

**GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA**

UNSTARRED QUESTION NO:4240
ANSWERED ON:21.12.2005
OPENING OF TIME DEPOSIT ACCOUNTS
Jha Shri Raghunath

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether colleges and associations had been allowed to open time deposit accounts during 1999-2004 by head post offices in Delhi Postal Circle in contravention of the provisions as pointed out by the CAG in its Report No. 2 of 2005 (Transaction Audit Observations)-Para 4.3;

(b) if so, the details thereof; and

(c) the action taken by the Government thereon?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD)

(a) & (b) Yes, Sir.

1. All India Management Association opened 43 TD accounts for Rs. 9.39 crores on different dates from 8th February 2002 to 26th December 2003 at Lodhi Road Head Post Office.

2. Two TD accounts from NUPE Union were opened at Indraprastha Head Post Office on 06-05-1999 for Rs. 4,00,000 and on 22-05-2001 for Rs. 9,00,000 irregularly.

(c)

1. As P&T Audit vide I.M. No. 53 dated 26-04-2004 has objected the irregular opening of the accounts at Lodhi Road Head Post Office, all these accounts were closed on 26-10-2004 after deducting the interest paid.

2. The accounts opened at Indraprastha Head Post Office were closed on 22-03-2001 and 07-06-2003 respectively.

Suitable instructions not to open accounts in violation of Time Deposit Rules have been issued.