

**COMMITTEE**

**ON**

93

**PAPERS LAID ON THE TABLE  
(1985-86)**

(EIGHTH LOK SABHA)

**FOURTH REPORT**

*[Presented on 12 December, 1985]*



**LOK SABHA SECRETARIAT  
NEW DELHI**

*December, 1985/Agrahayana, 1907 (Saka)*

2/A

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C O R R I G E N D A

T O

FOURTH REPORT OF COMMITTEE ON PAPERS  
LAI D ON THE TABLE (1985-86)

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PERSONNEL OF THE COMMITTEE ON PAPERS LAID ON THE  
TABLE

(1985-86)

1. Shri M. V. Chandrashekara Murthy—*Chairman*
2. Shri Jagdish Awasthi
3. Shri Naresh Chandra Chaturvedi
- \*4. Shri Anadi Charan Das
5. Shri Shanti Dhariwal
6. Shri S. G. Gholap
7. Shri Kammodilal Jatav
8. Shri Maurice Kujur
9. Shri C. K. Kuppuswamy
10. Shri Sanat Kumar Mandal
11. Shrimati Patel Ramaben Ramjibhai Mavani
12. Shri Nityananda Misra
13. Shri Ramashray Prasad Singh
14. Shri Atish Chandra Sinha
15. Shri V. Tulsiram

SECRETARIAT

Shri M. K. Mathur—*Joint Secretary.*

Shri R. S. Mani—*Senior Legislative Committee Officer*

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\*Nominated with effect from 3.12.1985. *Vis* Shrimati Manorma Singh, M.P. resigned on 8 November, 1985.

## INTRODUCTION

I, the Chairman of the Committee on Papers laid on the Table, having been authorised by the Committee to present the Report on their behalf, present this their Fourth Report.

2. On examination of certain papers laid on the Table of Lok Sabha during the Thirteenth, Fourteenth and Fifteenth Sessions of Seventh Lok Sabha and First Session of Eighth Lok Sabha, the Committee have come to certain conclusions in regard to delay in laying before Parliament (i) Annual Report and Audited Accounts of the Cycle Corporation of India Limited for the period from October 15, 1980 to March 31, 1982; (ii) Annual Report and Audited Accounts of the National Bicycle Corporation of India Limited for the year 1981-82; (iii) Annual Report and Audited Accounts of the Delhi Urban Art Commission, New Delhi for the year 1982-83; (iv) Annual Report and Audited Accounts of India Tea and Restaurant Limited, Bombay, for the year 1982-83; (v) Annual Report and Audited Accounts of Indian Diamond Institute, Surat, for the year 1982-83; (vi) the Annual Report of the Chief Commissioner for Railway Safety on the working of Commission of Railway Safety for the year 1982-83; and (vii) Annual Report and Audited Accounts of the Shellac Export Promotion Council for the years 1980-81 and 1981-82.

3. The Committee considered and adopted this Report at their sitting held on 5 December, 1985.

4. A statement giving summary of recommendations|observations of the Committee is appended to the Report.

M. V. CHANDRASHEKARA MURTHY

NEW DELHI;

December, 1985

Agrahayana, 1907 (S).

*Chairman,*

*Committee on Papers laid on  
the Table.*

## CHAPTER I

### DELAY IN LAYING THE ANNUAL REPORT AND THE AUDITED ACCOUNTS OF THE CYCLE CORPORATION OF INDIA LIMITED, CALCUTTA FOR THE PERIOD FROM OCTOBER 15, 1980 TO MARCH 31, 1982.

1.1 The Annual Report and the Audited Accounts of the Cycle Corporation of India Limited, Calcutta, for the period from October 15, 1980 to March, 31, 1982 were laid on the Table of Lok Sabha on 14 December, 1983, together with a 'Review' and a statement explaining the reasons for delay. In terms of the recommendation of the Committee on Papers laid on the Table made in paragraph 3.5 of their First Report (Fifth Lok Sabha) these papers ought to have been laid on the Table within nine months of the close of the accounting year, i.e. by 31 December, 1982. Thus, the period of delay involved in the instant case comes to 11½ months.

1.2 In the statement, laid on the Table on 14 December, 1983, the reasons for delay in laying the above documents have been explained as under:—

“On nationalisation of Sen-Raleigh Group of Companies, six companies—Sen-Raleigh Ltd., Sen and Pandit Industries Ltd., Ancillary Industries Lugs Private Limited, Ancillary Industries Forgings Private Ltd., and Noakhali Machine Tools Ltd. were consolidated into a single company which was incorporated on 15-10-1980. Consolidation of accounts of these six companies and verification of their assets and liabilities before incorporation in the Books of the new company took time. This being the first year of audit after this company was formed, the Auditors made a more indepth checking and verification for which it took much longer time and the Government Auditors also took time. The Corporation had taken all possible care to ensure that there was no avoidable delay in preparing the Reports and Accounts, getting these audited and preparing stencilled copies.”

1.3 The Cycle Corporation of India Limited was incorporated on 15 October, 1980 and the nationalised undertakings of the erstwhile Sen-Raleigh Group of Companies were vested in this new Company with effect from 25 October, 1980. The reasons for the delay in

compilation of accounts, which involved consolidation of accounts of six companies have been mentioned in the delay statement laid on the Table of the House.

1.4 The matter was considered by the Committee on Papers laid on the Table at their sitting held on 13 June, 1985.

1.5 The Committee are concerned to note the delay of nearly a year in the presentation of the First Report and audited accounts of the Cycle Corporation of India Limited. However, the Committee are happy to observe that as a result of the steps taken in this regard the subsequent reports and accounts of this Corporation for the years 1982-83 and 1983-84 have been laid on the Table of the House on 25 April, 1984 and 17 May, 1985, respectively. In view of the marked improvement in the laying of the report and accounts of the Corporation, the Committee would only like to suggest to the Ministry to sustain the pace and ensure timely presentation of the Annual Report and Accounts of the Corporation to Parliament in future also.

## CHAPTER II

### DELAY IN LAYING THE ANNUAL REPORT AND AUDITED ACCOUNTS OF THE NATIONAL BICYCLE CORPORATION OF INDIA LIMITED FOR THE YEAR 1981-82

2.2 The Annual Report and Audited Accounts of the National Bicycle Corporation of India Limited for the year 1981-82 were laid on the Table of Lok Sabha for the first time on 23 January, 1985 alongwith a statement explaining the reasons for delay and 'Review'.

2.2 In terms of the recommendation of the Committee on Papers laid on the Table, made in paragraph 4.16 of their Second Report (Fifth Lok Sabha), these papers were required to be laid on the Table within 9 months of the close of the accounting year i.e. by 31 December, 1982. The period of delay involved in laying the Annual Report for 1981-82, therefore, comes to 24 months.

2.3 In the statement laid on the Table on 23 January, 1985, the reasons for delay in laying the Annual Report for 1981-82 have been explained as under:—

“The period 15th October, 1980 to 31st March, 1982 is the first accounting period for the Corporation after it was nationalised in October, 1980. During the period prior to nationalisation they were dependent on a unit record equipment for accounting purposes. Immediately after nationalisation this equipment broke down and hence the Corporation had to switch over to manual accounting. This involved some readjustment of personnel and hence, it entailed some unavoidable delay in finalisation of the accounts of the Corporation. Some legal and procedural problem encountered by the Corporation further delayed the finalisation of their accounts. Hence this whole process took an inordinately long time for finalisation.

As per requirements under the Companies Act the accounts were placed before the Board of Directors in the meeting held on 21st August, 1984, for their approval. Thereafter, on the basis of the views of the Board of Directors these accounts were again submitted before the Statutory Auditors. The company completed these procedural formalities and thereafter adopted the accounts in their Annual General Meeting held on 13th September, 1984



In accordance with existing instructions, this Ministry had moved the Rajya Sabha Committee on Papers laid on the Table of the House and obtained extension of time upto 31-12-1984 for laying copies of this Report on the Table of the House. However, since there was no Winter Session, this could not be complied with. The Ministry have therefore again written to the Rajya Sabha Secretariat seeking a further extension of time upto 31-1-1985 for this purpose.

Since there was no Winter Session of Parliament these accounts could be submitted to the two Houses of Parliament only during the First Session of Eighth Lok Sabha."

2.4 The National Bicycle Corporation of India Limited was incorporation on 27 October, 1980 with the main objective of taking over the undertaking of Hind Cycles Limited which was nationalised on 15 October, 1980 under the Hind Cycles Limited and Sen-Raleigh Limited (Nationalisation Act, 1980). The accounts of this Company for the year 1981-82 incorporated the accounts for a period of 17½ months i.e. from 15 October, 1980 to 31 March 1982.

2.5 In the delay statement laid before Parliament, it has been stated that the delay in finalisation of the accounts for the first year was mainly due to various legal and accounting problems involved in the takeover of the nationalised undertakings. However, due to breakdown of the Unit Record equipment which the Company had at the time of nationalisation, the Company had finally to switch over to manual accounting which took a considerably long time.

2.6 The Committee on Papers laid on the Table considered the matter at their sitting held on 13 June, 1985.

2.7 The Committee note that an unduly long period of 23 months (from 1 April 1982 to 1 March, 1984) was taken in compilation of the accounts of the Company resulting in successive delays in auditing their accounts, in Hindi translation and in the printing of the Report. With regard to the Report and Accounts for the year 1982-83, the Ministry in their communication dated 23 January, 1985 had informed that they would be able to finalise them by April, 1985. The Report and Accounts for the year 1982-83 were, however, not laid on the Table of the House during the Budget Session (Eighth Lok Sabha) which ended on 20 May, 1985. The Committee have later been informed that the Report and Accounts for the year 1983-84 are expected to be ready in July, 1985.

2.8 The Committee regret to observe that there has been a persistent delay in laying the Annual Reports and Accounts of the National Bicycle Corporation of India Limited before Parliament. While the Committee appreciate the difficulties pointed out by the Ministry in finalising the Reports and Accounts at the initial stages immediately after nationalisation of the Company, they regret that there has been inordinate delay in the submission of these documents relating even to the subsequent financial years. The Committee, therefore, recommend that the Ministry of Industry (Department of Industrial Development) should take up the matter conclusively with the authorities of the Company, for streamlining the existing procedure and adopting a time-bound programme for compilation, translation and printing of Annual Report and Audited Accounts of the Company and laying them on the Table of the House, within 9 months of the close of the accounting year in future.

2.9. The Committee are also unhappy to note that the Ministry did not follow the procedure laid down by the Committee of informing the House in time when delay was anticipated in laying the Annual Report and Accounts of the Company. As these documents were due to be laid on the Table by the end of December, 1982, the Ministry should have laid a statement on the Table of the House on commencement of Budget Session 1983 informing the House of the reasons for delay in laying the documents and also stating by when these documents were expected to be laid. The Committee are sure that the Ministry will find out the level at which this lapse occurred and take suitable remedial action.

## CHAPTER III

### DELAY IN LAYING THE ANNUAL REPORT AND AUDITED ACCOUNTS OF THE DELHI URBAN ART COMMISSION, NEW DELHI FOR THE YEAR 1982-83.

3.1 The Audited Accounts of Delhi Urban Art Commission for the year 1982-83 were laid on the Table of Lok Sabha on 5 December, 1983 and the Annual Report on 22 August, 1984 alongwith a copy of 'Review'.

3.2 The Committee on Papers laid on the Table of Lok Sabha in paragraph 3.5 of their First Report (Fifth Lok Sabha), which was presented to Lok Sabha on 8 March, 1976, had recommended that normally the Annual Report and Audited Accounts of Government Organisations for a particular year should be presented to Parliament together to enable the House to have a complete picture of the working of that body. The Committee had further recommended that these documents should be laid on the Table within 9 months of the close of the accounting year unless otherwise stipulated in the Act or Rules under which the Organisation had been set up. In the present case the Report and Accounts of the Delhi Urban Art Commission, New Delhi for the year 1982-83 had not only been laid separately but there was a delay of about 7 months in laying the Annual Report before Parliament.

3.3 In the statement laid on the Table on 22 August, 1984, the reasons for delay in laying the Annual Report and Audited Accounts for 1982-83 have been explained as under:

"Section 19 of the Delhi Urban Art Commission Act, 1973 (1 of 1974), provides that the Commission shall prepare, once every year, in such form and within such time as may be prescribed by Rules, an Annual Report giving a true and full account of its activities during the previous year, and copies thereof shall be forwarded to the Central Government for laying before both the Houses of Parliament. According to the Parliamentary rules, the Annual Report (for the period ending 30-4-1983) was required to be placed before both Houses of Parliament by the 31st January, 1984. Thus, there is a delay of over six months in laying

the Annual Report of the Delhi Urban Art Commission on the Table of the House.

The Delhi Urban Art Commission at present is constituted with a part-time Chairman, two part-time Members and one full-time Member. The Commission was without a Chairman from 31st October, 1982 to 24th May, 1983 barring a short period i.e. from 7th January, 1983 to 24th February, 1983, when Shri R. N. Mirdha, M.P. was part-time Chairman. The new Chairman, Shri R. V. Subramaniam who joined on 25th May, 1983 took some time to familiarise himself with the working of the Commission especially the activities of the Commission during the previous year. As the Chairman and two of the three members of the Commission are part-time Members, it took some more time for them to finalise the Annual Report. The draft of the Report was finally approved by the Commission in April, 1984.

The Delhi Urban Art Commission, being a small organisation comprising 18 staff members (excluding class IV officials) have no arrangement for preparing an authentic Hindi version of the Report. They had, therefore, to take assistance from the main Ministry in preparation of the Hindi version. The printing of the Report also took an additional two months.

The delay of about 6½ months in placing the report on the Table of the House is due to the reasons explained above. Every effort will be made to lay the report in time, in future on the Table of the House."

3.4 The Committee on Papers laid on the Table considered the matter at their sitting held on 13 June, 1985.

3.5 The Committee were informed that the delay in laying the Annual Report of the Delhi Urban Art Commission for the year 1982-83 was inter-alia due to the fact that the Commission was without a Chairman from 21-10-1982 to 24-5-1983 except for a short period in between. The new Chairman who joined on 25-5-1983 took some time to familiarise himself with the working of the Commission. The Chairman and 2 of the 3 members being part-time took some more time to finalise the Report. The Hindi translation of the Report for which the Commission had no arrangements and the time taken in printing added to the overall delay.

3.6 The Audited Accounts and Annual Report of the Delhi Urban Art Commission for the year 1983-84 were again laid separately on the Table of the House on 21 January, 1985 and 18 March, 1985 respectively. Whereas in the present case there was not much delay in submission of the documents, the fact remains that the purpose for which these reports and accounts were to be presented to Parliament had been defeated since only a combined study of these papers could be given an idea to the Members of Parliament about the activities, achievements etc. and the financial stability of the organisation. That would also have enabled them to participate effectively at the time of discussion on the Demands for Grants and draw the attention of the House and the Minister concerned to any shortcoming which they might have come across while going through the report and accounts of the Commission. The Committee, therefore recommend that the practice of laying the Annual Report and accounts separately should not recur and necessary instructions be issued by the Ministry in this regard and also steps taken to ensure timely presentation of the reports together with the audited accounts of the Commission to Parliament in future.

## CHAPTER — IV

### DELAY IN LAYING THE ANNUAL REPORT AND AUDITED ACCOUNTS OF INDIA TEA AND RESTAURANT LIMITED, BOMBAY FOR THE YEAR 1982-83.

4.1 The Annual Report and Audited Accounts of the India Tea and Restaurants Limited, Bombay for the year 1982-83 were laid on the Table of Lok Sabha on 27 July, 1984 along with a statement explaining the reasons for delay and 'Review'.

4.2 In terms of recommendation of the Committee on Papers laid on the Table, made in paragraph 4.16 of their Second Report (Fifth Lok Sabha), these papers were required to be laid on the Table of the House within 9 months of the close of the accounting year, i.e. by 31 December, 1983. Thus, the delay in the present case works out to about seven months.

4.3 In the statement laid on the Table on 27 July, 1984 the reasons for delay have been explained as under:—

"Report of the India Tea and Restaurants Limited for the year 1982-83 could not be submitted to the Parliament in time, as the Annual General Meeting of the Company which was scheduled to be held on 29th December, 1983, had to be adjourned for want of quorum. The adjourned meeting was held on the 29th March, 1984 in which Annual Report and Accounts of the Company for the year 1982-83 were adopted. After the Annual General Meeting, copies of the Report was made available on 26-4-1984.

"The Company has been advised to ensure that in future Reports are made available for laying on the Table of the House of Parliament in time."

4.4 The Ministry of Commerce in their communication dated 23 November 1984 furnished the following information:

- (i) Annual Accounts were ready for auditing and passed on to Auditors for auditing on 20 December, 1983.

- (ii) The Audited Accounts were finalised by Statutory Auditors on 1 March, 1984 and the same were received back after being signed by Statutory Auditors on the same date.
- (iii) The Annual Report and Audited Accounts were translated and passed on to the Ministry on 23 April, 1984 for being laid on the Table of the House.

4.5 On enquiry about the reasons for the time gap between 29 December, 1983 when the Annual General Meeting of the Company had to be adjourned for want of quorum and the date on which the meeting was actually held on 29 March, 1984, the Ministry stated as under:

“After the accounts of the company are signed by statutory Auditors, they are required to be sent to Government Auditors for their comments.

Even though the Annual General Meeting was convened on 29-12-1983, it had to be adjourned since the audit of the Government Auditors was not completed and the intention to adjourn the meeting was that the Accounts were still not ready. This had to be resorted to since as per the provisions of the company law, the accounts had to be ready before the end of December and since no further extension of time was possible, it was decided to adjourn the meeting for want of quorum. The Accounts were then forwarded to the Govt. Auditors on 29-12-1983. The draft queries of Government Auditors were received on 19-1-1984 and the same were discussed with the statutory auditors on 27-1-1984. On account of this the accounts had to be revised and the same along with the notes to the accounts were readopted by the Board of Directors on 1-3-1984 and signed by the statutory auditors on the same day. Replies to the draft comments of the Government Auditors were forwarded to the Government Auditors along with the readopted accounts on 6-3-1984. The nil comments from the audit board and Ex-Officio Director were received on 12-3-1984. Accordingly the revised accounts were finally adopted at the Annual General Meeting on 29-3-1984.”

4.6 On being asked whether any standing instructions had been issued to the India Tea and Restaurant Limited for timely laying of the Annual Report and Audited Accounts for the year 1983-84 and subsequent years on the Table of the House, the Ministry

stated that the Company had assured the Ministry that every endeavour would be made to finalise the accounts of the Company expeditiously in future.

4.7 The matter was considered by the Committee on Papers laid on the Table at their sitting held on 9 July, 1985.

4.8 The Committee are unhappy to note that the Annual Report and the Audited Accounts of the India Tea and Restaurant Limited, Bombay for the year 1982-83 were laid on the Table of Lok Sabha on 27 July, 1984, i.e. after about sixteen months of the close of the accounting year and these documents for the year 1983-84 have not been laid in spite of the assurance given by the Company to the Ministry that every endeavour would be made to finalise the accounts expeditiously and lay them on the Table of the House. In accordance with the recommendations of the Committee on Papers laid on the Table made in paragraph 4.16 of their Second Report (Fifth Lok Sabha), these documents should have been laid within nine months of the close of the accounting years. The Committee desire that in order to comply with the aforesaid recommendation of the Committee on Papers laid on the Table, an appropriate time-bound programme may be drawn up by the Company in coordination with the Ministry for compilation of Annual Report and Accounts and their auditing, adoption by the Annual General Body meeting, translation, printing and transmission to the Government for being laid on the Table of the House. If for any reason the report, audited accounts and audit report cannot be laid within the stipulated period of nine months, the Ministry should lay within thirty days of expiry of the prescribed period or as soon as the House meets, whichever is later, a statement explaining the reasons why the reports and accounts could not be laid within the prescribed period as laid down by the Committee in their Second Report (Fifth Lok Sabha).

4.9 The Committee note that in the statement giving reasons for delay, the Ministry of Commerce had indicated that the delay in laying the Annual Report and Audited Accounts for 1982-83 was due to the fact that these documents could not be adopted at the Annual General Meeting of the Company scheduled to be held on 29 December, 1983, as it had to be adjourned for want of quorum but in their subsequent communication to the Committee on 23 November, 1984, the Ministry had stated that the meeting had to be adjourned because the audit by Government Auditors was not completed and the intention to adjourn the meeting was that the accounts were not still ready. The Committee are constrained to observe that by furnishing



twisted information in the delay statement laid on the Table, the real facts had not been brought to the notice of the House. This is too serious a lapse on the part of the Ministry to be justified on any account. This also obviously suggest that no care was taken by the Ministry of Commerce to comply with the aforementioned recommendations of the Committee on Papers laid on the Table. The Committee trust that the Ministry of Commerce would avoid giving such twisted information to the House but ensure that in future the delay statements are laid on the Table of the House with abundant caution and after due verification of facts.

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## CHAPTER V

### DELAY IN LAYING ANNUAL REPORT AND AUDITED ACCOUNTS OF INDIAN DIAMOND INSTITUTE, SURAT, FOR THE YEAR 1982-83.

5.1 The Annual Report and Audited Accounts of the Indian Diamond Institute, Surat for the year 1982-83 were laid on the Table of Lok Sabha on 27 July, 1984 along with a statement explaining the reasons for delay and 'Review'. In terms of recommendation of the Committee on Papers laid on the Table made in paragraph 3.5 of their First Report (Fifth Lok Sabha), these papers were required to be laid on the Table within nine months of the close of the accounting year, i.e., by 31 December, 1983. The period of delay involved in laying the Annual Report and Audited Accounts of the above Institute for 1982-83, therefore, comes to about seven months.

5.2 In the statement laid on the Table on 27 July, 1984 the reasons for delay in laying the Annual Report and Audited Accounts for 1982-83 had been explained as under:—

“Upto the year 1981-82, the activities and the auditors' Report of the Indian Diamond Institute, Surat, were embodied in the Annual Report of the Gem and Jewellery Export Promotion Council, Bombay and were placed on the Table of both the Houses of Parliament. In 1982, the Institute was Converted into an independent and autonomous body. Since this is the first time the Institute were preparing an Annual Report, they were not in a position to do the work within the period of nine months of close of the account period.”

5.3. The Ministry of Commerce who were asked to furnish information about the dates when (a) the Ministry brought the provisions of para 3.5 of the First Report (Fifth Lok Sabha) to the notice of the Indian Diamond Institute, Surat after it was declared as an autonomous body in 1982, (b) the Annual Report and Annual Accounts were finalised, (c) the Statutory Auditor was appointed, (d) the Annual Accounts were made available to the Auditor, (e) the final Audited Accounts were received from the Auditor, (f) Annual Report and Audited Accounts were given for translation

into Hindi and printing thereof, (g) the time taken in printing, and (h) the copies were made available to the Ministry for laying on the Table of the House, explained the position *vide* their communication dated 16 November, 1984, as under:—

- (a) The need for placing the Annual Report of the Institute on the Table of both the Houses of Parliament was brought to the notice of the Institute by this Ministry *vide* letter dated the 8th March, 1984.
- (b) Annual Accounts were finalised in the first week of June, 1983.
- (c) Auditors of the Institute were appointed on 13th April, 1982.
- (d) The Annual Accounts were made available to the Auditors on 18th June, 1983.
- (e) Final audited accounts were received from the Auditors on 14th July, 1983.
- (f) & (g) English versions of Annual Report and Accounts were given for printing in the last week of March, 1984. Translation of English version into Hindi version was given in the 1st week of April, 1984 and the same was received duly translated on 25th May, 1984 and it took 15 days for getting cyclostyled.
- (h) Copies of the Annual Report and Accounts in English were sent Ministry *vide* Institute's letter dated the 3rd April, 1984 and Hindi version was sent on 2nd June, 1984.

5.4. The Annual Report and Audited Accounts of the Indian Diamond Institute for the year 1983-84 were laid on the Table of the House on 23 January, 1985.

5.5 The matter was considered by the Committee on Papers laid on the Table of their sitting held on 9 July, 1985.

5.6 The Committee note that the Indian Diamond Institute, Surat was declared an autonomous body in 1982 and as such the Annual Report for 1982-83 being the first Report could not have been finalised and presented to the House within the prescribed time-limit of nine months after the close of the accounting year i. e. by December, 1983 as envisaged in paragraph 3.5 of their First Report (Fifth Lok Sabha) of the Committee on Papers laid on the Table presented to the House on 8 March, 1976. The Committee find that

the Ministry of Commerce did not communicate to the Institute until March, 1984 about the obligation cast on the Government for placing their report and accounts. The Ministry's communication is not very clear on the point whether the time-limit of nine months laid down by the Committee for laying on the Table of the Annual Report and Accounts was brought to the notice of the Institute specifically. The Committee regret that the Ministry had not paid adequate attention to the recommendation of the Committee so as to fulfil their obligation in this regard. The Committee hope that the Ministry will observe greater care in future in this regard.

5.7. The Committee, however, note with satisfaction that the Annual Report and Audited Accounts of the Institute for the year 1983-84 were laid on the Table of the House on 23 January, 1985 which was within the time-limit considering the fact that there was no Session in December, 1984 due to elections. Considering the improvement in the position in regard to laying the documents of the Institute on the Table of the House, the Committee do hope that this trend will continue to be maintained in future.

## CHAPTER-VI

### DELAY IN LAYING THE ANNUAL REPORT OF THE CHIEF COMMISSIONER OF RAILWAY SAFETY ON THE WORKING OF COMMISSION OF RAILWAY SAFETY FOR THE YEAR 1982-83

6.1 The Annual Report of Chief Commissioner of Railway Safety on the working of the Commission of Railway Safety for the year 1982-83 was laid on the Table of Lok Sabha on 27 July, 1984, along with a statement explaining the reasons for delay.

6.2. In terms of the recommendation of the Committee on Papers laid on the Table, made in paragraph 1.17 of their First Report (Fifth Lok Sabha), the document was required to be laid on the Table of the House within six months of closing of the accounting year, i.e., by 30 September, 1983. The period of delay involved in laying the aforesaid Annual Report for 1982-83 thus, came to about 10 months.

6.3. In the statement laid on the Table on 27 July, 1984, the reasons for delay had been explained as under:

- “(a) (i) The statistical and other information required to be included in the Report is first called for from the different Railway Zonal Administrations by the various Circles of the Commission. The requisite information is compiled by the Railways in their Headquarters office after obtaining the same from their Divisional offices. The final reconciled information thus becomes available only several months after the close of the fiscal year;
- (ii) Since the Annual Report serves as an important reference document for officers in the Commission of Railway Safety as well as the Railway Board/Zonal Railways, it has been the practice to include in the Report the final findings and the gist of important recommendations made in the reports on accidents inquired into by the Commission during the year. The final inquiry reports, particularly of accidents occurring during the latter part of the year are received from Circle Offices only by about the third quarter of the following year and sometimes even later if the accidents are of a complicated nature warranting an extensive probe:

- (b) After the requisite details are received from the Circle Offices in the headquarters of the Commission, the same are consolidated and the draft of the Annual Report is framed. Results of the various inspections carried out and the short comings noticed are reflected in the Report in detail for the benefit of reference by the Railway Board. This compilation is a time-consuming process;
- (c) After the draft Report is prepared, it is sent to the Ministry of Railways (Railway Board) for their comments, if any. Their response is sometimes not prompt. Many a time they hold divergent views on some of the comments made in the Report, which result in further correspondence between the Commission and the Railway Board to reduce the area of divergence.
- (d) It is only after the above that the Report gets finalised which is then stencil typed and checked before copies are taken out;
- (e) Initially, the English version is made which is then translated into Hindi so that both the versions are submitted simultaneously. This again takes time. From the above, it will be seen that the items of work involved, such as: collection of statistical and other information from various Railway Administrations, obtaining the comments on the draft Report from the Ministry of Railways etc., take quite some time and a time-lag in the finalisation and placement is therefore, unavoidable."

6.4. On 7 January, 1985, the Ministry of Tourism and Civil Aviation were asked to furnish information as to whether any standing instructions had been issued by the Commission to the Railway Zonal Administration to forward all the relevant information to be included in the Report, well in advance, instead of waiting for reminders for the same from the Commission. In this connection the Ministry stated as under:—

"No standing instructions have been issued to the Zonal Railway Administrations for furnishing the information to be included in the Annual Report of the Commission of Railway Safety but the same is called for at the end of every financial year through the concerned Circle Offices of the Commission exercising jurisdiction over the respective Zonal Railways. The Zonal Railways, in turn, collect the information from their field offices before consolidated

information pertaining to that particular railway is furnished to the Commission. The final figures, therefore, become available several months after the end of the financial year, usually by August or September."

6.5 Regarding justification for holding over the Annual Reports, for the sake of some enquiry reports of accidents taking place in the later part of the year, which could be conveniently carried over in the report of next year, the Ministry explained the position as under:

"It has been the practice to include the findings and the gist of important recommendations made in the Reports on accidents inquired into by the Commission of Railway Safety during the year covered by the Annual Report. As accident enquiries constitute one of the most important duties of the Commission of Railway Safety, it is considered appropriate to include all accidents occurring in a financial year in the Annual Report pertaining to that year as far as possible."

6.6 As regards the time taken at various stages of preparation and finalisation of the report for the year 1982-83, upto the time when it is received in the Ministry of Tourism and Civil Aviation for laying on the Table of the House, the Ministry stated as under:

"The different Chapters of the Annual Report for the year, 1982-83 were compiled in stages during the last quarter of 1983. As complete information for certain chapters becomes available only in the first week of November, 1983, the drafts of these chapters and the Appendices could be finalised by the Commission only in December 1983. Each chapter was sent to the Ministry of Railways for their comments as and when it was completed. The information asked for is indicated below:—

*Chapter I and Chapter II.*—These Chapters did not require any comments from the Ministry of Railways and were therefore finalised without reference to them.

*Chapter III.*—The draft of this Chapter was sent to the Ministry of Railways on 15-11-83 and their comments were received piece-meal, the last one being received by the Commission of Railway Safety on 6-2-1984. The differences between the Commission and the Railway Ministry were reconciled by early March, 1984.

**Chapter IV and Appendices of the Annual Report.**—The drafts for these were sent to the Ministry of Railways on 5-12-83 and their comments were received by the Commission on 5-1-84. As there was no significant area of disagreement with the Ministry of Railways in respect of this Chapter, it was finalised thereafter.

**Chapter V.**—The draft of this Chapter was sent to the Ministry of Railways on 19-12-83. Only an interim reply was received from them on 22-2-1984 promising to communicate their comments within a short period. Since this was an important Chapter, it was decided to await their comments but when these were not received even upto mid-March, 1984, the Chapter was finalised without further delay.

The Hindi translation of the Annual Report was completed in early May, 1984 and the stencilling (both Hindi and English versions) was completed in early June, 1984. It may be mentioned that the Hindi translation and stencilling work is carried out simultaneously in piecemeal manner as and when each Chapter is finalised. It may also be mentioned that there is no separate staff for Hindi translation in the office of the Chief Commissioner of Railway Safety and this work is, therefore, got done on payment of honorarium. The binding of the copies of the Annual Report was completed in the third week of June, 1984.

The Annual Report was put up to the Ministry of Tourism & Civil Aviation on 28-6-1984 for authentication by Hon'ble Minister after which it was forwarded to the Lok Sabha Secretariat and the Rajya Sabha Secretariat on 18-7-84 for being placed on the Table of the House."

6.7 In regard to the present position of the Annual Report of the Chief Commissioner of Railway Safety for the year 1983-84 and the steps taken to ensure that the reports are presented to Parliament within the prescribed-time limit in future, the Ministry gave the following information in their communication dated 27 February, 1985:—

"(i) The statistical and other information for the Annual Report has to be compiled and furnished to the Commission of Railway Safety by the Zonal Railway Administrations and the same for the year 1983-84 was received from them partly in September, 1984 and partly in December, 1984. The compilation of the Report was, however, taken



in hand to the extent possible even before the receipt of information from the Railways. The drafts of three Chapters which commented upon the safety of Railway working were forwarded to the Ministry of Railways for their comments on 22-8-1984, 22-9-1984 and 14-11-1984 respectively. The comments of the Ministry of Railways in respect of two Chapters were received in January, 1985. Although their comments on the remaining Chapter have not yet been received, the Annual Report is being finalised without waiting further.

- (ii) The stencil-typing of the English version of the Annual Report is in hand and is expected to be completed by the end of March, 1985. The stencil-typing of the Hindi version is also in hand simultaneously and is likely to be completed in early April, 1985. It may be mentioned that since there is no separate staff for Hindi translation in the office of the Chief Commissioner of Railway Safety, the translation is got done by other staff outside office hours on payment of honorarium.
- (iii) After stenoil-typing, the copies of the Report will be taken out and after binding, the Report is expected to be submitted to the Ministry in early May, 1985. After authentication by the Hon'ble Minister, the Report is expected to be forwarded to the Lok Sabha/Rajya Sabha Secretariat for being placed on the Table of the House.

A certain amount of delay in the compilation of the Annual Report of the Commission of Railway Safety is inherent in the procedure since the basic statistical and other information for the Report has to be furnished by the Railway Administrations working under the Ministry of Railways. They have to collect the information from the field offices before consolidated information is furnished to the Commission of Railway Safety. This information, therefore, becomes available only by about August or September. Since the Report comments on the working of the Railways, the drafts of the Chapters are required to be sent to the Ministry of Railways for their comments so that any difference can be reconciled and the comments of the Ministry of Railways incorporated in the Report. On account of these procedural constraints some delay in compiling the Annual Report of the Commission of Railway Safety is unavoidable. All efforts are, however, being made to minimise the delay to the extent possible."

The Annual Report for the year 1983-84 had however, not been laid on the Table of the House, till the end of the Budget Session of the Eighth Lok Sabha, which adjourned on 20 May, 1985.

6.8 The Committee on Papers laid on the Table considered the matter at their sitting held on 10 July, 1985.

6.9 The Committee are concerned to note that the Annual Report of the Chief Commissioner of Railway Safety on the working of the Commission of Railway Safety for the year 1982-83 was laid on the Table of Lok Sabha as late as on 27 July, 1984 i.e. after about 10 months even after allowing the period of six months prescribed by the Committee in paragraph 1.17 of their First Report (Fifth Lok Sabha) wherein it is clearly laid down that the organisations which lay only their Annual Reports should not take an unduly long time in laying them after the close of the accounting year and in such cases, the administrative Ministries should ensure that the Annual Reports are invariably laid before Parliament within six months after the close of the accounting year. The Committee feel that serious efforts were not made either by the Chief Commissioner or the Ministry of Tourism and Civil Aviation to adhere to the recommendations made by the Committee on Papers Laid on the Table. The Committee trust that the Ministry of Tourism and Civil Aviation will now take steps to comply with the recommendation in letter and spirit for laying within the prescribed time the Annual Report of the Commission before Parliament.

6.10. The Committee are not convinced of the arguments advanced by the Ministry in support of delay on the part of the Commission in finalisation of the Report because of the procedural constraints involved in (i) collecting the information from the various Field Officers of the Railway Safety located in different parts of the country from whom the final figures become available several months after the close of the accounting year and (ii) the practice followed to include the whole accident enquiries occurring in the particular accounting year in the Annual Report of that year whereas the information relating to accidents occurring during the later part of the year is received only the next year. The Committee find that there was no standing arrangement or there were no standing instructions to the Zonal Offices for the submission of such information regularly to the Commission for the purpose of compilation of the Annual Report. The Committee feel that neither the Ministry of Tourism and Civil Aviation nor the Ministry of Railways has attached due importance to these reports dealing with a vital matter involving safety of the life and property of the travelling public and the Parliament is not kept informed of the gravity of the accidents within

a reasonable time after the close of the accounting year. In the absence of such information, Parliament finds itself placed at a disadvantage in fully appreciating the performance of the Commission. The Committee recommend that the Ministry of Tourism and Civil Aviation in consultation with the Ministry of Railways should take steps to eliminate the procedural and other delays by issuing standing instructions to the Zonal Offices and the Field Offices for submission of information relating to the cases of accidents to the Commission periodically at shorter intervals so as to ensure presentation of Reports of the Commission to the House within the prescribed period of six months after the close of the relevant accounting year.

## CHAPTER VII

### DELAY IN LAYING ANNUAL REPORTS AND AUDITED ACCOUNTS OF THE SHELLAC EXPORT PROMOTION COUNCIL FOR THE YEARS 1980-81 AND 1981-82.

7.1 The Annual Reports and Audited Accounts of the Shellac Export Promotion Council for the years 1980-81 and 1981-82 were laid on the Table of Lok Sabha on 23 March, 1984 along with a statement showing reasons for delay and 'Review'. In terms of the recommendation of the Committee on Papers Laid on the Table made in paragraph 3.5 of their First Report (Fifth Lok Sabha) presented to Lok Sabha on 8-3-1976, the report and audited accounts relating to the period 1980-81 and 1981-82 ought to have been laid on the Table by 31-12-1981 and 31-12-1982 respectively, i.e. within nine months of the close of the accounting years and thus the periods of delay involved in these cases were of about 27 months and 15 months respectively.

7.2 In the statement explaining the reasons for delay, the Ministry of Commerce, had stated as under:—

1980-81

"The Twenty-Fourth Annual Report of the Shellac Export Promotion Council was ready in time but could not be placed before Parliament because 24th Annual General Meeting of the Shellac Export Promotion Council could not be held before April, 1983 for the following reasons.

A proposal to amend the Articles of Association of the Shellac Export Promotion Council was under examination since January, 1981. The proposal was examined by various authorities including Ministry of Law and the same was adopted in an extraordinary general meeting of the Shellac Export Promotion Council held in the month of December, 1981. As per the Articles of Association of the Shellac Export Promotion Council, no change, alteration or modification in any of the Articles could be effected without concurrence of the Union Government. Thus some more time was taken to obtain the approval of the Central Government to the proposed amendments. Again, after the amendments to the Articles of Association were put into effect, two months notice had to be given to the members of the

Council to nominate members to the Committee of the Council. Thus, the 24th Annual General Meeting of the Shellac Export Promotion Council could be held only in the month of April, 1983.

Printing, translation of the report as well as the statement of accounts into Hindi also took some more time.

The delay is regretted but it could not be avoided and may kindly be condoned.

1981-82

"The Twenty-Fifth Annual Report of the Committee of Shellac Export Promotion Council was ready in time. The Report was adopted in its 25th Annual General Meeting held on 8th April, 1983. Translation of the Report as well as the statement of Accounts into Hindi and its printing took some time and hence the delay which may kindly be condoned."

7.3 The Ministry of Commerce, E.P. (Agriculture Division) who were asked to furnish information about the dates when (a) the accounts for the years 1980-81 and 1981-82 were ready for being audited, (b) the accounts for these years were actually audited, and were ready for adoption at the Annual General Meeting of the Council, (c) the proposal for amendment of Articles of Association was sent to the Central Government for approval, (d) the Annual Account were sent for translation and printing and (e) those were sent to the Ministry for being laid on the Table of the House, explained the position *vide* their communication dated 5 June, 1983, as under:—

"The accounts for the years 1980-81 and 1981-82 were ready for audit by May, 1981 and May, 1982 respectively.

The accounts were audited and ready for adoption at the Annual General Meeting on—

- (i) For 1980-81 on 9-9-1981.
- (ii) For 1981-82 on 17-1-1983.

The proposal to amend the Articles of Association of the Shellac Export Promotion Council, which had been under consideration since January, 1981, was referred by the Council to the Registrar of Companies in February, 1982 for its approval. Thereafter, in April, 1982 the proposal of amendment was received in the Ministry of Commerce for seek-

ing Govt. approval which was conveyed on 19-7-1982. The amendment to the Articles of Association envisaged to increase the number of the members of the Committee of the Council. The election to the Committee can be held at the Annual General Meeting. Therefore, the Annual General Meeting was postponed till the amendments were approved and put into effect. After following the other procedural requirements for election of the Committee which *inter-alia* provided for a minimum notice of two months, the Annual General Meeting could be held in April, 1983 only, at which the Annual Reports and Annual Accounts for 1980-81 and 1981-82 were adopted.

- (i) The Annual Reports and Audited Accounts for 1980-81 were sent for printing on 2-4-1982 and received back on 28-4-1982.
- (ii) The Annual Report and Audited Accounts for 1981-82 were sent for printing on 5-3-1983 and were received back on 30-3-1983. The Annual General Meeting was held in April, 1983.

The translation into Hindi and printing of Hindi version of the Annual Reports and Audited Accounts was taken up on 25-4-1983 and 9-5-1983 after the Annual General Meeting.

Annual Reports and Audited Accounts for 1980-81 and 1981-82 were received in the Ministry of Commerce in May and June, 1983 respectively in parts. However, adequate number of copies of the reports were received from the Council in November, 1983."

7.4. On enquiry as to what the Articles of Association of the Council were which were to be got amended, the Ministry explained as under:—

"Article 7 of the Articles of Association of the Shellac Export Promotion Council was amended. The amendment envisaged increase in the number of members of the Committee of the Council. The amendments carried out to the Articles of Association are reproduced:

- (a) When the Membership of the Shellac Export Promotion Council is less than forty on the 1st July of the year, the Committee shall consist of nine members including the Chairman and Vice-Chairman. There shall be two Govt. nominees and not less than three shippers within this Committee of nine.

- (b) When the membership strength of the Council as on first of July of the year is above forty, the Committee shall consist of fifteen members including the Chairman and the Vice-Chairman. The Govt. nominees in the Committee shall be three and not less than five shippers shall be within the total strength of the Committee.
- (c) The Chairman and the Vice-Chairman of the Council also shall be the Chairman and the Vice-Chairman of the Committee."

7.5. On being asked how the amendment of Articles of Association affected the laying of the Annual Report and Audited Accounts for the year 1980-81 on the Table of the House, the Ministry stated as under:—

"The amendment to the Articles of Association envisaged increase in the number of members from 9 to 15 in proportion to the membership strength of the Council. New members of the Committee could be elected at the Annual General Meeting. The Annual Report and Audited Accounts could be adopted only when the Annual General Meeting was held in April, 1983. The holding of Annual General Meeting of the Council was kept pending by the Shellac Export Promotion Council till the amendments were finally carried out."

7.6. Explaining the reasons for not adopting the 24th Annual Report for the year 1980-81 at the extraordinary General Meeting held on the month of December, 1981 when it was due for being laid on the Table of the House, the Ministry stated as follows:—

"According to the Articles of Association, except the Annual General Meeting, all other general meetings are called 'Extraordinary General Meetings' was held to adopt the amendments in the Articles of Association of the Council. Articles of Association of the Council provide that the Annual Reports and Audited Accounts of the Council are submitted to the Annual General Meeting only. Thus, the Annual Reports and the Audited Accounts for the years 1980-81 and 1981-82 could not be considered at the Extraordinary General Meeting of the Council for adoption."

7.7. Annual Reports, Audited Accounts, Audit Reports, 'Review' and delay statements for 1982-83 and 1983-84 were laid on the Table of Lok Sabha on 22 March, 1985.

7.8. The matter was considered by the Committee on Papers laid on the Table at their sitting held on 10 July, 1985.

7.9. The Committee are unhappy to note that the laying on the Table of Lok Sabha of the Annual Reports and Audited Accounts of the Shellac Export Promotion Council for the years 1980-81 and 1981-82 was inordinately delayed as these were laid on the Table of the House on 23 March, 1984, i.e. 27 months and 15 months after the close of the relevant accounting years. The Committee regret to find that the auditing of accounts for 1980-81 and 1981-82 was completed in about 3½ months and 7½ months, respectively. Thereafter the Annual General Meeting of the Council was held after 19 months and 2½ months to adopt the Annual Reports and Audited Accounts for these years. The Committee are not satisfied with the justification advanced by the Ministry of Commerce that the Twenty-Fourth Annual Report of the Council for the year 1980-81 could not be placed before the Annual General Meeting of the Council as the proposal to amend the Articles of Association of the Council to increase the membership of the Committee of the Council was under examination since January, 1981 and after a long correspondence with authorities in the Ministry of Law etc., the amendment could be finalised and conveyed to the Council only in July, 1982. The Committee feel that the amendments to the Articles of the Association would have definitely found approval much earlier had the Council and the Ministry made concerted efforts by taking up the matter with the concerned Ministries of the Government of India at appropriate levels and also through personal contacts and meetings instead of resorting to protracted routine correspondence resulting in delay. The Committee hope that the Ministry would be more vigilant in such matters in future.

7.10. The Committee are also concerned to note that the Annual Reports and Audited Accounts of the Shellac Export Promotion Council for the years 1980-81 and 1981-82 were lying with the Ministry of Commerce for about 10 months and 9 months respectively before these documents were laid on the Table of Lok Sabha. This displays a complacent attitude on the part of the Ministry in the matter of presenting to Parliament the Reports of the Council. The Committee would like to emphasize that the Ministry should take greater initiative in the matter and ensure that the reports of these organisations under their overall administrative control are presented to Parliament by the stipulated period.

7.11. The Committee further note that Annual Report and Audited Accounts of the Shellac Export Promotion Council for



1981-82 was sent for printing on 5th March 1983 and were received back on 30th March 1983. Translation and printing thereof were taken up only on 25th April 1983. The Committee in their First Report (Fifth Lok Sabha) had desired that translation of Reports and Accounts into Hindi should be taken up simultaneously with preparation of the Reports and Accounts in English. Had the Ministry acted on these guidelines, the delay of atleast one month in laying the papers on the Table could have been avoided. The Committee would like the Ministry to go into this and take suitable remedial action.

7.12. The Committee, however, note with satisfaction that the Ministry of Commerce have cleared the backlog and have now become up-to-date in so far as the laying of the Annual Reports and Audited Accounts of the Shellac Export Promotion Council on the Table of the House, is concerned. The Committee hope that this trend will continue to be maintained.

NEW DELHI;

December, 1985

Agrahayana 1907 (S)

M. V. CHANDRASHEKARA MURTHY,

Chairman,

Committee on Papers Laid on the Table.

## APPENDIX

### Summary of recommendations/observations contained in the Report

S. No.	Reference to para No. of the Report	Summary of recommendations/observations
1.	1.5	<p>The Committee are concerned to note the delay of nearly a year in the presentation of the First Report and audited accounts of the Cycle Corporation of India Limited. However, the Committee are happy to observe that as a result of the steps taken in this regard the subsequent reports and accounts of this Corporation for the years 1982-83 and 1983-84 have been laid on the Table of the House on 25 April, 1984 and 17 May, 1985, respectively. In view of the marked improvement in the laying of the report and accounts of the Corporation, the Committee would only like to suggest to the Ministry to sustain the pace and ensure timely presentation of the Annual Report and Accounts of the Corporation to Parliament in future also.</p>
2.	2.7	<p>The Committee note that an unduly long period of 23 months (from 1 April, 1982 to 1 March 1984) was taken in compilation of the accounts of the Company resulting in successive delays in auditing their accounts, in Hindi translation and in the printing of the Report. With regard to the Report and Accounts for the year 1982-83 the Ministry in their communication dated 23 January, 1985 had informed that they would be able to finalise them by April, 1985. The Report and Accounts for the year 1982-83 were, however, not laid on the Table of the House during the Budget Session (Eighth Lok Sabha)</p>

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which ended on 20 May, 1985. The Committee have later been informed that the Report and Accounts for the year 1983-84 are expected to be ready in July, 1985.

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2.8

The Committee regret to observe that there has been a persistent delay in laying the Annual Reports and Accounts of the National Bicycle Corporation of India Limited before Parliament. While the Committee appreciate the difficulties pointed out by the Ministry in finalising the Reports and Accounts at the initial stages immediately after nationalisation of the Company, they regret that there has been inordinate delay in the submission of these documents relating even to the subsequent financial years. The Committee, therefore, recommend that the Ministry of Industry (Department of Industrial Development) should take up the matter conclusively with the authorities of the Company, for streamlining the existing procedure and adopting a time-bound programme for compilation, translation and printing of Annual Report and Audited Accounts of the Company and laying them on the Table of the House within 9 months of the close of the accounting year in future.

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The Committee are also unhappy to note that the Ministry did not follow the procedure laid down by the Committee of informing the House in time when delay was anticipated in laying the Annual Report and Accounts of the Company. As these documents were due to be laid on the Table by the end of December, 1982, the Ministry should have laid a statement on the Table of the House on commencement of Budget Session 1983 informing the House of the reasons for delay in laying the documents and also stating by when these documents were expected to be laid. The Committee are sure that the

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Ministry will find out the level at which this lapse occurred and take suitable remedial action.

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3.5

The Committee were informed that the delay in laying the Annual Report of the Delhi Urban Art Commission for the year 1982-83 was *inter-alia* due to the fact that the Commission was without a Chairman from 21-10-1982 to 24-5-1983 except for a short period in between. The new Chairman who joined on 25-5-1983 took some time to familiarise himself with the working of the Commission. The Chairman and 2 of the 3 Members being part-time took some more time to finalise the Report. The Hindi translation of the Report for which the Commission had no arrangements and the time taken in printing added to the overall delay.

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3.6

The Audited Accounts and Annual Report of the Delhi Urban Art Commission for the year 1983-84 were again laid separately on the Table of the House on 21 January, 1985 and 18 March, 1985 respectively. Whereas in the present case there was not much delay in submission of the documents, the fact remains that the purpose for which these reports and accounts were to be presented to Parliament had been defeated since only a combined study of these papers could give an idea to the Members of Parliament about the activities, achievements etc., and the financial stability of the organisation. That would also have enabled them to participate effectively at the time of discussion on the Demands for Grants and draw the attention of the House and the Minister concerned to any shortcoming which they might have come across while going through the report and accounts of the Commission. The Committee, therefore recommend that the practice of laying the Annual Report and accounts separately should not

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recur and necessary instructions be issued by the Ministry in this regard and also steps taken to ensure timely presentation of the reports together with the audited accounts of the Commission to Parliament in future.

7. 4.º The Committee are unhappy to note that the Annual Report and the audited Accounts of the India Tea and Restaurant Limited, Bombay for the year 1982-83 were laid on the Table of Lok Sabha on 27 July, 1984 i.e. after about sixteen months of the close of the accounts year and these documents for the year 1983-84 have not been laid in spite of the assurance given by the Company to the Ministry that every endeavour would be made to finalise the accounts expeditiously and lay them on the Table of the House. In accordance with the recommendations of the Committee on Papers laid on the Table made in paragraph 4.16 of their Second Report (Fifth Lok Sabha), these documents should have been laid within nine months of the close of the accounting years. The Committee desire that in order to comply with the aforesaid recommendation of the Committee on Papers laid on the Table, an appropriate time-bound programme may be drawn up by the Company in coordination with the Ministry for compilation of Annual Report and Accounts and their auditing, adoption by the Annual General Body meeting, translation, printing and transmission to the Government for being laid on the Table of the House. If for any reason the report, audited accounts and audit report cannot be laid within the stipulated period of nine months, the Ministry should lay within thirty days of expiry of the prescribed period or as soon as the House meets, whichever is later, a statement explaining the reasons why the reports and accounts could not be laid within the prescribed period
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as laid down by the Committee in their Second Report (Fifth Lok Sabha).

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The Committee note that in the statement giving reasons for delay, the Ministry of Commerce had indicated that the delay in laying the Annual Report and Audited Accounts for 1982-83 was due to the fact that these documents could not be adopted at the Annual General Meeting of the Company scheduled to be held on 29 December, 1983, as it had to be adjourned for want of quorum but in their subsequent communication to the Committee on 23 November, 1984, the Ministry had stated that the meeting had to be adjourned because the audit by Government Auditors was not completed and the intention to adjourn the meeting was that the accounts were not still ready. The Committee are constrained to observe that by furnishing twisted information in the delay statement laid on the Table the real facts had not been brought to the notice of the House. This is too serious a lapse on the part of the Ministry to be justified on any account. This also obviously suggest that no care was taken by the Ministry of Commerce to comply with the aforementioned recommendations of the Committee on Papers laid on the Table. The Committee trust that the Ministry of Commerce would avoid giving such twisted information to the House but ensure that in future the delay statements are laid on the Table of the House with abundant caution and after due verification of facts.

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5.6

The Committee note that the Indian Diamond Institute, Surat was declared an autonomous body in 1982 and as such the Annual Report for 1982-83 being the first Report could not have been finalised and presented to the House within the prescribed time-limit of nine months

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after the close of the accounting year i.e. by December, 1983 as envisaged in paragraph 3.5 of their First Report (Fifth Lok Sabha) of the Committee on Papers laid on the Table presented to the House on 8 March, 1976. The Committee find that the Ministry of Commerce did not communicate to the Institute until March, 1984 about the obligation cast on the Government for placing their report and accounts. The Ministry's communication is not very clear on the point whether the time-limit of nine months laid down by the Committee for laying on the Table of the Annual Report and Accounts was brought to the notice of the Institute specifically. The Committee regret that the Ministry had not paid adequate attention to the recommendation of the Committee so as to fulfil their obligation in this regard. The Committee hope that the Ministry will observe greater care in future in this regard.

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The Committee, however, note with satisfaction that the Annual Report and Audited Accounts of the Institute for the year 1983-84 were laid on the Table of the House on 23 January, 1985 which was within the time-limit considering the fact that there was no Session in December, 1984 due to elections. Considering the improvement in the position in regard to laying the documents of the Institute on the Table of the House, the Committee do hope that this trend will continue to be maintained in future.

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6.9

The Committee are concerned to note that the Annual Report of the Chief Commissioner of Railway Safety on the working of the Commission of Railway Safety for the year 1982-83 was laid on the Table of Lok Sabha as late as on 27 July, 1984 i.e. after about 10 months even after allowing the period of six months prescribed by the Committee in paragraph 1.17 of

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their First Report (Fifth Lok Sabha) wherein it is clearly laid down that the organisations which lay only their Annual Reports should not take an unduly long time in laying them after the close of the accounting year and in such cases, the administrative Ministries should ensure that the Annual Reports are invariably laid before Parliament within six months after the close of the accounting year. The Committee feel that serious efforts were not made either by the Chief Commissioner or the Ministry of Tourism and Civil Aviation to adhere to the recommendations made by the Committee on Papers laid on the Table. The Committee trust that the Ministry of Tourism and Civil Aviation will now take steps to comply with the recommendation in letter and spirit for laying within the prescribed time the Annual Report of the Commission before Parliament.

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6.10

The Committee are not convinced of the arguments advanced by the Ministry in support of delay on the part of the Commission in finalisation of the Report because of the procedural constraints involved in (i) collecting the information from the various Field Officers of the Railway Safety located in different parts of the country from whom the final figures become available several months after the close of the accounting year and (ii) the practice followed to include the whole accident enquiries occurring in the particular accounting year in the Annual Report of that year whereas the information relating to accidents occurring during the later part of the year is received only the next year. The Committee find that there was no standing arrangement or there were no standing instructions to the zonal Offices for the submission of such information regularly to the Commission for the purpose of compilation of the Annual Report. The Committee feel that



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neither the Ministry of Tourism and Civil Aviation nor the Ministry of Railways has attached due importance to these reports dealing with a vital matter involving safety of the life and property of the travelling public and the Parliament is not kept informed of the gravity of the accidents within a reasonable time after the close of the accounting year. In the absence of such information, Parliament find itself placed at a disadvantage in fully appreciating the performance of the Commission. The Committee recommend that the Ministry of Tourism and Civil Aviation in consultation with the Ministry of Tourism and Civil Aviation in consultation with the Ministry of Railways should take steps to eliminate the procedural and other delays by issuing standing instructions to the Zonal Offices and the Field Offices for submission of information relating to the cases of accidents to the Commission periodically at shorter intervals so as to ensure presentation of Reports of the Commission to the House within the prescribed period of six months after the close of the relevant accounting year.

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7.9

The Committee are unhappy to note that the laying on the Table of Lok Sabha of the Annual Reports and Audited Accounts of the Shellac Export Promotion Council for the years 1980-81 and 1981-82 was inordinately delayed as these were laid on the Table of the House on 23 March, 1984, i.e. 27 months and 15 months after the close of the relevant accounting years. The Committee regret to find that the auditing of accounts for 1980-81 and 1981-82 was completed in about 3½ months and 7½ months, respectively. Thereafter the Annual General Meeting of the Council was held after 19 months and 2½ months to adopt the Annual Reports and Audited Accounts for these years. The Committee are not satisfied with the justification advanced by the

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Ministry of Commerce that the Twenty-Fourth Annual Report of the Council for the year 1980-81 could not be placed before the Annual General Meeting of the Council as the proposal to amend the Articles of Association of the Council to increase the membership of the Committee of the Council was under examination since January, 1981 and after a long correspondence with authorities in the Ministry of Law etc., the amendment could be finalised and conveyed to the Council only in July, 1982. The Committee feel that the amendments to the Articles of Association would have definitely found approval much earlier had the Council and the Ministry made concerted efforts by taking up the matter with the concerned Ministries of the Government of India at appropriate levels and also through personal contacts and meetings instead of resorting to protracted routine correspondence resulting in delay. The Committee hope that the Ministry would be more vigilant in such matters in future.

14. 7.10 The Committee are also concerned to note that the Annual Reports and Audited Accounts of the Shellac Export Promotion Council for the years 1980-81 and 1981-82 were lying with the Ministry of Commerce for about 10 months and 9 months respectively before these documents were laid on the Table of Lok Sabha. This displays a complacent attitude on the part of the Ministry in the matter of presenting to Parliament the Reports of the Council. The Committee would like to emphasize that the Ministry should take greater initiative in the matter and ensure that the reports of these organisations under their overall administrative control are presented to Parliament by the stipulated period.
15. 7.11 The Committee further note that Annual Report and Audited Accounts of the Shellac Ex-

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port Promotion Council for 1981-82 was sent for printing on 5-3-1983 and were received back on 30-3-1983. Translation and printing thereof were taken up only on 25-4-1983. The Committee in their First Report (Fifth Lok Sabha) had desired that translation of Reports and Accounts into Hindi should be taken up simultaneously with preparation of the Reports and Accounts in English. Had the Ministry acted on those guidelines, the delay of atleast one month in laying the papers on the Table could have been avoided. The Committee would like the Ministry to go into this and take suitable remedial action.

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7.12

The Committee, however, note with satisfaction that the Ministry of Commerce have cleared the backlog and have now become up-to-date in so far as the laying of the Annual Reports and Audited Accounts of the Shellac Export Promotion Council on the Table of the House, is concerned. The Committee hope that this trend will continue to be maintained.

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