

OVERVIEW

General

Annual accounts of Autonomous Bodies

In 2004-05 there were 253 central autonomous bodies whose accounts were to be certified under Section 19 (2) and 20 (1) of the CAG's (DPC) Act, 1971. Government of India released Rs. 12290.67 crore towards grants and Rs. 90.54 crore towards loan to 242 bodies during 2004-05. Information on the amount of government grants released to the remaining 11 bodies was not available.

Grants amounting to Rs. 5600.48 crore (45.57 per cent of total grants) were disbursed by the Ministry of Human Resource Development to 91 educational institutions, Rs. 870.35 crore (7.08 per cent of total grants) were disbursed by the Ministry of Health and Family Welfare to 23 health and research institutions and Rs. 340.33 crore (2.77 per cent of total grants) were disbursed by the Ministry of Commerce to 14 autonomous bodies.

Audited accounts for 2003-04 of 251 central bodies were to be placed before the Parliament by 31 December 2004. Of these, audited accounts of 71 bodies were submitted for audit within the stipulated time. The accounts of 14 bodies were not submitted for audit by the concerned organisations as on December 2005.

(Paragraph 1.1)

Ministry of Health and Family Welfare

All India Institute of Medical Sciences

The All India Institute of Medical Sciences failed to recover licence fee from the State Bank of India at the rate prescribed by the government for the space provided to it. This resulted in short recovery of Rs. 41.43 lakh for the period from March 1999 to December 2004.

(Paragraph 6.2)

Ministry of Human Resource Development

Indian Institutes of Technology and other institutions

Indian Institutes of Technology (IIT), Delhi; Kharagpur; Mumbai; MNNIT

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Allahabad; NITIE Mumbai and VNIT Nagpur failed to recover service tax amounting to Rs. 1.16 crore from their clients on consultancy services rendered to them. As a result, the institutes made the service tax payment out of their own funds.

(Paragraph 8.3)

Kendriya Vidyalaya Sangathan

Deviating from the Memorandum of Understanding, the Kendriya Vidyalaya Sangathan did not consult the Indian Institute of Management, Kolkata before commencing work on a school building. This resulted in a dispute and stoppage of work on the project and consequential idling of investment of Rs. 1.59 crore for two years. The project cost had also escalated by Rs. 95 lakh.

(Paragraph 8.4)

Ministry of Information and Broadcasting

Prasar Bharati

Undue concession was extended to the producer of a serial by way of irregular grant of additional Free Commercial Time up to July 2001. During the subsequent period of telecast, the producer enjoyed concessional telecast fee and the same total quantum of Free Commercial Time. Undue financial benefit of Rs. 10.66 crore accrued to the producer on these counts..

(Paragraph 9.1)

Doordarshan failed to appoint operational and maintenance staff for nine low power TV transmission systems built during March 2002 to September 2004 which resulted in their idling as well as idling of investment of Rs. 6.74 crore. Further, it also failed to commission studios set-up at six stations during March 2001 to March 2005 at a cost of Rs. 22.55 crore even 12 to 48 months after their completion.

(Paragraph 9.2)

Doordarshan procured two transmitters before erecting the TV Tower at Vadodara which resulted in idling of Rs. 3.82 crore for two to four years as of July 2005. The guarantee for the equipment also lapsed while these were idling.

(Paragraph 9.3)

Ministry of Labour

Employees' Provident Fund Organisation

The Employees' Provident Fund Organisation spent Rs. 9.32 crore on distribution of gold medallion to its staff in contravention of Government of India's economy instructions and the Fundamental Rules.

(Paragraph 10.2)

Ministry of Shipping

Chennai Port Trust

The inconsistent decisions of the Chennai Port Trust and the Ministry after placing the work order for construction and supply of a dredger, led to the belated delivery of the dredger with consequent avoidable expenditure of Rs. 2.61 crore.

(Paragraph 12.1)

The Chennai Port Trust fixed unrealistic high base rent for leasing out of an office complex in November 2000. Consequently, several units of the office complex remained vacant even after floating eight tenders resulting in loss of revenue of Rs. 1.19 crore.

(Paragraph 12.3)

Kolkata Port Trust

Kolkata Port Trust in violation of Government directives invested Rs. 22.25 crore upto July 2000 in 141.76 lakh units of US-64 scheme. It also failed to assess the declining trend of US-64 and to take timely action on redemption of its investment in the scheme. The Port Trust in May 2003 ultimately suffered a capital loss of Rs. 8.07 crore on redemption of these units.

(Paragraph 12.5)

Mormugao Port Trust

The Mormugao Port Trust, Goa purchased 20,500 sq. mtrs of land for Rs. 2.46 crore in May 1999 with no specific utilisation plan resulting in the land lying idle even after six years of its purchase.

(Paragraph 12.7)

Tuticorin Port Trust

Tuticorin Port Trust constructed an additional warehouse in August 2002 based on an unrealistic projection of future requirement and under estimation of the available capacity in the three existing warehouses. This resulted in blocking up of Rs 1.62 crore of Port funds.

(Paragraph 12.10)

Visakhapatnam Port Trust

Decision of Visakhapatnam Port Trust to make investments in privately placed bonds of Industrial Development Corporation of Orissa Ltd. in disregard of the guidelines of the Department of Public Enterprises resulted in a loss of Rs 78.25 lakh.

(Paragraph 12.11)

Visakhapatnam Dock Labour Board short realised Rs 2.88 crore due to incorrect interpretation of its resolution.

(Paragraph 12.12)

Failure of Visakhapatnam Dock Labour Board to raise the rate of levy on Coromandel Fertilizers Limited led to under realisation of revenue of Rs. 70.25 lakh.

(Paragraph 12.13)

Ministry of Urban Development

Delhi Development Authority

Delhi Development Authority failed to take timely action to cancel the allotment of a plot despite persistent breaches of the terms of allotment by the allottee, which deprived it of prime land worth Rs. 92.06 lakh. In addition, composition fee of Rs. 43.45 lakh also remained unrecovered.

(Paragraph 14.1)

Delhi Development Authority suffered a loss of Rs. 72.90 lakh due to investment of surplus funds at lower rate of interest.

(Paragraph 14.2)

Ministry of Youth Affairs and Sports

Sports Authority of India

Sports Authority of India failed to take timely action to acquire and maintain the shunt capacitors for regulating the power supply at the prescribed power factor of 0.85. This resulted in payment of penalty of Rs. 1.95 crore for the period August 1997 to January 2001.

(Paragraph 15.1)

Sports Authority of India purchased equipment worth Rs. 1.10 crore during 1988-2004 which remained unutilised.

(Paragraph 15.2)

Sports Authority of India irregularly provided vehicles and mobile phones to its chairperson/vice-chairperson and their personal staff etc. at a cost of Rs. 72.03 lakh.

(Paragraph 15.3)