

**COMMITTEE ON PAPERS LAID ON THE TABLE
(2019-2020)**

6

SEVENTEENTH LOK SABHA

SIXTH REPORT

(Delay in laying of the Annual Reports and Audited Accounts of the National Sports Development Fund (NSDF), New Delhi)

(Presented on 20 March, 2020)



सत्यमेव जयते

**LOK SABHA SECRETARIAT
NEW DELHI
March, 2020/ Phalguna, 1941(Saka)**

CONTENTS

PAGE

COMPOSITION OF THE COMMITTEE ON PAPERS LAID ON THE TABLE (2019-2020)		(iii)
INTRODUCTION		(iv)
<u>REPORT</u>		
Delay in laying of the Annual Reports and Audited Accounts of the National Sports Development Fund (NSDF), New Delhi.		1 – 6
ANNEXURES		
I	Statement showing the funds released to the National Sports Development Fund for the years to	7
II	Statement showing details of funds received by NSDF during the last five years	8
III	Statement showing the details of chronological sequence of different activities involved in finalization of Annual Reports and Audited Accounts of the NSDF for the years	9 – 10
<i>APPENDICES</i>		
I	The extracts of the Minutes of sitting of the Committee on Papers Laid on The Table (2017-2018) held on 18 December, 2018	11 – 13
II	The Minutes of the sitting of the Committee held on 4 th March, 2020	14-15

(iii)

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

(2019-2020)

Shri Shyam Singh Yadav - Chairperson

M E M B E R S

2. Shri Shafiqur Rehman Barq
3. Shri Margani Bharat
4. Dr. A. Chellakumar
5. Shri Pallab Lochan Das
6. Shri Chowdhury Mohan Jatua
7. Choudhary Mehboob Ali Kaiser
8. Dr. Amol Ramsing Kolhe
9. Shri Raja Amareshwara Naik
10. Shri Jamyang Tsering Namgyal
11. Smt. Aparupa Poddar
12. Shri T.N. Prathapan
13. Shri S. Ramalingam
14. Shri Saptagiri Ulaka
15. Shri Ashok KumarYadav

SECRETARIAT

- | | | | |
|----|--------------------------|---|---------------------|
| 1. | Shri B. Srinivasa Prabhu | - | Joint Secretary |
| 2. | Shri Kusal Sarkar | - | Director |
| 3. | Shri Munish Kumar Rewari | - | Additional Director |
| 4. | Shri R.K. Chaudhary | - | Under Secretary |
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INTRODUCTION

I, Chairperson of the Committee on Papers Laid on the Table of the House (2019-20), having been authorized by the Committee to present this Report on their behalf, present this Sixth Report in respect of delay in laying of the Annual Reports together with Audited Accounts of the National Sports Development Fund (NSDF), New Delhi.

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 be 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 National Sports Development Fund and took oral evidence of the representatives of the Ministry of Youth Affairs and Sports at their sitting held on 18th December, 2018.

4. The Committee considered and adopted this Report at their sitting held on 4th March, 2020.

5. The Committee wish to express their thanks to the officers of the Ministry of Youth Affairs and Sports 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
March, 2020
Phalguna, 1941(Saka)

Shyam Singh Yadav
Chairperson
Committee on Papers Laid on the Table

Report

Delay in laying of the Annual Reports and Audited Accounts of the National Sports Development Fund (NSDF), New Delhi.

National Sports Development Fund was set up by the Central Government in 1998, under Charitable Endowments Act 1890, with a view to mobilizing resources from the Government as well as non-governmental sources, including the private/corporate sector and non-resident Indians, for promotion of sports and games in the country. The Central Government has constituted a Council headed by Hon'ble Minister of State (Independent Charge) for the management and administration of the Fund,. The Council shall meet at least once in a year. Day-to-day working of the Fund is managed by an Executive Committee headed by the Secretary to the Government of India, Department of Sports. NSDF has been providing assistance to sports persons for training, purchase of equipments, availing of the services of supporting staff etc development of infrastructure and other activities for promotion of sports and games. The details of financial assistance provided by NSDF since inception till 30.11.2018 for these proposes are given in **Annexure - I**. Funds are released to NSDF by the Ministry of Youth Affairs & Sports (Department of Sports), towards its budgetary support depending the approved budget provision under the relevant head. The NSDF also accepts contribution from the Public Sector Banks PSUs, Trusts, Society and Individuals. Contributions to the NSDF are exempted under the provisions of Income Tax Act. Details of funds received by the NSDF during the last five years are given in **Annexure - II**.

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. To comply with this requirement proper time schedule should be laid down for compilation of Annual Report and Annual Accounts and their auditing. The Committee felt that normally a period of 3 months would be sufficient for compilation of Annual Accounts and their submission for Audit; the next 6 months might be given for

auditing of accounts; printing of the Report and sending it to Government for laying. If for any reason, the Annual Reports and Audited Accounts of the Institutes could not be laid within the prescribed period of 9 months, the Ministry concerned should lay a Statement within 30 days of the expiry of the aforesaid period or as soon as the House meets whichever is later, explaining the reasons as to why the documents could not be laid.

3. NSDF has been established by the Government of India, Ministry of Human Resource Development Notification No.SO973 E dated 12.11.1998. Para 31(2) of the Notification dated 12.11.1998 provides for laying of accounts on the table of both the Houses of the Parliament but it does not contain provision for a time frame in this regard. The NSDF is, however, guided by the time-schedule fixed by the Hon'ble Committee on Papers Laid on the Table.

4. On scrutiny by the Committee reveals that the Ministry of Youth Affairs and Sports has not laid the Annual Reports and Audited Account of NSDF for the years from 2012-13 to 2017-18 within stipulated time.

5. The chronological sequence, as submitted by the Ministry, in respect of finalization of Annual Reports and Audited Accounts of the NSDF for the years 2012-2013 to 2017-2018 are given at **Annexure-III**.

6. The Committee note that the Annual Report and Audited Accounts of the NSDF for the years 2012-13, 2013-14, 2014-15 and 2015-16 were laid on the Table of the House on 05.08.2014, 04.08.2015, 16.03.2017 and 04.01.2018 respectively by the Ministry of Youth Affairs and Sports with delay ranging of more than 7 months to 14 ^{1/2} months. Further the Annual Report and Audited Account for the year 2016-17 to 2018-19 have not been laid yet. Thus, the Ministry of Youth Affairs and Sports and NSDF failed to comply with the Parliamentary requirement of laying these documents within 9 months of closure of the financial year.

7. On being asked the reasons for delay in laying of the Annual Reports and Audited Accounts of the NSDF since the year 2013 -2014, the Ministry in their written reply has stated that compilation of accounts, completion of audit and other processes related thereto are the main reasons for delay in laying of these documents.

8. The Committee considered the matter of delays in laying of the Annual Reports and Audited Accounts of NSDF for the years 2012-2013 to 2017-2018 and on the issue took evidence of the representatives of the Ministry of Youth Affairs and Sports and NSDF on 18.12.2018.

9. Elaborating further the reasons for delay in laying of the Annual Reports and Audited Accounts of the NSDF, the Secretary, M/o Youth Affairs and Sports during the evidence explained to the Committee as under:-

"Sir, as you have mentioned that our audit reports and annual reports have been presented in the Parliament with delay, in this regard I would like to say first of all that we admit this fact that these have been delayed. We are trying that our system in future is so streamlined that after the accounting year has been completed we will complete it in 9 months i.e. by December. If it does not happen in even 9 months then at most it should be done in 10 - 12 months. I would like to tell you that the position from the year 2012-13 to 2017-18 has been presented before you. As you have kind that there is a delay of 7 - 12 months. The reports till 2015-16 have been laid on the Table of the House. There was a delay of 7 months in the year 2013-14, 18 months in the year 2014-15 and that of 12 months in 2015-16. And even now in 2016-17 and 2017-18 it has not been done and you have stated that it is a matter of concern. We also concede that there have been drawbacks from our end as well. There were a few procedural issues due to which this has been delayed".

Observations/Recommendations

10. The Committee note that the the Ministry of Youth Affairs and Sports and National Sports Development Fund (NSDF), New Delhi have not adhered to the stipulated time frame of nine months of the closure of the accounting year for laying of the Annual Report and Audited Accounts of NSDF on the Table of the House. Thus the recommendations of the Committee on Papers laid on the Table contained in Paras 1.16 and 3.5 of its First Report (5th Lok Sabha), Paras 4.16 and 4.18 of Second Reports of 5th Lok Sabha and Paras 1.12. and 2.6 to 3.8 of Second Report of 6th Lok Sabha presented to the House on 08.03.1976, 12.05.1976 and 22.12.1977 respectively regarding laying of these documents on the Table of the House within nine months from the closure of the accounting year have not been complied with. These documents of NSDF for years 2012-13, 2013-14, 2014-15 and 2015-16 were laid on the Table of the House with delay ranging of more than 7 months to 14^{1/2} months. The Committee also note that the documents for the years 2016-2017*, 2017-2018* and 2018-2019 which were required to be laid on the Table of the House within the 9 months from the closure of the respective financial year are not laid as yet.

11. While examining the reasons for delays in laying of the documents of the NSDF, the Committee note that undue delay had occurred at all stages such as compilation of accounts, appointment of Auditor, submission of Audit Report by Auditors, taking approval from the Executive Committee, preparation of Annual report. The Committee expressed its concern over these delays.

12. Thus the Ministry of Youth Affairs and Sports have apparently not been able to put in place an effective monitoring to ensure laying of documents of NSDF on the Table of both the Houses of Parliament within the stipulated time. The Ministry must make all out efforts to ensure that henceforth documents of the NSDF from 2019-2020 onwards are laid within stipulated time. The

Committee shall be informed of the compliance of these directions and also measures taken by the Ministry to avoid delays in future.

13. The Committee also impress upon the Ministry that if due to unavoidable reasons, the Annual Reports and Audited Accounts of the NSDF could not be laid 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 within 30 days or as soon as the House meets, whichever is later.

*** The Annual Reports and Audited Accounts for the years 2016-17 and 2017-18 have been laid on the Table of the House on 19.03.2020 with delay of 26½ months and 14½ months respectively.**

**New Delhi
March, 2020
Phalgun, 1941(Saka)**

**Shyam Singh Yadav
Chairperson
Committee on Papers Laid on the Table**

Annexure - I
vide para 01 of the Report

Statement showing details of financial assistance provided by NSDF since inception till 30.11.2018 :-

(Rs. In crore)

Direct assistance to sports persons for training and purchase of equipment, etc..	60.63
Block Grant to Sports Authority of India for preparation of Olympics	35.00
Assistance to institutions / organisations for development of sports infrastructure projects.	119.13
Total :	214.76

Annexure - II
vide para 01 of the Report

Statement showing details of funds received by NSDF during the last five years.

(Rs. In lakh)

Year	Grants	Contributions from PSU/PSB
2013-14	500.00	1000.00
2014-15	375.00	1000.00
2015-16	500.00	130.82
2016-17	1420.00	4228.22
2017-18	200.00	1292.05

ANNEXURE-III

Sl. No.		2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
1	The date of compilation of Annual Accounts of NSDF and time taken after the closure of respective Accounting year;	05.07.2013	21.10.2014	23.09.2015	09.11.2016	11.10.2017	26.06.2018
2	The date on which the Annual Accounts were submitted to Auditors for auditing and time taken after appointment of auditors;	12.09.2013	21.10.2014	29.09.2015	15.11.2016	12.10.2017 09.05.2018 (Revised Accounts)	13.12.2018
3	The date and duration for auditing of the Annual Accounts of NSDF by Auditors	17.09.2013 to 25.09.2013	07.11.2014 onwards for 7 working days	14.10.2015 to 23.10.2015	20.02.2017 to 01.03.2017	02.11.2017 to 07.11.2017	-----
4	The date of queries raised by Auditors during auditing of Annual Accounts and time taken after submission of Annual Accounts to Audit Authorities;	24.09.2013	07.11.2014	14,19,20 & 21.10.2015	20.02.2017 to 01.03.2017	06.11.2017 & 07.11.2017	-----
5	The date on which the replies to the audit queries was furnished to the Auditors and the time taken to resolve the queries;	01.11.2013	12.12.2014	17.12.2015	01.05.2017 28.06.2017 (reply to additional queries)	NSDF requested audit for postponing audit to rectify deficiencies	-----
6	The date on which draft Audit Report was issued by Audit Authorities and time taken after receipt of Annual Accounts;	17.10.2013	02.12.2014	18.11.2015	23.03.2017 & 20.06.2017 (additional audit queries)	-----	-----
7	The date on which the final Audit Report received by NSDF and time taken after issue of draft Report;	22.01.2014	30.01.2015	23.02.2016	03.08.2017	-----	-----
8	The date on which documents were got approved from the Competent Authority and time taken after finalization of Annual Report;	04.09.2013 (Executive Committee) 18.12.2013 (Council)	18.03.2014 (Executive Committee) 04.06.2015 (Council)	Council 04.06.2015	28.09.2016 (Executive Committee) 14.12.2016 (Council)	26.09.2017 (Council) 13.11.2017 (Executive Committee) Revised Accounts are to be approved by the Council .	13.08.2018 (Executive Committee) Accounts are to be approved by the Council .
9	The date on which documents were taken up for translation &	Immediately after the completion of the above process. There was not nay delay in translation and printing.					

	printing and the time taken for completing the task at each stage;						
10	The date and time taken for sending the documents to the Ministry for being laid in House after the completion of printing work;	Immediately after the completion of the above process.					
11	The date of laying of the documents on the Table of the House and time taken by the Ministry in the process of laying of the documents after receipt of the Annual Report and Audited Accounts from the NSDF, New Delhi	30.07.2014 (Rajya Sabha)	04.08.2015 (Lok Sabha)	16.03.2017 (Lok Sabha)	03.01.2018 (Rajya Sabha)	Accounts are yet to be audited and laid on the Table of the House.	Accounts are yet to be audited and laid on the Table of the House.
		05.08.2014 (Lok Sabha)	05.08.2015 (Rajya Sabha)	21.03.2017 (Rajya Sabha)	04.01.2018 (Lok Sabha)	Accounts are yet to be audited and laid on the Table of the House.	

**THE EXTRACTS OF THE MINUTES OF THE 9TH SITTING OF THE
COMMITTEE ON PAPERS LAID ON THE TABLE (2017-2018) HELD ON 18TH
DECEMBER, 2018**

The Committee sat on Tuesday, 18 December, 2018 from 15:00 hrs to 16:30 hrs. in Committee Room 'C', Parliament House Annexe, New Delhi.

PRESENT

Shri Chandrakant Khaire - **Chairperson**

MEMBERS

2. Shri Dushyant Chautala
3. Shrimati Veena Devi
4. Shri P.C. Gaddigoudar
5. Smt Mausam Noor

SECRETARIAT

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

**REPRESENTATIVES OF MINISTRY OF
YOUTH AFFAIRS AND SPORTS (DEPARTMENT OF SPORTS)**

1. Shri Rahul Bhatnagar - Secretary
2. Ms. Kiran Soni Gupta - AS & FA
3. Shri Inder Dhamija - Joint Secretary(Sports)
4. Shri Pankaj Rag - Joint Secretary(Development)

**REPRESENTATIVES OF THE NATIONAL SPORTS DEVELOPMENT FUND(NSDF),
NEW DELHI**

1. Shri V.K. Chandhok - Project Officer
2. Shri Sudhakar Kala - DEO

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2. At the outset, Chairperson welcomed the Members to the sitting of the Committee.

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11. The Chairperson welcomed the representatives of the Ministry of Youth Affairs and Sports (Department of Sports) and the National Sports Development Fund(NSDF), New Delhi to the sitting of the Committee and explained to them that the meeting has been called to discuss the reasons for delays in laying of the Annual Reports and Audited Accounts of the NSDF.

12. The representatives of the Ministry during evidence admitted that there is a procedural delay in finalisation of Annual Reports and Audited Accounts of the National Sports Development Fund (NSDF) and that efforts are being made to streamline the system. They further informed that Accounts for the year 2016-17 is still under audit and the Ministry is in touch with the Audit Team to resolve their queries. The Committee was also informed that the meeting of General Council which could not be held during 2016-17 and 2017-18 is now scheduled for 28 December, 2018. The Committee was assured that the Accounts for the years 2016-17 and 2017-18 will be finalized in the said meeting of General Council.

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The Committee then adjourned.