

COMMITTEE ON PAPERS LAID ON THE TABLE
(2018-2019)

SIXTEENTH LOK SABHA

31

THIRTY FIRST REPORT

**[Delay in laying of the Annual Reports and Audited Accounts of the
Central Pollution Control Board (CPCB)]**

(Presented on 18 December, 2018)



सत्यमेव जयते

LOK SABHA SECRETARIAT
NEW DELHI

December 2018/ Agraḥayana, 1940(Saka)

CONTENTS

PAGE	
COMPOSITION OF THE COMMITTEE ON PAPERS LAID ON THE TABLE (2017-2018)	(iii)
INTRODUCTION	(v)
<u>REPORT</u>	
Delay in laying of the Annual Reports and Audited Accounts of the Central Pollution Control Board (CPCB).	01 - 06
ANNEXURES	
Annexure-I	Statement showing grants in aid received by CPCB during the year 2013-14 to 2016-17.
Annexure-II	The chronological sequence in respect of finalization of Annual Reports and Audited Accounts of the Central Pollution Control Board (CPCB).for the years 2013-14 to 2016-2017.

APPENDICES

Appendix-I	The Extracts of the Minutes of the sitting of the Committee held on 09 August, 2018	09 - 11
Appendix-II	The Minutes of the sitting of the Committee held on 12 December, 2018	12-13

**COMPOSITION OF COMMITTEE ON PAPERS LAID
ON THE TABLE**

(2018-2019)

Shri Chandrakant Khaire - *Chairperson*

M E M B E R S

2. Shri Dushyant Chautala
3. Shrimati Veena Devi
4. Shri P.C. Gaddigoudar
5. Shri Laxman Giluwa
6. Shri Choudhury Mohan Jatua
7. Shrimati Mausam Noor
8. Shri Bheemrao B. Patil
9. Shri Sanjaykaka Ramchandra Patil
10. Shri Bishnupada Ray
11. Shri Manohar Untwal
12. Shri Uday Pratap Singh
13. Shri Virendra Singh
14. Shri P.R. Sundaram
15. Vacant

SECRETARIAT

1. Dr. Preeti Srivastava - Joint Secretary
2. Smt. Rita Jailkhani - Director
3. Smt. Maya Lingi - Additional Director
4. Shri Munish Kumar Rewari - Deputy Secretary
5. Shri R.K. Chaudhary - Committee Officer

INTRODUCTION

I, Chairperson of the Committee on Papers Laid on the Table of the House (2018-19), having been authorized by the Committee to present this Report on their behalf, present this Thirty First Report in respect of delay in laying of the Annual Reports together with Audited Accounts of the Central Pollution Control Broad.

2. In terms of the recommendation of the Committee on Papers Laid on the Table contained in its First Report, Second Report (5th Lok Sabha) and Second Report (6th Lok Sabha) presented to the House on 08 March 1976, 12 May 1976 and 22 December 1977 respectively, the Annual Report and Audited Accounts of the Organization/Company are required to laid on the Table of the House within nine months of the closure of Accounting Year.

3. The Committee considered the matter of delays in laying of the Annual Reports and Audited Accounts of the Central Pollution Control Broad and took oral evidence of the representatives of the Ministry of Environment, Forests and Climate Change at their sitting held on 09 August, 2018.

4. The Committee considered and adopted this Report at their sitting held on 12 December, 2018.

5. The Committee wish to express their thanks to the officers of the Ministry of Environment, Forests and Climate Change) for furnishing the written replies, other material/information and for placing their views in the matter before the Committee.

6. The Observations/Recommendations of the Committee have been printed in bold letters at the end of the Report.

**New Delhi
18 December, 2018
27 Agrahayana, 1940(Saka)**

**Chandrakant B. Khaire
Chairperson
Committee on Papers Laid on the Table**

REPORT

Delay in laying of the Annual Reports and Audited Accounts of the Central Pollution Control Broad (CPCB).

The Central Pollution Control Broad (CPCB), an organisation established under the Water (Prevention and Control of Pollution) Act, 1974 is a 100% Grant-in-aid organisation of the Ministry of Environment, Forests and Climate Change (MoEF&CC). CPCB serves as a technical wing of MoEF&CC and co-ordinates with the State Pollution Control Boards (SPCBs)/Pollution Control Committees (PCCs) for implementation of plans and programmes relating to abatement of pollution. The Central Pollution Control Board have Head Office located in Delhi, Six (6) Regional Directorates located at Bhopal, Bengaluru, Vadodara, Lucknow, Shilong, Kalkota and 37 other projects. A statement showing funds provided to the Central Pollution Control Board for the years 2013-2014 to 2017-2018 is at **Annexure-I**.

2. The Committee had been informed by the Ministry of Environment, Forests and Climate Change that according to Section 39 and Section 40 of the Water (Prevention and Control of Pollution) Act, 1974, the Annual Reports and Audited Accounts of the CPCB are required to be laid on the Table of the House within 9 months from the closure of respective financial year.
3. The Committee note that the Annual Reports and Audited Accounts of the CPCB for the years 2013-2014, 2014-2015 and 2015-2016 were laid on the Table of the House on 11.08..2015, 26.04.2016 and 29.12.2017 respectively with delays ranging from 4 months to 12 months. Further, the Annual Reports and Audited Accounts of the Organization for the year 2016-17 have not yet been laid on the Table of the House.
4. The chronological sequence, as submitted by the Organization, in respect of finalization of Annual Reports and Audited Accounts of the organization for the years 2012-2013 to 2014-2015 are given at **Annexure-II**.

5. Regarding the reasons for delay in laying the Annual Reports and Audited Accounts of CPCB, the Ministry in their written note dated 16th July, 2018 submitted as under:-

"The delays in laying of the Annual Reports and Audited Accounts of CPCB has been delayed due to delays in appointment of Statutory Auditors and completion of audit".

6. Elaborating the reasons for delay in laying of the documents of CPCB at different stages, the Ministry in their written reply have stated as under:-

"Appointment of Statutory Auditors has taken 4-5 months and completion of audit took another 5 months. By the time the audit is complete, the period of nine months is already over".

7. About the status of computerization of Accounts to facilitate speedy and timely compilation of Accounts of the organization, the Ministry in their written reply have stated as under:-

"The accounts of the Central Pollution Control Board is maintained in tally software for the last 12 years".

8. On being asked by the Committee about the internal auditing mechanism to ensure timely compilation of accounts and also to minimize the audit queries, the Ministry in their written reply have stated as under:-

"All the Rules and Regulations prescribed by the Government of India are followed by the Board and its accounts are audited every year by the Statutory Auditors. The Accounts of Central Pollution Control Board are open to Audit by the Internal Audit Wing of the Ministry as well as by the C&AG. All efforts are made to minimize the audit queries".

9. Further on being questioned by the Committee as to how the issue of auditing of Accounts and finally timely receipt of the Final Audit Report from the Audit Authorities was dealt with the Ministry/CPCB, the Ministry in their written reply have stated as under:-

"Considering the delay in laying the Annual Report, remedial action is being taken to appoint the Statutory Auditors before completion of a

Financial Year so as to commence the audit from month of May onwards and its completion within the stipulated time of 9 months as per the prescribed timelines as per the provisions of the Water (Prevention and Control of Pollution), Act, 1974".

10. On a query as to whether the Ministry/ CPCB had faced procedural difficulties associated with convening the meeting of Competent Authority for getting approval and documents of CPCB, the Ministry in their written reply have stated as under:-

"CPCB has not faced any procedural difficulties associated with convening the meeting of Competent Authority for getting approval and documents of CPCB".

11. Regarding the procedure for translation of documents in Hindi Version in the CPCB, the Ministry in its written reply have stated as under:-

" CPCB has not faced any difficulty as far as translation of the documents into Hindi and subsequent printing is concerned. "

12. When asked to state whether the Ministry have laid down any time schedule giving target dates for completion of work at each stage regarding finalisation of Annual Accounts and Report, the Ministry in their written reply stated as under:-

Sl. Nos	Task	Date by which task be completed.
1.	<i>Appointment of Auditor by MoEF&CC in consultation with C&AG</i>	<i>Before the closure of financial year</i>
2.	<i>Commencement of Audit by Auditor</i>	<i>May (following year).</i>
3.	<i>Submission of draft Annual Report (excluding the Audit Report) to the Ministry by CPCB</i>	<i>July (following year).</i>
4.	<i>Approval of the draft report by the Ministry</i>	<i>August (following year).</i>
5.	<i>Completion of Audit and submission of final Audit report to CPCB</i>	<i>September (following year).</i>
6.	<i>Submission of final Annual Report (including the Audit Report) to the Ministry</i>	<i>November (following year).</i>
7.	<i>Laying of Annual Report and Audited Statement of Accounts on table of the Parliament</i>	<i>December(following year).</i>

13. About the mechanism in place in the Ministry to monitor the progress of work to ensure timely laying of the documents of the CPCB, the Ministry in their written reply stated as under :-

"The Ministry regularly follows with the Central Pollution Control Board to adhere to the timelines for the laying down of report on the Table of the House. However, the laying down of report has previously got delayed due to delay in appointment of Statutory Auditors and completion of audit. The Ministry needs to ensure that the Auditor is appointed before the closing of the financial year and to ensure that the audit of CPCB is completed by September of the following year and the Annual Report alongwith Audited accounts are laid on the Table of the House by December of the following year".

14. Regarding the remedial measure taken to ensure timely laying of the documents in the House, the Ministry in their written reply stated that:-

"The Ministry has now prescribed timelines for laying down of Annual Report and Audited Accounts".

15. In the matter of delays in laying of the Annual Reports of the Central Pollution Control Board for the years 2013-2014, 2014-2015, 2015-2016 and 2016-2017 the Committee also took evidence of the representatives of the Ministry of Environment, Forests and Climate Change and the CPCB on this subject on 9th August, 2018.

16. During the evidence the Secretary to the Ministry informed the Committee that:-

"The Audit of the Central Pollution Control Board is done by the Statutory Auditors appointed in consultation with the Comptroller and Auditor General of India under the provisions of the Water (Prevention and Control of Pollution) Act, 1974. The scope of audit of the Central Pollution Control Board includes the audit of Head Office located in Delhi, six (6) Regional Directorates and 37 other projects. Delay in appointment of Statutory Auditor, which has taken 4-5 months, and completion of audit took another 5 months are the main reasons for delay. He further stated that the Ministry has taken corrective measures in

this regard. The work of Annual Report and Audited Accounts of the CPCB for the year 2016-2017 have been completed and will be laid on the Table of the House during the Winter Session of the Parliament. The Secretary further submitted that the Ministry has strengthened its administrative structure and given time schedule (calendar) to CPCB for completion of work to avoid delay in laying Annual Report and Audited Accounts for the year 2017-2018. The Report will be finalized in December, 2018. The Secretary ensured the Committee that Ministry will follow the time schedule strictly to lay Annual Report and Audited Accounts for the year 2018-2019 timely and avoid any delay in future".

Observations/Recommendations

17. The Committee have time and again emphasized that both the Annual Reports and Audited Accounts of an Organization should be laid on the Table of the House simultaneously so as to enable the Members of Parliament to get a complete picture of the working and activities of the Organization. The Committee are disappointed to note that the Ministry of Environment, Forests and Climate Change failed to comply with the specific recommendations of the Committee in laying the requisite documents of the CPCB before the Parliament for the years 2013-2014 to 2016-2017. The Annual Reports and Audited Accounts of the CPCB for the years 2013-2014 to 2015-2016 were laid on the Table of the House with delay ranging from 4 months to 12 months. For the year 2016-2017 these documents have not been laid till date.

18. From the submission of the Ministry, the Committee note that **delay in appointment of Statutory Auditor and completion of audit were the main reasons for delay.** The Committee note that the CPCB took 4 - 5 months in each year at the stage of appointment of Statutory Auditor and compilation of Audit for the aforesaid years as against 03 months stipulated for these activities. The Committee feel that such administrative/procedural delays can very well be avoided with proper planning and prompt monitoring. The Ministry of Environment, Forests and Climate Change and CPCB apparently did not do enough to prevent these delays.

19. Another reason which is stated to have attributed to delay relates to comparatively longer time taken by Auditors to Audit the Accounts. The Audit Authorities took 04 to 08 months for the years 2013-2014 to 2016-2017 in completing the process of Accounts. The reasons for taking such a long time have not been furnished by the Ministry/CPCB. The Committee, therefore, strongly recommend that the matter be appropriately taken up by the Ministry and the CPCB with the Audit Authorities at the earliest and all efforts are made to provide timely information and clarification to the Audit Authorities so as to avoid such delays in future. The Committee may also be informed of the action taken in the matter.

20. The Secretary apprised the Committee that the Ministry has strengthened its administrative structure and given time schedule to CPCB for completion of work to avoid delay in laying Annual Report and Audited Accounts for the year 2017-2018 and the Report will be finalized in December, 2018. The Committee direct that the said timeline for completion of the Report is strictly adhered to, to avoid any further delay.

21. The Committee directs the Ministry of Environment, Forests and Climate Change and the Central Pollution Control Board to ensure laying of the Annual Reports and Audited Accounts for the year 2016-2017 and 2017-2018 before 31.12.2018. The Ministry must also note that if for any unavoidable reasons, it is not possible to lay the Annual Reports and Audited Accounts of the CPCB on the Table of the House within the stipulated time; a statement explaining the reasons as to why the requisite documents could not be laid within prescribed period should be laid on the Table of the House strictly within 30 days as recommended by the Committee in its earlier Report.

New Delhi
18 December, 2018
27 Agrahayana, 1940(Saka))

Chandrakant B. Khaire
Chairperson
Committee on Papers Laid on the Table

Annexure – I
vide para 01 of the Report

Statement showing the funds released to the Central Pollution Control Board for the years 2013-2014 to 2017-2018

Year	Amount (in crore)
2013-14	68.90
2014-15	60.10
2015-16	66.50
2016-17	88.19
2017-18	118.80

Annexure-II

vide para 05 of the Report

**The chronological sequence in respect of finalization of
Annual Reports and Audited Accounts of the Central Pollution Control Board
(CPCB)
for the year 2013-14 to 2016-17.**

Sl. No	Task	2013-14	2014-15	2015-16	2016-17
1.	The date of appointment of the auditors for auditing the Accounts . Time taken in Appointment after closure of F/Y	10.09.2014 5^{1/2} months	10.09.2014	18.10.2016 6^{1/2} months	12.09.2017 5^{1/2} months
2.	The date of commencement of Audit	September, 2014	July 2015	November 2016	November 2017
2.	The date of Completion of Annual Accounts of the CPCB Time taken after closure of F/Y	30.01.2015 10 months	23.12.2015 21 months	13.07.2017 15^{1/2} months	14.07.2018 15^{1/2} months
3.	The date of submission of draft Annual Report to MoEFCC.	18.11.2014 (without audited statement)	18.01.2016	21.02.2017 (without audited statement)	17.07.2018
4.	Date of Approval of Draft Annual Report by MoEFCC Time taken for approval	16.04.2015 5 months	01.03.2016 2^{1/2} months	02.05.2017 3 months	
5.	Date of submission of final Annual Report to MoEFCC	29.05.2015 (including audited statement)	16.03.2016	05.12.2017 (including audited statement)	
6.	Date of laying of the Annual Report, Audited Accounts etc. Extent of delay	11.08.2015 8 months	26.04.2016 4 months	29.12.2017 12 months	

Appendix-I

**MINUTES OF THE 11TH SITTING OF THE
COMMITTEE ON PAPERS LOADED ON THE TABLE (2017-2018)**

The Committee sat on 9th August, 2018 from 1500 hrs. to 1600 hrs in Committee Room "C", Parliament House Annex, New Delhi.

PRESENT

Shri Chandrakant Khaire - Chairperson

MEMBERS

2. Shrimati Veena Devi
3. Shri P.C. Gaddigoudar
4. Shri Bheemrao B. Patil
5. Shri Uday Pratap Singh
6. Shri P.R. Sundaram

SECRETARIAT

1. Dr. Preeti Srivastava - Joint Secretary
2. Smt. Maya Lingi - Additional Director
3. Shri Munish Kumar Rewari - Deputy Secretary
4. Shri R.K. Chaudhary - Committee Officer

**REPRESENTATIVES OF THE MINISTRY OF ENVIRONMENT, FOREST AND
CLIMATE CHANGE**

1. Shri C.K. Mishra - Secretary
2. Shri Arun Kumar Mehta - Additional Secretary
3. Shri Ritesh Kumar Singh - Joint Secretary

REPRESENTATIVES OF THE CENTRAL POLLUTION CONTROL BOARD

1. Shri S.P.S. Parihar - Chairman

At the outset, the Chairperson welcomed the Members to the sitting of the Committee and briefly apprised them about the agenda of the sitting.

2. Thereafter, the representatives of the Ministry of Environment, Forest and Climate Change and Central Pollution Control Board ushered in.
3. The Chairperson welcomed all the representatives of the Ministry of Environment, Forest and Climate Change and Central Pollution Control Board to the sitting of the Committee and briefly apprised them about the agenda of the sitting. He also informed them about the provisions of Direction 58 of Directions by the Speaker, Lok Sabha regarding confidentiality of the proceedings.
4. The Secretary, Ministry of Environment, Forest and Climate Change explaining the reasons for delay in laying of Annual Reports and Audited Accounts of the Central Pollution Control Board (CPCB) for the years 2013-2014 to 2016-2017, stated that the Audit of the Central Pollution Control Board is done by the Statutory Auditors appointed in consultation with the Comptroller and Auditor General of India under the provisions of the Water (Prevention and Control of Pollution) Act, 1974. The scope of audit of the Central Pollution Control Board includes the audit of Head Office located in Delhi, six (6) Regional Directorates and 37 other projects. The Secretary further submitted that delay in appointment of Statutory Auditor, which has taken 4-5 months, and completion of audit took another 5 months are the main reasons for delay. He further stated that the Ministry has taken corrective measures in this regard. The work of Annual Report and Audited Accounts of the CPCB for the year 2016-2017 have been completed and will be laid on the Table of the House during the Winter Session of the Parliament. The Secretary further submitted that the Ministry has strengthened its administrative structure and given time schedule (calendar) to CPCB for completion of work to avoid delay in laying Annual Report and Audited Accounts for the year 2017-2018. The Report will be finalized in December, 2018. The Secretary ensured the Committee that Ministry will follow the time schedule strictly to lay Annual Report and Audited Accounts for the year 2018-2019 timely and avoid any delay in future.
5. Thereafter, the Chairperson thanked the representatives of the Ministry of Environment, Forest and Climate Change and Central Pollution Control Board.

6. The witness then withdrew.

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The Committee then adjourned.

Appendix-II

**MINUTES OF THE FIRST SITTING OF THE
COMMITTEE ON PAPERS LAID ON THE TABLE**

The Committee sat on Wednesday, 12 December, 2018 from 15:00 hrs to 15:45 hrs. in Committee Room "C", Parliament House Annexe , New Delhi.

PRESENT

Shri Chandrakant Khaire - **Chairperson**

MEMBERS

2. Smt. Veena Devi
3. Shri P.C. Gaddigoudar
4. Shri Virendra Singh
5. Shri P.R. Sundaram

SECRETARIAT

1. Dr. Preeti Srivastava - Joint Secretary
2. Smt. Maya Lingi - Additional Director
3. Shri Munish KumarRewari - Deputy Secretary

2. At the outset, Chairperson welcomed the Members to the sitting of the Committee.
3. Thereafter, the Committee took up the following two Memoranda, six Action Taken Reports and three Draft Reports for consideration :-

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- (iii) *Draft Reports relating to the Action Taken by Government on the recommendations/observations made by the Committee in their Sixth Report on Delay in laying of Annual Report and Audited Accounts of the Victoria Memorial Hall Kolkata;*

- (iv) *Draft Reports relating to the Action Taken by Government on the recommendations/observations made by the Committee in their **Seventh Report** on Delay in laying of Annual Report and Audited Accounts of the Rail Land Development Authority New Delhi;*
- (v) *Draft Reports relating to the Action Taken by Government on the recommendations/observations made by the Committee in their **Eighth Report** on Delay in laying of Annual Report and Audited Accounts of the Delhi Development Authority New Delhi;*
- (vi) *Draft Reports relating to the Action Taken by Government on the recommendations/observations made by the Committee in their **Ninth Report** on Delay in laying of Annual Report and Audited Accounts of the University Grants Commission New Delhi;*
- (vii) *Draft Reports relating to the Action Taken by Government on the recommendations/observations made by the Committee in their **Tenth Report** on Delay in laying of Annual Report and Audited Accounts of the National Institute of Social Defence New Delhi;*
- (viii) *Draft Reports relating to the Action Taken by Government on the recommendations/observations made by the Committee in their **Eleventh Report** on Delay in laying of Annual Report and Audited Accounts of the National Commission for Women New Delhi;*
- (ix) *Draft Reports regarding delay in laying of the Annual Report and Audited Accounts of the Central Pollution Control Board(CPCB), New Delhi;*
- (x) *Draft Reports regarding delay in laying of the Annual Report and Audited Accounts of the National Mission for Clean Ganga (NMCG), New Delhi; and*
- (xi) *Draft Reports regarding delay in laying of the Annual Report and Audited Accounts of the Office of the Chief Commissioner for Persons with Disabilities (CCPD), New Delhi.*

4. After deliberations, the Committee adopted the Memoranda and Reports without modifications.

5. The Committee authorized the Hon'ble Chairperson to present the same to the Parliament during ongoing Session.

Then the Committee adjourned.