

**COMMITTEE
ON
PAPERS LAID ON THE TABLE
(1978-79)**

(SIXTH LOK SABHA)

FIFTEENTH REPORT

(Presented on April 11, 1979)



**LOK SABHA SECRETARIAT
NEW DELHI**

April, 1979/Chaitra, 1901 (Saka)

Price : Rs. 1.20

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COMPOSITION OF THE COMMITTEE ON PAPERS LAID ON
THE TABLE
(1978-79)

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Shri K. K. Saxena—*Chief Examiner of Bills and Resolu-*
tions.

Shri P. C. Chaudhry—*Senior Table Officer.*

INTRODUCTION

I, the Chairman of the Committee on Papers laid on the Table of the House, having been authorised by the Committee to present the Report on their behalf, present this their Fifteenth Report.

2. On examination of certain papers laid during the Third, Fifth and Seventh Sessions (Sixth Lok Sabha) the Committee have come to certain conclusions in regard to delay in laying certified accounts of the Aligarh Muslim University.

3. On 6 November, 1978, the Committee took evidence of the representatives of the Ministry of Education and Social Welfare on the subject.

4. The Committee wish to express their thanks to the Officers of the Ministry of Education and Social Welfare and the representatives of University Grants Commission and Aligarh Muslim University for furnishing information desired by the Committee.

5. The Committee considered and adopted this Report at their sitting held on 2 April, 1979.

6. A statement giving summary of recommendations/observations of the Committee is appended to the Report (Appendix-II).

NEW DELHI;

April 5, 1979

Chaitra 15, 1901 (Saka).

KANWAR LAL GUPTA,

Chairman,

Committee on Papers laid on
the Table.

REPORT

DELAY IN LAYING CERTIFIED ACCOUNTS OF ALIGARH MUSLIM UNIVERSITY

The Certified Accounts (Hindi and English versions) of the Aligarh Muslim University for the year 1973-74, together with the statement showing reasons for delay in laying them, were laid on the Table of Lok Sabha on 5-12-1977, i.e., 44 months after the close of the accounting year. In the statement showing reasons for delay the Ministry of Education and Social Welfare (Department of Education) have stated:

“The Annual Accounts of the University for 1973-74 were audited by the Accountant General, Uttar Pradesh, in the months of February and March, 1975. While the English version of the Audit Report was received on 26th June, 1976, the Hindi version was received from the Accountant General, Uttar Pradesh on 11th February, 1977.

The Accounts alongwith the Audit Report and the English version were placed by the University before its Finance Committee on 8th June, 1977, according to the prescribed procedure.

After considering the observations of the Finance Committee, the Executive Council approved the Accounts on 7th September, 1977. The Accounts were thereafter forwarded to this Ministry for being laid before Parliament, hence the delay.”

1.2 The Certified Accounts for 1974-75 (Hindi and English versions) alongwith the statement showing reasons for delay, were laid on the Table on 30-8-1978, i.e., 41 months after the close of the accounting year. In the statement showing reasons for delay the Ministry have stated:

“The Accounts for the year 1974-75 were finalised by the University in October, 1976 and audit thereof was conducted on spot from 8th November, 1976 to 12th November, 1976. All the clarifications relating to preparation of accounts were given by the University during the course of audit.

The English version of the audit report was received by the University in November, 1977 and the Hindi version in February, 1978. The Accounts were then placed before

the Finance Committee of the University on 28th March, 1978, and thereafter, approval of the Executive Council of the University to these accounts was obtained by circulation. The requisite number of copies of annual accounts together with audit report thereon was received by this Ministry from the University on 14th August, 1978. Hence, the same could not be laid before the Parliament earlier."

1.3. The Certified Accounts for 1975-76 (Hindi and English versions), alongwith the statement showing reasons for delay, were laid on the Table on 30-8-1978, i.e., 29 months after the close of the accounting year. In the statement showing reasons for delay, the Ministry have explained the position as under:

"The Accounts for the year 1975-76 were finalised by the University in August, 1977 and audited by the Accountant General, U.P. during the period from August, 1977 to October, 1977. All the information relating to the preparation of Accounts was given by the University during the course of audit. There was, however, subsequent correspondence between the Accountant General, U.P. and the University relating to certain paras included in the Audit Report.

The English version of the audit report was received by the University on 27-2-1978 and the Hindi version on 14-4-1978. The Accounts were placed before the Finance Committee of the University at its meeting held on 28th March, 1978, and thereafter, the approval of the Executive Council of the University was obtained by circulation. The requisite number of copies of annual accounts together with audit report thereon were received by this Ministry from the University on 14th August, 1978. Hence, the same could not be laid before the Parliament earlier."

1.4. In paras 1.16 and 3.5 of their First Report (Fifth Lok Sabha)—presented to Lok Sabha on 8-3-1976—the Committee had *inter alia* recommended that:—

"1.16.....after the close of the accounting year every autonomous organisation should complete its accounts within a period of 3 months and make them available for auditing. Auditing of the accounts and furnishing replies to audit objections, if any, and also translation and printing of Reports should be completed within the next six months so that the Reports and audited accounts are laid before Parliament within nine months after the close of the ac-

counting year unless otherwise stipulated in the relevant Act, etc., under which the body has been set up. If for any reason the report and audited accounts cannot be laid within the stipulated period of nine months, the concerned Ministry should lay within 30 days of the expiry of the prescribed period or as soon as the House meets, whichever is later, a statement explaining the reasons why the report and accounts could not be laid within the stipulated period."

"3.5....normally the Annual Report and audited accounts of autonomous organisations should be presented to Parliament together to enable the House to have a complete picture of the working of that body. This decision should not be taken to imply that laying of reports and accounts could be delayed to any length of time. The Committee recommend that the Annual Report together with the audited accounts and audit report thereon for a particular year should be laid on the Table within 9 months of the close of the accounting year unless otherwise stipulated in the Act or Rules under which the organisation has been set up. To comply with this requirement proper time schedule should be laid down for compilation of Annual Report and accounts and their auditing. The Committee feel that normally a period of 3 months would be sufficient for compilation of accounts and their submission to audit; the next 6 months might be given for auditing of accounts; for printing of the report and sending it to Government for laying. If for any reason the report, audited accounts and audit report cannot be laid within the stipulated period of nine months the Ministry should lay within 30 days of expiry of the prescribed period or as soon as the House meets, whichever is later, a statement explaining the reasons why the report and accounts could not be laid within the stipulated period."

1.5. In paras 1.12 and 1.14 of their Second Report (Sixth Lok Sabha)—*presented to Lok Sabha on 22-12-1977*—the Committee had *inter alia* further recommended that:

"1.12.....all Statutory/Autonomous Organisations, Public Undertakings, Corporations, Joint ventures, Societies, etc., which are financed out of funds drawn from the Consolidated Fund of India, after being voted by the Parliament, in the form of shares, subsidies, grant-in-aid etc., either wholly or partly should lay their Annual Reports/Audit

Reports (both English and Hindi versions) before both Houses of Parliament irrespective of the fact whether the Statutes, Rules or Regulations of such organisations provide therefor or not and whether they are registered under the Companies Act, 1956 or not.

1.14.....Government might consider the feasibility of amending, where necessary, the relevant Statutes/Rules/Regulations of such organisations, to make it obligatory on the part of the administrative Ministry concerned to lay the Annual Reports/Audit Reports of such organisations under their administrative control before Parliament within nine months of the close of accounting year so that Parliament is apprised of their activities."

1.6. In a note furnished to the Committee on 12 July, 1978, indicating the action taken by the Ministry on the recommendation of the Committee made in para 1.12, referred to above, the Ministry of Education & Social Welfare, have *inter alia* stated as under:

"....so far as the seven Central Universities are concerned, there is a provision in the Acts of four of them, namely, the Aligarh Muslim University, Visva Bharati, University of Hyderabad and North-Eastern Hill University, for submission of their Annual Reports to the Visitor. It has accordingly been decided that till such time as a provision for submission of their Annual Reports to Parliament is made in their Acts, as a matter of convention, their Annual Reports be laid before Parliament hereafter after getting the approval of the Visitor.

In view of the position explained above, the Aligarh Muslim University, Visva-Bharati, University of Hyderabad and North-Eastern Hill University have been requested to send to this Ministry copies of Hindi and English versions of their Annual Reports for 1977-78.

So far as the remaining three Universities, namely, Delhi University, Banaras Hindu University and Jawaharlal Nehru University are concerned there is no provision in their Acts even for submission of their Annual Reports to the Visitor. Submission of the Annual Reports of the aforesaid Universities to the Parliament will, therefore, have to wait till their Acts are amended to make a provision for laying their Annual Reports to the Visitor as well as the Parliament."

1.7. The Committee took evidence of the representatives of the Ministry of Education and Social Welfare, University Grants Commission and the Aligarh Muslim University on 6th November, 1978, regarding delay in laying Audited Accounts of the Aligarh Muslim University for the years 1973-74, 1974-75 and 1975-76.

1.8. On being asked to explain the reasons for taking 44 months, after the close of the financial year, in laying on the Table of Lok Sabha on 5.12.1977, Audited accounts of the Aligarh Muslim University for 1973-74, the Vice-Chancellor of Aligarh Muslim University stated that that year was a year of great turbulence in the Aligarh Muslim University. The Aligarh Muslim University (Amendment) Act, 1972 took a toll of the University and there was great unrest in 1973-74 and in a part of 1975. Admitting delay of 44 months the witness stated:

“....we will not be able to defend a delay of 44 months, not even half that delay. We will have to own this. As soon as the Ministry's notice was received, we began toning up the system.”

1.9. In reply to a question the witness stated that the accounts for 1973-74 were handed over to Audit in February 1975 and the Audit Report together with certified accounts was received in June, 1976. When asked about the extent of responsibility of the University and the Audit in the delay of 15 months, the witness informed that the delay was mostly on the part of the Accountant General.

1.10. In reply to a question about the time taken by the University in resolving the audit objections, the representative of the Ministry of Education and Social Welfare stated:

“I asked the University authorities precisely this question and I am sorry to say that there is no adequate record available with the University to indicate when the audit communicated for the first time their objections. The only records available are the two reports, one received in April and the subsequent revised one received in June.”

Clarifying the position on behalf of the University, the Vice-chancellor, Aligarh Muslim University stated:

“It is a serious matter. It came to our notice late as we were scrutinising the records. We should have gone back to Allahabad and got some records from them. In subsequent years this kind of thing is not there.”

1.11 In reply to a specific question whether during the period of 15 months taken by Audit in sending the Audit Report, the University had ever written to Audit to expedite the submission of Audit Report, the Vice-Chancellor, Aligarh Muslim University drew the attention of the Committee to section 35(1) of the Aligarh Muslim University Act, 1920 which provides that "the Annual Accounts and Balance Sheet of the University shall be prepared under the direction of the Executive Council and shall once at least every year and at intervals of not more than fifteen months be audited by the Comptroller and Auditor General of India." On being asked if it was not the duty of the University to remind the Audit to expedite submission of the Reports at the expiry of the period of 15 months prescribed in the Act, the Pro-Vice-Chancellor of Aligarh Muslim University stated that it was not the practice with the University to send reminders to the Accountant General but he admitted that it should have been done.

1.12. In reply to a question about the action taken by the University, after receipt of the Report from Audit in June, 1976, the Vice-Chancellor stated that the reports were thereafter got printed. It took them 5½ months and 4 months for printing the English and Hindi versions of the Report, respectively. Asked why printing of both versions could not be done simultaneously, the witness stated that "we could have done that, we are doing it now. That was the first time that we got the report printed in Hindi".

1.13. When asked about the time taken in laying the Audit Report, after having been printed in Hindi and English, the witness stated that the English and Hindi versions of the Report were printed in December, 1976 and January, 1977 respectively. After this, the accounts were to be placed before the Finance Committee and the Executive Council. These were placed before the Finance Committee at their sitting held on 2-2-1977 but were considered in June, 1977. The difficulty was that meetings of Finance Committee were held roughly twice a year. The accounts were placed before the Executive Council at their meeting held in September, 1977. When pointed out that there was no rule prescribing that only two meetings of Finance Committee should be held in a year, the witness explained that it had never been their practice to call a meeting soon after the preparation of the accounts. Actually the meeting had been held when there were enough items on the agenda. The witness admitted that the period of delay could be reduced if the meeting was called immediately after submission of accounts and the University had been a little more vigilant. The witness assured the Committee that the accounts for 1978-79 would be laid on the Table within the time prescribed by the Committee.

1.14. The Committee enquired whether the Annual Report of the University for 1973-74 had been prepared, and whether any rules under Section 34(1) of the Aligarh Muslim University Act, 1920 (reproduced below) had been framed.

"34. Annual Report—(1) the Annual Report of the University shall be prepared under the direction of the Executive Council and shall be submitted to the Court on or after such date as may be prescribed by the statutes and the Court shall consider the report in its annual meeting.

The Vice-Chancellor, Aligarh Muslim University stated:

"No statute has been framed in this regard. In addition to that, there is this point that the Court of Aligarh Muslim University is not meeting. There is a great deal of anger about the 1972 Amendment Act, and the Constituents of the Court are refusing to meet."

1.15. The Committee pointed out that the Aligarh Muslim University Act was passed 58 years back and enquired whether any period has been fixed for preparation of the Annual Report. The Pro-Vice-Chancellor informed the Committee that 'Prior to 1972, Annual Reports had been framed'. Explaining further the Vice-Chancellor *inter alia* submitted that:

".....Two reports, in this regard, have been prepared one in 1976 and the other in 1978..... of course, this does not meet your objection that the statute in this regard should have been framed. Even otherwise, the University must have its Annual Report. Those objections remain."

1.16. When asked if the University had any objection in laying the Annual Report before Parliament as there is no such provision in the Act, the witness stated:

"There is no objection about the laying of the report of the Aligarh Muslim University before the House....."

1.17. On enquiry if the Ministry of Education and Social Welfare has ever written to the University for getting the accounts audited and for submission of the Annual Report as these were already badly delayed, the representative of the Ministry stated that in addition to a letter written in April, 1976 the Ministry had written to University specifically about the accounts on 13-4-1977 and about the 1975-76 report in August, 1977. He further stated that:

"The reports of the University were not placed before Parliament before 1973-74. It was in pursuance of the recommendation of the P.A.C. that a decision was taken and a

convention was evolved that the Visitor will do that. So, it started about the year 1973-74."

1.18. On being asked when the accounts for 1974-75 which were laid on the Table on 30-8-1978 i.e., after a delay of 30 months were finalised and printed, the Vice-Chancellor stated:

"From the end of the financial year 1974-75, it took us 19 months. We informed the Accountant General and requested him to come in October, 1976. That was the date of the finalisation of accounts. It is a very long delay. There is one explanation, which does not go all the way, but only a small part of the way. It so happened that our key accounts man was charged with irregularities and was dismissed from service, after investigations. Some papers had to be impounded in that connection. So, they were not available. In his place some other person had to be appointed. An expert was necessary. A third man was appointed, who was also not able to do the job. He was also changed. A fourth man was appointed. He is there at present. He completed the accounts within 4 months, i.e., in October, 1976; but I cannot plead that the 19 months' delay is proper. Between the finalisation of accounts and receiving the final report of the Accountant General, 12 months passed in the case of the English report and 15 months in the case of the Hindi one. The date of receipt of final Audit Report in English was November, 1977 and that for Hindi February, 1978."

Giving his comments on this, the representative of the Ministry stated that the University received the approved Audit Report for 1974-75 in February, 1977 which included about 32 objections. In July the University sent replies to about 28 objections and in November, 1977 they received the final Audit Report. Intervening the Vice-Chancellor informed the Committee that 5 out of 32 objections remained outstanding.

1.19. On being asked about the latest position as regards finalisation of accounts, the Vice-Chancellor informed the Committee that the University hoped to complete the accounts for 1977-78 by December, 1978 and the Accountant General was being asked to audit the accounts in January, 1979. In the case of 1978-79 accounts reconciliation was being done monthly.

1.20. The Certified Accounts for the years 1976-77 and 1977-78, which should have been laid before Parliament by 31-12-1977 and 31-12-1978, respectively, have not so far been laid.

1.21. On 12-3-1979 the Ministry of Education & Social Welfare laid on the Table of Lok Sabha a statement (Appendix I) explaining the reasons for delay in laying the Annual Reports together with Annual Accounts and Audit Reports of Central Universities before Parliament. With respect to the position regarding laying of Annual Reports of the Central Universities before Parliament the Ministry have stated as under:

"As regards Annual Reports, decision has been taken by Government to lay the same for 1977-78 before Parliament in respect of Aligarh Muslim University, Hyderabad University, North-Eastern Hill University and Visva-Bharati, as the Acts of these Universities have provision for submission of Annual Report to the Visitor. As the decision was taken only recently, the Universities have not been able to follow the prescribed time-schedule in this case also. Copies of Annual Report have already been received from the Hyderabad University and the Visva-Bharati and action is being taken to lay the same before Parliament. It is expected that copies of the Report will be received from the remaining two Universities, namely Aligarh Muslim University and North-Eastern Hill University, before long. The Annual Reports of the other three Universities, namely, Banaras Hindu University, Delhi University and Jawaharlal Nehru University will be laid on the Table only after a provision for the purpose is made in their Acts of Incorporation."

1.22. The Committee are concerned to note that the Certified Accounts of the Aligarh Muslim University for the year 1973-74 were laid on the Table of Lok Sabha as late as 5-12-1977, i.e. 44 months after the close of the accounting year. Further the Certified Accounts for 1974-75 and 1975-76 were laid on the Table on 30-8-1978, i.e., 41 months and 29 months respectively, after the close of the accounting year. Even if the period of delay is reckoned from the date of presentation of the First Report (Fifth Lok Sabha) of the Committee to Lok Sabha on 8-3-1976, the delays in laying the Certified Accounts for 1973-74, 1974-75 and 1975-76 come to 21 months, 30 months and 20 months, respectively, which are unconscionable by whatever standards they are assessed. With regard to inordinate delays, the representative of the Aligarh Muslim University had to admit during evidence "we will not be able to defend a delay of 44 months, not even half that delay. We will have to own this. As soon as the Ministry's notice was received, we began toning up the system."

1.23. The Committee further note that the position regarding laying of accounts of subsequent years is no better as Certified Accounts for the years 1976-77 and 1977-78, which ought to have been laid by 31-12-1977 and 31-12-1978, have not so far been laid.

1.24. From the facts mentioned in the delay statements laid alongwith the Certified Accounts for 1974-75 and 1975-76, the Committee find that the Aligarh Muslim University took unusually long time of 19 months and 17 months, after the close of the accounting year, in finalising their annual accounts which do not speak well about the functioning of the Accounts Department of the University.

1.25. During evidence the Committee were informed that the period of 19 months taken by the University in finalising the accounts for 1974-75 (finalised in October, 1976) were attributable to the irregularities committed by the Accounts Officer who was later on dismissed from service after investigations and the University had to change the Accounts Officer frequently, as a suitable incumbent was not available. The Committee were further informed that the Accountant General, Uttar Pradesh took 12 months in auditing the accounts and furnishing the English version of Audit Report on the accounts of the University in November, 1977 and 15 months in making available Hindi version of Audit Report in February, 1978. The Committee find that English version of the Audit Report sent by the Accountant General in February, 1977 contained 32 objections. The University took 5 months in sending replies to 28 audit objections and 5 audit objections remained unresolved.

1.26. From the above facts the Committee can draw only one conclusion that the maintenance of accounts in the University had been in a very bad shape for the last several years leading to considerable delays in the finalisation of accounts from year to year. The Committee need hardly stress that the progress of maintenance of accounts must be carefully watched and test checked periodically by a very responsible officer of the University in order to ensure that the accounts are finalised and laid before Parliament in time. The Committee are also of the view that if accounts are maintained properly and entries made in the account books are checked periodically, the discrepancies of irregularities, like those committed in the present case would have come to notice in time thereby reducing the audit objections at the time of auditing of accounts. The Committee are of the view that if the accounts for 1973-74, 1974-75 and 1975-76 had been finalised and audited in time the irregularities pointed out by the Audit in their Audit Reports for those years

would have come to the notice of the University much earlier and suitable remedial measures could have been taken to check them.

1.27. The Committee strongly deprecate the persistent delays on the part of the University in finalising their annual accounts and consequent delays in making copies of the Certified Accounts and Audit Reports available to the Ministry of Education & Social Welfare in laying them on the Table. The Committee are of the view that if the Certified Accounts are laid before Parliament a long time after the close of the accounting year they lose their importance and utility inasmuch as the House finds itself absolutely helpless to suggest any remedial measures at such a late stage to check any irregularities or deficiencies which come to their notice as a result of examination of those accounts.

1.28. The Committee, therefore, recommend that in order to bring uniformity in all the Central Universities in the matter of maintenance of accounts, their submission to Audit for auditing, etc., in time, the Ministry of Education and Social Welfare should lay down broad guidelines in consultation with the Vice-Chancellors of the Universities, the Accountants-General concerned and the University Grants Commission. The guidelines should provide *inter alia*, fixed time schedules for finalisation of accounts, their submission to Audit for auditing, completion of auditing, making the Audit Report available to the concerned University and finally for sending copies of the Audit Report and accounts by the University to the Ministry of the Audit Report and accounts by the University to the Ministry prescribed by the Committee.

1.29. In accordance with the time schedule so fixed a senior officer of the University should keep a watch over the progress in the completion of accounts and their submission to Audit, etc. and submit periodic reports to the Ministry of Education. The reports received from the Central Universities should be analysed properly to pin-point the bottlenecks and other difficulties. It is needless to say that the Ministry of Education & Social Welfare should hold periodic meetings with the University Grants Commission and the Heads of all the Central Universities to assess the progress of finalisation of accounts each year and to find out ways and means to streamline the procedure so that the Certified Accounts and Audit Reports are placed before Parliament within the time limit prescribed by the Committee.

1.30. The Committee note that a period of 16 months (February, 1975 to June, 1976) had elapsed between the submission of the

accounts for 1973-74 by the Aligarh Muslim University to the Accountant General and the receipt of Audit Report (English version) from him. Similarly in the case of accounts for 1974-75 the Accountant General, U.P., is stated to have taken about a year (November, 1976 to November, 1977) in furnishing the Audit Report on the Accounts. The Committee are distressed to find that no record is available with the University to show when the Audit communicated their audit objections on the accounts for the year 1973-74 to the University for the first time, except the two reports; one received in April and the revised one in June, 1976. The Committee take a serious note of the loss of such important communications received from Audit. In the absence of information in this regard the Committee feel handicapped in assessing the extent of responsibility of the University and the Audit Department in delaying the finalisation of audited accounts and Audit Report. The Committee cannot help expressing their unhappiness over this state of affairs in the accounts department of the University. The Committee hope that the University will learn a lesson from their past mistakes and devise a suitable procedure for maintaining proper record of all papers so that such instances of loss of documents are not repeated.

1.31. The Committee note that during the period of 16 months, stated to have been taken by the Accountant-General, U.P., (February, 1975 to June, 1976) in sending the Audit Report on the accounts for the year 1973-74 to the University, the University did not remind the Audit, even once, to expedite furnishing of Audit Report as it was not the practice with the University to send reminders to the Accountant-General in the past. The Committee are not satisfied with the explanation and are of the view that had the University pursued the matter with the Accountant-General more vigorously, much of the delay could have been avoided. The Committee do not find anything objectionable in reminding the Audit to expedite the auditing of accounts and submission of the Audit Report to the University so as to comply with the recommendation of the Committee to lay the accounts and audit report before Parliament within 9 months after the close of the accounting year. The Committee hope that such omissions in office procedure will not be committed by the University in future.

1.32. The Committee note that the English and Hindi versions of the Audit Report for 1973-74 were printed in December, 1976 and January, 1977 respectively and were laid on the Table of Lok Sabha on 5-12-1977. The Committee were informed during evidence that the audited accounts were placed before the Finance Committee on

2-2-1977 but were considered by it in June, 1977 as only two meetings of Finance Committee are held in a year. The accounts were placed before the Executive Council in September, 1977. The Committee find that the University took about a year in placing the accounts before the Finance Committee and Executive Council for consideration and approval and for making copies of the printed accounts and audit report available to the Ministry for laying. Similarly the audit report for 1974-75 which was received from the Accountant-General, U.P., in November, 1977, was laid on the Table of Lok Sabha in August, 1978 i.e., 9 months after the receipt of audit report. The Committee are of the opinion that such recurring delays could be obviated if the University had shown some earnestness in completing the formalities soon after receiving the Audit Report from the Accountant General. The Committee hope that the Aligarh Muslim University will in future ensure holding meetings of their Finance Committee and the Executive Council for consideration of accounts and the Audit Report in such a way that the delay at various stages is minimised so that the accounts and the Audit Report are laid before Parliament within the prescribed time limit.

1.33. The Committee note that at present the Annual Report of the Aligarh Muslim University is not being laid before Parliament as Section 34 of the Aligarh Muslim University Act, 1920 dealing with the Annual Report does not provide for its laying. The Committee are, however, happy to note that Government have recently taken a decision to lay the Annual Reports for 1977-78 before Parliament in respect of Aligarh Muslim University, Hyderabad University, North-Eastern Hill University and Visva-Bharati, as the Acts of these Universities have provision for submission of Annual Report to the Visitor. The Committee trust that the Annual Report of the Aligarh Muslim University for 1977-78, copies of which are expected to be received in the Ministry soon, will be laid before both the Houses without any further delay.

1.34. The Committee note that Section 34(1) of the Aligarh Muslim University Act, 1920 stipulates that "the Annual Report of the University shall be prepared under the direction of the Executive Council and shall be submitted to the Court on or after such date as may be prescribed by the Statutes and the Court shall consider the report in its annual meeting" but the Aligarh Muslim University have not so far made any Statute prescribing the date by which the Annual Report should be submitted to the Court, even after a lapse of 58 years of the passing of the Act. The Committee take a serious note of this lapse on the part of the

University and strongly deprecate this tendency of indefinitely procrastinating the framing of Statutes under Section 34(1) of the Act. The Committee recommend that the necessary Statutes should be framed without further loss of time.

1.35. The Committee further recommend that the Ministry of Education & Social Welfare should take early steps to amend Sections 34 and 35 of the Aligarh Muslim University Act, 1920, suitably, in the light of the recommendations of the Committee made in paras 1.12 and 1.14 of their Second Report (Sixth Lok Sabha).

1.36. The Committee also recommend that the Certified Accounts and Audit Reports for the years 1976-77 and 1977-78, which are in arrears, should be laid on the Table without any further delay along-with a statement explaining in detail the reasons for not laying them within the stipulated time limit so that the House may be able to assess the quantum of delay and identify the stages at which the delay has actually occurred.

1.37. The Committee, however, trust that the Annual Report, Certified Accounts and Audit Report thereon for the year 1978-79 and subsequent years will be laid on the Table within the prescribed period.

NEW DELHI;

April 2, 1979.

Chaitra 12, 1901 (Saka).

KANWAR LAL GUPTA,

Chairman,

Committee on Papers laid on
the Table

APPENDIX I

(Vide Para 1.21 of Report)

MINISTRY OF EDUCATION & SOCIAL WELFARE

Statement showing the reasons for delay in laying the annual Reports together with Annual Accounts and Audit Reports of Central Universities for some years before Parliament.

According to the recommendation of the Committee on Papers laid on the Table, the Annual Report together with audited Accounts and Audit Report thereon of all autonomous organisations for a particular year has to be laid on the Table of both the Houses of Parliament within 9 months of the close of the accounting year unless otherwise stipulated in the Act or Rules under which the organisation has been set up.

2. The Annual Accounts together with Audit Reports of the Aligarh Muslim University and the Banaras Hindu University for 1976-77 and 1977-78 and of the North-Eastern Hill University for the years 1975-76, 1976-77 and 1977-78 and those of the Delhi University, Jawaharlal Nehru University, Hyderabad University and Visva-Bharati for the year 1977-78 could not be laid on the Table of the two Houses of Parliament within the stipulated period for the following reasons:—

- (i) The various Central Universities had not been following the time-schedule prescribed by the Committee on Papers laid on the Table for completion of various stages of action, with the result that delay has taken place successively in laying the various Annual Accounts before Parliament. Recently, steps have been taken to streamline the entire procedure. Time-schedule have been communicated to all the Central Universities and they have been advised to ensure its compliance. Education Secretary has personally addressed letters to the Vice-Chancellors asking them to take all possible steps to see that the Accounts are finalised and submitted to concerned Accountants-General in time and the audit is also reminded periodically. The University Grants Commission has also issued necessary instructions to the Central Universities. A meeting of the Finance Officers of the Central Universities was also convened by the University Grants Commission to discuss this problem

and guidelines for expeditious completion of Accounts were formulated.

(ii) As a result of the above steps, it has been possible to clear the backlog, and it is expected that soon the position will be up-to-date. The Annual Accounts for 1976-77 in respect of Banaras Hindu University and those for 1977-78 in respect of Delhi University have already been received by the Government and action is being taken to lay them on the Table of the two Houses shortly. The Annual Accounts due from other Universities are also expected to be received by Government before the end of the Budget Session, 1979 of Parliament.

3. As regards Annual Reports, decision has been taken by Government to lay the same for 1977-78 before Parliament in respect of Aligarh Muslim University, Hyderabad University, North-Eastern Hill University and Visva-Bharati, as the Acts of these Universities have provision for submission of Annual Report to the Visitor. As the decision was taken only recently, the Universities have not been able to follow the prescribed time-schedule in this case also. Copies of Annual Report have already been received from the Hyderabad University and the Visva-Bharati and action is being taken to lay the same before Parliament. It is expected that copies of the Report will be received from the remaining two Universities, namely Aligarh Muslim University and North-Eastern Hill University, before long. The Annual Reports of the other three Universities, namely, Banaras Hindu University, Delhi University and Jawahar Lal Nehru University will be laid on the Table only after a provision for the purpose is made in their Acts of Incorporation.

APPENDIX II

Summary of Recommendations/Observations contained in the Report

S. No.	Reference to Para No.	Summary of Recommendations/observations contained in the Report
1	2	3
1	1.22	<p>The Committee are concerned to note that the Certified Accounts of the Aligarh Muslim University for the year 1973-74 were laid on the Table of Lok Sabha as late as 5-12-1977, i.e., 44 months after the close of the accounting year. Further the Certified Accounts for 1974-75 and 1975-76 were laid on the Table on 30-8-1978, i.e., 41 months and 29 months respectively, after the close of the accounting year. Even if the period of delay is reckoned from the date of presentation of the First Report (Fifth Lok Sabha) of the Committee to Lok Sabha on 8-3-1976, the delays in laying the Certified Accounts for 1973-74, 1974-75 and 1975-76 come to 21 months, 30 months and 20 months, respectively, which are unconscionable by whatever standards they are assessed. With regard to inordinate delays, the representative of the Aligarh Muslim University had to admit during evidence "we will not be able to defend a delay of 44 months, not even half that delay. We will have to own this. As soon as the Ministry's notice was received, we began toning up the system."</p>
2	1.23	<p>The Committee further note that the position regarding laying of accounts of subsequent years is no better as Certified Accounts for the years 1976-77 and 1977-78, which ought to have been</p>

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laid by 31-12-77 and 31-12-1978, have not so far been laid.

3 1.24 From the facts mentioned in the delay statements laid alongwith the Certified Accounts for 1974-75 and 1975-76, the Committee find that the Aligarh Muslim University took unusually long time of 19 months and 17 months, after the close of the accounting year, in finalising their annual accounts which do not speak well about the functioning of the Accounts Department of the University.

4 1.25 During evidence the Committee were informed that the period of 19 months taken by the University in finalising the accounts for 1974-75 (finalised in October, 1976) were attributable to the irregularities committed by the Accounts Officer who was later on dismissed from service after investigations and the University had to change the Accounts Officer frequently, as a suitable incumbent was not available. The Committee were further informed that the Accountant General, Uttar Pradesh, took 12 months in auditing the accounts and furnishing the English version of Audit Report on the accounts of the University in November, 1977 and 15 months in making available Hindi version of Audit Report in February, 1978. The Committee find that English version of the Audit Report sent by the Accountant General in February, 1977 contained 32 objections. The University took 5 months in sending replies to 28 audit objections and 5 audit objections remained unresolved.

5 1.26 From the above facts, the Committee can draw only one conclusion that the maintenance of accounts in the University had been in a very bad shape for the last several years' leading to considerable delays in the finalisation of accounts from year to year. The Committee need hardly

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stress that the progress of maintenance of accounts must be carefully watched and test checked periodically by a very responsible officer of the University in order to ensure that the accounts are finalised and laid before Parliament in time. The Committee are also of the view that if accounts are maintained properly and entries made in the account books are checked periodically, the discrepancies or irregularities, like those committed in the present case would have come to notice in time thereby reducing the audit objections at the time of auditing of accounts. The Committee are of the view that if the accounts for 1973-74, 1974-75 and 1975-76 had been finalised and audited in time the irregularities pointed out by the Audit in their Audit Reports for those years would have come to the notice of the University much earlier and suitable remedial measures could have been taken to check them.

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The Committee strongly deprecate the persistent delays on the part of the University in finalising their annual accounts and consequent delays in making copies of the Certified Accounts and Audit Reports available to the Ministry of Education and Social Welfare in laying them on the Table. The Committee are of the view that if the Certified Accounts are laid before Parliament a long time after the close of the accounting year they lose their importance and utility inasmuch as the House finds itself absolutely helpless to suggest any remedial measures at such a late stage to check any irregularities or deficiencies which come to their notice as a result of examination of those accounts.

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The Committee, therefore, recommend that in order to bring uniformity in all the Central Universities in the matter of maintenance of accounts, their submission to Audit for auditing,

etc., in time, the Ministry of Education and Social Welfare should lay down broad guidelines in consultation with the Vice-Chancellors of the Universities, the Accountant-Generals concerned and the University Grants Commission. The guidelines should provide *inter alia*, fixed time schedules for finalisation of accounts, their submission to Audit for auditing, completion of auditing, making the Audit Report available to the concerned University and finally for sending copies of the Audit Report and accounts by the University to the Ministry to enable them to lay the same before Parliament within the time prescribed by the Committee.

8 1.29

In accordance with the time schedules so fixed a senior officer of the University should keep a watch over the progress in the completion of accounts and their submission to Audit, etc. and submit periodic reports to the Ministry of Education. The reports received from the Central Universities should be analysed properly to pin-point the bottlenecks and other difficulties. It is needless to say that the Ministry of Education and Social Welfare should hold periodic meetings with the University Grants Commission and the Heads of all the Central Universities to assess the progress of finalisation of accounts each year and to find out ways and means to streamline the procedure so that the Certified Accounts and Audit Reports are placed before Parliament within the time limit prescribed by the Committee.

9 1.30

The Committee note that a period of 16 months (February, 1975 to June, 1976) had elapsed between the submission of the accounts for 1973-74 by the Aligarh Muslim University to the Accountant General and the receipt of Audit Report (English version) from him. Similarly in the case of accounts for 1974-75 the Accountant General, U.P., is stated to have taken about

a year (November, 1976 to November, 1977) in furnishing the Audit Report on the Accounts. The Committee are distressed to find that no record is available with the University to show when the Audit communicated their audit objections on the accounts for the year 1973-74 to the University for the first time, except the two reports; one received in April and the revised one in June, 1976. The Committee take a serious note of the loss of such important communications received from Audit. In the absence of information in this regard the Committee feel handicapped in assessing the extent of responsibility of the University and the Audit Department in delaying the finalisation of audited accounts and Audit Report. The Committee cannot help expressing their unhappiness over this state of affairs in the accounts department of the University. The Committee hope that the University will learn a lesson from their past mistakes and devise a suitable procedure for maintaining proper record of all papers so that such instances of loss of documents are not repeated.

10 1.31

The Committee note that during the period of 16 months, stated to have been taken by the Accountant-General, U.P., (February, 1975 to June, 1976) in sending the Audit Report on the accounts for the year 1973-74 to the University, the University did not remind the Audit, even once, to expedite furnishing of Audit Report as it was not the practice with the University to send reminders to the Accountant-General in the past. The Committee are not satisfied with the explanation and are of the view that had the University pursued the matter with the Accountant-General more vigorously, much of the delay could have been avoided. The Committee do not find anything objectionable in reminding the audit to expedite the auditing of accounts.

and submission of the Audit Report to the University so as to comply with the recommendation of the Committee to lay the accounts and audit report before Parliament within 9 months after the close of the accounting year. The Committee hope that such omissions in office procedure will not be committed by the University in future.

11 1.32 The Committee note that the English and Hindi versions of the Audit Report for 1973-74 were printed in December, 1976 and January, 1977 respectively and were laid on the Table of Lok Sabha on 5-12-1977. The Committee were informed during evidence that the audited accounts were placed before the Finance Committee on 2-2-1977 but were considered by it in June, 1977 as only two meetings of Finance Committee are held in a year. The accounts were placed before the Executive Council in September, 1977. The Committee find that the University took about a year in placing the accounts before the Finance Committee and Executive Council for consideration and approval and for making copies of the printed accounts and audit report available to the Ministry for Laying. Similarly the audit report for 1974-75 which was received from the Accountant General, U.P., in November 1977 was laid on the Table of Lok Sabha in August, 1978 i.e., 9 months after the receipt of audit report. The Committee are of the opinion that such recurring delays could be obviated if the University had shown some earnestness in completing the formalities soon after receiving the Audit Report from the Accountant General. The Committee hope that the Aligarh Muslim University will in future ensure holding meetings of their Finance Committee and the Executive Council for consideration of accounts and the Audit Report in such a way that the delay at various stages

is minimised so that the accounts and the Audit Report are laid before Parliament within the prescribed time limit.

12. 1.33. The Committee note that at present the Annual Report of the Aligarh Muslim University is not being laid before Parliament as Section 34 of the Aligarh Muslim University Act, 1920 dealing with the Annual Report does not provide for its laying. The Committee are, however, happy to note that Government have recently taken a decision to lay the Annual Reports for 1977-78 before Parliament in respect of Aligarh Muslim University, Hyderabad University, North-Eastern Hill University and Visva-Bharati, as the Acts of these Universities provide for submission of Annual Report to the Visitor. The Committee trust that the Annual Report of the Aligarh Muslim University for 1977-78, copies of which are expected to be received in the Ministry soon, will be laid before both the Houses without any further delay.

13. 1.34. The Committee note that Section 34(1) of the Aligarh Muslim University Act, 1920 stipulates that "the Annual Report of the University shall be prepared under the direction of the Executive Council and shall be submitted to the Court on or after such date as may be prescribed by the Statutes and the Court shall consider the report in its annual meeting" but the Aligarh Muslim University have not so far made any Statute prescribing the date by which the Annual Report should be submitted to the Court, even after a lapse of 58 years of the passing of the Act. The Committee take a serious note of this lapse on the part of the University and strongly deprecate this tendency of indefinitely procrastinating the framing of Statutes under Section 34(1) of the Act. The Committee recommend that the

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necessary Statutes should be framed without further loss of time.

14. 1.35. The Committee further recommend that the Ministry of Education & Social Welfare should take early steps to amend Sections 34 and 35 of the Aligarh Muslim University Act, 1920, suitably, in the light of the recommendations of the Committee made in paras 1.12 and 1.14 of their Second Report (Sixth Lok Sabha).

15. 1.36. The Committee also recommend that the Certified Accounts and Audit Reports for the years 1976-77 and 1977-78, which are in arrears, should be laid on the Table without any further delay, alongwith a statement explaining in detail the reasons for not laying them within the stipulated time limit so that the House may be able to assess the quantum of delay and identify the stages at which the delay has actually occurred.

16. 1.37. The Committee however, trust that the Annual Report, Certified Accounts and Audit Report thereon for the year 1978-79 and subsequent years will be laid on the Table within the prescribed period.
