many grantees from the lowest strata of the society and the total grantees represent the diverse and vast composition of our country and all regions are considered for the grant. To increase the number of cultural institutions to take the benefit of this scheme, the Akademi will send application(s) to the Zonal Cultural Centers & State Akademies for distributions among their places.”

B. National Museum, New Delhi: Poor cash management and irregular parking of funds outside Government Account

73. The Central Government Account (Receipts and Payments) Rules, 1983, stipulates that all receipts of Government shall, without undue delay, be paid in full into the accredited bank for inclusion in the Government Account. These receipts will not be utilised to meet departmental expenditure or otherwise kept apart from the account of the Government. It also provides that a bank account can be opened by civil ministries or department under order issued by the Financial Advisor of the Ministry or Department concerned in consultation with the Controller General of Accounts. Further, all monetary transactions should be entered in the cash book and withdrawals can be made only on presentation of prescribed bills.

The National Museum, New Delhi, (Museum) is under the administrative control of the Ministry of Culture (MoC), and is required to abide by the above cited Rules. It had been brought out in the Comptroller & Auditor General's Report No. 18 of 2013 that money received on account of audio guide services was deposited in the personal account of some officials from October 2005 to August 2007. In its Action Taken Note, MoC had accepted (December 2013) that the account was erroneously opened in the name of two officials instead of the National Museum and intimated that the error had since been rectified and the

amount transferred to the account of the Museum. The Museum was operating a sales counter from where sale of tickets, publications and replicas is made. Payments at the sales counter were received in cash or through Electronic Data Capture (EDC) Machine/swipe machine installed at the sales counter. Payments against sales received through the swipe machine got automatically credited into an account opened with Bank of Baroda (EDC Account) in August 2007. Audit scrutiny of records of the Museum revealed the following:

- (i) Contrary to the assurance given to the Public Accounts Committee through the ATN in December 2013 that the receipts from audio guide service were now being credited into the account of the Museum, the Museum began depositing the receipts into Government account on monthly basis only from February 2016. Further, out of receipts of ₹ 1.38 crore pertaining to period prior to February 2016, ₹ 1.23 crore was deposited belatedly in the Government account in June 2017 and an amount of ₹ 15 lakh was still lying in this account as of October 2017.
- (ii) The Museum received payments through swipe machine/EDC machine at the sales counter aggregating ₹ 1.03 crore during November 2007 to May 2017. In violation of the Central Government Account (Receipts and Payments) Rules, 1983, these receipts were neither routed through the cash book nor credited into the Government Account. Instead receipts were credited into an account in Bank of Baroda which had provided the EDC machine. It was only after the matter was pointed out by audit that the balance in this account was transferred to the Government Account in May 2017.
- (iii) The EDC account showed the address of the account holder as that of the then Director's residential address instead of the official address of the Museum. The Museum was also unable to produce records with regard to opening the account stating that the same were untraceable. As such, it could not be verified if the account had been opened in accordance with the Central Government Account (Receipts and Payments) Rules, 1983 with the approval of the Financial Advisor of the Ministry.
- (iv) Though receipts were being credited regularly in the EDC account, it was shown as being in dormant condition since December 2010 and the bank was continuously debiting 'account dormant charges' from this account since September 2013. The Museum authorities neither appeared to be aware of the transactions involving this account nor did they undertake any verification of receipts between the EDC account and their own records.

The Museum thus persistently failed to comply with the Central Government Account (Receipts and Payments) Rules, 1983 in handling Government receipts. It also failed to exercise basic internal controls in the matter of cash management by failing to route receipts through the cash book and not undertaking any reconciliation with bank accounts. As a result, an amount of ₹ 2.26 crore was irregularly kept outside Government account for a prolonged period of time. The Museum stated (June 2017) that ₹ 1.03 crore lying in the EDC Account and ₹ 1.23 crore in the Audio Tour Guide account had been credited to the

Government account. No explanation was given for not recording all receipts in the Cash Book and for not depositing receipts into Government account for prolonged periods. This matter was reported to the Ministry (October 2017); its reply was awaited (December 2017).

74. When asked whether instructions have been issued to avoid similar instances of opening of accounts in other institution, the Ministry in a written reply stated as under:

"Instructions have been issued by National Museum New Delhi to avoid similar instances of opening of accounts in other institutions to all concerned on 31.01.2023"

75. When asked reason for keeping the National Museum's ₹ 2.26 crore outside government accounts and depositing in the personal account of some officials from October 2005 to August 2007, the Ministry in a written reply stated as under:

"Detailed bank statement is attached. The account(Government) No. 26030100006181(EDC) and Account No. 26030100006118(Audio Video) were opened in the year of 2007 instead of 2005 in Bank of Baroda. A challan copy is also enclosed where Rs. 2,26,07,266.38(₹ 10349262.38(EDC A/c) + ₹ 12258004.00(Audio Video A/c)= ₹ 2,26,07266.38) submitted to third account that related to Government account of National Museum(Canara Bank, Delhi) in the year 2017. Besides that from the EDC account No. 26030100006181, ₹ 2.00 Lakhs and ₹ 2.40 lakhs were debited in the year 2008. The first amount i.e. ₹ 2.00 lakh was transferred in the Government account of National Museum vide challan No. dated 26.06.2008. Second amount of ₹ 2.40 lakhs was inadvertently transferred in the National Museum Institute account which was recovered back vide letter No. NMI/Fin/Cr/2017-2018/633 dated 01.08.2017 and the same was deposited vide National Museum challan No. NM-III/69/2017 dated 02.08.2017 in the Government account of National Museum. These accounts have been dormant account and no personal transaction done from these accounts. An amount of ₹ 1,22,58,004.00 from Audio Video Account was submitted to Government Account at Canara Bank, New Delhi in year 2017. After this deduction an amount of ₹ 15.00 lakhs left in the Audio Video account till 06.06.2017. This amount with interest ₹ 16,22,105.00 was submitted through NEFT on dated 24.10.2017 to Government account at Canara Bank, New Delhi. Thereafter Audio Video Account closed. The EDC account was current account and no interest accrued thereon."

C. The Asiatic Society, Kolkata: Excess contribution to employees' provident fund

76. Para 29(1) of the Employees Provident Fund and Miscellaneous Provisions Scheme, 1952 (Scheme), provides that the contribution payable by an employer under the Scheme shall be 12 *per cent* of the basic wages, dearness allowance and retaining allowance, if any, payable to each employee to whom this Scheme applies. Para 26A(2) of the Scheme further stipulates that the contribution payable by the employee and employer shall be limited to the

amount payable on a monthly pay of ₹ 6,500 (enhanced to ₹ 15,000 from 01 September 2014). Para 29 (2) of the Scheme stipulates that the contribution payable by an employee to whom the Scheme applies could, if he so desires, be an amount exceeding the above limit subject to the condition that employer shall not be under an obligation to pay any contribution over and above his contribution payable under the Scheme. The Asiatic Society, Kolkata, (Society), is fully financed by the Ministry of Culture, Government of India (Gol), through grants-in-aid. The by-laws of the Society provide that the provident fund of its employees will be guided by the Scheme. As per the scheme, out of 12 *per cent* of wages, 8.33 *per cent* is deposited in Employees' Pension Scheme (EPS) and balance 3.67 *per cent* is transferred to the Employees' Provident Fund (EPF). Accordingly, the Society was required to restrict its employer's contribution to ₹ 1,800 per month i.e. 12 *per cent* of the maximum wage ceiling of ₹ 15,000 per month in respect of those employees who were drawing pay more than ₹ 15,000 per month.

Audit noticed (December 2016) that the Society contributed its share of provident fund to the employees at the rate of 12 *per cent* of total pay instead of restricting it to the maximum wage ceiling of ₹ 15,000. Although the share of EPS of the total employers' contribution was 8.33 *percent* of maximum wages of ₹ 15,000, the whole balance amount i.e. 12 *percent* of actual wages which meant wages more than ₹ 15,000 p.m. (-) 8.33 *percent* of wage ceiling of ₹ 15,000 was transferred to EPF which resulted in excess contribution of ₹ 1.19 crore towards employer's share of provident fund in respect of 160 employees who were members of the Scheme and were drawing monthly salary of more than ₹ 15,000 during the period from April 2015 to March 2017.

The Society stated (July 2017) that (i) the employer's contribution till April 2001 was restricted to 12 *per cent* of maximum wage ceiling of ₹ 6,500 which was enhanced to 12 *per cent* of total pay as per Society's order of May 2001; (ii) the higher contribution was made on the request received from the employees of the Society with reference to Para 26(6) and 26(A) of the Scheme with prior intimation to Regional Provident Fund Commissioner, Kolkata; (iii) since larger coverage under EPF is of private sector employees, employer's contribution is specified in such a way that on one hand it guarantees the minimum contribution by employer and on other hand it limits the wage ceiling for limiting the employer's liability. The reply is not tenable because (i) Para 26A(2) does not empower the employer to contribute over and above the limit fixed under Para 29(2) and relaxation allowed in Para 26(6) is for employee's contribution and not for employer's contribution; (ii) the procedure for enhancement of contribution stipulates that an officer not below the rank of an Assistant Provident Fund Commissioner may, on the joint request in writing, of any employee and his employer, allow him to contribute more than the prescribed amount. The prior intimation in this instant case was not a joint request but only a communication from the President of its apex body *viz.* Council forwarded to Regional Provident Fund Commissioner for seeking clarification on employer's contribution as per the demand of Employees' Union on which no response was received from EPFO; and (iii) neither any approval had been obtained by the Society from its Council nor from its administrative Ministry nor from the

Ministry of Finance for contributing employer's share of provident fund over and above the statutory limit provided in the Para 26A(2) of the Scheme. The Ministry stated (July 2017) that the Society had been asked to look into the matter.

77. When asked on what corrective actions have been taken in this regard, the Ministry in a written reply stated as under:

"The Asiatic Society, Kolkata vide its letter Ref.No.7897 dated 06.02.2023 has informed that in pursuance of the decision taken by the Council of the Society in its meeting held on 31.01.2023 and its Office Order No. 38 dated 06.02.2023, the Employer's Contribution to the EPF will be made at the prevailing prescribed rate to 12 % on EPF Wages (Comprising Basis Pay & D.A.) applying the EPF Wage limit of Rs. 15,000/- per month in terms of the existing provisions of the EPF Scheme. The ASK's Order dated 06.02.2023 inter-alia says that the employees to whom the Scheme applies will however be allowed to continue an amount (i.e. Employees' share of contribution) over and above the statutory ceiling limit (computed at 12 % of actual Basic Pay + DA) in terms of Para 29 of the scheme and the Asiatic Society will bear the prescribed administrative charge payable to such employees under intimation to the Assistant Provide Fund Commissioner as per provisions in Para 26 (6) of the Scheme.

However, the Asiatic Society, Kolkata's decision that as employer, (Asiatic Society, Kolkata) will bear the administrative charge payable to such employees under intimation to the Assistant Provident Fund Commissioner, as per provisions in Para 26 (6) of the Scheme, again this is something which is not in consonance with the rules, the Ministry of Culture did not support it. The Ministry vide letter dated 20.02.2023 directed the ASK to revisit EPF Scheme and initiate action for recovery of excess payment made to the employees till now.

Meanwhile, the Ministry vide letter dated 17.02.2023 asked Ministry of Labour & Employment to intervene in resolving this issue and return the excess contribution made by Asiatic Society to this Ministry as excess contribution has been made from the Government Grants in blatant contravention of the EPF scheme.

The Asiatic Society, Kolkata vide its letter Ref. No. 8113 dated 03.03.2023 has informed that the excess contribution to EPF by the employer has been stopped with effect from the month of February, 2023 and they had also written to EPFO for recovery of excess payment."

78. When asked what action have been proposed to be taken by the Ministry/EPFO to recover the excess share paid beyond the ceiling by the Asiatic Society, the Ministry in a written reply stated as under:

“Ministry of Culture been taken up the matter with Asiatic Society, Kolkata since May 2017 for the settlement of Audit Para and stoppage of the employer's contribution over and above the statutory limit. Detailed instructions for stopping the excess payment made in the EPF accounts of the employees, fixing responsibility for lapse etc. has been issued to ASK vide letter dated 25.01.2023. Further vide letter dated 30.01.2023, ASK has been requested to keep the matter regarding stopping of the excess payment being made in the EPF account of the employees and recovery of the excess payment already made before the Council Meeting scheduled on 31.01.2023 as a "Special Agenda". The Asiatic Society, Kolkata vide email dated 02.02.2023 has informed that that the matter was discussed in the Council Meeting of the Asiatic Society, held on 31.01.2023. The Asiatic Society in its Council meeting held on 31.01.2023 decided that for the existing EPF subscribers of the Society, the Employer's continuation to EPF, as per Para 29 (1) and 26 A (2) of EPF scheme, will be made at the rate 12 % (comprising basic pay & DA) on EPF Wages applying the EPF wage limit of ₹ 15,000/- as per Society's Order No. 38 dated 06.02.2023. The ASK's Order dated 06.02.2023 inter-alia says that the employees to whom the Scheme applies will however be allowed to continue an amount (i.e. Employees' share of contribution) over and above the statutory ceiling limit (computed at 12 % of actual Basic Pay + DA) in terms of Para 29 of the scheme and the Asiatic Society will bear the prescribed administrative charge payable to such employees under intimation to the Assistant Provide Fund Commissioner as per provisions in Para 26 (6) of the Scheme. However, the Asiatic Society, Kolkata has not taken any action on the recovery of excess payment made towards EPF contribution, which was committed to by them in the preliminary meeting in the Ministry. Para 26 A(2) of the Scheme stipulates that the employer shall not be under an obligation to pay any contribution over and above the prescribed limit fixed under Para 29 (2). However, relaxation allowed by the Society as per para 29 should be restricted only for the employees NOT EMPLOYERS contribution and bearing the administrative charges payable for such employees is not in consonance with the letter and spirit of the Act and does not have the sanction of the Ministry. The Ministry is not liable to extend any grant support towards a blatant violation of the provisions of the Central Act. Any legal or financial or statutory consequences arising out of wrongful contravention/violation of Act will be the sole responsibility of ASK, including non compliance of this Ministry's continued pursuance for abidance to the provisions of the Act. The Ministry vide letter dated 08.02.2023 directed ASK to follow all the provisions of the EPF scheme in light of specific observations made by the Audit and to stop with immediate effect the employer's share over and above the stipulated rate and wage limit in violation of EPF rules and also to initiate recovery of excess payment made in EPF accounts. ASK vide letter dated 09.02.2023 has informed that the Council in its meeting held on 31.01.2023 decided to constitute a committee to look into other issues including the matter of recovery keeping in view the para-5 of this Ministry's letter dated 25.01.2023. ASK also forwarded a copy of Assistant Provident Fund Commissioner (Compliance), EPFO, Regional Office, Kolkata letter No. EPFO/RO/CC/WB/15600/431

dated 07.10.2022 regarding recovery issue stating that the employer cannot recover the excess amount paid over and above ceiling amount from the employee concerned as per provision under Para 31 of EPF Scheme 1952 read with Section 12 of The EPF & MP Act, 1952. EPFO, Kolkata has further added that the instant Act & Schemes framed there under do not spell anything in the matter of refund of contribution already deposited with the Statutory Fund. The Ministry is also taking up the matter with Ministry of Labour and Employment for intervention in directing the EPFO to return the excess contribution made by Asiatic Society from the Government Grants in compliance to the C&AG observations. Matter relating to Peer review of the Asiatic Society Kolkata (Autonomous Body) is being submitted separately."

D. Indira Gandhi Rashtriya Manav Sangrahalaya, Bhopal: Avoidable payment on electricity charges

79. Audit pointed out inaccurate assessment of contract demand by Indira Gandhi Rashtriya Manav Sangrahalaya, Bhopal, and delayed action for reducing the contract demand resulted in avoidable expenditure of ₹ 82.95 lakh towards electricity charges. Audit analysis of electric load revealed that the actual consumption was persistently lesser by 37 per cent to 79 per cent than the contract load between May 2007 and November 2016. On being pointed out in February 2016, the IGRMS conducted fresh energy audit and reduced the contract demand to 300 KVA from December 2016. Thus, failure of IGRMS to align its contract demand with actual power consumption resulted in avoidable expenditure of ₹ 82.95 lakh.

80. When asked how the first assessment was made, the Ministry in a written reply stated as under:

"Initially, the IGRMS was having an original 11 KV (100 KVA load) near guest house building & another connection of 11 KV (60 KVA load) near Gate No.2 (Lakeview) upto 2002 for operational of the above exhibitions/office building excluding Veethi Sankul (Indoor Museum Building). The Executive Council of the RMSS, in the year 1988, had approved, in principle, a conceptual design of the Indoor Museum building which was to be constructed in about 28,056 sq.mt (296272 Sqft.). However, the Executive Council, in the year 1992 has decided that the construction of the first phase of the Museum building in about approx 10,000 sq.mt. (107600 Sqft.) is to be constructed in phase-I and rest of the area may be constructed in phase-II after completion of phase-I. When the Indoor Museum Building (Veethi Sankul) of approx area of 10000 sqmt. was under construction, the Architect/Technical Consultant has submitted the detailed load calculation of 33 KV (600 KVA) for operational of Indoor Museum building as per approved Master Plan of 200 Acres by Executive Council of the RMSS in the year 1988. The Indoor Museum Building was constructed in about 28056 Sqmt. The load has been increased by IGRMS 33 KV (600 KVA) as per the report of Architect/electrical consultant in year 2002 after partial completion of Indoor Museum Building. However the old HT connection of 11 KV (100 KVA) load and 11

KV (60 KVA) load has been disconnected by IGRMS after fully operational of substation of 33 KV (600 KVA load). IGRMS had approached to Madhya Pradesh Electricity Board (MPEB) in 24th January, 2005 to reduce electrical current load i.e. 600 KVA to 300 KVA for fully utilization of actual load which is being used by the IGRMS along with the fresh agreement & all other relevant document desired by MPEB to reduced load for 600 KVA to 300 KVA. However, it has been observed that with the running of Indoor galleries the load varies upto 349 KVA (April, 05) due to that it was observed in view of commencement of AC plant 195 KVA, the demand is likely to be increased in future, so after reviewing of electrical load and proposed expansion projects, the final decision was taken by IGRMS in May, 2005 to retain load of 600 KVA in the interest of the organization keeping in the view of future expansion & infrastructure development. After detailed scrutiny by Engineering Section in July, 2015 in view of optimum utilization electric loads the fresh energy audit was initiated by IGRMS through M.P. Urja Vikas Nigam Ltd., and MANIT, Bhopal. In year 2016 the electrical load was reduced to 300 KVA. In view of the above fluctuation in load as per actual consumption at site which is varied to every month, it is very hard to fix a optimum level of load the necessary corrective action has already been taken by IGRMS and electricity billing has been reduced considerably. The Ministry of Culture vide letter dated 30.01.2023 has requested all the organizations including Indira Gandhi Rashtriya Manav Sangrahalaya, Bhopal to assess the consumption/load of electricity, water etc in their organisation from time to time so that optimum utilisation of these facilities may be ensured.”

81. When asked of the action taken by the Ministry to ensure accurate estimation of power requirement by all institutions/organizations under its jurisdiction in future, the Ministry replied as under:

“The Ministry of Culture vide letter dated 30.01.2023 has requested all the organizations including Indira Gandhi Rashtriya Manav Sangrahalaya, Bhopal to assess the consumption/load of electricity, water etc in their organisations from time to time so that optimum utilisation of these facilities may be ensured. Some organizations like Centre for Cultural Resources and Training, New Delhi has assessed load of electricity and water etc. and actual consumption for the same is within the optimum utilization. Due to installation of solar energy plant and construction of rain water harvesting system, the rebates for the same are also being taken in bills from respective organizations.”

PART II

OBSERVATIONS/RECOMMENDATIONS

Sangeet Natak Akademi: Incorrect accounting of funds received under the Intangible Cultural Heritage (ICH) Scheme

1. Audit scrutiny revealed that the Sangeet Natak Akademi failed to maintain separate account for the funds received under the ICH Scheme. The Akademi merged the expenditure incurred on ICH Scheme with its regular expenditure which led to incorrect accounting of funds received under the Scheme. During the period 2013-14 to 2015-16, the Akademi had incurred an expenditure of Rs.4.25 crore under the Scheme but furnished incorrect Utilisation Certificates for Rs.5.77 crore. In response, the Ministry stated that there were various other activities including plans like TSP etc that were operating and SNA was continuing to manage the F&A with limited staff. Owing to these reasons, a separate bank account was not opened for the ICH Scheme and the funds for the scheme were credited and released from the main account of the Akademi. The Committee note that consequent to the Educational Consultants India Limited (EDCIL) evaluation followed by C&AG Audit, SNA had started operating the ICH Scheme through a separate account. The Committee wish to point out in this regard that a separate bank account will ensure financial discipline by enabling monitoring of the expenditure under the scheme vis-à-vis the receipts. The Committee further believe that time bound and regular examination of the receipts and expenditure of SNA is a necessity so as to ensure that the funds have actually been utilized for the objectives envisaged. The Committee, while noting that the SNA manages the Finance & Accounts with limited staff desire that the concern of the SNA may be taken up by the Ministry for being addressed appropriately. The Committee also note that draft review guidelines pertaining to the ICH Scheme for any fresh projects or a new cycle for implementation which have been formulated on advice by the 2nd EC, are under consideration. The Committee desire to be apprised of the present status of the same. Further, as informed, the SNA has initiated the process of examining the receipts and expenditure for identifying the activities which were not covered under the ICH Scheme but were executed by the Akademi and revise the UCs for considering adjustment in future release. The Committee desire that funds on ICH activities not yet covered under the ICH Scheme but were executed by the Akademi be

adjusted, with the concurrence of the Ministry. The Committee wish to be apprised of the developments in this direction.

2. Audit had observed that under the ICH Scheme, the Ministry of Culture had released Rs.50.95 lakh to the Akademi for carrying out activities related to Buddhist Chanting and Thatheras of Punjab in March 2015. The sanction of the Ministry stipulated that the funds should be utilized within the same financial year and the unspent balance, if any, should be intimated to the Government. However, the Akademi furnished a consolidated UC of ICH scheme of Rs.2.49 crore for the year 2014-15 including expenditure incurred on the activity of Buddhist Chanting and Thatheras of Punjab with unspent balance of Rs.0.40 lakh. Later, in December 2016, the Akademi intimated the Ministry that it had utilised only Rs. 16.27 lakh out of Rs. 50.95 lakh on the above activity. In their response, the Ministry stated that SNA has been instructed to regularise the "Buddhist Chanting and Thatheras of Punjab" funds and to return the unspent balance to the Ministry. The Committee note from the replies of the Ministry that the unspent balance on Buddhist Chanting and Thatheras of Punjab as on 31 March, 2019 have been utilized by the Akademi for other ICH related activities, as well, on account of which ex-post facto approval was duly sought. Considering that the unspent balance has been utilized by the Akademi for ICH activities other than the ones identified, the Committee desire to be apprised whether UCs for the sanctioned amount have since been reconciled and submitted to the Ministry. The Committee are also of the opinion that irregularities in accounting of ICH arose due to non maintenance of separate expenditure heads for each component of the Scheme. The Committee, therefore, recommend that, henceforth, the Ministry and the Akademi invariably maintain separate expenditure heads for each component of the ICH Scheme with a view to ensuring transparency in the implementation of the Scheme.

Deficiencies in implementation of the scheme

3. The Committee note that for the three years of the ICH Scheme (2013-14, 2014-15 & 2015-16), out of 324 projects approved by the first Expert Committee of the ICH Scheme, 183 projects were completed. Further, the remaining 141 projects and release of installments relating thereto are under consideration for completion after evaluation by an ICH Expert Committee and with the guidance of the experts of particular

projects. The Committee also note that out of 141 projects, 86 have been included in the National Inventory and 55 projects will be included in the inventory by October, 2023. In this regard, the Ministry further submitted that the new dispensation of SNA held the view that with a view to salvaging the projects, the grantees may be given one more chance upto October, 2023. The Committee express concern on the prolonged delay in implementing the projects under the scheme. They further opine that had the Ministry and SNA fixed a deadline for completion of projects and monitored the progress of each project, such inordinate delay in project completion could have been avoided. Moreover, the Ministry and SNA ought to have kept strict vigil on release of grants and ensured that subsequent installments were released only after receipt of UCs. The Committee, therefore recommend that henceforth SNA may fix a deadline for completing each project under the ICH Scheme and establish a strict monitoring mechanism for all ongoing projects. The Committee are also hopeful that the Ministry and SNA will ensure that the remaining projects will be completed and included in the National Inventory by October, 2023.

4. The Committee note that grantees of the 183 completed projects have submitted their final reports for inventory and digitization and many reports have since been uploaded. In this regard, the Ministry informed that except for 45 projects, all grantees have submitted their final reports and the same have also been hosted on the website. Further, according to the SNA, a report of a completed project includes written materials, photos, videos and related documents that a grantee may consider vital for its report, which amounts to having voluminous data (in GBs) for each report. Therefore, the Akademi have been requesting the MoC for funds enable maintaining to a separate server exclusively for ICH projects. The Committee wish to be apprised of the present status of setting up a separate server for projects under the ICH Scheme and the status of uploading the reports of remaining completed projects under the ICH Scheme. The Committee also desire that grantees of the remaining 45 projects be directed to submit their final reports within a stipulated timeframe so that the same are also uploaded on the website and used towards achieving the envisaged objectives of the Schemes.

5. The Committee note that the Reconstituted Expert Committee (2019-2021) of SNA had drafted the revised ICH Guidelines based on the recommendations of the

Educational Consultants India Limited (EdCIL) and various Expert Committees of SNA and sent to the Ministry of Culture for approval. However, the revised guidelines could not be reviewed for approval as the General Council of SNA was not constituted due to delay in nomination of their representatives by the States and also due to the covid pandemic. The new council was constituted only in November, 2022. During oral evidence, the Committee were also apprised that the draft guidelines are still under consideration and all the changes that have happened in the ICH Scheme at the level of UNESCO, of which India is a member, as well as at the internal level, would be considered and appropriately incorporated in the guidelines before sending it for approval. Noting that the ICH Scheme is on hold due to pending approval of the revised guidelines, Committee express the urgent need to review and approve the guidelines so as to ensure that eligible beneficiaries can avail the benefits of the scheme and an opportunity is opened up for unrecorded/undocumented intangible cultural practices to be included in the official archives of the country. The Committee, therefore recommend that a deadline may be fixed for approval of the revised guidelines so that the scheme may be enforced at the earliest, thereby enabling the benefits of the scheme not only by the existing beneficiaries but also by other potential beneficiaries.

Violation of Scheme Guidelines

6. The Committee note that the ICH Scheme guidelines provide for assistance in the form of non-recurring grants in three installments in the ratio of 50:25:25. The Expert Committee of SNA made recommendations for grant of funds, based solely in the merit of the proposal of the potential grantee, to the Ministry of Culture for approval after which the first installment would be released to the grantees. The subsequent 2nd and 3rd installment of release of funds was to be made only after the Expert Committee apprised and reviewed the reports of the grantees. However, Audit had highlighted in two cases, 100 percent of the sanctioned amount was released as part of the first installment itself. Further, one of these grantees was also released 2nd installment thereby resulting in overpayment. Audit had also observed that final installment was released to a grantee despite not having the recommendation of the Expert Committee, as the grantee had not submitted the final report. Moreover, EC had recommended for release of 2nd installment to three grantees who had not furnished

the first report. As per the reply of the Ministry the SNA have been instructed to examine all the cases of overpayment and violations of scheme guidelines. The Ministry had submitted that the Akademi records exhibited that entire grant amount was released in the first installment due to oversight and recovery has been made in some cases. The Ministry further submitted that the grantees had duly submitted all their reports related to the project grant. The Committee are not convinced with the reply of the Ministry as the funds were released in contravention of the extant guideline, which provided that grants were to be released in a staggered manner, which is indicative of weak monitoring of release of funds. In this regard, the Committee are of the considered opinion that responsibility needs to be fixed and action taken against the officials concerned for violation of Scheme guidelines. The Committee further recommend that the Ministry and the management of SNA need to work out a strong monitoring mechanism to ensure strict compliance of the scheme guidelines as well as constant vigil on the flow of funds under the ICH Scheme.

Weak documentation for evaluation of projects

7. The Committee find that random test checked cases of projects revealed that related files were not maintained properly and did not contain the notings, copies of sanction orders, details of approvals; status of reports received, etc. Other discrepancies included project proposals that were made without mandated documents that were required to be submitted with the application and were sanctioned in violation of the scheme guidelines. Moreover, no justification was found recorded in the minutes of meetings of the EC for recommending the projects. In reply, the Ministry have stated that all proposals received, irrespective of whether they were complete or incomplete were placed before the Expert Committee with a data sheet on the top indicating the facts of the requisite available details. The Committee were further apprised that SNA has been instructed to maintain files/documents properly and to not place incomplete proposals before the Expert Committee for appraisal. Moreover, the Committee were informed that Sangeet Natak Akademi has a dedicated ICH Cell which maintains proper records of all concerned files, noting as per the protocols of the Akademi. SNA also guaranteed that the ICH Scheme files/documents are properly maintained and ensures strict compliance of the instructions of the Ministry. The Committee observe that despite the existence of a

dedicated ICH Cell for record maintenance, there has been poor management of files and records, which is indicative of weak functioning of the ICH Cell. The Committee are of the view that to ensure thorough verification and review of project records and data as well as the authenticity of data, a strong ICH cell is a necessity. Therefore, the Committee exhort the Ministry as well as SNA to urgently strengthen the ICH cell by maintaining a verified and authentic database.

Incorrect depiction of Expert Committee recommendations

8. The Committee note that out of the 116 project proposals recommended by the Expert Committee for approval, the Ministry of Culture reviewed 37 proposals for the year 2015-16. After the review, MoC reduced the grants in respect of 14 proposals; increased the grants in case of three proposals and rejected two proposals citing lack of justification by the EC. Audit scrutiny revealed that one case which had not been recommended by the EC was shown as having been recommended by EC which was a misrepresentation of facts. Audit also found that the Akademi had changed the recommendations of the EC in four cases. Out of the said four cases, in three cases the Akademi reduced the recommended amounts while a proposal, not recommended by EC, was incorporated as recommended. These four proposals were approved by MoC based on incorrect recommendations of EC submitted by the Akademi. In reply, the Ministry had submitted that explanation was sought from the errant officials and found that the discrepancy occurred due to oversight, while formatting and cutting-pasting the tabular details during processing. The Ministry had also instructed the Akademi to be extra careful while dealing with such matters in future and SNA has sent letters to the concerned applicants for recovery of grants. The Committee express deep concern over the callous attitude of the officials of the Akademi while submitting the list of applications for grants for approval by the Ministry. The Committee recommend that a robust review mechanism may be put in place for thorough scrutiny of all applications before sending the same to the Ministry for approval and release of funds.

Scheme for financial assistance to cultural institutions

9. The Committee note that the Scheme for financial assistance to cultural institutions provides for financial support to institutions engaged in training in the

fields of music, dance and drama and to encourage production of new plays, ballets etc. Under the Scheme, funds are to be released in two installments of 75 percent and 25 percent. A committee of experts (Grants Committee) considers the applications and makes recommendations including the quantum of grants, which are placed before the Executive Board (EB) of the Akademi for approval as per procedure adopted by the Akademi. Audit scrutiny had revealed that this procedure was neither defined in the Scheme nor in the rules and regulations of the Akademi. The quantum of financial assistance for the projects had also not been defined. As a result there was no consistency in the amounts approved for financial assistance. Audit further found irregularities like sanctioning of financial assistance in excess of the amount sought by the grantee without recorded justifications, non-submission of project proposals through State Akademies or State Government, as required, non-submission of required documents by grantees, release of funds without receipt of UCs of past grants, etc. Moreover, the Scheme does not provide for submission of any report by the grantees on completion of project. In reply, the Ministry had submitted that keeping in view the budget constraints and mandate of the scheme, token assistance is given to Grantees with the assumption that the rest of the expenses will be borne by the Grantees. The Committee note that there is ambiguity in the provisions for implementation of the scheme in respect of quantum of funds to be released, submission of project proposals etc. This has led to release of excess funds without receipt of UCs, without proper documentation etc. The Committee are of the view that the haphazard and unorganized manner of implementing the scheme is indicative of non-committal attitude of the Ministry in achieving the objectives of the Scheme. The Committee, therefore recommend that the Ministry urgently undertake an exercise of reviewing and revising the guidelines of the scheme and incorporate necessary provisions to streamline the processes on determining the eligibility of beneficiaries, release of admissible quantum of funds per beneficiary, documents and reports required to be submitted by beneficiaries etc.

National Museum: Poor cash management and irregular parking of funds outside Government Account

10. Audit scrutiny revealed that the National Museum, New Delhi failed to comply with the Central Government Account (Receipts and Payments) Rules, 1983 in

handling Government Receipts. The Museum had not exercised basic internal controls in cash management, failing to route receipts through cash book and not undertaking any reconciliation with the bank accounts. As a result, an amount of Rs. 2.26 crore (Rs.1.03 crore in EDC (electronic data capture) account and Rs.1.23 crore in Audio tour guide account) was irregularly kept outside Government account for a prolonged period of time. In reply, the Committee were apprised that the account on audio guide services was erroneously opened in the name of two officials and money received was deposited in the personal accounts of the officials from October 2005 to August 2007. The error has since been rectified and the amount, along with interest, has been transferred to the account of the Museum albeit belatedly. The Committee also note that payments received through swipe machine/EDC machine were neither routed through the cash book nor credited into the government account during November 2007 to May 2017. Instead, receipts were credited to an account with the residential address of the then Director, National Museum. The Museum has since credited the amount along with interest accrued on the account to the Government account. The Committee are concerned to note the blatant contravention of the Central Government Account (Receipts and Payments) Rules, 1983, while creating the EDC (electronic data capture) account and Audio tour guide account. The Committee are of the considered view that such deviation from the rules resulted due to weak internal control mechanism. The Committee, therefore recommend that officials responsible for not adhering to the rules ought to be penalized to set an example and to avoid blatant violations in future. The Committee also desire that the Ministry and the Museum revisit the matter to rule out involvement of any vested interest on the part of the errant officials and apprise them of the outcome.

The Asiatic Society, Kolkata: Excess contribution to employees' provident fund

11. The Committee note that as per the Employees Provident Fund and Miscellaneous Provisions Scheme, 1952, the contribution payable by an employer is 12 percent per month of the maximum wage ceiling of Rs.15,000 per month, i.e Rs.1800 per month. Out of the 12 percent of wages, 8.33 percent is deposited in the Employees' Pension Scheme (EPS) and balance 3.67 percent is deposited to the Employees' Provident Fund (EPF). The Scheme also stipulates that the contribution payable by an employee to whom the Scheme applies could, if he/she so desires, be

an amount exceeding the above limit subject to the condition that employer shall not be under an obligation to pay any contribution over and above his contribution payable under the Scheme. Audit scrutiny of the accounts of the Asiatic Society, Kolkata revealed that in contravention of the Scheme guidelines, the Society contributed its share of provident fund to the employees at the rate of 12 percent of the total pay instead of restricting it to the maximum wage ceiling of Rs.15,000 which resulted in excess contribution of Rs. 1.19 crore towards employer's share of the provident fund in respect of 160 employees who were drawing monthly salary of more than Rs.15,000 during the period April, 2015 to March 2017. While examining the subject, the Committee also highlighted the deviation from the scheme guidelines by the Asiatic Society and recommended for early resolution. The Committee note that the Council of the Asiatic Society had since taken a decision that the Employer's Contribution to the EPF would be made at 12 % on EPF wages applying the wage limit of Rs.15,000. The Committee are further apprised that the Ministry of Culture are taking up the matter of recovery of excess amount contributed with the Ministry of Labour and Employment. While acknowledging the action taken by the Ministry and the Society in rectifying the error of excess contribution, the Committee also desire that matter relating to the recovery of the excess amount of Rs.1.19 crore contributed by the Asiatic Society be resolved expeditiously and the Committee apprised of the same.

Indira Gandhi Rashtriya Manav Sangrahalaya, Bhopal: Avoidable Payment on Electricity Charges

12. Audit noted that there was inaccurate assessment of contract demand by Indira Gandhi Rashtriya Manav Sangrahalaya, Bhopal, and delayed action for reducing the contract demand resulted in avoidable expenditure of Rs. 82.95 lakh towards electricity charges. Audit analysis of electric load revealed that the actual consumption was persistently lesser by 37 per cent to 79 per cent than the contract load between May 2007 and November 2016. The Ministry had submitted that the Architect/Consultant had submitted the detailed load calculation of 33 KV (600 KVA) for operationalizing Indoor Museum Building as per the approved Master Plan of the Executive Council of the Rashtriya Manav Sangrahalaya Samiti in 1988. The Committee were apprised that in the year 2005 IGRMS approached the Madhya

Pradesh Electricity Board (MPED) to reduce the required load from 600 KVA to 300 KVA. However, keeping in view the varying load requirement of running the indoor galleries going upto 349 KVA and requirement for the commencement of an AC plant with 195 KVA and likely increase of electric load in future, a final decision was taken to retain the load of 600 KVA in the interest of the organization in view of future expansion and infrastructure development. Upon the matter being pointed out in February, 2016, the IGRMS conducted fresh energy audit and reduced the contract demand to 300 KVA in December 2016. The contract demand for electricity of 600 KVA was based on the Master Plan of 1988. Nevertheless, the Committee are of the view that the contract demand for electricity ought to have been reviewed and revised periodically based on the actual requirement. While acknowledging the action taken to reduce the contract demand for electricity at the Indira Gandhi Rashtriya Manav Sangrahalaya, Bhopal, the Committee exhort the Ministry to take necessary action to ensure optimum utilization of facilities like electricity, water etc. by all organizations under its purview. The Committee also desire that the Ministry impress upon the organizations to explore alternative sources of energy like solar energy, water harvesting techniques etc. to supplement and augment their requirement.

NEW DELHI;
September, 2023
Bhadrapada, 1945 (*Saka*)

ADHIR RANJAN CHOWDHURY
Chairperson,
Public Accounts Committee