

COMMITTEE ON PAPERS LAID ON THE TABLE

(2021-2022)

SEVENTEENTH LOK SABHA

61

SIXTY FIRST REPORT

[Action Taken by Government on the Recommendations/ Observations made by the Committee in their Thirty-Third Report (Seventeenth Lok Sabha) on delay in laying the Annual Reports and Audited Accounts of the Chandigarh Industrial and Tourism Development Corporation Limited (CITCO)]

(Presented on 15.12.2021)



सत्यमेव जयते

LOK SABHA SECRETARIAT

NEW DELHI

December, 2021/ Agrahayana, 1943 (Saka)

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COMPOSITION OF COMMITTEE ON PAPERS LAID ON THE TABLE

(2021-2022)

CHAIRPERSON

Shri Ritesh Pandey

MEMBERS

2. Dr. Shafiqur Rehman Barq
3. Shri Margani Bharat
4. Shri Pallab Lochan Das
5. Chowdhury Mohan Jatua
6. Choudhary Mehboob Ali Kaiser
7. Dr. Amol Ramsing Kolhe
8. Dr. A. Chella Kumar
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 Sankar Ulaka
15. Shri Ashok Kumar Yadav

SECRETARIAT

- | | | |
|-----------------------------|---|-----------------------------|
| 1. Smt. Suman Arora | - | Joint Secretary |
| 2. Smt. B. Visala | - | Director |
| 3. Shri Munish Kumar Rewari | - | Additional Director |
| 4. Smt. Manjinder Pubbi | - | Under Secretary |
| 5. Smt. Rajni Bhagat | - | Committee Officer |
| 6. Shri Darpan Sharma | - | Assistant Executive Officer |

INTRODUCTION

I, Chairperson of the Committee on Papers Laid on the Table of the House (2021-2022), having been authorized by the Committee to present this Report on their behalf, present this Sixty First Report in respect of the action taken by Government on the Recommendations/Observations contained in the Thirty-Third Report (Seventeenth Lok Sabha) of the Committee.

2. The Committee considered and adopted this Report at their sitting held on 06.12.2021.

3. For facility of reference, observations/recommendations of the Committee have been printed in bold type in the body of the Report.

New Delhi
09th December, 2021
18 Agrahayana, 1943 (Saka)

Ritesh Pandey
Chairperson
Committee on Papers Laid on the Table
Lok Sabha

REPORT

This Report of the Committee deals with the Action Taken by the Government on the recommendations/observations made by the Committee on Papers Laid on the Table in its Thirty-Third Report (17th Lok Sabha) which dealt with the matter of the delay in laying the Annual Reports and Audited Accounts of the Chandigarh Industrial and Tourism Development Corporation Limited (CITCO) for the years 1990-91 to 2016-2017 and which was presented to the Lok Sabha on 11.02.2021.

2. The Committee had made 04 recommendations/observations in its Thirty-Third Report (17th Lok Sabha) and the Action Taken replies were received from the Government in respect of all of them. Accordingly, the Statement showing the action taken by the Government on the recommendations/observations contained in the Thirty-Third Report (17th Lok Sabha) is given in Appendix.

3. **The Committee note with disappointment that the Ministry of Home Affairs have laid the requisite documents of the CITCO for the year 2018-19 before the Parliament on 03.08.2021 with a delay of over 19 months. Further, the requisite documents of the CITCO for the year 2019-2020 have not been laid before the Parliament, till date. The Committee opine that more coordinated efforts should be made by the Ministry/CITCO to eliminate these delays, as the efforts made so far have not yielded the desired result. Hence, the Committee, once again recommend to the Ministry to ensure that the pending requisite documents of the CITCO are laid without any further delay and also, that in future, the requisite documents of the CITCO are laid within the stipulated time.**

4. **From the Action taken replies furnished by the Ministry, the Committee take note of the consolidated time-schedule prepared by the Ministry, indicating the target dates for each stage. The Committee expect that this time-schedule will not only be strictly followed but would also help the CITCO to avoid repetition of similar delays, in future.**

The Committee would like to be apprised of the further action(s) taken by the Ministry/CITCO in this regard.

New Delhi
06th December, 2021
15 Agrahayana, 1943 (Saka)

Ritesh Pandey
Chairperson
Committee on Papers Laid on the Table
Lok Sabha

APPENDIX

(Vide Para 02 of the Report)

STATEMENT SHOWING ACTION TAKEN ON THE RECOMMENDATIONS/OBSERVATIONS CONTAINED IN THE THIRTY THIRD REPORT OF THE COMMITTEE ON PAPERS ON THE TABLE (LOK SABHA), SEVENTEENTH LOK SABHA.

Chandigarh Industrial and Tourism Development Corporation Limited (CITCO)

Recommendation No. 16

The Committee note that the Annual report and Audited accounts of Chandigarh Industrial and Tourism Development Corporation Limited (CITCO) for the period from 1990-91 to 2016-17, were laid together on 23.07.2019, with delays ranging between 01 year and 07 months to 27 years and 07 months. The Committee is appalled by the astonishing delay and the reasons put forth before it regarding this inordinate delay in laying of the requisite documents of CITCO. The Committee was apprised that under a “misimpression”, CITCO had been submitting the Annual Reports and Audited Accounts to the Ministry of Tourism for a period of 18 years i.e., from the year 1990-91 up to 2007-08, but the Ministry of Tourism, in the year 2007-08, refused to accept its role in the laying of requisite documents of CITCO before the Parliament. The Committee, however, noted from the submission made and also, from the Delay Statement furnished by the Ministry of Home Affairs that as per the direction of the Ministry of Finance the responsibility of laying of the Annual Accounts of CITCO before both the Houses of Parliament is of that Ministry, having majority investment in Grants/ Share capital and, from the year 1990 onwards, investment of Ministry of Tourism in the Share Capital of CITCO increased, hence, making it responsible to lay the requisite documents of CITCO before the Parliament. However, the Ministry of Tourism failed to fulfill this responsibility by refusing to do so. The Committee are of the considered opinion that it is not a case of “misimpression”, but a clear-cut case of negligence on the part of the Ministry of Tourism. The Committee desire to be apprised of the exact reasons of not assuming the responsibility of laying of these documents before the Parliament by the Ministry of Tourism and, hence, directs the Ministry of Home Affairs to furnish the reasons put forth by the Ministry of Tourism in their communications and meetings with the Ministry of Tourism in the matter.

The Committee also note that CITCO was constituted in the year 1974 and from the information furnished by the Ministry the Annual Reports and Audited Accounts of the CITCO prior to 1990-1991 were sent by the Home Department, Chandigarh Administration to the Ministry of Industry, Government of India to have the same placed before both the Houses of Parliament. The Committee would also like to know whether the requisite documents were laid before the Parliament within the stipulated time period by the Ministry of Industry when it was responsible for laying of requisite documents of CITCO and details thereof may be furnished to the Committee.

Reply of the Government

Ministry of Home Affairs vide D.O letter dated 07.12.2010 requested Ministry of Tourism to issue necessary instructions to all concerned to accept the Annual Reports & Accounts of CITCO, Chandigarh for the year 2006-07 and 2007-2008 for laying before both the Houses of the Parliament. Ministry of Tourism vide their D.O letter no. 1(39)/2010-HRD dated 11.02.2011 has informed that the issue has been considered in-depth and they are of the view that the laying of these papers in the Parliament will be extraneous to their functional domain for the following reasons: -

- i. As per the Allocation of Business Rules 1961, the Ministry of Tourism is responsible for only one company namely ITDC.
- ii. The Ministry of Tourism has no administrative control of any kind over the CITCO. The Ministry is not represented on the CITCO's Board. This being so, expecting the Ministry of Tourism will amount to expecting it to act in matters for which it has neither the background nor the compliance responsibility.
- iii. The Ministry neither extends any establishment grant to the CITCO nor has any kind of control on its financial matter.
- iv. The Ministry of Tourism has not laid the Annual Report and Audited Accounts of CITCO, Chandigarh in the past. Incidentally, the Annual Reports and Account for the year 1988-89 in respect of the company was laid in the Parliament by Ministry of Industry, Department of Industrial Development, New Delhi.

A copy of D.O letter dated 11.02.2011 of Ministry of Tourism is also enclosed#.

MHA has requested Chandigarh Administration to clarify whether the Annual Reports and Audited Accounts of the CITCO prior to 1990-1991 were laid before the Parliament within the stipulated time period by the Ministry of Industry when it was responsible for laying of requisite documents of CITCO and details thereof to MHA for onward submission to the Committee.

Chandigarh Administration has supplied the documents vide letter No. 4/5/3/(Part II)(I&T)-HIII(6)/2021/6443 dated 29.04.2021 as available in their department. From the documents as provided by Chandigarh Administration, it is evident that vide their communications dated 11.12.1981, 22.12.1981, 01.03.1983, 14.03.1984, 24.02.1987, 21.03.1989 and 10.04.1990, Ministry of Industry Govt. of India has sent the copies of Annual reports to Lok Sabha and Rajya Sabha Secretariat for years 1979-80, 1980-81, 1981-82, 1982-83, 1985-86, 1987-88, 1988-89 for being laid before both the Houses of the Parliament. Further, Chandigarh Administration vide their communications dated 09.08.1985, 04.12.1985 and 04.12.1987 have submitted the Annual reports to Ministry of Industry, Govt. of India for years 1983-84, 1984-85 and 1986-87. A copy of letter dated 29.04.2021 alongwith all its enclosures of Chandigarh Administration is also annexed#.

(Ministry of Home Affairs O.M No. U-13034/91/2010-CPD dated 27th May 2021)

Not required to be appended in the report.

STATEMENT SHOWING ACTION TAKEN ON THE RECOMMENDATIONS / OBSERVATIONS CONTAINED IN THE THIRTY THIRD REPORT OF THE COMMITTEE ON PAPERS ON THE TABLE (LOK SABHA), SEVENTEENTH LOK SABHA.

Recommendation No. 17

The Committee appreciate the efforts put in by the Ministry of Home Affairs in accepting their responsibility for laying of Annual Reports and Audited Accounts of CITCO and also, causing to lay before the Parliament, the long pending Annual Reports and Audited Accounts of CITCO, not only for the years after assuming the responsibility, but also for the earlier period pending prior to taking charge of CITCO.

However, the Committee note that Ministry of Home Affairs had laid the requisite documents of CITCO for the years 2017-18 on 15.09.2020 with delay of over 01 year and 08 months and, it is still lagging behind its stipulated date of laying of the requisite documents of CITCO for year 2018-19 i.e., 31.12.2019. Committee direct the Ministry to ensure laying of these pending documents at the earliest and, also to ensure timely laying of such documents in future.

Reply of the Government

The matter was taken up with Chandigarh Administration for compliance. CITCO/Chandigarh Administration has informed that the Annual Report and the Audited Accounts of CITCO for the financial year 2018-19 will be sent by 1st week of June, 2021.

(Ministry of Home Affairs O.M No. U-13034/91/2010-CPD dated 27th May 2021)

STATEMENT SHOWING ACTION TAKEN ON THE RECOMMENDATIONS / OBSERVATIONS CONTAINED IN THE THIRTY THIRD REPORT OF THE COMMITTEE ON PAPERS ON THE TABLE (LOK SABHA), SEVENTEENTH LOK SABHA.

Recommendation No. 18

The Committee also note that, besides the delay caused by non-laying of Reports by the Ministry, CITCO had also taken unduly long time in finalization of requisite documents at various stages, such as, submission of accounts to auditors, getting approval of the competent authority etc.

Therefore, the Committee directs the Ministry of Home Affairs to devise a consolidated time schedule, clearly indicating the target dates for each stage, beginning from the appointment of Auditors up to laying of these documents before the Parliament. The Ministry shall also ensure that the time schedule, hence devised, is strictly adhered to, to avoid such delays in future.

Reply of the Government

The matter was taken up with Chandigarh Administration for compliance. The consolidated time schedule clearly indicating the target dates for each stage, beginning from the appointment of Auditors up to laying of these documents before the Parliament is as below: -

Sr. No.	Particulars	Draft Time Schedule	for E.g for FY 2021-22
1	Appointment of Statutory Auditors by the Comptroller and Auditor-General of India (CAG)	Within 180 days from the commencement of Financial Year	by 30.09.2021
2	Time taken for compilation of Annual Accounts of CITCO after the closure of respective Accounting Year and approval thereof by the Board of Directors of CITCO.	Within 90 days from the closure of Financial Year	by 30.06.2022
3	Date on which the Annual Accounts will be submitted to Statutory Auditors for auditing.	Within 01 days from the approval of Annual Accounts by Board of Directors of CITCO	by 01.07.2022

4	Duration for auditing of the Annual Accounts of CITCO by Statutory Auditors	within 02 days from the date of submission of Annual Accounts to Statutory Auditors	by 03.07.2022
5	Duration by which the Audited Annual Accounts and Report of Statutory Auditors would be submitted to CAG for Audit.	Within 01 day from date of submission of Statutory Audit Report by the Statutory Auditor to CITCO	by 04.07.2022
6	Duration for auditing of the Annual Accounts and Report of Statutory Auditors of CITCO by the CAG	45 days from the date of submission of Annual Accounts and Report of Statutory Auditors of CITCO to CAG	by 19.08.2022
7	Duration for preparation of management replies to Queries/ observations in the Audit Report of Statutory Auditor and CAG by CITCO.	10 days from the date of receipt of report of CAG	by 29.08.2022
8	Duration for approval of Annual Audited Accounts, Statutory Auditor Report, Report of CAG, replies to the Queries/ observations in the Audit Report of Statutory Auditor and CAG from the Shareholders	30 days from the finalization of management replies to Queries/ observations in the Audit Report of Statutory Auditor and CAG	by 30.09.2022
9	Duration for translation (in Hindi) and printing of Annual Report and annual Accounts (in both Hindi and English Language) for laying the same before both the Houses of Parliament.	40 days from the approval of Annual Report	by 10.11.2022
10	Duration for submission of Annual Report and annual Accounts (in both Hindi and English Language) by CITCO to Chandigarh Administration for laying the same before both the Houses of Parliament.	10 days from the printing of Annual Report	by 20.11.2022

11	Duration for submission of Annual Report and annual Accounts (in both Hindi and English Language) by Chandigarh Administration to Ministry of Home Affairs for laying the same before both the Houses of Parliament.	As when the Annual Report and Annual Accounts received from CITCO, UT, Chandigarh the same will be submitted within 10 days after taking the approval of the Competent Authority	by 30.11.2022
12.	The date of laying of documents on the Table of the House	-----	till 31.12.2022

(Ministry of Home Affairs O.M No. U-13034/91/2010-CPD dated 27th May 2021)

STATEMENT SHOWING ACTION TAKEN ON THE RECOMMENDATIONS / OBSERVATIONS CONTAINED IN THE THIRTY THIRD REPORT OF THE COMMITTEE ON PAPERS ON THE TABLE (LOK SABHA), SEVENTEENTH LOK SABHA.

Recommendation No. 19

The Committee also impress upon the Ministry to note that in case of delay in laying of the Annual Reports and Audited Accounts of the Organization due to unavoidable reasons, a statement explaining the reasons as to why the requisite documents could not be laid within the prescribed time period should be laid on the Table of the House strictly within 30 days as recommended by the Committee in its earlier reports.

Reply of the Government

This Ministry has already directed Chandigarh Administration that in case of delay in laying of the Annual Reports and Audited Accounts of the Organization due to unavoidable reasons, a statement explaining the reasons as to why the requisite documents could not be laid within prescribed time period should be sent to MHA within 15 days for further compliance of the aforesaid recommendation of the Committee.

(Ministry of Home Affairs O.M No. U-13034/91/2010-CPD dated 27th May 2021)

THE EXTRACTS OF THE MINUTES OF THE SECOND SITTING OF THE COMMITTEE ON PAPERS LAID ON THE TABLE (2021-2022) HELD ON 06.12.2021.

The Committee sat on Monday, 06th December 2021 from 15:00 hours to 16:30 hours in Committee Room "C", Parliament House Annexe , New Delhi.

PRESENT

Shri Ritesh Pandey - **Chairperson**

MEMBERS

2. Dr. Shafiqur Rehman Barq
3. Dr. A. Chella Kumar
4. Shri Pallab Lochan Das
- 5 Choudhary Mehboob Ali Kaiser
- 6 Shri T.N. Prathapan
7. Shri Saptagiri Sankar Ulaka
8. Shri Ashok Kumar Yadav

SECRETARIAT

1. Smt. Suman Arora - Joint Secretary
2. Shri Munish Kumar Rewari - Additional Director
3. Smt. Manjinder Pubbi - Under Secretary

X X X X X

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

X X X X X

3. Thereafter, the Committee took up for consideration, the eleven draft Reports (Original/ATR) regarding the delay in laying the Annual Report and Audited Accounts of the following organisation :-

- i. X X X X;
- ii. X X X X;
- iii. X X X X;
- iv. X X X X;

- v. X X X X;
- vi. X X X X;
- vii. X X X X;
- viii. X X X X;

ix. Action Taken by the Government on the recommendations made by the Committee in their Thirty Third Report (17th Lok Sabha) regarding the delays in laying the Annual Reports and Audited Accounts of the Chandigarh Industrial and Tourism Development Corporation Limited (CITCO);

- x. X X X X; and
- xi. X X X X.

4. After deliberations, the Committee adopted all the eleven (11) Reports without modifications.

5. The Committee authorised the Hon'ble Chairperson to present these Reports to the Parliament.

X X X X X

X X X X X

The Committee then adjourned.
