

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

SEVENTEENTH LOK SABHA

25

TWENTY FIFTH REPORT

**[Report on Delay in laying of the Annual Reports and Audited Accounts
of the Maulana Azad Education Foundation, New Delhi]**

(Presented on 23 September, 2020)



सत्यमेव जयते

**LOK SABHA SECRETARIAT
NEW DELHI
SEPTEMBER, 2020/ASVINA, 1942(SAKA)**

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COMPOSITION OF COMMITTEE ON PAPERS LAID ON THE TABLE
(2019-2020)

Shri Shyam Singh Yadav - **Chairperson**

MEMBERS

2. Shri Shafiqur Rahman 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 Kumar Yadav

SECRETARIAT

1. Smt. Suman Arora - Joint Secretary
2. Shri Kushal Sarkar - Director
3. Smt. B. Visala - Director
4. Shri Munish Kumar Rewari - Additional Director
5. Shri R.K. Chaudhary - Under Secretary
6. Shri K. P. Kashyap - Assistant Committee Officer

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 Twenty Fifth Report in respect of delay in laying of the Annual Reports together with Audited Accounts of the Maulana Azad Education Foundation, 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 Maulana Azad Education Foundation, New Delhi and took oral evidence of the representatives of the Ministry of Minority Affairs and the Foundation at their sitting held on 28 November, 2016.

4. The Committee considered and adopted this Report at their sitting held on 22 September, 2020.

5. The Committee wish to express their thanks to the officers of the Ministry of Minority Affairs and the Maulana Azad Education Foundation, New Delhi 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
22 September, 2020
31 Bhadrapada, 1942 (Saka)

Shyam Singh Yadav
Chairperson
Committee on Papers Laid on the Table
Lok Sabha

Report

Delay in laying of the Annual Reports and Audited Accounts of the Maulana Azad Education Foundation, New Delhi.

The Maulana Azad Education Foundation (MAEF), New Delhi was established in 1989 as a voluntary, non-political, non-profit making Organization and it was registered under the Societies Registration Act, 1860 on 6th July 1989. The Foundation is headed by the Minister of Minority Affairs, as E-Officio President of the Foundation. The main objectives of MAEF are to formulate and implement educational schemes and plans for the benefit of the educationally backward minorities in particular and weaker sections in general, to facilitate establishment of residential schools, especially for girls, in order to provide modern education to them and to promote research and encourage other efforts for the benefit of educationally backward minorities. As per written submission dated 24.11.2016 by the Ministry of Minority Affairs the Government of India has released the following Corpus Fund since 2013-2014 to 2015-2016 as under :-

Financial year	Corpus Fund received
2013-2014	Rs.160,00,00,000.00
2014-2015	Rs.113,00,00,000.00
2015-2016	Rs.113,00,00,000.00.

2. In term of 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 3.6 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, the Annual Report and Audited Accounts together along-with Review Statement of the Institutes/Organizations (Statutory/Autonomous Organization, Public Undertakings, corporations, Joint ventures, Societies etc.) are required to be laid within 09 months of the closer of the respective Accounting Year. To comply with this requirement proper time schedule should be laid down for compilation of Annual Report and Accounts and their auditing.

3. The Ministry of Minority Affairs have informed in their written submission dated 24th November, 2016 that the reports are accordingly to be laid in Parliament within nine months from the close of the year, to which it pertains.

4. The Committee note that the Annual Report and Audited Accounts of the Foundation for the year 2013-14 were laid on the Table of the House on 03.08.2016 by the Ministry of Minority Affairs with delay ranging of 19 months. Further the Annual Report and Audited Account for the years from 2014-15 were laid on 16.12.2016 with delays ranging of 12 months.(**Annexure-I**)

5. The chronological sequence, as submitted by the Ministry, in respect of finalization of Annual Reports and Audited Accounts of the Foundation for the year 2013-2014 are given at **Annexure-II**.

6. The Ministry in their written note have submitted the reasons for delay in laying of the Annual Reports and Audited Accounts for the year 2013-14 as under :-

“The Audit of accounts of the Foundation is carried out by Chartered Accountant appointed by the General Body of MAEF. The Chartered Accountant conducts the audit in consultation with the officials of MAEF and submits the audited accounts. Some financial irregularities were observed in the Financial Year 2013-2014 due to which the then Secretary of the Foundation was prematurely repatriated on 01.5.2014. The accounts of the Foundation were submitted to the Chartered Accountant for auditing on time, i.e. in June 2014 but the Chartered Accountant took time and thoroughly audited the accounts of the Foundation for the financial year 2013-2014, particularly in respect of the financial irregularities observed. Apart from this there was no regular Secretary in MAEF and the charge of the Secretary, MAEF changed at regular intervals due to which audit work also was delayed (5 (five) officers were assigned the additional charge of the Secretary, MAEF after 01.5.2014, i.e. the date on which regular incumbent was prematurely repatriated, to 31.3.2015). The Audit Report for the financial year 2013-2014 could be finalized by the Chartered Accountant on 21.7.2015, which was placed before the General Body for adoption on 27.7.2015. After adoption by the General Body of MAEF, these reports are translated in Hindi language in order to make the reports bilingual with the help of Ministry staff, since the MAEF has no Hindi officer. An advertisement inviting best rates for printing of the Annual Report and Audit Report was also given. The printed bilingual Annual Report and Audit Report are submitted to the Ministry thereafter for further necessary action. All this process is time taking particularly in the Foundation which has very limited staff.”

7. As regard to Internal Auditing Mechanism to ensure timely compilation of Accounts and also to minimize the audit queries at the time of auditing, the Ministry in its written reply have stated as under :-

“The Foundation does not have internal Auditing Mechanism. However, internal audit has been carried out first time this year by an audit team of MHRD, this year appointed by the Ministry of Minority Affairs.”

8. As regard to any remedial measures to ensure timely laying of the documents before Parliament within the prescribed period of nine months from the Accounting year, in future, the Ministry in their written note have stated as under :-

“Efforts are being made by the Foundation/Ministry to complete the task of laying the pending Annual Report and Audited Accounts at the earliest possible. The Ministry realizing that the MAEF is highly understaffed to the growing demands on the Foundation has engaged Tata Institute of Social Sciences (TISS), Mumbai for restructuring of MAEF in February 2015. The TISS has submitted its report recommending a 36 member staff for the MAEF. The report was adopted by the MAEF in its General Body meeting held on 19.8.2015. The MAEF/Ministry has initiated the process of recruitment of staff as per the new recruitment rules framed based on the TISS report. The General Body of MAEF at its 51st meeting held on 12.11.2016 has already decided that the Auditors shall be asked to complete the audit work within two and a half months.”

9. The Committee considered the matter of delays in laying of the Annual Reports and Audited Accounts of Maulana Azad Education Foundation for the years 2013-2014 to 2014-2015 and on the issue took evidence of the representatives of the Ministry of Minority Affairs and MAEF on 28.11.2016.

10. The Committee, however, subsequently noted that the Annual Report and Audited Account for the years 2015-16 and 2016-17 were laid on the Table of the House on 12.04.2017 and 09.08.2018 (i.e. with a delay ranging from 3½ months to 8½ months) and Annual Report and Audited Accounts for the year 2017-18 laid almost (i.e. 07.01.2019 - 07 days delay) within stipulated time period on the Table of the House. However, the Annual Report and Audited Accounts for the year 2018-19 have not been laid yet. (Annexure-I)

Observations/Recommendations

11. The Committee note that the Ministry of Minority Affairs and Maulana Azad Education Foundation (MAEF), New Delhi have not adhered to the stipulated time line for laying of Annual Report and Audited Accounts of MAEF on the Table of the House within nine months of the closure of the accounting year. 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 also not been complied with. The Committee are disappointed to note that the Ministry of Minority Affairs did not adhere to the stipulated time frame in respect of these documents of Maulana Azad Education Foundation for years 2013-14, 2014-2015, 2015-2016 and 2016-2017 which were laid with delay ranging from 3½ months to 19 months. The Committee also note that the documents for the year 2017-2018 were laid almost within stipulated time period (i.e.07.01.2019) on the Table of the House. Further, the Annual Report and Audited Accounts for the year 2018-19 have not been laid yet.

12. The Committee was apprised of many establishment audit and procedure related reasons for delay in submission of Audit Report by Auditors. However, the Committee feel that the Ministry should have devised appropriate system to obviate such kind of delays as they are duty bound to fulfil their Parliamentary Obligations to lay these documents within the stipulated time line.

13. The Committee also impress upon the Ministry that if due to unavoidable reasons, the Annual Reports and Audited Accounts of the Maulana Azad Education Foundation 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.

New Delhi
22 September, 2020
31 Bhadrapada, 1942 (Saka)

Shyam Singh Yadav
Chairperson
Committee on Papers Laid on the Table
Lok Sabha

Annexure-I
vide para 04 and 10 of the Report

Statement showing the dates of laying of the Annual Reports and Audited Accounts of the Maulana Azad Education Foundation, New Delhi for the years from 2013-14 to 2017-18 vide Bulleting Part-I.

Year	Date by which required to be laid	Date of laying of Annual Reports and Audited Accounts	Extent of delay
2013-2014*	31.12.2014	03.08.2016	19 months
2014-2015*	31.12.2015	16.12.2016	12 months
2015-2016#	31.12.2016	12.04.2017	3½ months
2016-2017#	31.12.2017	09.08.2018	8½ months
2017-2018#	31.12.2018	07.01.2019	07 days
2018-2019#	31.12.2019	Not Laid	-

* Period under examination by the Committee.

Current Status.

Annexure - II
vide para 05 of the Report

Statement showing the details of chronological sequence of different activities involved in finalization of Annual Reports and Audited Accounts of the Maulana Azad Education Foundation, New Delhi for the year 2013-2014

Sl. No.	Item of work	2013-14
1.	Date of Appointment of Audit Time taken in Appointment after closure of Financial year (31 st March)* (Number of days)	The appointment of Auditor is made by the General Body of MAEF. The General Body appointed M/s Kamil & Co. Chartered Accountants, as auditors of MAEF for the Financial Year 2013-2014 at its meeting held on 05.3.2014
2.	Date of compilation of annual accounts	The Annual Accounts were compiled in the month of May 2014 and the same were provided to the Auditors in the month of June 2014
3.	Date of commencement of audit and date of submission of draft audit report by auditors. Time taken for audit (Number of days)	The Auditors took about one year time and submitted the Audited Accounts on 21.7.2015 01 year (aprox.)
4.	Date of approval of Audit Report and Audited Accounts Date of approval of RMSA Executive Committee Time taken after receipt of Annual Accounts (Number of days)	No draft Audit Report is issued. The Auditors submits the audited accounts, which are finalized in consultation with the officials of MAEF. The Chartered Accountant finalized the Audit Report and submitted the same to the Foundation on 21.7.2015. The Annual Report and Audit Report of MAEF for the Financial Year 2013-2014 were adopted by the General Body at its 47 th meeting held on 27.7.2015. 06 days
5.	The date on which documents were taken up for translation and printing and the time taken for completing the task	The document was taken-up for translation immediately after it is adopted by the General Body of MAEF on 27.7.2015. However, it took time, since the MAEF has very limited staff and does not have any Hindi officer/staff.
6..	The date on which documents were sent to the Ministry for being laid in House Time taken	The document was sent to the Ministry for laying in the House on 17.3.2016 7½ months
7.	Date of laying Time taken	27.07.2016* 05 months approx.

***Date of laying of the documents is 03.08.2016 as per Bulletin Part-I of Lok Sabha dated 03 August, 2016.**

**THE EXTRACTS OF THE MINUTES OF THE FOURTH SITTING OF THE COMMITTEE
ON PAPERES LAID ON THE TABLE OF THE HOUSE HELD ON 28.11.2016**

* * *

The Committee held its sitting on Monday, 28 November, 2016, from 1500 hours to 1545 hours in Committee Room 'D', Parliament House Annexe, New Delhi.

PRESENT

Shri Chandrakant Khaire - **Chairperson**

MEMBERS

2. Shrimati Veena Devi
3. Shri P.C. Gaddigoudar
4. Shri Laxman Giluwa
5. Shri Uday Pratap Singh
6. Shri Virendra Singh
7. Shri P.R. Sundaram
8. Shri Manohar Untwal

SECRETARIAT

1. Smt. Rita Jaalkhani - Director
2. Smt. Maya Lingi - Additional Director

REPRESENTATIVES OF THE MINISTRY OF MINORITY AFFAIRS

1. Shri Rakesh Garg - Secretary
2. Mrs. Rakhee Gupta Bhandari - Joint Secretary

**REPRESENTATIVES OF THE MAULANA AZAD EDUCATION FOUNDATION,
NEW DELHI**

Shri Madhukar Naik Dheeravath Secretary

2. At the outset, Chairperson welcomed the Members to the sitting of the Committee.
3. Thereafter, the Committee took up consideration of the draft Ninth Report regarding delay in laying of the Annual Reports and Audited Accounts of University Grants Commission, New Delhi.
4. After deliberations, the Committee adopted the Report with the modification as contained in the Annexure.
5. The Committee authorized the Hon'ble Chairperson to present the same to the Parliament.
6. The Committee then called the representatives of the Ministry of Minorities Affairs and Maulana Azad Education Foundation, New Delhi.

7. The Chairperson welcomed the representatives of the Ministry and the Foundation to the sitting of the Committee and explained the purpose of convening the meeting. The Chairperson also explained to the witnesses the provisions of Direction 58 of Directions issued by the Speaker, Lok Sabha regarding confidentiality of the proceedings.

8. The Committee then desired to know the reasons for delay in laying of the Annual Reports and Audited Accounts of the Maulana Azad Education Foundation, New Delhi. The Secretary apprised the Committee that the documents of the MAEF 2007-2008 were laid on the Table of the House with delays. For the years 2008-2009 onwards these were laid within stipulated time or with minor delays. The major delay was started in laying of the documents of the MAEF for the year 2012-2013. As regard delay in laying of the Annual Reports and Audited Accounts of the MAEF for the year 2013-2014, the Secretary submitted before the Committee due to some financial irregularities observed in the Financial year 2013-2014, the then Secretary of the MAEF was prematurely repatriated. The accounts of the MAEF were submitted to Chartered Accountant for auditing on time. i.e. in June 2014 but Chartered Accountant took time and thoroughly audited accounts of the MAEF for the financial 2013-2014 particularly in respect of the financial irregularities observed. The Audit Report for the financial year 2013-2014 could be finalized by Chartered Accountant on 21.7.2015. Further, absence of regular Secretary and shortage of Staff in MAEF, the time taken by MAEF in getting the documents translated and printed were also other reasons for delay. The Committee was also apprised that to solve the problem related to the staff crunch, the Ministry had engaged Tata Institute of Social Sciences(TISS), Mumbai for restructuring of MAEF in the year 2015. The TISS has submitted its report recommending a 36 member staff for the MAEF. The Report was adopted by the MAEF in its General Body meeting held on 19.8.2015 and had initiated the process of recruitment of staff as per the new recruitment rules framed based on the TISS report. The Secretary of the Ministry also assured the Committee documents of the MAEF for the year 2014-2015 and 2015-1016 would be laid on the Table of the House during winter Session,2016 and Budget Session, 2017 respectively.

9. Thereafter, the Hon'ble Chairperson thanked the representatives of the Ministry and the Foundation for useful discussion - in connection with examination of the subject.

10. A copy of the verbatim proceedings of the sitting of the Committee has been kept on record.

The Committee then adjourned.

**THE EXTRACTS OF THE MINUTES OF THE SITTING OF THE COMMITTEE ON
PAPEPERS LAID ON THE TABLE OF THE HOUSE HELD ON 22.09.2020**

The Committee sat on Tuesday, 22th September, 2020 from 11:00 hrs to 13:00 hrs. in Committee Room 'B', Parliament House Annexe Building, New Delhi.

PRESENT

Shri Shyam Singh Yadav - **Chairperson**

MEMBERS

2. Shri Shafiqur Rahman Barq
3. Shri Raja Amareshwar Naik
4. Smt. Aparupa Poddar
5. Shri T. N. Prathapan

SECRETARIAT

1. Smt. Suman Arora - Joint Secretary
2. Smt. B.Visala - Director
3. Shri R.K.Chaudhary - Under Secretary

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2. At the outset, the Hon'ble Chairperson welcomed the Members to the sitting of the Committee and explained the purpose of convening the meeting.

3. XX XX XX XX

4. The Committee then took up for consideration Eight Draft Reports (Original) regarding delay in laying of the Annual Reports and Audited Accounts of the :-

- (i) The Agricultural and Processed Food Products Export Development Authority (APEDA), New Delhi;
- (ii) The Maulana Azad Education Foundation, New Delhi;
- (iii) The Commission of Railway Safety, Lucknow, Uttar Pradesh;
- (iv) The National Legal Services Authority (NALSA), New Delhi;

- (v) The National Institute of Pharmaceutical Education and Research, Raebareli, U.P;
- (vi) The Ujala Society, Jammu;
- (vii) The Port Blair Municipal Council (PBMC), Port Blair; and
- (viii) The National Commission for Scheduled Tribes, New Delhi.

After deliberations, the Committee adopted these Eight Reports (Original) without modifications.

5. The Committee then took up for consideration draft Report regarding Action taken by Government on the recommendations/Observations made by the Committee in their 21st Report (16th Lok Sabha) in respect of delay in laying of the Annual Reports and Audited Accounts of the All India Institute of Medical Sciences, New Delhi.

After deliberations, the Committee adopted the Draft Action Taken Report without modifications.

6. The Committee authorized the Hon'ble Chairperson to present both the Original Reports and the Action Taken Report to the Parliament.

X X X X X

The Committee then adjourned.
