

**COMMITTEE
ON
PAPERS LAID ON THE TABLE
(1987-88)**

(EIGHTH LOK SABHA)

TWENTIETH REPORT

(Presented on 28 April, 1988)



**LOK SABHA SECRETARIAT
NEW DELHI**

28 April, 1988/8 Vaisakha, 1910 (Saka)

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PERSONNEL OF THE COMMITTEE ON PAPERS LAID
ON THE TABLE (1987-88)

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*Expired on 25-3-1988.

**Nominated with effect from 9-11-1987 vice Dr. K.G. Adiyodi expired on 22-10-1987.

INTRODUCTION

I, the Chairperson of the Committee on Papers Laid on the Table, having been authorised by the Committee to present this Report on their behalf, present this their Twentieth Report.

2. On examination of certain papers laid on the Table of Lok Sabha during the Eighth and Ninth Sessions (Eighth Lok Sabha) the Committee have come to certain conclusions in regard to delay in laying Annual Reports and Audited Accounts of (i) All India Institute of Management, Ahmedabad for the year 1985-86; (ii) Andrew Yule & Company Limited, Calcutta for the year 1985-86; (iii) Press Council of India for the year 1985-86; (iv) Centre for Cancer Research and Treatment Society, Calcutta for the year 1985-86; (v) Hooghly Dock and Port Engineers Ltd., Calcutta for the period from 30 June, 1984 to 31 March, 1985; (vi) Burn Standard Company Limited, Calcutta for the year 1985-86; and (vii) Delhi Public Library for the year 1985-86 and have made certain recommendations. The conclusions of the Committee are reflected in the Report.

3. The Committee considered and adopted this Report at their sitting held on 7 April, 1988.

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

NEW DELHI;

28 April, 1988

8 Vaisakha, 1910 (S)

NIRMALA KUMARI SHAKTAWAT,

Chairperson,

Committee on Papers Laid on the Table.

CHAPTER I

DELAY IN LAYING REPORT AND AUDITED ACCOUNTS OF INDIAN INSTITUTE OF MANAGEMENT, AHMEDABAD FOR THE YEAR 1985-86

The Annual Report and Audited Accounts of the Indian Institute of Management, Ahmedabad, for the year 1985-86 were laid on the Table of Lok Sabha on 6 August, 1987 together with a delay statement and 'Review'.

1.2. 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 were required to be laid on the Table of the House within nine months of the close of the accounting year i.e. by 31 December, 1986. Thus, there was delay of about 7-1/4 months.

1.3. In the delay statement, the reasons for delay were explained as under:—

“The Annual Report alongwith Audit Certificate, Audit Report and Audited Statement of Accounts, both in English and Hindi versions, for the year 1985-86 in respect of the Indian Institute of Management, Ahmedabad could not be laid on the Table of Lok Rajya Sabha within the period of nine months after the close of the accounting year because Hindi version of the documents was not received from the Institute. These are now being laid on the Tables of both the Houses of Parliament.

In future no efforts will be spared to lay the documents on the Table of Houses by the due date.”

1.4 The Ministry of Human Resource Development (Department of Education) were requested on 11 August, 1987 to furnish information on certain points. The points on which the information was

sought and replies of the Ministry thereto received on 17 December, 1987 are as under:—

<i>Points</i>	<i>Replies</i>
I. Dates when—	
(i) Annual Accounts of the Institute for the year 1985-86 were compiled;	June, 1986.
(ii) the Annual Accounts for the above year were actually made available to the Statutory Auditors for auditing;	June-July, 1986.
(iii) draft Audit Report was received from the Statutory Auditors;	24-7 1986
(iv) the certified accounts together with final audit report and audit certificate were received from the Accountant General, Gujarat;	The Accounts were examined by Chartered Accountant in July, 1986.
(v) Annual Report and Accounts were adopted by Annual General Meeting of the Institute;	20-8-1986.
(vi) the Annual Report and Audited Accounts for the year 1985-86 were taken up for translation and time taken in it;	September, 1986. Seven months thereafter.
(vii) the Annual Report and Audited Accounts were sent for printing and time involved in it;	December, 1986 3rd week of January, 1987.
(viii) the printed copies of Annual Report and Audited Accounts were received in the Ministry for laying on the Table of the House.	English version 14-10-86. Hindi version on 18-5-87.
II. The latest position obtaining in regard to the Annual Report and accounts for the year 1986-87 and when these are expected to be placed before Parliament.	Copies of English version have been received from the Institute recently and in Hindi version awaited. The documents will be placed before Parliament as soon as the Hindi version is received.
III. The corrective steps taken/proposed to be taken by the Ministry for finalisation of Annual Report and Audited Accounts and laying them on the Table of the House in time, in future, i.e. within nine months of the close of the accounting year.	We have issued a time Schedule for submission of Annual Report/Audited Accounts to all the Institutions and reminding them from time to time for timely submission of the documents.

1.5. The matter was considered by the Committee on Papers Laid on the Table at their sitting held on 8 March, 1988.

1.6 The Committee are concerned to note that the Annual Report and Audited Accounts of the Indian Institute of Management, Ahmedabad for the year 1985-86 which in terms of the Committee's recommendations on the subject, ought to have been laid by 31st

December, 1986, were actually laid on 6 August, 1987. In this connection the Committee find that an inordinately long period of 7 months was taken in getting the Annual Reports and Audited Accounts translated in Hindi. The Committee also note that the position in respect of the Annual Report and Audited Accounts for the subsequent year i.e. 1986-87 is not better as the same are yet to be finalised and laid on the Table of the House. The Committee cannot but deplore the delay in laying the annual report and audited accounts in Parliament in time.

1.7. The Committee are of the view that the Annual Reports and Audited Accounts lose their importance if they are not laid in time, on the Table of the House. The Committee, therefore, recommend that a realistic time schedule based on the aforesaid recommendation of the Committee may be drawn up and seriously adhered to so that reports and accounts of the Institute may be finalised and placed before Parliament well within the stipulated period of nine months of the close of the relevant accounting year.

CHAPTER II

DELAY IN LAYING ANNUAL REPORT AND AUDITED ACCOUNTS OF THE ANDREW YULE & COMPANY LIMITED, CALCUTTA FOR THE YEAR 1985-86

The Annual Report and Audited Accounts of the Andrew Yule & Company Limited, Calcutta for the year 1985-86 were laid on the Table of Lok Sabha on 10 November, 1987 together with delay statement and 'Review'.

2.2. 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 within nine months of the close of the accounting year, i.e. by 31 December, 1986. Thus, the period of delay came to about 10½ months.

2.3. In the delay statement, the reasons for delay had been explained as under:

"The report could not be laid on the Table of Lok Sabha within the prescribed period as the Comptroller & Auditor General has made comments in respect of certain accounting procedures being followed by the Company. The matter has been examined in all its aspects and necessary steps are being taken by the Company."

2.4. The Ministry of Industry (Department of Public Enterprises) was requested on 16 November, 1987 to furnish information on certain points. The points on which the information was sought and replies of the Ministry thereof received on 9 December, 1987 are as under:

<i>Points</i>	<i>Replies</i>
I. The dates when—	
(a) C&AG was approached for appointment of statutory Auditors;	23rd August, 1986.
(b) Statutory Auditors were appointed by C&AG;	4th December, 1985.

Points	Replies
(c) the Annual Accounts were compiled and were ready for being handed over to the Statutory Auditors for auditing;	The Schedules to Accounts were kept ready and handed over to the Statutory Auditors in stages starting from mid-April, 1986.
(d) the accounts were handed over to the Auditors;	Draft Accounts namely Profit & Loss Account and Balance Sheet together with supporting schedules thereto were handed over to the Statutory Auditors in mid-June, 1986.
(e) the auditing of accounts commenced and the time taken in it;	Statutory auditing of accounts commenced from the beginning of April, 1986 and completed on submission of Audit Report on 26th July, 1986.
(f) queries, if any, raised by Statutory Auditors;	Yes, from May, 1986 onwards.
(g) queries of the statutory Auditors resolved;	Barring a few, the queries of Statutory Auditors were resolved by end-June, 1986. However, the management's views on the qualifications/reservations of the Statutory Auditors were suitably explained in the annexure to the Director's Report.
(h) the Auditors furnished final Audit Report to the Company/Organisation;	26th July 1986. The Accounts as approved by the Board were handed over to the Office of the Member, Audit Board & Ex-officio Director of Commercial Audit-I on 29th July, 1986 and final comments of the Comptroller and Auditor General of India (CAG) were issued on 24th November, 1986.
(i) the Annual Report and audited accounts together with the Audit Report were placed before the Annual General Meeting of the Company	30th December, 1986.
(j) Annual Report and Audited Accounts were taken up for translation and printing and time taken in it.	English version of Annual Report and Audited Accounts was printed by 1st December, 1986. Translation and printing of Hindi version of Annual Report and Accounts was taken up in early January, 1987 and compiled in mid-February, 1987.
(k) the 'Review' report was prepared and furnished to the Ministry/Department;	Review report was prepared by the Department of Public Enterprises.
(l) delay statement prepared and submitted to the Ministry/Department;	Annual Report and audited statement of accounts sent by the company on 24-2-1987. Review on the Report and accounts and delay statement were prepared by this Department for being laid alongwith the Annual Report and accounts, on the Table of the Lok Sabha.

*Points**Replies*

(m) Annual Report and audited accounts together with review and delay statement were sent to the Ministry of Industry for laying on the Table of the House.

24th February, 1987.

II. The latest position of the Annual Report and audited accounts of the Company for the year 1986-87. When these are expected to be placed before Parliament ?

On amalgamation of six Tea Subsidiaries with the Company and nationalisation and vesting of the undertaking of Brentferd Electric (India) Ltd. in the Company with retrospective effect from 1st April, 1986, the consolidated accounts of the Company for the year 1986-87 (including those of the Tea Subsidiaries and the undertaking of Brentferd Electric (India) Ltd. have been audited. The same have been approved and signed by the Board of Directors of the Company at its meeting held on 14th October, 1987. The Statutory Auditors have also signed the said accounts and submitted their report on the Accounts on 14th October, 1987.

The approved Accounts together with the Statutory Auditor's report thereon have been submitted by the Company to the Office of the Member, Audit Board and Ex-Officio Director of Commercial Audit, Calcutta on 14th October, 1987 for their verification and comments thereon. The said accounts are under certification by them. Subject to the availability of the comments of CAG in time it is proposed to hold the Annual General Meeting of the Members of the Company on 30th December, 1987 for their consideration and approval of the accounts. Necessary extension of time for holding the Annual General Meeting upto 31st December, 1987 has already been obtained from the Central Government.

In view of the above position it is expected that both the English and Hindi versions of the Report and Accounts of the Company for the year 1986-87 will be received by the Department of Public Enterprises, Ministry of Industry by mid-February 1988 for placing before the Parliament.

III. The remedial measures taken or proposed to be taken to ensure laying of Annual Reports and audited accounts of the Company within the stipulated period of nine months from the close of the accounting year, in future.

Necessary action will be taken by the Company to prepare the Accounts, audit thereof, obtain CAG's comments, hold the Annual General Meeting, translate and print the report and accounts well in advance to ensure laying of Annual Reports and audited accounts of the Company within the stipulated period of nine months from the close of the accounting year.

2.5. The matter was considered by the Committee on Papers Laid on the Table at their sitting held on 8 March, 1988.

2.6. The Committee note that the Annual Report and Audited Accounts of the Andrew Yule and Company Limited, Calcutta for the

year 1986-86 were laid on the Table of Lok Sabha on 10 November, 1987 i.e. after about 10½ months after the close of the accounting year. The Committee also note that these documents of the Company for the subsequent year 1986-87 which were required to be laid on the Table of the House by 31 December, 1987, have not so far been laid.

2.7. From the information furnished by the Ministry of Industry (Department of Public Enterprises), the Committee find that one of the factors that attributed towards delay in laying of the Annual Report and Audited Accounts for 1985-86 on the Table of the House was that the Office of the Commercial Audit and C&AG took 4 months (from 29 July to 24 November, 1986) to issue final comments on the audited accounts of the Company. Neither the Ministry nor the Company seem to have made efforts to expedite matter in this regard. The Committee feel that the delay could have been avoided had the Ministry and the Company been watchful and pursued the matter with DACR and C&AG. The Committee suggest that the Ministry of Industry may take up the matter with the Ministry of Finance and Audit authorities to lay down proper time schedules to ensure auditing of accounts, clearance of audit objections and issue of final comments on the audited accounts within a specified time.

2.8 The Committee further find that the Ministry themselves took about 8½ months after 24 February, 1987 in preparing 'Review' and delay statement and laying the same on the Table of the House together with the Annual Report and Audited Accounts for the year 1985-86. The Committee desire that such lapses on the part of the Ministry should not be allowed to recur. It is needless to point out that immediately after receipt of the Annual Report and Audited Accounts from the Company, the same should be laid on the Table of the House alongwith the connected 'review' and delay statement of the earliest available opportunity.

CHAPTER III

DELAY IN LAYING ANNUAL ADMINISTRATIVE REPORT FOR THE CALENDAR YEAR 1986 AND AUDITED ACCOUNTS FOR THE FINANCIAL YEAR 1985-86 OF THE PRESS COUNCIL OF INDIA, NEW DELHI

The Annual Administrative Report and Audited Accounts of the Press Council of India (an autonomous organisation) for the year 1985-86 were laid on the Table of Lok Sabha on 24 August, 1987. The Audited Accounts form part of Annual Administrative Report. The Annual Administrative Report is prepared on the basis of calendar year whereas the audited accounts are compiled on financial year basis. Keeping in view the recommendation of the Committee on Papers Laid on the Table contained in para 3.5 of the First Report (Fifth Lok Sabha) if one goes by the calendar year, the portion relating to the annual administrative report is laid on the Table of the House in time and the portion relating to the audited accounts prepared on financial year basis is delayed by about eight months. If one goes by the provisions contained in Rule 9 framed under section 20 and 22 of the Press Council Act, 1978, Annual Administrative Report was laid with a delay of about 4 months and Audited Accounts with a delay of about 13 months.

3.2. The recommendation of the Committee on Papers Laid on the Table contained in paragraph 3.5 of their First Report (Fifth Lok Sabha) presented to Lok Sabha on 8th March, 1976 reads as under:—

“3.5. The Committee are of the opinion that normally the Annual Report and Audited Accounts of autonomous organisations should be presented to Parliament together to enable the House to have a complete picture of the working of that body. This decision should not be taken to imply that laying of reports and accounts could be delayed to any length of time. The Committee recommend that the Annual Report together with the Audited accounts and audit report thereon for a particular year 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 has been set up. To comply with this requirement proper time schedule

should be laid down for compilation of Annual Report and accounts and their auditing. The Committee feel that normally a period of 3 months would be sufficient for compilation of accounts and their submission to audit; the next 6 months might be given for auditing of accounts; for printing of the report and sending it to Government for laying. 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 30 days of expiry of the prescribed period or as soon as the House meets, whichever is later, a statement explaining the reasons why the report and accounts could not be laid within the stipulated period."

3.3. Sections 20 and 22 of the Press Council Act, 1978 under which the annual administrative report and audited accounts have been prepared, read as under:—

"20. The Council shall prepare once every year, in such form and at such time as may be prescribed, an annual report, giving a summary of its activities during the previous year, and giving an account of the standards of newspapers and news agencies and factors affecting them, and copies thereof, together with the statement of accounts audited in the manner prescribed under section 22 shall be forwarded to the Central Government and the Government shall cause the same to be laid before both Houses of Parliament.

22. The accounts of the Council shall be maintained and audited in such manner as may, in consultation with the Comptroller and Auditor-General of India, be prescribed."

3.4. Rule 9 framed by the Ministry of Information and Broadcasting under the above mentioned Act reads as under:—

"9. *Annual Report*: The Annual Report requires to be prepared under section 20 of the Act shall, be prepared by the Council within four months from the expiry of the year to which it relates."

Explanation: For purposes of this rule the 'year means' 'calendar year'.

3.5. As per Press Council Act, 1978, the Press Council of India were required to prepare both Annual Administrative Report and accounts on calendar year basis and not on the financial year basis. Thus

the Press Council of India did not follow even their own Act and rules framed thereunder in preparing the Annual accounts and laying both Annual Administrative Report and Audited Accounts on the Table of the House. They should have followed either calendar year or financial year in preparing their Annual Reports and Audited Accounts.

3.6. The Ministry of Information and Broadcasting were requested on 11 September, 1987 to furnish information on certain points. The points on which the information was sought and replies of the Ministry thereto were as under:—

Points

Replies

- | | |
|---|---|
| <p>(i) The reasons for not laying a statements explaining the reasons for delay while laying the Annual Report on the Table of the House</p> | <p>Rule 9 of the Press Council Rules 1979 provides that "The Annual Report required to be prepared under Section 20 of the Act, shall be prepared by the Council within four months from the expiry of the year to which it relates. For the purpose of this rule the 'Year' means "Calendar Year". The Annual Report of the FCI has been laid on the Table of the House within nine months of the close of the Calendar Year, therefore, no statement explaining reasons for delay was made. Inadvertently, however, a delay had taken place in so far as the Audited Accounts were concerned. The Audited Accounts included in the Annual Report related to the financial year 1985-86 (Uptil now the Annual Report laid on the Table of the House relates to the activities of the previous calendar year while the Audited Accounts related to the Financial Year ending within the previous Calendar Year. This problem has arisen since the audited Accounts along with the Audit Report are not always submitted before the month of October). The reasons for delay and the statement thereto will be laid in case there is a delay in laying the Report of the Press Council of India for the year 1987.</p> |
| <p>(ii) The reasons for not following the provisions contained in the Press Council Act, 1978 and Rule 9 framed there under which stipulated that the Annual Report required to be prepared by the Council within 4 months from the expiry of the year to which it relates.</p> | <p>The Press Council has stated that the draft of the Report is prepared in the month of January following the close of the previous Calendar year containing audited accounts for the preceding financial year. After vetting by the Council the Report is sent for printing. The Press Council has stated that the delay takes place at this stage and they have no control over the printing</p> |
| <p>(iii) Whether the Ministry of Information and Broadcasting was aware of the recommendation contained in para 3.5 of the First Report (Fifth Lok Sabha) of the Committee on Papers Laid on the Table presented to the House on 8 March</p> | <p>The Ministry was not aware of this recommendation. The Press Council Act, 1978 was prepared much after this recommendation was made and this Act was framed in consultation with the Minister of Law.</p> |

<i>Points</i>	<i>Replies</i>
1976. If so, whether any effort was made to effect amendment in the Press Council Act, 1978 incorporating the above recommendation of the Committee, if not the reasons therefore.	
(iv) The difficulties, if any in following the recommendation of the Committee on Papers laid on the Table.	The difficulty lies in (a) the fact that the Audited Accounts of the Press Council are not always available before October and (b) that the Press Council Rules lay down that the Annual Report should be for the Calendar year.
(v) The reasons for not following either the calendar year or the financial year with a view to synchronise both Annual Report and Audited Accounts	An effort is now being made to synchronise the Audited Accounts and the Annual Report so that both are prepared for the financial year. The press council would be asked to submit the audited accounts by August so that the Annual Report can be placed before Parliament in the stipulated time.
(vi) The efforts being made by the Ministry to lay the Annual Reports and Audited Accounts of the Council in time, in future.	This would also require an amendment to the relevant Press Council Rules which will take some time because of Statutory procedures.

3.7. The matter was considered by the Committee on Papers laid on the Table at their sitting held on 8 March, 1988.

3.8. The Committee note that the Annual Reports of the Press Council of India, New Delhi are prepared on Calendar year basis whereas its statements of accounts are prepared on Financial year basis. The Committee feel that it will be very difficult to find out the real achievement of the Council during the particular financial year for which Government grants are sanctioned because the period covered by the Annual Administrative Reports of the Council and the financial statements included therein are quite different. Moreover, this is not in consonance with the spirit of recommendation of the Committee on Papers Laid on the Table contained in para 3.5 of their First Report (5th Lok Sabha)—which stipulates that both Annual Reports and Audited Accounts should be laid together on the Table of the House to enable the House to have a complete picture of the achievements, activities and financial health of the organisation during the particular accounting year. The Committee are of the view that the aforementioned objective can be met only when the period of Annual Administrative Report synchronise with the Annual Statements of accounts.

3.9. The Committee, therefore, recommend that the Annual Administrative Report of the Press Council of India should also be prepared on the Financial year basis just as the financial statements are being prepared. By doing so, it will be possible to lay, the Annual

Administrative Report and the financial accounts covering the same period, in the House at the same time. The House will then have a complete picture about the performance of the Council before them. In order to achieve the desired result, the Committee recommend that the relevant Press Council Rules should be amended, if considered necessary.

The Committee would like to be apprised of the action taken in this behalf within six months.

The Committee also desire that all our efforts should be made to ensure that the requisite documents are laid on the table with nine months of the close of the accounting year.

CHAPTER IV

DELAY IN LAYING ANNUAL REPORT AND AUDITED ACCOUNTS OF THE REGIONAL CENTRE FOR CANCER RESEARCH AND TREATMENT SOCIETY, CUTTACK FOR THE YEAR 1985-86.

The Annual Report and Audited Accounts alongwith the 'Review' of the Regional Centre for Cancer Research and Treatment Society, Cuttack for the year 1985-86 were laid on the Table of Lok Sabha on 27 August, 1987.

4.2. 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 documents were required to be laid on the Table of Lok Sabha by 31 December, 1986, i.e. within 9 months of the close of the accounting year. Thus the period of delay involved in the above case came to eight months. The delay statement was not laid on the Table of the House with Annual Report and Audited Accounts on 27-8-1987.

4.3. Since delay statement was not laid on the Table of Lok Sabha alongwith the Annual Report and Audited Accounts on 27-8-1987, the Ministry of Health and Family Welfare were requested to furnish information on certain points. The points on which information was sought and replies received thereto are as under.—

<i>Points</i>	<i>Replies</i>
I. Whether Societies Registration Act, under which Regional Centre for Cancer Research & Treatment Society is registered, provides that its Annual Accounts are to be passed and certified by Chartered Accountants only.	As is the case with all registered societies under Societies act, the annual Accounts are generally audited by Chartered Accountants only as the State Accountant General undertakes auditing of the accounts only in respect of States Government Offices and Central Government offices located in the State. The statement of account audited by Chartered Accountant are considered authentic and is also acceptable to Government, while considering the release of further instalment of grant-in-aid every year. It may also be pointed out that the Society is one of the nine Regional Cancer Research Centres to which this Ministry is giving grant-in-aid for the purchase of sophisticated equipment and not for any other purpose like maintenance.

Points

Replies

II. Reasons for not laying Delay Statement on the Table alongwith Annual Report and Audited Accounts for the year 1985-86

In the Delay Statement laid on the Table of the House on 7-5-87 *vide* Lok Sabha Bulletin No. 254 it was indicated that Annual Report and Audited Statement of accounts will be laid on the table of the House during the next session. As per this promise action has been taken to lay the documents on the Table the House which was fulfilled on 22-8-87. While fulfilling this promise it was felt that again delay statement is not required to be laid. However, it is noted that in such a cases also delay statement is required to be laid and it will be followed in future cases.

III. Whether printed report for the year 1985-86 has since been arranged to be distributed among the members of Parliament as recommended by the Committee on Papers Laid on the Table.

We have not received any instructions in regard to the printing of the annual report after it has been laid on the Table of the Lok Sabha/Rajya Sabha and to distribute to the Members of the Parliament. The practice is that we forward the requisite number of copies as received from the concerned institute i.e. cyclostyled reports or printed reports depending upon the resources of the Institute, to the Lok Sabha Secretariat. This Ministry has not been printing any reports after it has been laid on the Table of the Sabha for distribution among the Members of Parliament.

IV. Dates when —

(a) Annual Accounts for the year 1985-86 finalised and given to Auditors for auditing.

Government of Orissa Health & Family Welfare Department based on the quotation received for appointing Chartered Accountant intimated to the Society on 11-4-86 approving the appointment of M/s Tej. Raj and Pal, Chartered Accountants Bhubaneswar for audit of the accounts of Society for the year 1985-86. The Chartered Accountants who were conducting the audits of the society for the year 84-85 were requested to take up the audit for the year 1985-86 also from 1st week of July, 1986 after completion of the audit work for the year 1984-85. The annual accounts for the year 1985-86 were close on 31-3-86.

(b) Queries, if any received from the Auditors.

The queries received from the Audit were complied as and when they were received during the course of the audit.

(c) Draft Accounts, after resolving the queries returned to the Auditors.

(d) Final Audit Report received from the Auditors.

The audited statement of accounts were received from the auditors on 28-1-1987.

(e) Both Accounts and Annual Report adopted at the meeting of General Body.

The annual report for the year 1985-86 was approved by the Governing Body on 29-9-86. However audited statement of accounts for the year 1985-86 could not be placed before Governing body due to delay on the part of the Chartered Accountants in furnishing the report.

<i>Points</i>	<i>Replies</i>
(f) Translision of Annual Report and Audited Accounts were undertaken and completed.	English version of the Annual Report have been forwarded to Ministry of Health and on 4-10-86. However, it hastaken time for translating the English version into Hindi and the same was sent on 23rd April, 1987. The copies of Hindi version were received in the Ministry on 29-4-87.
(g) Time taken in printing.	
(h) The above documents forwarded to the Ministry for laying on the Table of Lok Sabha.	
V. Latest position in regard to Annual Report and Audited Accounts for the year 1986-87 and when these are proposed to be laid on the Table.	The Director of the Institute has already been addressed to forward both in English and Hindi the Annual Report and Audited statement of accounts for the year 1985-86. They will be laid as soon as they are received.

4.4. The matter was considered by the Committee on Papers Laid on the Table at their sitting held on 8 March, 1988.

4.5. The Committee feel concerned to note that the Annual Report and Audited Accounts of the Regional Centre for Cancer Research and Treatment Society, Cuttack for the year 1985-86 which, in terms of the recommendation of the Committee made in para 3.5 of their First Report (Fifth Lok Sabha) ought to have been laid before Parliament by 31 December, 1986 i.e. within 9 months of the close of the accounting year, were actually laid on 27 August, 1987. Thus there was delay of about 8 months. The Committee also note with regret that Annual Report and Audited Accounts for the subsequent year 1986-87 which were required to be laid by 31 December, 1987 are yet to be laid.

4.6. The Committee find from the information furnished by the Ministry that no statement explaining the reasons for delay was laid when the Annual Report and Audited Accounts for the year 1985-86 were laid on the Table of the House. The Committee desire that this requirement should invariably be complied with by the Ministry, in future.

4.7. The Committee also find that the auditors took about 7 months in auditing the accounts of the Society for the year 1985-86. Neither the Ministry nor the Society appear to have impressed upon the auditors to complete auditing of accounts in shortest possible period so that the next stages of finalisation of Annual Report and Audited Accounts could be completed within the stipulated period of 9 months. Had the Ministry and the Society been conscious of the period prescribed by the Committee for laying the Reports and Accounts on the table of the House, the delay in auditing the accounts could have been a minimised and delay in laying the documents avoided.

4.8. The Committee further find that the Annual Report of the Society was placed before the Governing Body and approved whereas the audited accounts were not placed before them for approval. The audited accounts in unapproved form have been placed before Parliament. The Committee feel that this is a serious lapse which should not be allowed to recur in future.

4.9. The Committee recommend that the Ministry should draw up a time schedule for finalising the Annual Report and Audited Accounts and ensure that the required documents are placed before Parliament within the stipulated period of 9 months prescribed by the Committee.

CHAPTER V

DELAY IN LAYING ANNUAL REPORT AND AUDITED ACCOUNTS OF HOOGHLY DOCK & PORT ENGINEERS LTD., CALCUTTA FOR THE PERIOD FROM 30TH JUNE, 1984, TO 31ST MARCH, 1985.

The Annual Report and Audited Accounts of Hooghly Dock & Port Engineers Ltd., Calcutta for the period from 30th June, 1984 to 31st March, 1985 were laid on the Table of Lok Sabha on 19 November, 1987 alongwith a copy of 'Review'.

5.2. 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 documents were required to be laid on the Table of Lok Sabha by 31 December, 1985. Thus, the period of delay involved in the present case came to about 22½ months. The Ministry, however, did not lay the delay statement while laying the Annual Report and Audited Accounts.

5.3. The Ministry of Surface Transport were requested to furnish information on certain points on 24 November, 1987. The replies to the points received thereto on 14 December, 1987 are as under:—

<i>Points</i>	<i>Replies</i>
I. The dates when—	
(a) C. & A. G. was approached for appointment of Statutory Auditors';	On 12-10-84
(b) Statutory Auditors were appointed by C&AG;	On 21-5-1985
(c) The Annual accounts were compiled and were ready for being handed over to the Statutory Auditors for auditing;	On 15-1-1987
(d) The accounts were handed over to the Auditors;	On 15-1-1987
(e) The auditing of accounts commenced and the time taken in it;	Commenced on 22-1-1987 and time taken 4 months 22 days.
(f) Queries, if any, raised by Statutory Auditors;	Queries raised during audit and answered, as it involved change to accounting policy on 2-5-87.

Points	Replies
(g) Queries, of the Statutory Auditors resolved;	Resolved within 4-6-87
(h) The Auditors furnished final Audit Report to the Company/Organisations;	On 12-6-87
(i) The Annual Report and Audited Accounts together with the Audit Report were placed before the Annual General Meeting of the Company ;	On 19-8-87
(j) Annual Report and Audited Accounts were taken up for translation and printing and time taken in it;	From 12-8-1987 to 19-8-87.
(k) The 'Review' report was prepared and furnished to the Ministry/Department ; and	20-8-87
(l) Annual Report and Audited Accounts together with 'Review' were sent to the Ministry of Surface Transport for laying on the Table of the House;	20-8-87
II. The Ministry of Surface Transport may please explain as to why the delay statement was not laid alongwith the Annual Report and Audited Accounts on the Table of Lok Sabha on 19-11-1987.	Ministry of Surface Transport kept the Lok Sabha Secretariat informed <i>vide</i> O.Ms. dated 1-8-86, 12-3-87, 21-5-87 and 11-9-87 the reasons of delay in the finalisation of report and accounts of Hooghly Dock & Port Engineers for the year 1984-85 and sought extension of time for placement of report and accounts for the year 1984-85 on the Table of the House in the Winter Session of Parliament. Since Ministry of Surface Transport kept Lok Sabha Secretariat informed about the delay and sought extension of time upto Winter Session — 1987 of Parliament, a delay statement was not laid alongwith the report and Audited Accounts for the year 1984-85 on the Table of the House. However, a delay statement for the placement of Annual Report and Audited Accounts of Hooghly Dock & Port Engineers for the year 1984-85 is being laid on the Table of Lok Sabha separately.
III. The latest position of the Annual Report and Audited Accounts of the Company for the years 1985-86 and 1986-87. When these are expected to be placed before Parliament.	Audit of 1985-86 accounts have already been taken up and expected to be completed by Feb. 1988 and will be placed before Parliament during the Budget Session 1988. Audit of 1986-87 accounts are expected to be completed by June, 1988 and will be placed before Parliament during the Monsoon 1988 Session of Parliament.

Points

Replies

IV. The remedial measures taken or proposed to be taken to ensure laying of Annual Reports and Audited Accounts of the Company within the stipulated period of nine months from the close of the accounting year, in future.

The administrative control of H.D.P.E. has been transferred to Ministry of Surface Transport from Department of Public Enterprises, Ministry of Industry with effect from 28-7-86. After that at three review meetings of Hooghly Dock & Port Engineers taken by Secretary (ST) necessary instructions have been given to M.D., H.D.P.E. for timely finalisation of accounts and report for the subsequent years and as a result thereof it is expected that the account for the year 1986-87 will be laid by December, 1988, i.e. within the stipulated period of nine months from the closing of the financial year.

5.4 The matter was considered by the Committee on papers Laid on the Table at their sitting held on 8 March, 1988.

The Committee note that the Annual Report and Audited Accounts of Hooghly Dock & Port Engineers Ltd. Calcutta for the period from 30th June, 1984 to 31st March, 1985 were laid on the Table of Lok Sabha on 19 November, 1987 after inordinate delay of about 22½ months.

5.5 The Committee are surprised to find that the Company took about 12½ months in compilation of accounts. The Committee are not convinced with the justification advanced that the delay occurred due to shortage of staff. It is hardly necessary to emphasise that the documents are required and should be completed and placed before Parliament within the stipulated period of 9 months of the close of the accounting year.

5.6 The Committee further find that the Auditors took 5 months in adding the account and thereafter, the Company took about 3 months in convening the Annual General Meeting for adoption of Annual Report and Audited Accounts. The Committee are sorry to observe that the matter was dealt with in a very casual manner. Even the documents for the subsequent years 1985-86 and 1986-87 which were required to be laid by 31 December, 1986 and 31 December, 1987 are yet to be laid.

5.7 The Committee recommend that documents should always be laid in time and in order to comply with this requirement the Ministry should draw up a time schedule for each stage i.e. compilation of Annual Accounts, their auditing, submission of audit

report by Auditors, convening of Annual General Meeting, translation, printing and laying annual reports and audited accounts of the Company on the Table of the House. The Committee also desire that a responsible officer in the Ministry should be charged to keep a close watch and ensure that these documents are completed in all respects and laid on the Table of the House well in time.

CHAPTER VI

DELAY IN LAYING OF ANNUAL REPORT AND AUDITED ACCOUNTS OF BURN STANDARD COMPANY LTD., CALCUTTA FOR THE YEAR 1985-86 ON THE TABLE OF LOK SABHA

The Annual Report and Audited Accounts of the Burn Standard Company Limited, Calcutta for the year 1985-86 were laid on the Table of Lok Sabha on 10-11-87, alongwith a copy of Delay Statement and Review.

6.2. 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 ought to have been laid on the Table within 9 months of close of accounting year i.e. by 31st December, 1986. Thus, the period of delay involved in this case comes to about 10½ months.

6.3. In the delay statement, the reasons for delay in laying the Annual Reports and Audited Accounts have been explained as under:

“On the request of the Company, the Company Law Board granted extension of time for holding the 10th Annual General meeting (AGM) upto 31-12-1986. Finalisation of Annual Accounts for the year 1985-86 was delayed since closing of accounts for one of their units was held up for 3 months at the premises of an outside computer agency where the mother tapes and other essential basic data required for closing of accounts were stored and also the Chartered Accountant M/s M.C. Bhandari and Company who undertook the work for the first time, took longer time to complete the audit. Due to delayed compilation of accounts, the Statutory Auditors found it difficult to accommodate Burn Standard Company Limited audit in their over all programme and conducted the audit only as and when spare capacity was available with them. The Auditors could complete the entire audit on 10-3-87 only and submitted final report thereof on 14-5-87. The for, Commercial Audit, Calcutta took up the audit of the Company's accounts by end of March, 1987 but they could not finalise their comments in the absence of report from

Statutory Auditors. The Accounts of the Company were sent to Comptroller and Auditor General of India on 14-5-87 for comments. The comments of the CAG were received by the Company on 17-7-87. Thereafter the Annual Report and Accounts of the Company for the year 1985-86 was adopted by the shareholders at the adjourned 10th Annual General Meeting held on 18-7-87. The printed copies of the Annual Report and Accounts of the Company were received in the Ministry on 21-8-87."

6.4. In this connection, Ministry of Industry (Department of Public Enterprises) were requested on 19th November, 1987 to furnish information on certain points. The points on which the information was sought and the replies furnished thereto on 29th January, 1988 by the Department are as under:—

Points	Replies
I. The dates when—	
(a) C&AG was approached for appointment of Statutory Auditors;	As a normal practice, we approach the Company Law Board for appointment of Statutory Auditors and not C&AG. Accordingly, we approached the Company Law Board on 20-2-86 for appointment of auditors for the year 1985-86.
(b) Statutory Auditors were appointed by C&AG.	The Statutory Auditor was appointed by the Company Law Board on 7-3-86.
(c) the Annual Accounts were compiled and were ready for being handed over to the Statutory Auditors for auditing;	Burn Standard Company Limited being a Multi-Unit Company we arranged to get the Unit account audited simultaneously with compilation of other units. In fact Unit accounts were handed over to the Statutory auditors in phases from May, 1986 to October, 1986.
(d) the accounts were handed over to the Auditors;	The consolidated final accounts of the Company based on the audited Unit accounts alongwith all relevant schedules were handed over to the auditors on 10-2-87.
(e) the auditing of accounts commenced and the time taken in it;	Audit of the Unit accounts was started in May, 1986 and completed in March, 1987.
(f) queries, if any, raised by Statutory auditors;	The Statutory auditor raised several queries in course of their audit which were replied to.
(g) queries of the Statutory Auditors resolved;	Several queries raised by the Statutory Auditors were settled and those which remained unresolved were included in the Statutory auditor's report, for which management's reply has been appended to the Director's reports in the Annual Report.
(h) the Auditors furnished final Audit Report to the Company/Organisation;	The final audit report was submitted by the auditors on 14-5-87 to the company. D.C.A., Calcutta however, issued his comments only on 17-7-87.

Points	Replies
(i) the Annual Report and Audited Accounts together with the Audit Report were placed before the Annual General Meeting of the Company	The annual report and audited accounts together with the audit report were placed before the adjourned Annual General Meeting held on 18-7-87.
(j) Annual Report and Audited Accounts were taken up for translation and printing and time taken in it;	This was then given to a party for printing. The printer took up work in Mid-July, 1987 and delivered the printed annual report and accounts on 18-8-87.
(k) the 'Review' report was prepared and furnished to the Ministry/Department;	Review on the Annual Report & Accounts of the Company is prepared by the Ministry/Department.
(l) delay statement prepared and submitted to the Ministry/Department; and	The reasons for delay in placement of the annual report and accounts before Parliament was sent to the Ministry on 11-4-87 & again on 19/21-8-87.
(m) Annual Report and Audited Accounts together with Review and delay statement were sent to the Ministry of Industry for laying on the Table of the House.	The bilingual copies of the Annual Report and accounts alongwith reasons for delay in submission of the said report were sent to the Ministry of Industry on 19/21-8-87.
ii. The latest position of the Annual Report and Audited Accounts of the Company for the year 1986-87 When these are expected to be placed before Parliament.	The Unit accounts for the year 1986-87 are all ready but the appointment of Statutory Auditors has come from the Company Law Board only on 26-10-87. The Statutory auditor has taken up audit from 12-11-87 and expected to take 3/4 months as they are the single auditor for all the nine Units. After that C&AG audit will take at least 1.1/2 months to finalise their comments under Section 619(4) of the Companies Act. Only after that, we can held the Annual General Meeting and send the said report and accounts for Hindi-translation and printing which will take another one month.
iii. The remedial measures taken or proposed to be taken to ensure laying of Annual Reports and Audited Accounts of the Company within the stipulated period of nine months from the close of the accounting year in future.	Statutory auditors took a very long time in finalising the accounts for the year 1985-86 (almost 12 months). In view of our experience we had suggested C&AG to consider appointment of an audit firm having adequate infrastructure to tackle a multi-unit accounts within a short time.
	However, the same audit firm have been reappointed for the year 1986-87, also as a single auditor. We have, however, requested the auditors to complete the accounts at their earliest as the appointment of Auditors has been considerably delayed this year. All cooperation are being extended to the auditors as demanded by them.
	Utmost efforts would be made for minimising time required for compilation of Printed Reports etc.

6.5. The matter was considered by the Committee on Papers Laid on the Table at their sitting held on 8 March, 1988.

6.6. The Committee are unhappy to note that the laying on the Table of Lok Sabha of the Annual Report and Audited accounts of Burn Standard Company Limited, Calcutta for the year 1985-86 was inordinately delayed as these were required to be laid on the Table of the House by 31 December, 1986 i.e. within 9 months after the close of the relevant accounting year.

6.7 The Committee regret to note that although the accounts of the Company for the year 1985-86 were ready in October, 1986 but these were handed over to auditors for auditing only on 10-2-87 i.e. after the delay of about 4½ months. The final audit report was submitted by the auditors on 14-5-87 to the Company. The Director, Commercial Audit (DCA), Calcutta, however, issued his comments only on 17-7-87. Both the Annual Report and Audited Accounts of the Company were then placed before the Annual General Meeting held on 18-7-87. The Committee feel that delay at various stages of compilation and auditing could have been avoided if a careful watch had been kept both at Company level as also in the Ministry.

6.8 As regards the Annual Report and Audited Accounts for the year 1986-87 it has been stated that the Unit accounts for the year 1986-87 are ready but the appointment of Statutory Auditors had been communicated by the Company Law Board only on 26-10-87. The Statutory auditor took up audit work from 12-11-87 and it was expected to take 3/4 months as the audit for all the nine units has to be done by the same auditors.

6.9 The Committee are unhappy with the casual manner in which this work is being done. There is no realisation on the part of the Company management or the Ministry concerned that the Annual Report and Audited Accounts are required to be laid in Parliament within a fixed time frame. All out efforts need to be made to ensure that various stages of compilation of accounts etc. are completed according to a pre-determined schedule.

6.10 The Committee recommend that a time bound programme should be drawn up by the Ministry of Industry (Department of Public Enterprises) in consultation with the Burn Standard Company Ltd. for being strictly adhere to at various stages and the documents should be presented to the House within the stipulated period of 9 months after the close of the accounting year.

CHAPTER VII

DELAY IN LAYING ANNUAL REPORT AND AUDITED ACCOUNTS OF THE DELHI PUBLIC LIBRARY, DELHI FOR THE YEAR 1985-86.

The Annual Report and Audited Accounts of the Delhi Public Library, for the year 1985-86 were laid on the Table of Lok Sabha on 30 July, 1987 alongwith the delay statement and 'Review'.

7.2. In terms of recommendation of the Committee on Papers laid on the Table contained in paragraph 3.5 of their First Report (Fifth Lok Sabha) these papers were required to be laid on the Table of the House within nine months of the close of the accounting year, i.e. by 31 December, 1986. Thus, the period of delay came to 7 months.

7.3. In the delay statement, the reasons for delay had been explained as under:—

"The Annual Report and Audited Accounts for 1985-86 could not be laid within the stipulated period of nine months from the close of financial year on account of non-receipt of the same from the Library.

The Annual Accounts of Delhi Public Library, Delhi, are audited by the Director of Audit, Central Revenues, (DACR) New Delhi. The Annual Accounts were compiled by the Library and sent to DACR for audit on 12-9-86. The audit took place in two phases from 4-7-86 to 31-7-86 and from 19-9-86 to 25-9-86 and the draft audit report was issued by the audit on 6-11-86. The Final Audit Report and Audit Certificate were issued by the Audit on 13-1-87 in English and on 13-2-87 in Hindi. The Delhi Library Board, at its meeting held on 25th April, 1987, approved the audit report. The Library thereafter, prepared the requisite number of copies of these documents, both in English and in Hindi, and could make available to the Department of Culture only on 5th May, 1987.

All efforts are being made to ensure that there is no undue delay in laying of Report before Parliament."

7.4. The Department of Culture was requested on 7 August, 1987 to furnish information on certain points. The points on which the information was sought and replies of the Department received there-to on 4 December, 1987 are as under:—

<i>Points</i>	<i>Replies</i>
I. The reasons for—	
(i) compilation of accounts and sending to the Director of Audit, Central Revenues on 12-9-86 that is after about 5-1/3 months of the close of the accounting year as against 3 months allowed for the purpose by the Committee on Papers laid on the Table of Lok Sabha.	The compilation of Accounts could not be completed due to continued shortage of staff in the Delhi Public Library. The post of Accountant is still lying vacant.
(ii) auditing of accounts in two phases having a gap of about 2 months in between.	The Director of Audit, Central Revenues New Delhi, had decided to conduct audit of autonomous bodies in two phases that is, transaction of audit and certification of Annual Accounts. The gap of 2 months was due to delay in compilation of Accounts. The Accounts were compiled on 12-9-86 and final audit commenced from 19-9-86 to 25-9-86 and hence the delay.
(iii) taking about 4½ months in submission of final audit report by auditors after completion of audit by them ; and	The Auditors issued draft audit report on 6-11-86 i.e. 1-½ months after completion of audit. Thereafter persuance of audit objections and finalisation of Audit Report took 3 months.
(iv) holding of meeting of Delhi Library Board after about 2½ months of the receipt of the final audit report.	The Director, Delhi Public Library as Secretary of the Delhi Library Board is empowered to call for the meeting of the Board. The post of the Director was lying vacant and was filled in with effect from 8-12-1986. Thereafter, the Board was reconstituted. This process was time-consuming and resulted in delay in holding the Board's meeting.
II. The reasons for not sending the copies of annual report and audited accounts to Parliament for laying on the Table of the House immediately after their receipt in the Department of Culture.	The documents were received by this Department on 5-5-87 and the same were examined and processed on 5-5-87 itself. As at that time the Parliament session was only upto 7-5-87, inspite of best efforts, these could not be laid during that session and hence the delay.
III. The corrective steps Taken/proposed to be taken by the Department of Culture in finalising of annual Report and Accounts and their lying on the Table of the House in time, in future, i. e. within 9 months of the close of the accounting year.	The Director of Audit, Central Revenues and the Delhi Public Library, Delhi have already been requested by this Department to chalk out a time bound programme for conducting audit and issue of final report so that the same would be laid before both Houses of Parliament within 9 months of the close of the financial year.

7.5. The matter was considered by the Committee on Papers laid on the Table at their sitting held on 29 December, 1987.

7.6. The Committee note that the annual report and accounts of the Delhi Public Library for the year 1985-86 were laid on the Table of Lok Sabha after a delay of 7 months and these documents for the subsequent year 1986-87 are still to be laid.

7.7 From the information furnished by the Department of Culture, the Committee find that the Auditors took about 7½ months in auditing the accounts for the year 1985-86, issuing final audit report and audit certificate. The Committee also note that apart from Auditors being responsible for taking longer time in auditing the accounts, the Delhi Public Library was equally responsible for contributing towards delay in as much as they took unduly long period of about 5½ months in compilation of accounts and handing them over to the Auditors. The Committee are not convinced with the explanation given by the Department of Culture that the compilation of accounts could not be completed due to continued shortage of staff in Delhi Public Library. The Committee feel that the delay in compilation of the accounts was avoidable. The Department of Culture had taken necessary action for providing adequate staff to Delhi Public Library. Similarly the post of Director, which remained vacant for quite some five years ought to have been filled up without delay.

7.8 The Committee recommend that the Department of Culture should in consultation with the Delhi Library Board and the Director of Audit, Central Revenue chalk out a time schedule for compilation of accounts, auditing of accounts, holding the meeting of Delhi Library Board, translation, printing and submission of the annual reports and audited accounts of the Delhi Public Library to the Department of Culture for laying them on the Table of the House. The programme should be arranged in such a manner that these documents are laid on the Table within the prescribed period of 9 months from the close of the accounting year. The Committee also desire that the Department of Culture should always keep a close watch and properly monitor different stages of preparation of annual reports and accounts with a view to ensure strict compliance with the requirements as stipulated in the recommendations of the Committee.

APPENDIX

Summary of recommendations/observations contained in the Report

Sl. No.	Reference to para No. of the Report	Summary of recommendations/ observations
1	2	3
1	1.6	<p>The Committee are concerned to note that the Annual Report and Audited Accounts of the Indian Institute of Management, Ahmedabad for the year 1985-86 which in terms of the Committee's recommendations on the subject, ought to have been laid by 31st December, 1986, were actually laid on 6 August, 1987. In this connection the Committee find that an inordinately long period of 7 months was taken in getting the Annual Reports and Audited Accounts translated in Hindi. The Committee also note that the position in respect of the Annual Report and Audited Accounts for the subsequent year i.e. 1986-87 is not better as the same are yet to be finalised and laid on the Table of the House. The Committee cannot but deplore the delay in laying the annual report and audited accounts in Parliament in time.</p>
2	1.7	<p>The Committee are of the view that the Annual Report and Audited Accounts lose their importance if they are not laid in time, on the Table of the House. The Committee, therefore, recommend that a realistic time schedule based on the aforesaid recommendation of the Committee may be drawn up and seriously adhered to so that reports and accounts of the Institute may be finalised and placed before Parliament well within the stipulated period of nine months of the close of the relevant accounting year.</p>

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- 3 2.6 The Committee note that the Annual Report and Audited Accounts of the Andrew Yule and Company Limited, Calcutta for the year 1985-86 were laid on the Table of Lok Sabha on 10 November, 1987 i.e. after about 10½ months after the close of the accounting year. The Committee also note that these documents of the Company for the subsequent year 1986-87 which were required to be laid on the Table of the House by 31 December, 1987, have not so far been laid.
- 4 2.7 From the information furnished by the Ministry of Industry (Department of Public Enterprises), the Committee find that one of the factors that attributed towards delay in laying of the Annual Report and Audited Accounts for 1985-86 on the Table of the House was that the Office of the Commercial Audit and C&AG took 4 months (from 29 July to 24 November, 1986) to issue final comments on the audited accounts of the Company. Neither the Ministry nor the Company seem to have made efforts to expedite matter in this regard. The Committee feel that the delay could have been avoided had the Ministry and the Company been watchful and pursued the matter with DACR and C&AG. The Committee suggest that the Ministry of Industry may take up the matter with the Ministry of Finance and Audit authorities to lay down proper time schedules to ensure auditing of accounts, clearance of audit objections and issue of final comments on the audited accounts within a specified time.
- 5 2.8 The Committee further find that the Ministry themselves took about 8½ months after 24 February, 1987 in preparing 'Review' and delay statement and laying the same on the Table of the House together with the Annual Report and Audited Accounts for the year 1985-86. The Committee desire that such lapses on the part of the
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Ministry should not be allowed to recur. It is needless to point out that immediately after receipt of the Annual Report and Audited Accounts from the Company, the same should be laid on the Table of the House alongwith the connected 'review' and delay statement, at the earliest available opportunity.

- 6 3.8 The Committee note that the Annual Reports of the Press Council of India, New Delhi are prepared on Calendar year basis whereas its statements of accounts are prepared on Financial year basis. The Committee feel that it will be very difficult to find out the real achievement of the Council during the particular financial year for which Government grants are sanctioned because the period covered by the Annual Administrative Reports of the Council and the financial statements included therein are quite different. Moreover, this is not in consonance with the spirit of recommendation of the Committee on Papers Laid on the Table contained in para 3.5 of their First Report (5th Lok Sabha)—which stipulates that both Annual Reports and Audited Accounts should be laid together on the Table of the House to enable the House to have a complete picture of the achievements, activities and financial health of the organisation during the particular accounting year. The Committee are of the view that the aforementioned objective can be met only when the period of Annual Administrative Report synchronise with the Annual Statements of accounts.
- 7 3.9 The Committee, therefore, recommend that the Annual Administrative Report of the Press Council of India should also be prepared on the Financial year basis just as the financial statements are being prepared. By doing so, it will be possible to lay, the Annual Administrative Report and
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the financial accounts covering the same period, in the House at the same time. The House will then have a complete picture about the performance of the Council before them. In order to achieve the desired result, the Committee recommend that the relevant Press Council Rules should be amended, if considered necessary.

The Committee would like to be apprised of the action taken in this behalf within six months.

The Committee also desire that all out efforts should be made to ensure that the requisite documents are laid on the table with nine months of the close of the accounting year.

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The Committee feel concerned to note that the Annual Report and Audited Accounts of the Regional Centre for Cancer Research and Treatment Society, Cuttack for the year 1985-86 which, in terms of the recommendation of the Committee made in para 3.5 of their First Report (Fifth Lok Sabha) ought to have been laid before Parliament by 31 December, 1986 i.e. within 9 months of the close of the accounting year, were actually laid on 27th August, 1987. Thus there was delay of about 8 months. The Committee also note with regret that Annual Report and Audited Accounts for the subsequent year 1986-87 which were required to be laid by 31 December, 1987 are yet to be laid.

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The Committee find from the information furnished by the Ministry that no statement explaining the reasons for delay was laid when the Annual Report and Audited Accounts for the year 1985-86 were laid on the Table of the House. The Committee desire that this requirement should invariably be complied with by the Ministry, in future.

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| 10 | 4.7 | <p>The Committee also find that the auditors took about 7 months in auditing the accounts of the Society for the year 1985-86. Neither the Ministry nor the Society appear to have impressed upon the auditors to complete auditing of accounts in shortest possible period so that the next stages of finalisation of Annual Report and Audited Accounts could be completed within the stipulated period of 9 months. Had the Ministry and the Society been conscious of the period prescribed by the Committee for laying the Reports and Accounts on the Table of the House, the delay in auditing the accounts could have been minimised and delay in laying the documents avoided.</p> |
| 11 | 4.8 | <p>The Committee further find that the Annual Report of the Society was placed before the Governing Body and approved whereas the audited accounts were not placed before them for approval. The audited accounts in unapproved form have been placed before Parliament. The Committee feel that this is a serious lapse which should not be allowed to recur in future.</p> |
| 12 | 4.9 | <p>The Committee recommend that the Ministry should draw up a time schedule for finalising the Annual Report and Audited Accounts and ensure that the required documents are placed before Parliament within the stipulated period of 9 months prescribed by the Committee.</p> |
| 13 | 5.4 | <p>The Committee note that the Annual Report and Audited Accounts of Hooghly Dock & Port Engineers Ltd., Calcutta for the period from 30th June, 1984 to 31st March, 1985 were laid on the Table of Lok Sabha on 19 November, 1987 after inordinate delay of about 22-1/2 months.</p> |
| 14 | 5.5 | <p>The Committee are surprised to find that the Company took about 12½ months in compilation of accounts. The Committee are not convinced</p> |

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with the justification advanced that the delay occurred due to shortage of staff. It is hardly necessary to emphasise that the documents are required and should be completed and placed before Parliament within the stipulated period of 9 months of the close of the accounting year.

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The Committee further find that the Auditors took 5 months in auditing the accounts and thereafter, the Company took about 2 months in convening the Annual General Meeting for adoption of Annual Report and Audited Accounts. The Committee are sorry to observe that the matter was dealt with in a very casual manner. Even the documents for the subsequent years 1985-86 and 1986-87 which were required to be laid by 31 December, 1986 and 31 December, 1987 are yet to be laid.

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5.7

The Committee recommend that documents should always be laid in time and in order to comply with this requirement the Ministry should draw up a time schedule for each stage i.e. compilation of Annual Accounts, their auditing, submission of audit report by Auditors, convening of Annual General Meeting, translation, printing and laying annual reports and audited accounts of the Company on the Table of the House. The Committee also desire that a responsible officer in the Ministry should be charged to keep a close watch and ensure that these documents are completed in all respects and laid on the Table of the House well in time.

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6.6

The Committee are unhappy to note that the laying on the Table of Lok Sabha of the Annual Report and Audited accounts of Burn Standard Company Limited, Calcutta for the year 1985-86 was inordinately delayed as these were required to be laid on the Table of the House by 31 December, 1986 i.e. within 9 months after the close of the relevant accounting year.

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18	6.7	<p>The Committee regret to note that although the accounts of the Company for the year 1985-86 were ready in October, 1986 but these were handed over to auditors for auditing only on 10-2-87 i.e. after the delay of about 4½ months. The final audit report was submitted by the auditors on 14-5-87 to the Company. The Director, Commercial Audit (DCA), Calcutta, (however, issued his comments only on 17-7-87. Both the Annual Report and Audited Accounts of the Company were then placed before the Annual General Meeting held on 18-7-87. The Committee feel that delay at various stages of compilation and auditing could have been avoided if a careful watch had been kept both at Company level as also in the Ministry.</p>
19	6.8	<p>As regards the Annual Report and Audited Accounts for the year 1986-87, it has been stated that the Unit accounts for the year 1986-87 are ready but the appointment of Statutory Auditors had been communicated by the Company Law Board only on 26-10-87. The Statutory auditor took up audit work from 12-11-87 and it was expected to take 3¼ months as the audit for all the nine units has to be done by the same auditors.</p>
20	6.9	<p>The Committee are unhappy with the causal manner in which this work is being done. There is no realisation on the part of the Company management or the Ministry concerned that the Annual Report and Audited Accounts are required to be laid in Parliament within a fixed time frame. All out efforts need be made to ensure that various stages of compilation of accounts etc. are completed according to a pre-determined schedule.</p>
21	6.10	<p>The Committee recommend that a time bound programme should be drawn up by the Ministry of Industry (Department of Public</p>

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Enterprises) in consultation with the Burn Standard Company Ltd. for being strictly adhered to at various stages and the documents should be presented to the House within the stipulated period of 9 months after the close of the accounting year.

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7.8

The Committee recommend that the Department of Culture should in consultation with the Delhi Library Board and the Director of Audit, Central Revenue chalk out a time schedule for compilation of accounts, auditing of accounts, holding the meeting of Delhi Library Board, translation, printing and submission of the annual reports and audited accounts of the Delhi Public Library to the Department of Culture for laying them on the Table of the House. The programme should be arranged in such a manner that these documents are laid on the Table within the prescribed period of 9 months from the close of the accounting year. The Committee also desire that the Department of Culture should always keep a close watch and properly monitor different stages of preparation of annual reports and accounts with a view to ensure strict compliance with the requirements as stipulated in the recommendations of the Committee.

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