

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

**EIGHTH LOK SABHA**

**EIGHTH REPORT**

*(Presented on 17 April, 1986)*



**LOK SABHA SECRETARIAT**  
**NEW DELHI**

*April, 1986/Vaisakha, 1908 (Saka)*

*Price: Rs. 2.85*

## CONTENTS

	PAGE
PERSONNEL OF THE COMMITTEE ON PAPERS LAID ON THE TABLE	(iii)
INTRODUCTION	(v)
CHAPTER I      Delay in laying the Annual Reports and Audited Accounts of the Apparel Export Promotion Council, New Delhi for the years 1981, 1982 and 1983	1
CHAPTER II     Delay in laying the Annual Report and Audited Accounts of the Central Research Institute for Yoga, New Delhi for the Year 1980-81	6
CHAPTER III    Delay in laying the Annual Reports and Audited Accounts of Fruit and Vegetable Development Corporation Limited, Patna for the Years 1980-81 and 1981-82	15
CHAPTER IV     Delay in laying the Annual Report and Audited Accounts of the Central Government Employee's Consumer Co-operative Society Limited, New Delhi for the year 1982-83	20
CHAPTER V      Delay in laying the Annual Report and Audited Accounts of Coal Mines provident Fund Organisation for the Year 1983-84	24
CHAPTER VI     Delay in laying the Annual Report and Audited Accounts of the National Institute of Rural Development, Hyderabad for the Year 1983-84	28
CHAPTER VII    Delay in laying the Annual Report and Audited Accounts of National Institute of Homoeopathy, Calcutta for the year 1982-83	31
CHAPTER VIII   Delay in laying the Annual Reports and Audited Accounts of All India Institute of Speech and Hearing, Mysore for the Years 1978-79 to 1983-84	35
APPENDIX	
Summary of recommendations/observations contained in the Report	40

328.54R

MS.S-

TAR

G

Acc.

71342

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.*

---

\*Nominated with effect from 3-12-1985 *Vice* Shrimati Manorma Singh, M. P. resigned on 8 November, 1985

\*\* Resigned from the membership of the Committee *w.e.f.* 3 April, 1986.

## INTRODUCTION

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

2. On examination of certain papers laid on the Table of the Lok Sabha during the First to Third Sessions (Eighth Lok Sabha), the Committee have come to certain conclusions in regard to delay in laying the Annual Reports and Audited Accounts of (i) the Apparel Export Promotion Council, New Delhi for the year 1981, 1982 and 1983; (ii) the Central Research Institute for Yoga, New Delhi for the year 1980-81; (iii) the Fruit and Vegetables Development Corporation Limited, Patna for the years 1980-81 and 1981-82; (iv) the Central Government Employees' Consumer Cooperative Society Limited, New Delhi for the year 1983-84; (v) the Coal Mines Provident Fund Organisation for the year 1983-84; (vi) the National Institute of Rural Development, Hyderabad for the year 1983-84; (vii) the National Institute of Homoeopathy, Calcutta for the year 1982-83; and (viii) the All India Institute of Speech and Hearing, Mysore for the years 1978-79 to 1983-84. The conclusions of the Committee are reflected in this Report.

3. On 17 January, 1986, the Committee took evidence of the representatives of the Ministry of Textiles on delay in laying Annual Report and Audited Accounts of the Apparel Export Promotion Council, New Delhi. On 10 March, 1986, the Committee took evidence of the representatives of the Ministry of Health and Family Welfare on delay in laying Annual Reports and Audited Accounts of the National Institute of Homoeopathy, Calcutta and the All India Institute of Speech and Hearing, Mysore.

4. The Committee wish to express their thanks to the Officers of the Ministries of Textiles and Health and Family Welfare for placing before the Committee material and information which they

(i)

desired in connection with the examination of the subjects and for giving evidence before the Committee.

5. The Committee considered and adopted this Report at their sitting held on 17 April, 1986.

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

NEW DELHI:  
20 April, 1986

M. V. CHANDRASHEKARA MURTHY,  
*Chairman,*  
*Committee on Papers laid on the Table.*

१ Vaisakha, 1908 (Saka).

## CHAPTER I

### DELAY IN LAYING THE ANNUAL REPORTS AND AUDITED ACCOUNTS OF THE APPAREL EXPORT PROMOTION COUNCIL, NEW DELHI FOR THE YEARS 1981, 1982 AND 1983

The Annual Reports and Audited Accounts of the Apparel Export Promotion Council, New Delhi for the years 1981, 1982 and 1983 were laid on the Table of Lok Sabha on 12 April, 1985 along with a copy of Review.

1.2 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 30 September, 1982, 30 September, 1983 and 30 September, 1984 i.e. within 9 months of the close of the accounting year. Thus the period of delay involved in the current case worked out to more than 30, 18 and 6 months respectively.

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

“After the last Annual General Meeting held on 28th September, 1981 the Council could not hold any Annual General Meeting for the years 1981, 1982 and 1983, for consideration of Annual Accounts for the years 1981 and 1982 respectively, because of court order staying holding of the Annual General Meeting.

The Articles of Association of the Council were amended at the Extra-Ordinary General Meeting held on 5th January, 1984 so as to be in conformity with Table 'C' Schedule 'T' of the Companies Act, 1956. Thereafter on 16th May, 1984, the Annual General Meeting was held when the Annual Reports for the years 1981 and 1982 were adopted by the members. As there was some doubt on the requirement of A.E.P.C. to lay the report in Parliament, clarifications from the Rajya Sabha Secretariat were obtained and the Council was informed that their Annual Report and Audited Accounts were required to be laid on the Table of both Houses of Parliament. After receiving this clarification, the Council has produced Hindi versions of the Reports and hence the delay.”

1.4 On 3 May, 1985, the Ministry of Commerce were asked to furnish information about the dates on which (i) Annual Accounts of the Apparel Export Promotion Council for the years 1981, 1982 and 1983 were compiled and made available for auditing; (ii) the accounts for all the three years were actually forwarded to the Statutory Auditors for audit; (iii) the draft Audit Reports were received from Statutory Auditors; (iv) Final Audit Reports were received; (v) the Annual Reports and Audited Accounts for those years were taken up for translation and time taken for the same; (vi) the Annual Reports and Audited Accounts were taken up for printing and time involved in the final printing of the documents and (vii) the Annual Reports and Audited Accounts were sent to the Ministry for laying on the Table of the House. The Ministry in their communication dated 15 May, 1985, explained the position as under:—

“The Annual Accounts of the Council for the years 1981, 1982 and 1983 were compiled and available for auditing in the months of April, 1982, May, 1983 and March, 1984, respectively.

The Accounts for all the three years were actually made available to the Statutory Auditors for auditing in the months of July, 1982; July, 1983 and April, 1984 respectively.

The draft Audit Reports were received from the Statutory Auditors in the months of September, 1982, October, 1983 and July, 1984 respectively.

The final audit reports were received from the Statutory Auditors in the months of September, 1982, October, 1983 and July, 1984 respectively.

The Annual Reports and Audited Accounts for the years 1981 and 1982 were taken up for translation into Hindi in the month of September, 1984, while the accounts for the year 1983 were taken up for Hindi translation in the month of November, 1984. The Hindi translation of the Annual Reports and Audited Accounts for the years 1981 and 1982, were available in the month of November, 1984 and for the year 1983 were available in the month of January, 1985.

The Annual Reports and Audited Accounts for the years 1981 and 1982 were taken up for printing in the month of April, 1984, while Annual Report and Audited Accounts

for the year 1983. were taken up for printing in the month of July, 1984. The approximate time involved in the final printing of the documents was about 15 days.

The English version of the Annual Reports and Audited Accounts for the years 1981 and 1982 were forwarded to the Ministry for laying on the Tables of both the Houses of Parliament on 3rd July, 1984, while the Hindi version of these Accounts was forwarded to the Ministry on 15th November, 1984. The English and Hindi versions of the Annual Reports and Audited Accounts for the year 1983, were forwarded to the Ministry for laying on the Table of the House on 10th January, 1985."

1.5 The Ministry of Commerce (Department of Textiles) who were also asked to furnish information about the reasons for not adhering to the financial year, i.e., from April to March in maintaining the accounts of the Council, stated that the Articles of Association of the Council which were incorporated under the Companies Act, 1956, defines financial year as the Calendar year and, therefore, the Council had adopted January to December, as its accounting year.

1.6 As regards the corrective measures taken or proposed to be taken for finalising the Annual Reports and Audited Accounts and laying them on the Table of the House, the Ministry stated that the Council had been asked to ensure that the accounts are furnished in time and arrangements made for laying them on the Table of the House within the prescribed time limit.

1.7 At their sitting held on 17 December, 1985, the Committee considered the explanation given by the Ministry of Commerce (Department of Textiles) in regard to delay in laying the Annual Reports and Audited Accounts of the Apparel Export Promotion Council for the years 1981, 1982 and 1983. The Committee noted that the delay involved in laying those documents on the Table of the House ranged between 3 to 6 months' delay having occurred at the stages of compilation of accounts, audit of accounts, holding of Annual General Meeting and translation. The Committee also noted that the Ministry took about 4 months to lay the Annual Report and Audited Accounts for the year 1981 and 1982 after it had been received from the Council. The Committee decided that the representatives of the Ministry of Transport might be called to appear before them to explain the delay.



1.8 At the sitting of the Committee held on 17 January, 1986, the representatives of the Ministry of Textiles appeared before the Committee to give oral evidence on the subject.

1.9 Asked to explain the circumstances which led to the inordinate delay in laying the Annual Reports and Audited Accounts of the Council for the years 1981, 1982 and 1983, the Secretary, Ministry of Textiles stated that the documents for these years could not be placed before the Annual General Meeting of the Council because of the controversy over the voting rights of the Associate members at the Annual General Meeting. The matter was *sub judice* and the Delhi High Court had passed a stay order saying that they could not hold any Annual General Meeting. An appeal was made in Supreme Court and it was only on 14 September, 1983 that the Council could proceed further. The Supreme Court had held that the Council could hold a meeting provided the directions of the Company Law Board were complied with. An emergency meeting was held on 5th January, 1984 to amend the constitution of the Council as required by the Company Law Board on 3rd November, 1983. The Annual Reports and Audited Accounts of the Council for 1981, 1982 and 1983 could be adopted only then and placed before Parliament.

1.10 On being advised to change their accounting year from the calendar year to the financial year to synchronize with the accounting period of the Government, the Director General, Apparel Export Promotion Council stated that right from the beginning, the calendar year had been the accounting year for them and it had been found convenient to them as the export figures and quotas were fixed according to calendar year. The Council was not getting any financial assistance from the Government. In the circumstances it was not convenient for the Council to change over to the financial year.

1.11 On being enquired about the nature of administrative control exercised by Government over the Council, the witness stated that there were four Government nominees on the Council's Executive Body to exercise control over the day-to-day functioning of the Council. Besides all important matters like quota policy in the field of garment export were decided by Government.

1.12 On being pointed out that the documents for the years 1981 and 1982 were received by the Ministry in November, 1984 but they were placed before Parliament in April, 1985 after a delay of about 4 months, the witness stated that the documents did not accompany the statement explaining the reasons for delay. The same was collected from the Council and could be placed alongwith Annual Report and Audited Accounts only in the next session. The witness

accepted the lapse for not having laid the delay statement explaining the reasons for not laying the reports and accounts within 30 days after the expiry of the stipulated period of nine months.

1.13 Apart from the fact that the Apparel Export Promotion Council could not hold their Annual General Meetings owing to the Court order staying holding of the meeting in the years 1982 and 1983, the Committee find that the delay in laying the annual reports and audited accounts of the Apparel Export Promotion Council had also occurred on account of the fact that the statement explaining the reasons for delay in submitting these documents had not been received from the Council. Surprisingly, the Ministry took 4 months to obtain this statement from the Council, incidently located in New Delhi, and laying it on the Table of the House. The Committee would like the Ministry of Textiles to issue standing instructions to the organisations/bodies under their administrative control to send a statement showing reasons for delay whenever the Report and Audited Accounts are unavoidably submitted with delay. This would obviate the delay in obtaining the required statement afterwards. The Committee also observe that much time has been taken in compilation of accounts of the Council, in auditing of the accounts and in Hindi translation of the documents before they were laid before Parliament. The Committee, therefore, recommend that the Ministry of Textile should take up the matter conclusively with the authorities of the Apparel Export Promotion Council for streamlining the procedure and adopting a time bound programme for compilation, auditing of accounts, translation, printing etc. of the annual reports and accounts of the Council and laying them on the Table of the House within nine months of the close of the accounting year. The Committee need hardly stress that timely presentation of these documents would help the Members of Parliament in keeping abreast of the latest position regarding the performance, achievements and stability of the organisation.

## CHAPTER II

### DELAY IN LAYING THE ANNUAL REPORT AND AUDITED ACCOUNTS OF THE CENTRAL RESEARCH INSTITUTE FOR YOGA, NEW DELHI FOR THE YEAR 1980-81

The Annual Report and Audited Accounts of the Central Research Institute for Yoga, New Delhi for the year 1980-81 were laid on the Table of Lok Sabha on 24 January, 1985, alongwith a statement explaining the 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), 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, 1981. The period of delay involved in laying the documents for 1980-81, therefore, came to more than 3 years.

2.2 In the statement laid by the Ministry of Health and Family Welfare on the Table on 24 January, 1985, the reasons for delay in laying the Annual Report and Audited Accounts for 1980-81 have been explained as under:

"The Central Research Institute for Yoga, New Delhi, is an autonomous body registered under the Societies Registration Act, 1860. It was established in 1976.

The statement given reason for delay in laying the Annual Reports and Audited statements of Accounts in respect of Central Research Institute for Yoga, for the period 18th February, 1980 to 31st March, 1981, 1981-82 and 1982-83 was earlier laid on the Table of Lok Sabha on 1st March, 1984 and Rajya Sabha on 7th March, 1984.

At the meeting of the Committee on Papers laid on the Table of the Rajya Sabha on the 24th January, 1984, the Ministry of Health and Family Welfare was advised to request the office of the Comptroller and Auditor General of India to undertake the audit of the accounts of the Institute at an early date and that confirmation to this effect that the audit has been conducted to make available to the

Committee. The Office of the CAG was accordingly requested on 31st January, 1984, through the Ministry of Finance to undertake the audit of the accounts of the Institute for the period 1981-82 and 1982-83 as a special case under Section 20 of the C&AG (DP & C) Act, 1971. From the period 1983-84 onwards the C&AG have been requested to conduct audit of the Institute on *regular basis* under Section 20 of the C & AG's (DP & C) Act, 1971.

In respect of the period 1980-81, the C & AG have already conducted the audit under Section 14 of the C & AG's (DP & C) Act, 1971.

The C & AG are likely to take up the audit for the period 1981-82 and 1982-83 shortly. The Lok Sabha/Rajya Sabha Secretariats have been requested to obtain permission of the Chairman, Committee on Papers laid on the Table to grant further extension of time to lay the papers for the period 1981-82 and 1982-83 upto 30th November, 1985.

The statement of accounts for the period 1980-81 as audited by the Chartered Accountant (as per bye-laws of the Institute) were approved by the Governing Body on 24th August, 1984. The Annual Report for this period has also been approved by the Governing Body. The Rajya Sabha Secretariat *vide* the O.M. No. RS(20)2|83COPLOT, dated the 27th June, 1984 communicated that the Chairman, Committee on Papers laid has desired that the Annual Report and the Audited Statement of Accounts for the year 1980-81 be laid on the Table of the House as early as possible after obtaining the approval of the Governing Body of the Institute.

In view of the above, the papers for the period 1980-81 are now being laid on the Table of the Sabha".

2.3. On 19 February, 1985, the Ministry of Health and Family Welfare were asked to furnish full data relating to delay in laying the Annual Report and Audited Accounts of the Institute for the year 1980-81, *viz.* the dates when (a) C. & A. G. was approached for appointment of Statutory Auditors; (b) the Statutory Auditors were appointed; (c) the accounts of the Institute were compiled and were ready for auditing; (d) the accounts were actually taken up by Auditors for auditing; (e) the auditing of accounts were completed by Auditors; (f) the draft Audit Report was submitted by Audit; (g) the final audit report was furnished by Auditors; (h)

the Annual Report and Audited Accounts were translated into Hindi version; (i) Annual Report was received in the Ministry for laying on the Table of the House; (j) the Annual Reports and Audited Accounts for earlier years i.e. 1976-77, 1977-78, 1978-79 and 1979-80 were laid on the Table of Lok Sabha; and (k) these documents for the years 1981-82, 1982-83 and 1983-84 were expected to be laid on the Table of the House. On 18 March, 1985, the Ministry of Health and Family Welfare furnished the requisite information as under:—

“(a to g) The Management of Central Research Institute for Yoga was taken over by the Central Government under the Yoga Undertakings (taking over of the Management Act, 1977) with effect from 24-5-1977. The management was however, relinquished by the Central Government with effect from 18-2-80. After the relinquishment of the management of the Central Research Institute for Yoga by the Central Government w.e.f. 18-2-80, the arrangement for audit of accounts of these institutions was considered. Bye-law 21 of the Central Research Institute for Yoga provided that the accounts of the Central Research Institute for Yoga shall be audited by a Chartered Accountant appointed by the Governing Body. However, when the accounts of the Central Research Institute for Yoga for the period from 18-2-80 to 31-3-81 were placed before the Governing Body in its meeting held on 19-3-82, it was decided that the C&AG may be requested to undertake the audit of these accounts. The relevant extracts of the minutes of the Governing Body meeting held on 19-3-82 are reproduced below:—

“It was decided that the Institute would request the C&AG to undertake the audit of accounts for this period.”

Since the rules, regulations and bye-laws of the Central Research Institute for Yoga provide that the accounts of the Institute shall be audited by the Chartered Accountant, the matter was also referred to the Ministry of Finance for seeking advice if in these circumstances, audit by C&AG could be done. The relevant extracts of the advice tendered by the Ministry of Finance are reproduced below:—

“Audit of the Institute by the C&AG under Section 14 of the CAG’s (DPCS) Act, 1971 will continue to be attract-

ed even though certification/audit of the accounts of the Institute after 18-2-80 is not entrusted to him under Section 20(1) *ibid* and this certification/ audit is entrusted to Chartered Accountants."

In their letter dt. 24-1-83 the Joint Director (Insp.) had intimated the Ministry of Health and Family Welfare that the audit of Central Research Institute for Yoga for the period from 18-2-80 to 31-3-81 will be taken up under Section 14 of the CAG's (DP&CS) Act, 1971, in which case separate audit report will not be required to be placed before the Parliament.

As the Audit of the CRIY was undertaken by C&AG under Section 14 of the CAG (DP&C) Act, 1971, no separate report was being furnished by the Director of Audit. Therefore a request was made to the Ministry of Finance on 5-7-83 to request the Director of Audit to prepare a separate report for this Institute for enabling this Ministry to place it in the Parliament. The Ministry of Finance, however, advised that since the Memorandum of Association of CRIY provides that audit will be conducted by Chartered Accountant and since the audit is not being conducted under Section 20 (1) of the CAG (DP&C) Act, 1971, the Ministry of Health and Family Welfare has to place the accounts audited by Chartered Accountant in the Parliament.

In view of the above advice of the Ministry of Finance, it was decided to lay the Audited Statement of Accounts for the year 1980-81 as audited by the Chartered Accountant in Parliament.

As the Audited Statement of Accounts and Annual Reports were to be approved by the Governing Body of CRIY, the Institute were requested on 22-10-1983, to place the same before the next meeting of the Governing Body.

The Lok Sabha Secretariat were kept informed of the above position from time to time. This Ministry's OM No. G. 25020/8/82-Ay. Dest-III dt. 22-10-83 may be referred to in particular.

The Governing Body of the Central Research Institute for Yoga in its meeting held on 24-8-1984 ratified the accounts of the CRIY as audited by the Chartered

Accountant. The Annual Report for the year 1980-81 had already been approved by the Governing Body in its meeting held on 19-2-1982.

- (h to i) The English and Hindi versions of the Annual Report and Audited Statement of Accounts were received in this Ministry in October, 1984. This Ministry *vide* OM No. H. 11021/5/84-Ay. Desk-III dt. 5th November, 1985 requested the Lok Sabha Secretariat that necessary permission of the Chairman, Committee on Papers laid on the Table of Lok Sabha may be obtained for laying the reports in Parliament as soon as the Parliament is convened.

The Annual Report and Audited Statement of Accounts for the year 1980-81 was laid on the Table of the Lok Sabha on 24th January, 1985 and Rajya Sabha on 23rd January, 1985.

- (j) The Annual Report/Audited Statement of Accounts for the period from 24-5-77 to 17-2-80 (combined/reports) were laid on the Table of the Lok Sabha on 22-7-82 and of Rajya Sabha on 21-7-82. The Reports for the period 1976-77 were not required to be laid in view of the Ministry of Finance's U.O. No. F. 13(10)/E-Coord. 78 dt. 16-1-81.
- (k) The CAG's Office were requested to conduct the audit of accounts of Central Research Institute for Yoga for 1981-82 onwards as a special case under Section 20 of CAG (DP&C) Act, 1971. The CAG's Office agreed to take up the audit work in November, 1984 *vide* their D.O. letter No. OAI/14-10/Spl-Cell/84-85/928, dt. 27 November, 1984. The audit work was actually taken up in January, 1985 and has since been completed. The Audit Report is awaited. The Annual Reports together with the Audited Accounts for the period 1981-82, 1982-83 and 1983-84 will be laid on the Tables of both the Houses of Parliament as soon as they are received and then approved by the Governing Body of the Institute. The CAG's Office have been requested to expedite the Audit Report.

2.4. On being asked about the remedial measures that have been taken by the Ministry and the Institute to ensure timely laying of the documents, on the Table of the House in future, the Ministry, stated on 18 March, 1985 as under:—

'The main reasons for the delay in submission of the reports has been the question of getting the accounts of Central

Research Institute for Yoga audited from the CAG's Office. The matter has since been resolved as the CAG Office have agreed to conduct the audit of accounts of CRIY on regular basis under Section 20 of CAG (DP&C) Act, 1971 from the year 1981-82 onwards.

Necessary instructions have also been issued to the Institute to adhere to the time schedule for preparation of the Annual Reports and Audited Statement of Accounts."

2.5. On being asked, for the second time on 30 March, 1985 to be categorical about laying of Annual Reports and Audited Accounts of the Central Research Institute for Yoga, New Delhi in regard to years 1981-82, 1982-83 and 1983-84, the Ministry of Health and Family Welfare replied on 6th May, 1985 as follows:—

"The main reasons for delay in submitting the Annual Reports/audited statements of accounts for 1981-82, 1982-83 and 1983-84 has been the conduct of audit by CAG's Office under Section 20 of CAG (DP&C) Act, 1971. The CAG's Office which/ undertook the audit of accounts of CRIY for the year 1981-82, 1982-83 and 1983-84 in January-February, 1985 have not submitted the audited report so far. The Director of Audit, Central Revenues, has indicated that another audit team is being deputed to the Institute as more information is required to complete the audit work. In view of this, the laying of the final audited statements of accounts may take a few more months.

The Annual Reports for 1981-82 and 1982-83 have since been received from the Director, CRIY. As the audited statement of Accounts from the CAG's Office have not been received so far (as stated above) the Institute have added the audit reports from private Chartered Accountants to these Annual Reports. The Ministry are examining whether the Annual Reports could be laid in the Parliament as early as possible after obtaining the approval of the Union Health Minister in her capacity as the President of the Governing Body. The audited statement of accounts from the CAG's Office will be laid as soon as the same is received from them.

The Annual Report for the year 1983-84 has not been received from the Director CRIY so far. He has been reminded to expedite the same."



2.6. Asked as to when the General Body took the decision that the accounts of the Institute should be audited by the Office of the C&AG; when was the office of C&AG actually requested to conduct the audit of the accounts of the Institute for the year 1980-81, the Ministry stated on 30 March, 1985 as under:—

“The decision that the accounts of CRIY should be audited by the Office of the CAG, was taken by the Governing Body of the Institute in its meeting held on 19-3-82. The management of CRIY was taken over by the Government with effect from 24-5-1977. The Management was, however, relinquished w.e.f. 18-2-1980, restoring the original status of autonomous body to the Institute.

During the above period (24-5-1977 to 18-2-1980) the CAG conducted the audit under Section 20 of C&AG (DP&C) Act, 1971. Though the Memorandum of Association of the Institute provided for conduct of audit by private Chartered Accountants, the Ministry, however considered proper the continuation of the conduct of audit by the CAG on regular basis. Accordingly a request was made to the CAG's office by the Director, CRIY on 17-3-1982 to conduct the audit of the accounts for the year 1980-81. The CAG's Office informed on 26-4-1982 that the audit work will be taken up in the first week of May, 1982. The Director of Audit was reminded at Joint Secretary's level on 25th October, 1982, 16th December, 1982 and 14th January, 1983 to expedite the conduct of audit. The office of the Director of Audit in their D.O. letter dated 19th February, 1983 informed that an audit party had since been deputed to conduct the audit of the accounts of CRIY. They informed the Ministry that the audit of Central Research Institute for Yoga for the period 1980-81 will be taken up under Section 14 of the CAG's (DP & C) Act, 1971 in which case separate audit report will not be required to be placed before the Parliament.

The Director CRIY informed on 27th May, 1983 that the CAG's Office had completed the audit of accounts in respect of CRIY. They also confirmed that the audit was conducted under Section 14 of CAG Act, 1971.

A question arose whether the CAG may be requested to provide separate audit reports for the CRIY for the period

18th February, 1980 to 31st March, 1981 and the period 1981-82 onwards.

The Ministry of Finance were requested on 15th July, 1983 to advise in the matter. The Ministry of Finance advised that it should be approached with a proposal to entrust audit of CRIY under Section 20 of CAG (DP & C) Act, 1971. As the matter was getting delayed and as the audit for the period 1980-81 had already been conducted under Section 14 of CAG (DP & C) Act, 1971 it was decided in consultation with the Integrated Finance to lay the accounts for 1980-81 as audited by Chartered Accountants. Accordingly, the Director CRIY was requested on 22nd October, 1983 to take urgent steps to place the audited accounts and audit reports along with the Annual Reports of CRIY before the Governing Body for approval.

The Governing Body of CRIY in its meeting held on 24th August, 1984, ratified the accounts for the period 18th February, 1980 to 31st March, 1980 and 1st April, 1980 to 30th April, 1981. The Annual Report for 1980-81 had already been approved by the Governing Body in its meeting held on 19th March, 1982.

The Annual Report and audited statement of accounts for 1980-81 was finally authenticated by the then Deputy Minister of Health and Family Welfare on 29th October, 1984. It could not, however, be laid before Parliament immediately because the Parliament was not in Session during that period.

7. The Annual Reports for 1981-82, 1982-83 and 1983-84 were laid on the Table of Lok Sabha on 25th July, 1985 and Audited Accounts for these years were laid on 22nd August, 1985.

2.8 The matter was considered by the Committee on Papers laid on the Table at their sitting held on 27th January, 1986.

2.9 The Committee note that the Central Research Institute for Yoga was established as an autonomous body in 1976. Subsequently its management was taken over by Government for a period of 3 years from 1977 to 1980. From 1980 onwards the Institute was allowed to function again as an autonomous body. As a result thereof, considerable time was taken in deciding whether CAG who had been auditing the accounts of the Institute during the period of take over, could continue undertaking the audit of the

Institute after the year 1980. This caused delay of more than 3 years in finalising the Annual Report and Audited Accounts of the Institute and laying them on the Table of the House. The Committee are constrained to observe that the Ministry of Health and Family Welfare have taken an unduly long time in resolving this issue. The whole matter could have been solved much earlier had the Ministry moved speedily.

2.10 The Committee also note that the Annual Report of the Institute for the years 1981-82, 1982-83 and 1983-84 were laid on the Table of Lok Sabha on 25th July, 1985 and the Audited Accounts of these years were laid on 22nd August, 1985. The Committee cannot but express their dissatisfaction over the fact that these two documents had not been laid together on the Table of the House. The Committee are of the view that the purpose of laying Annual Reports and Audited Accounts together before Parliament is to keep Parliament fully informed of the activities and achievements of the Institute. This purpose is defeated if both the documents are not laid together within nine months of the close of the accounting years.

2.11 The Committee would therefore like to reiterate their earlier recommendation contained in paragraph 3.5 of their First Report (Fifth Lok Sabha) which *inter-alia* stipulates 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 before Demands for Grants after administrative Ministry are taken up for consideration. To achieve this end, the Committee recommend that the Ministry of Health and Family Welfare, being the administrative Ministry incharge of the affairs of the Institute should take immediate steps to amend the Rules, Regulations and Bye-laws of the Central Research Institute for Yoga, New Delhi providing therein that the accounts of the organisation shall be audited by CAG under Section 20 of CAG (DP & C) Act, 1971 and that their Annual Reports together with the Audited Accounts and Audit Report thereon with the 'Review' would be laid on the Table of the House within nine month of the close of the accounting year.

## CHAPTER III

### DELAY IN LAYING THE ANNUAL REPORTS AND AUDITED ACCOUNTS OF FRUIT AND VEGETABLE DEVELOPMENT CORPORATION LIMITED, PATNA FOR THE YEARS 1980-81 AND 1981-82

The Annual Reports and Audited Accounts of the Bihar Fruit and Vegetable Development Corporation Limited, Patna, for the years 1980-81 and 1981-82 were laid on the Table of Lok Sabha on 6th August, 1984 and 17th May, 1985 respectively alongwith statements showing reasons for delay and 'Review'.

3.2 In terms of the recommendation of the Committee on papers laid on the Table made in paragraph 4.16 of the Second Report (Fifth Lok Sabha) these papers were required to be laid on the Table by 31st December, 1981 and 31st December, 1982 i.e. within 9 months of the close of the accounting year and thus the periods of delay in these cases were 31 months and 28½ months respectively.

3.3 In the statement explaining the reasons for delay, the Ministry of Food and Civil Supplies (Déptt. of Food) had stated as under:—

1980-81

"The Corporation approached the Comptroller and Auditor General of India on the 18th December, 1982 for appointment of the Statutory Auditors. The delay in approaching the Comptroller and Auditor General of India for the appointment of Statutory Auditors was because of the delay in the compilation of accounts by the Corporation which in turn was mainly due to the time taken in filling the Senior level posts on the accounts side.

The Company Law Board appointed the Statutory Auditors on 13th May, 1983 for 1980-81 and 1981-82 and wanted the Corporation to fix the fees for the Statutory Auditors. The fees were fixed by the Corporation on 31st May, 1983. The Company Law Board finally approved the appointment of Statutory Auditors and the fees payable

to them on 1st September, 1983. There was some delay in Statutory Auditors taken up the audit as they considered the fees too low.

The accounts of 1980-81 were approved by the Board of Directors on 28th October, 1983. The Statutory Auditors submitted their report to the Comptroller and Auditor General of India on 24th January, 1984. The Comments of Comptroller and Auditor General of India were received on 2nd April, 1984. The Corporation convened the Annual General Meeting on 24th May, 1984 which considered and adopted the accounts for 1980-81. The Annual Report and Audited Accounts for 1980-81 are being laid on the Table of the House."

1981-82

"In terms of the provisions of the Companies Act, the Corporation's annual report and audited accounts together with the comments of the Comptroller and Auditor General of India are required to be laid before both the Houses of Parliament. The recommendations of the Committee on Papers laid on the Table (Fifth Lok Sabha) require that the annual report together with the audited accounts should normally be laid before Parliament within nine months of the close of the financial year to which it pertains.

Under the Companies Act, the accounts of a year can be audited only after the Accounts of the preceding year have been adopted by the Annual General Meeting. As the accounts for 1980-81 were adopted at the Annual General Meeting of the Corporation held on 24th May, 1984, the auditing of the accounts for 1981-82 could be taken up only thereafter. The accounts were approved by the Board of Directors on 23rd July, 1984 and given to the statutory auditors on 7th August, 1984. The statutory auditors submitted their report to the Corporation and to the Accountant General, Bihar on 29th September, 1984. The Accountant General, Bihar furnished his observations to the Corporation on 18th October, 1984. These observations were referred by the Corporation to the statutory auditors who sent their comments to the Accountant General, Bihar on 6th November, 1984. The Comptroller and Auditor General's comments were received on 15th January, 1985. The Board of Directors of

the Corporation at its meeting on 20th January, 1985 approved the Directors' Report and replies to the observations made in the statutory auditors' report and the comments of the Comptroller and Auditor General. The accounts and the balance-sheet for the year 1981-82 were adopted at the Annual General Meeting of the Corporation on 27th February, 1985.

Thereafter the Annual Report was sent by the Corporation for printing and the printed copies of the report were received by the Corporation on 1st May, 1985. Copies of the report were received in the Department of Food, Government of India on 10th May, 1985. Accordingly, the Annual Report and Audited Accounts for 1981-82 are now being laid on the Table of the House.'

3.4 On 21 June, 1985, the Ministry of Food and Civil Supplies were asked to furnish date-wise information in regard to (a) compilation of accounts for the years 1980-81 and 1981-82 and making them available to the Auditors for auditing; (b) receipt of draft Audit Report from Statutory Auditors and (c) receipt of final Audit Reports from the Statutory Auditors. The Ministry in their communication dated 10th September, 1985 stated that the Annual Accounts for the year 1980-81 were made available to the Statutory Auditors on 25th November, 1983 and for the year 1981-82 on 7th August, 1984. The Bihar Fruit and Vegetable Development Corporation reported that no draft audit report was received but discussions were held in the matter in January, 1984 for 1980-81 and in September, 1984 for 1981-82. The Audit Report for 1980-81 was given by the Statutory Auditors on 24th January, 1984 and that for 1981-82 on 29th September, 1984. The accounts for 1980-81 and 1981-82 were approved by the Board on 28th October, 1983 and 23rd July, 1984 respectively. A little more than two months were taken for printing and documents in respect of both the cases. The reports were thereafter sent to the Ministry for laying on the Table of the House on 23rd June, 1984 and 3rd May, 1985 respectively.

3.5 As regards position obtaining in regard to the Annual Reports and Audited Accounts for 1983-84 and 1984-85, the Ministry stated as under:—

"It is expected to get the Accounts for 1983-84 audited from the Statutory Auditors by 31st March, 1986. A request has already been made to the Company Law Board for appointment of Statutory Auditors for 1983-84. After

completion of audit of the accounts for 1983-84, process for audit of the accounts for 1984-85 will be initiated."

3.6 With regard to the corrective steps taken or proposed to be taken by the Ministry for finalisation of Annual Reports and Audited Accounts of the Corporation and laying them on the Table of the House in time in future, the Ministry stated as follows:—

"The importance of timely submission of the Annual Reports and Audited Accounts has already been impressed upon the Corporation time and again. The matter has also been taken up with the State Government at the level of Chief Secretary, Bihar. The Corporation has also been asked to adopt a definite time schedule for initiating and completing the various steps involved in the process well in time so that the documents are made available for laying on the Table of the House within the prescribed time-limit. Further, the Corporation has been advised to include this matter as a standing item on the agenda of the meetings of the Board of Directors in future so that the progress in this regard is closely monitored at the Board level."

3.7 The Annual Report and Audited Accounts of the Corporation for the year 1982-83 were laid on the Table of Lok Sabha on 20th December, 1985.

3.8 The matter was considered by the Committee on Papers laid on the Table at their sitting held on 27th January, 1986.

3.9 The Committee are concerned to note that the Annual Reports and Audited Accounts of the Fruit and Vegetable Development Corporation Limited, Patna, for the years 1980-81 and 1981-82 were laid on the Table of Lok Sabha as late as 6th August, 1984 and 17th May, 1985 respectively i.e. 31 months and 28½ months after close of the relevant accounting year. From a perusal of the delay statement laid alongwith the reports and accounts, the Committee feel that the delay could have definitely been minimised if the Corporation had compiled the accounts within 3 months of the close of the accounting years, as recommended by the Committee on Papers laid on the Table in paragraph 4.16 of their Second Report (Fifth Lok Sabha) and had approached the Company Law Board sufficiently in advance for appointment of Statutory Auditors. The Committee also feel that neither the Ministry of Food and Civil Supplies nor the Fruit and Vegetable Development Corporation have given due importance to the aforesaid recommendation of the Committee that the Government Companies should not take more

than 3 months for compilation of accounts and their submission to Audit and next six months for auditing of accounts, printing of the report and sending the same to Government for placing before Parliament.

3.10 The position of Annual Report and Audited Accounts of the Corporation for the year 1982-83 was no better as these were laid on the Table of Lok Sabha as late as 20th December, 1985 i.e. 24 months after close of the accounting year. Further the Annual reports and audited accounts of the Corporation for the years 1983-84 which were due for laying by 31st December, 1984 and 31st December, 1985 have not been laid so far. The Corporation has been perpetually in arrears in submitting their Annual Reports and Audited Accounts to Parliament right from the year 1980-81 with no signs of improvement till date. The Committee find it difficult to resist the conclusion that the Directors of the Corporation have been totally complacent of their obligation to process the reports and accounts for presentation to Parliament by the stipulated time every year and the Ministry concerned did also not pay any serious attention to examine this matter with a view to locate the weak links and delaying obstacles and to take remedial measures thereon. The Committee need hardly stress that the very purpose in laying these informative documents is defeated if they are not laid in time and made available to Members of Parliament when the demands for grants of the concerned Ministries are taken up for consideration.

3.11 The Committee recommend that the Annual Reports and Audited Accounts of the Corporation for the years 1983-84 and 1984-85 which are in arrears, should be laid on the Table of the House without further delay. The Committee find that each year, the Corporation has to approach the Company Law Board for appointment of Statutory Auditors and this process takes long time. The Committee hope that in future the Corporation will approach the Company Law Board for the appointment of Auditors well in advance, compile the accounts within 3 months of the close of the accounting year and complete all other formalities in the next six months and furnish to the Ministry of Food and Civil Supplies for placing before Parliament within nine months of the close of the accounting year as recommended earlier by the Committee. The Committee would also like the Ministry of Food and Civil Supplies to explore the possibility of having a standing arrangement for statutory auditing in consultation with the Company Law Board or for a block of years so as to avoid delay in appointment of and settlement with the statutory auditors each year.



## CHAPTER IV

### DELAY IN LAYING THE ANNUAL REPORT AND AUDITED ACCOUNTS OF THE CENTRAL GOVERNMENT EMPLOYEES' CONSUMER COOPERATIVE SOCIETY LIMITED, NEW DELHI FOR THE YEAR 1982-83

The Annual Report and Audited Accounts of the Central Government Employees' Consumer Co-operative Society Limited, New Delhi for the year 1982-83 were laid on the Table of Lok Sabha on 20th March, 1985.

4.2 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 31st March, 1984. The period of delay in laying the Annual Report and Audited Accounts for 1982-83 therefore came to about one year.

4.3 In the delay statement the reasons for delay had been explained as under:

"According to the standing orders, the Audited Accounts and Annual Report of the Society should have been laid on the Table of both the Houses by 31st of March, 1984, i.e. within 9 months after the expiry of the Cooperative financial year ending 30th June, 1983. The various factors leading to the delay in submission of the annual reports are given below:—

- (i) Due to the sharp increase in the sales turnover of the Society during the year 1982-83, the finalisation of the audit report took time and consequently the audit report was received from the Chartered Accountants only on 20th of March, 1984.
- (ii) It took about a month to study the report and prepare the replies to the various audit paras.
- (iii) The report was also to be placed before and considered by the Board of Administration and again by the Board of Directors. This process could not be completed before the 1st week of May. The report was

also to be approved by the General Body. This could not be done before 30th May, 1984 as the General Body meeting is convened only after giving the prescribed notice."

4.4 The Department of Personnel and Administrative Reforms under whose administrative control, the Central Government Employees' Consumer Society was functioning was asked to indicate the dates when (a) the Annual Accounts were compiled and were ready for auditing; (b) the annual accounts were given for auditing; (c) the reports and accounts were adopted by the Board of Directors of the Society; (d) the annual report and audited accounts were sent for translation into Hindi; (e) both the documents were sent for printing; and (f) the printed copies were received and passed on to the Department of Personnel and Administrative Reforms for laying them on the Table of Lok Sabha. The Department of Personnel and Administrative Reforms explained the position in its communication dated 28th October, 1985 as under:

"The Annual Accounts were compiled by the end of September, 1983 and handed over to the Auditors for the purpose of audit. The Audit Report was received back from the Auditors by the Society on 20th March, 1984.

The Annual Report and the Accounts were adopted by the Board of Directors of the Society in their meeting held on 14th May, 1984 and were adopted as per statutory requirement by the General Body of the Society on 30th May, 1984.

The Annual Report and the Audited Accounts were sent for translation into Hindi on 16th May, 1984.

The Annual Report and the Audited Accounts were sent for printing on 2nd June, 1984.

The printed copies were received in the 3rd week of June, 1984 and were sent to the Department of Personnel on 19th June, 1984."

4.5 With regard to the position obtaining about the Annual Reports and Audited Accounts of the Society for the years 1983-84 and 1984-85, the Department of Personnel and Administrative Reforms stated that the Annual Report and Audited Accounts for the year 1983-84 had been finalised and the matter of finalising the accounts for 1984-85 had been taken up.

4.6 As regards the corrective steps taken/proposed to be taken by the Department for finalising these documents and laying them on the Table of the House in future within nine months of the close of the accounting year, it had been stated that efforts will be made to lay the documents within the stipulated time, by minimising the time taken in adopting them by the Board of Administration, Board of Directors and the General Body of the Society.

4.7 The matter was considered by the Committee on Papers laid on the Table at their sitting held on 27th January, 1986.

4.8 The Committee are distressed to note that the Annual Report and Audited Accounts of the Central Government Employees' Consumer Cooperative Society Limited, New Delhi for the year 1982-83 which in terms of the recommendations of the Committee on Papers laid on the Table made in para 4.16 of their Second Report (Fifth Lok Sabha) was required to be laid on the Table of the House by 31st March, 1984 i.e. within 9 months of the close of the accounting year, were actually laid after an inordinate delay of about one year and these documents for the years 1983-84 and 1984-85 are yet to be presented to Parliament.

4.9 As regards the delay in laying the Annual Report and Audited Accounts for the year 1982-83, the Committee find that an inordinately long period of 6 months was taken in auditing the accounts by Auditors. Therefore, the Society took more than two months in placing the Annual Report and Audited Accounts before their General Body for adoption. The Committee also find that the Department of Personnel after receipt of the documents took 9 months in laying them on the Table of the House. The Committee cannot accept the plea taken by the Department of Personnel and Administrative Reforms that heavy turnover of sales, time taken in replying to the Audit queries and getting the approval of the General Body attributed to the delay. The Committee feel that knowing fully well the importance and urgency of the matter, the Department of Personnel did not care to adhere to the time schedule of nine months prescribed by the Committee but witnessed the Society acting in the matter in a very routine manner. No reasons have been deduced by the Department for not laying the documents on the Table of the House for 9 months. Though printed copies were received by it as far back as 19th June, 1984, the documents were actually laid on the Table on 20th March, 1985. The Committee deprecate this indifferent attitude and lethargy on the part of the Department of Personnel and Administrative Reforms. The Committee also express their displeasures for not having honoured their aforementioned recommendation and for not having

laid till date the Annual Reports and Audited Accounts for the subsequent years i.e. 1983-84 and 1984-85.

4.10 The Committee, therefore, urge upon the Department of Personnel and Administrative Reforms to involve themselves with the affairs of the Society and make sincere efforts to streamline the procedure of finalising the Annual Report and Audited Accounts of the Society so as to eliminate the delays in future. The Committee are of the opinion that considering the amount of funds and financial transactions involved in the aforesaid Society, the importance of finalising their accounts and audit thereof every year by the stipulated period cannot be minimised and hope that the Department will be more vigilant in future.

## CHAPTER V

### DELAY IN LAYING ANNUAL REPORT AND AUDITED ACCOUNTS OF THE COAL MINES PROVIDENT FUND ORGANISATION FOR THE YEAR 1983-84

The Annual Report and Audited Accounts of the Coal Mines Provident Fund Organisation for the year 1983-84 were laid on the Table of Lok Sabha on 26th July, 1985. However, the 'Review' was not laid as the Ministry was under the impression that the Report itself being self-contained would serve the purpose of 'Review'.

5.2 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 31st December, 1984. The period of delay in laying the Annual Report and Audited Accounts of the Coal Mines Provident Fund Organisation for the year 1983-84 therefore, came to about 7 months.

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

“The Annual Report/Audited Accounts of the Coal Mines Provident Fund Organisation for the year 1983-84 containing provisional audit certificate are now being laid on the Table of Lok Sabha/Rajya Sabha. These papers could not be laid earlier.

In this connection, it may be mentioned that the provisional audit report/audit certificate in respect of annual accounts of the Coal Mines Provident Fund Organisation for the year 1983-84 was received by the Coal Mines Provident Fund Commissioner from the office of the Accountant General, Bihar, in January, 1985 only. The final audit report/audit certificate duly approved by the Comptroller and Auditor General of India have still not been received. In view of this, the annual report with audited accounts could not be printed earlier. The Annual Report/Annual accounts together with the pro-

visional certificate as received from the Accountant General, Bihar have now been printed. It also took some time to get these papers printed bilingually. Due to the above factors, these papers could not be laid on the Table of the Lok Sabha/Rajya Sabha within the stipulated time, i.e., 31st December, 1984."

5.4 On 7th August, 1985, the Ministry of Steel, Mines and Coal were asked to furnish information relating to the reasons for not laying 'Review' while laying the reports and accounts on the Table of the House. The Ministry in their communication dated 21st August and 5th September, 1985 stated as under:—

"The Annual Report and Audited Accounts of the Coal Mines Provident Fund Organisation were laid on the Table of the two Houses of Parliament for the first time, although the said autonomous body has been in existence for quite a number of years. At the time of laying the Annual Report it was felt that the report itself was self contained and hence a review was not prepared. However, the omission in not laying the 'Review' while laying the above documents on the Table of the House is regretted. The position will, however, be kept in mind in future."

5.5 With regard to the dates when (i) Accounts for the year 1983-84 were finalised and handed over to Audit; (ii) audit queries were resolved; (iii) reports and accounts were adopted at the Annual General Meeting of the organisation; (iv) translation of report and accounts were undertaken and completed; (v) English and Hindi versions of the reports and accounts were sent to printers and time taken in their printing; and (vi) the printed copies were received by the organisation and forwarded to the Ministry for laying on the Table of the House, the Ministry stated as follows:—

"The Annual Accounts of the Coal Mines Provident Fund Organisation were compiled in the first week of August, 1984, and the Coal Mines Provident Fund Commissioner wrote to Accountant General, Bihar on 6th August, 1984 to audit the said accounts and issue Audit Certificate.

Audit of accounts were completed by the Accountant General, Bihar between the period from 13th October, 1984 to 15th November, 1984 and during this period queries raised by the audit were also answered.

As per the provisions of the Coal Mines Provident Fund Scheme, the Annual Report of the Coal Mines Provident Fund Organisation is required to be placed before the Board of Trustees, Coal Mines Provident Fund before 15th September, each year. Accordingly the Annual Report including annual accounts for the year 1983-84 was adopted by the Board of Trustees in its meeting held on 15th September, 1984 and the adoption could not wait for completion of audit.

Translation of annual report was undertaken on 11th September, 1984 and completed by 15th October, 1984. However, translation of accounts was arranged in March, 1985.

The bilingual form of annual report and English version of annual accounts was sent to the press for printing on 21st February, 1985 and printed copies thereof were received by the Coal Mines Provident Fund Commissioner on 4th March, 1985. Hindi version of the annual accounts was sent to the press for printing on 16th March, 1985 and printed copies thereof were received by the Coal Mines Provident Fund Commissioner on 17th April, 1985.

The printed copies of the annual report and annual accounts were received in the Department of Coal on 8th March, 1985 and 19th April, 1985. However, on scrutiny of the printed copies of the Hindi version of the annual accounts, it was observed that the quality of the printing was very poor and was not worth laying before Parliament since a large number of figures contained therein were found to be illegible. Therefore, arrangements were made to get the Hindi version of the annual accounts reprinted and get the same incorporated in the printed copies of the annual report and annual accounts (without Hindi version). The same was received in the Department of Coal on 16th May, 1985. Sincere efforts were made to lay these papers before the Parliament in the Budget Session itself, but due to paucity of time, this could not be done."

5.6 As regards laying of Annual Report and Audited Accounts for the year 1984-85, the Ministry stated as follows:

"Annual Report and annual accounts for the year 1984-85 have already been approved by the Board of Trustees, Coal Mines Provident Fund in the meeting held on 28th June, 1985. The Accountant General, Bihar have also

completed the audit on 16th August, 1985 and steps are afoot to obtain audit certificate. The work of translation has also been started and is expected to be over by the middle of September, 1985. Tenders are being invited for printing of the Report.'

5.7 The matter was considered by the Committee on Papers laid on the Table at their sitting held on 11th February, 1986.

5.8 The Committee note that the Annual Report and Audited Accounts of the Coal Mines Provident Fund Organisation for the year 1983-84 were laid on the Table of Lok Sabha on 26th July, 1985 i.e. after about 7 months of the close of the accounting year. The delay took place at the stages of compilation of accounts, auditing and printing of Annual Reports and Audited Accounts. The Committee feel that there is need for drawing up a time bound programme to ensure elimination of delay in laying the documents in time on the Table of the Houses of Parliament. The Committee would, therefore, like to reiterate their earlier recommendation made in paragraph 4.16 of the Second Report (Fifth Lok Sabha) whereby the Coal Mines Provident Fund Organisation should compile their accounts within 3 months of the close of the accounting year and make them available to the Auditors for auditing. The other formalities viz. auditing of accounts, resolving audit queries, if any, submission of Audit Report, adoption of Annual Reports and Audited Accounts by the Board of Trustees, translation, printing and forwarding them to the Ministry for laying the documents on the Table of the House should be completed within the next six months.

5.9 The Committee also note with regret that the adoption of Annual Accounts by the Board of Trustees was done before completion of audit of those accounts which was quite irregular and not in keeping with the norms and established practice in this regard. The Committee suggest that the final accounts should be placed before the Board of Trustees after completion of the audit formalities in order to avoid objections at a later stage.

5.10 The Committee further find that one of the factors that led to the delay in laying the documents on the Table of the House, was that the quality of printing of Hindi version was not up to the required standard and these had to be reprinted. The Committee recommend that quality of printing by the Printers should be ascertained in the first instance before allotting the work so that proper printing of the documents is ensured and cases of delay in reprinting are eliminated in future.



## CHAPTER VI

### DELAY IN LAYING THE ANNUAL REPORT AND AUDITED ACCOUNTS OF THE NATIONAL INSTITUTE OF RURAL DEVELOPMENT, HYDERABAD FOR THE YEAR 1983-84

The Annual Report and Audited Accounts of the National Institute of Rural Development, Hyderabad for the year 1983-84 were laid on the Table of Lok Sabha on 29th April, 1985.

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 were required to be laid on the Table of Lok Sabha by 31st December, 1984, i.e. within nine months of the close of the accounting year. Thus the period of delay involved in the current case works out to be about 4 months.

6.3 In the delay Statement, the reasons for delay in laying these documents have been explained as under:

“The Annual Report and the Annual Audited Accounts of the National Institute of Rural Development, Hyderabad for the year 1983-84 were ready by the prescribed time limit i.e. December, 1984. But these had to be discussed in the Finance Committee and the Executive Council of the Institute before putting them to the General Council for final approval.

The meeting of the General Council could be held only on March, 17, 1985 when the Annual Report and the Audited Annual Accounts for the year 1983-84 were finally approved by it.”

6.4 On 8th May, 1985, the Ministry of Agriculture and Rural Development were asked to furnish information regarding the dates when (a) the annual accounts were compiled and were ready for auditing; (b) the annual accounts were actually given for auditing and received back from Auditors; (c) the Annual Report and accounts were discussed by the Finance Committee and the Executive Council; (d) the Report and accounts were sent for translation into Hindi; (e) those were sent for printing; (f) the printed copies were received and passed on to the Ministry for laying the same

on the Table of Lok Sabha; and (g) the corrective steps taken or proposed to be taken by the Ministry for finalisation of Annual Report and Audited Accounts and their laying on the Table of the House in time in future i.e. within nine months of the close of the accounting year. The Ministry in their communication dated 11/24th June, 1985 stated as under:—

“Annual Accounts were compiled and ready for auditing on 29th June, 1984. The Financial bye-laws of the Institute require the annual accounts to be compiled as soon as practicable after the accounts for the year are closed, but not later than the end of June.

Annual Accounts were sent to the Accountant General, Andhra Pradesh on 3rd July, 1984, requesting the Accountant General to arrange for the audit of the accounts early. Audit was completed on 22nd September, 1984. Audited Accounts alongwith certificate of audit were received from the Accountant General on 13th December, 1984.

Audited Accounts were considered by the Standing Committee on Finance on 1st March, 1985 and by the Executive Council and General Council on 16th March, 1985 and 17th March, 1985 respectively. The Annual Reports of the Institute was considered by the Executive Council on 1st December, 1984 and by the General Council on 17th March, 1985. Under the Rules of the Institute, the Annual Report together with the Audited Accounts is required to be placed before the General Council for approval.

The Audited Accounts were translated into Hindi by the NIRD staff only, immediately after its receipt from the Accountant General with audit certificate, on 13th December, 1984. Annual Report was also got translated into Hindi by NIRD staff and translation work was completed in March, 1985.

The compiled accounts were sent for printing in October, 1984 after audit was over. Proof were kept pending for receipt of audited accounts with audit certificate from the Accountant General. As soon as the audited accounts with audit certificate were received on 13th December, 1984 final strike off order was given to the press in

December, 1984. Hindi version was got cyclostyled in the office only. Annual Report was sent for printing on 23rd March, 1985 after its approval by General Council.

Printed copies of the Annual Accounts and Audit Certificate were received by the Institute on 8th January, 1985. Printed copies (English and Hindi version) were sent by the Institute on 4th March, 1985. Copies of the Annual Report were sent to the Department on 6th April, 1985.

Definite procedural measures have been prescribed to ensure that the documents are cleared at the meetings of the Executive Council/General Council well in time and to furnish the audited accounts and Annual Report in time for laying the same on the Table of the House.'

6.5 The matter was considered by the Committee on Papers laid on the Table at their sitting held on 11th February, 1986.

6.6 The Committee note that the Annual Report and Audited Accounts of the National Institute of Rural Development, Hyderabad for the year 1983-84 were laid on the Table of Lok Sabha with the delay of about 4 months, and the delay occurred at the stages of auditing of accounts, approval of the Annual Report and Audited Accounts by the Executive Council and the General Council and Translation and printing of these documents. The Committee feel that there was need to reduce the time taken at the stages of auditing and approval by the Executive Council/General Council of the Institute and the time taken in all these formalities could have definitely been curtailed had the Ministry and the Institute been serious in adhering to the time schedule of nine months prescribed by the Committee on Papers laid on the Table in paragraph 4.16 of their Second Report (Fifth Lok Sabha) presented to Lok Sabha on 12th May, 1976. The Committee hope that the Ministry of Agriculture in consultation with the National Institute of Rural Development, Hyderabad would streamline the procedure so as to ensure that all the formalities are completed and the documents are laid on the Table of the House by the stipulated period.

## CHAPTER VII

### DELAY IN LAYING THE ANNUAL REPORT AND AUDITED ACCOUNTS OF NATIONAL INSTITUTE OF HOMOEOPATHY, CALCUTTA, FOR THE YEAR 1982-83

The Annual Report and Audited Accounts of National Institute of Homoeopathy, Calcutta for the year 1982-83 were laid on the Table of Lok Sabha on 28th March, 1985 alongwith a copy of statement explaining the reasons for delay and a 'Review'.

7.2 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 31st December, 1983. The period of delay involved in laying the Annual Report and Audited Accounts for the year 1982-83, therefore, came to about 15 months.

7.3 In the statement laid on the Table on 28th March, 1985, the reasons for delay in laying the Annual Report and Audited Accounts for 1982-83 had been explained as under:—

“The Annual Report/Audited Accounts and Audit Report of the National Institute of Homoeopathy, Calcutta for the financial year 1982-83 could not be laid before the Lok Sabha as the Report and Accounts were not approved by the Governing Body of the Institute. The extension of time for laying the Annual Report and Audited Accounts of the Institute for the year 1982-83 was sought by this Ministry vide O.M. No. V. 27031/2|84-Homoeo, dated 16th August, 1984 till the Winter Session of the Parliament.

The Report (both in English and Hindi) duly bound, was received in the Ministry from the Institute in the middle of February, 1985.

The Annual Report, Audited Accounts and Audit Report of the Institute for the year 1982-83 are now being placed on the Table of the Lok Sabha.”

7.4 On 1st May, 1985, the Ministry of Health and Family Welfare were asked to indicate the dates when (a) the Annual Accounts were compiled and ready for auditing; (b) the Annual Accounts

were given for auditing; (c) the final audited accounts were received; (d) both the Annual Report and Audited Accounts were adopted and sent for translation into Hindi and for printing. The Ministry of Health and Family Welfare in their communication dated 31st May, 1985 stated as under:—

“The Accounts of National Institute for Homoeopathy for the year 1982-83 were finalised on 17th June, 1983.

The Accounts were submitted to the Audit on 18th June, 1983.

Audit Report was received from the Director of Audit, Central, Calcutta by the Institute on 21st December, 1983.

The Institute sent the Draft Annual Report on 27th December, 1983 to the Ministry for examination and approval by H.M. in her capacity as the President of the Governing Body of the Council. The Draft Annual Report and the Audited Accounts were examined in the Ministry and some changes were suggested in the same. The revised Draft Annual Report and the Audited Accounts were received in the Ministry on 19th September, 1984 for approval by the President (HM) of the Governing Body of the Institute. Annual Reports and Audited Accounts duly approved by the President of the Governing Body of the Institute were sent to the Director of the Institute for translation in Hindi and for printing in both the versions (Hindi and English) on 17th November, 1984.

The printed copies of the Annual Report of the Institute for the year 1982-83 were received in the Ministry in February, 1985.”

7.5 As regards the corrective steps taken or proposed to be taken by the Ministry for finalisation of the Annual Reports and Audited Accounts and their laying on the Table of the House in time in future i.e. within 9 months of the close of the accounting year, the Ministry of Health and Family Welfare stated that every effort was made to expedite the finalisation of the Annual Report and Audited Accounts of the Institute for laying them on the Table of the House in time. Letters were written frequently to the defaulting institutions to complete the various activities involved in time. The Heads of Institutions have been advised to watch the progress constantly.

7.6 The Annual Report and Audited Accounts of the Institute for the year 1983-84 were laid on the Table of Lok Sabha on 8th August, 1985 with a delay of 7 months.

7.7 The Committee considered the reasons advanced by the Ministry for late submission of their documents at their sitting held on 17th February, 1986 and decided that the representatives of the Ministry of Health and Family Welfare might be invited to appear before the Committee to elaborate the reasons for delay.

7.8 The representatives of the Ministry appeared before the Committee on Papers laid on the Table at their sitting held on 10th March, 1986.

7.9 On being asked to explain the reasons for delay of about 15 months in laying the Annual Report and Audited Accounts of the National Institute of Homoeopathy, Calcutta for the year 1982-83, the Joint Secretary, Ministry of Health and Family Welfare stated that the accounts of the Institute were compiled and were ready for auditing by 17th June, 1983 i.e. within 3 months of the close of the accounting year prescribed by the Committee on Papers laid on the Table of Lok Sabha. The accounts were audited and Audit Report was received from the Auditors by 28th December, 1983. The Report was considered by the Scientific Advisory Committee of the Institute which desired that their comments might be placed before the Governing Body of the Institute. The meeting of the Governing Body could be fixed as late as on 21st August, 1984 by its President, after many reminders. The Governing Body decided that the achievements of the Institute should also be highlighted in the report. Accordingly, the Director of the Institute redrafted the report incorporating the achievements and sent it to the Ministry on 19th September, 1984. The Ministry which examined the Report a month after its receipt made substantial changes therein which was finally approved by the President of the Governing Body on 14th November, 1984. Thereafter the Institute took about 3 months to get the report translated into Hindi and have both the versions printed. The printed copies of the Annual Report and Audited Accounts were received in the Ministry on 12th February, 1985 and the same were laid on the Table of the House on 28th March, 1985.

7.10 In order to curtail delay in a convening the meeting of the Governing Body of the Institute, the witness informed the Committee that a new addition has since been made in the Memorandum and Articles of Association of the Institute giving powers to the President to approve the report first and thereafter pass on to the Governing Body of the Institute for ratification.

7.11 Asked to state the steps being taken by the Ministry for streamlining the procedure for timely processing of the annual reports and accounts of the Institute, the representative of the Mini-

try informed that apart from the periodical reminders issued by them and reviewing the position quarterly, the Institute had also prepared an Action Plan for expediting the process.

7.12 The Committee note that the Annual Report and Audited Accounts of the National Institute of Homoeopathy, Calcutta for the year 1982-83 were laid on the Table of Lok Sabha as late as 28th March, 1985 i.e. after 15 months of close of the accounting year. The Committee find that the Institute took 3½ months in compiling the annual accounts; the Auditors took more than 6 months for furnishing the final Audit Report to the Institute, the President of the Governing Body took about one year for approval of the Report and accounts, and thereafter translation into Hindi and printing thereof took another 3 months. The Committee also note that the Annual Report and Audited Accounts of the Institute for the subsequent year 1983-84 were laid on the Table of Lok Sabha on 8th August, 1985, i.e. after about 7 months of the close of the accounting year. The documents for the year 1984-85 which were required to be laid before Parliament by 31st December, 1985 have not been laid so far.

7.13 The Committee regret to note that auditing of accounts has taken more than six months while normally auditing should not take more than 3 months. The President of the Governing Body of the Council who happens to be the Minister of Health has taken one year in approving the Report and Accounts which is an unduly long period. The Ministry of Health and Family Welfare cannot absolve itself of the responsibility of delay in this connection. The Ministry should have seen to the matter that this clearance was obtained expeditiously and whole process completed swiftly by being more vigilant and active. The Committee constrained to observe that the Ministry has not treated this matter with seriousness and sense of urgency it deserves.

7.14 The Committee would, therefore, like to reiterate their earlier recommendation contained in para 4.16 of their Second Report (Fifth Lok Sabha) presented to Lok Sabha on 12th May, 1976 and impress upon the Ministry of Health and Family Welfare to draw up a time bound programme for all stages to ensure timely laying of Annual Reports and Audited Accounts of the National Institute of Homoeopathy, Calcutta, on the Table of the House in future.

## CHAPTER VIII

### DELAY IN LAYING THE ANNUAL REPORTS AND AUDITED ACCOUNTS OF ALL INDIA INSTITUTE OF SPEECH AND HEARING, MYSORE FOR THE YEARS 1978-79 TO 1983-84

The Annual Report and Audited Accounts of the All India Institute of Speech and Hearing, Mysore for the years 1978-79, 1979-80, 1980-81, 1981-82, 1982-83 and 1983-84 were laid on the Table of Lok Sabha on 2nd May, 1985 alongwith a statement showing reasons for delay and 'Review'.

8.2 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 within 9 months of the close of the relevant year i.e. by 31st December, 1979, 31st December, 1980, 31st December, 1981, 31st December, 1982, 31st December, 1983 and 31st December, 1984 respectively. Thus the period of delay involved in laying the Annual Reports and Audited Accounts of the above Institute for the years 1978-79, 1979-80, 1980-81, 1981-82, 1982-83 and 1983-84 came to 5 years 4 months, 4 years 4 months, 3 years 4 months, 2 years 4 months, 1 year 4 months and 4 months respectively.

8.3 In the delay statement laid on the Table on 2nd May, 1985, the reasons for delay in laying these documents had been explained as under:—

“The Annual Reports and the Audit Reports of All India Institute of Speech and Hearing, Mysore, for the years 1978—84 could not be laid on the Tables of the Parliament in time, as the Hindi version of the reports was not available. The Institute had no arrangements of its own for Hindi translation and this had to be done by an outside agency. The Institute has, however, been advised to adhere strictly to the time-schedule in future while furnishing the Reports in respect of the subsequent years.”

8.4 On 9th May, 1985 the Ministry of Health and Family Welfare were requested to furnish information on certain points. The points



on which the information was sought and the replies of that Ministry furnished on 29th July, 1985 were as under:—

Points	Replies
(a) The Annual Accounts of All India Institute of Speech and Hearing for the years 1978-79, 1979-80, 1980-81, 1981-82, 1982-83 and 1983-84 were compiled and available for auditing ;	May, 79 (1978-79) July, 80 (1979-80) June, 81 (1980-81) May, 82 (1981-82) May, 83 (1982-83) July, 84 (1983-84)
(b) The Annual Accounts for all the 6 years were actually made available to the Statutory Auditors for auditing ;	November, 79 (1978-79) August, 80 (1979-80) July, 81 (1980-81) June, 82 (1981-82) June, 83 (1982-83) August, 84 (1983-84)
(c) The draft Audit Reports were received from the Statutory Anditors ;	February, 80 (1978-79) November, 80 (1979-80) July, 81 (1980-81) October, 82 (1981-82) September, 83 (1982-83) November, 84 (1983-84)
(d) The final Audit Reports were received from the Statutory Auditors;	February, 80 (1978-79) November, 80 (1979-80) July, 81 (1980-81) October, 82 (1981-82) September, 83 (1982-83) February, 85 (1983-84)
	Time taken
(e) The Annual Reports and Audited Accounts for those years were taken up for translation into Hindi and time taken in it.	5-3-1984 (1978-79) 3 months 5-3-1984 (1979-80) 3 months 5-3-1984 (1980-81) 5 months 19 days 5-3-1984 (1981-82) Do. 5-3-1984 (1982-83) Do. 27-4-1985 (1983-84) Yet to be received
(f) The Annual Reports and Audited Accounts were taken up for printing and time taken in it	15 days (1978-79) 15 days (1979-80) 9 days (1980-81) 16 days (1981-82) 28 days (1982-83) 20 days (1983-84)
(g) The Annual Reports and Audited Accounts were sent to the Ministry for laying on the Table of the House.	20-7-1984 (1978-79) 20-7-1984 (1979-80) 3-9-1984 (1980-81) 8-9-1984 (1981-82) 22-9-1984 (1982-83) 19-3-1985 (1983-84)
(h) The corrective steps taken/proposed to be taken by the Ministry for finalisation of Annual Reports and Audited Accounts and their laying on the Table of the House in time in future i.e. within 9 months of the close of the accounting year.	In the absence of separate Hindi unit in the Institute, the Hindi version of Audit Report and Statement of Accounts for the years 1978-79 to 1982-83 have been got done with the help of Central Hindi Directorate, Madras. The Institute has been asked to expedite the translation of the Reports and Accounts into Hindi in future.

8.5 At their sitting held on 11th February, 1986, the Committee on Papers laid on the Table considered the explanation given by the Ministry of Health and Family Welfare in regard to the delay in laying the Annual Report and Audited Accounts of the Institute for the years 1978-79 to 1983-84. Not being satisfied with the reasons advanced by the Ministry, the Committee decided that the representatives of the Ministry of Health and Family Welfare might be called to appear before them to explain the delay.

8.6 At the sitting of the Committee held on 10th March, 1986, the representatives of the Ministry of Health and Family Welfare appeared before the Committee to give oral evidence on the subject.

8.7 When asked to explain the reasons for delay ranging from 60 months to 4 months in laying the Annual Reports and Audited Accounts of the All India Institute of Speech and Hearing, Mysore for the years 1978-79 to 1983-84, the Additional Secretary, Ministry of Health and Family Welfare stated that prior to 1978, the accounts were audited by private Auditors. In order to bring it in line with the general instructions that it should be audited by the Comptroller and Auditor General of India, the matter was taken up with the Director of Audit in 1979 and it was only after that the auditing of accounts of the Institute was taken up by C. & A.G. and Accountant General, Karnataka. The audit of the accounts for 1978-79 was over by 10th December, 1979. The Audit Report was received on 6th March, 1980 and the Administrative Report was also ready by 11th August, 1981 but the Institute being located at Mysore did not have the facilities for translation of the English version into Hindi. Various authorities including the Ministry of Home Affairs were consulted in the matter and ultimately the institute was asked to approach the Central Hindi Directorate, Madras for the purpose. This correspondence took about three years. The reports were completed on different dates.

8.8 On being asked to state the reasons for withholding the Annual Reports and Audited Accounts of all the six years right from 1978-79 to 1983-84, the witness stated that all these documents were intended to be placed before Parliament together in view of their being into arrears. The witness admitted the omission on the part of the Institute and the Ministry of Health and Family Welfare on this account and stated that the documents for each year should have been placed before Parliament immediately after they were ready in all respects. The witness informed the Committee that the post of Translator was existing in the Institute from 1983 but the typist in Hindi was not available. This post has recently

been sanctioned. The Institute will, therefore, be in position to do the translation work within the Institute itself. The witness, however, undertook to ensure that from the year 1986-87, the Annual Reports and Audited Accounts of the Institute will be placed before Parliament within nine months of the close of the relevant accounting year.

8.9 The Committee feel concerned to note that the Annual Reports and Audited Accounts of All India Institute of Speech and Hearing, Mysore, for the years 1978-79, 1979-80, 1980-81, 1981-82, 1982-83 and 1983-84 which were required to be presented to Parliament within nine months of the close of the relevant accounting year as per recommendation of the Committee on Papers laid on the Table made in para 3.5 of their First Report (Fifth Lok Sabha), were actually placed on 2nd May, 1985 i.e. after a delay of 64 months, 52 months, 40 months, 28 months, 16 months and 4 months respectively. The Annual Report and Audited Accounts of the Institute for the year 1984-85 which were due for laying by 31st December, 1985, have not been laid so far.

8.10 From the information supplied by the Ministry of Health and Family Welfare, the Committee observe that the delay was not confined to a particular year but repeated in all the years of the report and at all the stages of finalisation of the reports and accounts. The Committee feel that the persistent delay in finalisation of the Annual Reports and accounts and laying them on the Table of the House had been entirely due to the negligence on the part of that Ministry of Health and Family Welfare to impress upon the Institute the necessity of submitting these documents by the stipulated time. No effort seem to have been made by the Ministry to assist the Institute identify the stages of delay which had been prevalent in all the years in the matter of finalisation of accounts, giving them to Audit, getting them audited, etc.

8.11 The Committee note that the main reasons for delay in laying these documents on the Table of the House was lack of arrangements for translation. Neither the Institute nor the Ministry of Health and Family Welfare considered this matter seriously and did not take positive steps to solve this problem. The work of translation was kept on accumulating year after year. The Committee feel that the decision to entrust the work of translation to the Central Hindi Directorate, Madras should have been taken much earlier. It is pity that it has taken 3 long years in correspondence to settle the issue. The Committee deplore this delay which could have been avoided had the Ministry acted swiftly and with foresightedness and by resorting to mutual discussion at personal level

instead of doing protracted correspondence. The Committee would like to observe that by not submitting these documents to Parliament in time, the Members of Parliament have been denied the opportunity of studying them and to participate effectively in their discussion in the House. The Committee trust that the Ministry of Health and Family Welfare will take necessary steps hereafter to observe the time schedule prescribed by the Committee and lay the Reports and accounts of the Institute on the Table of the House by the stipulated time in future.

## APPENDIX

### *Summary of Recommendations/Observations contained in the Report*

S. No.	Reference to Para No. 1 of the Report	Summary of Recommendation/Observation
--------	---------------------------------------	---------------------------------------

1	2	3
---	---	---

1	1.13	
---	------	--

Apart from the fact that the Apparel Export Promotion Council could not hold their Annual General Meetings owing to the Court order staying holding of the meeting in the years 1982 and 1983, the Committee find that the delay in laying the annual reports and audited accounts of the Apparel Export Promotion Council had also occurred on account of the fact that the statement explaining the reasons for delay in submitting these documents had not been received from the Council. Surprisingly, the Ministry took 4 months to obtain this statement from the Council, incidently located in New Delhi, and laying it on the Table of the House. The Committee would like the Ministry of Textiles to issue standing instructions to the organisations/bodies under their administrative control to send a statement showing reasons for delay whenever the Report and Audited Accounts are unavoidably submitted with delay. This would obviate the delay in obtaining the required statement afterwards. The Committee also observe that much time has been taken in compilation of accounts of the Council, in auditing of the

accounts and in Hindi translation of the documents before they were laid before Parliament. The Committee, therefore, recommend that the Ministry of Textile should take up the matter conclusively with the authorities of the Apparel Export Promotion Council for streamlining the procedure and adopting a time bound programme for compilation, auditing of accounts, translation, printing etc. of the annual reports and accounts of the Council and laying them on the Table of the House within nine months of the close of the accounting year. The Committee need hardly stress that timely presentation of these documents would help the Members of Parliament in keeping abreast of the latest position regarding the performance, achievements and stability of the organisation.

The Committee note that the Central Research Institute for Yoga was established as an autonomous body in 1976. Subsequently its management was taken over by Government for a period of 3 years from 1977 to 1980. From 1980 onwards the Institute was allowed to function again as an autonomous body. As a result thereof, considerable time was taken in deciding whether CAG who had been auditing the accounts of the Institute during the period of take over, could continue undertaking the audit of the Institute after the year 1980. This caused delay of more than 3 years in finalising the Annual Report and Audited Accounts of the Institute and laying them on the Table of the House. The Committee are constrained to observe that the Ministry of Health and Family

Welfare have taken an unduly long time on resolving this issue. The whole matter could have been solved much earlier had the Ministry moved speedily.

3 2.10

The Committee also note that the Annual Report of the Institute for the years 1981-82, 1982-83 and 1983-84 were laid on the Table of the Lok Sabha on 25th July, 1985 and the Audited Accounts of these years were laid on 22nd August, 1985. The Committee cannot but express their dissatisfaction over the fact that these two documents had not been laid together on the Table of the House. The Committee are of the view that the purpose of laying Annual Reports and Audited Accounts together before Parliament is to keep Parliament fully informed of the activities and achievements of the Institute. This purpose is defeated if both the documents are not laid together within nine months of the close of the accounting years.

4 2.11

The Committee would therefore like to reiterate their earlier recommendation contained in paragraph 3.5 of their First Report (Fifth Lok Sabha) which *inter-alia* stipulates 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 before Demands for Grants after administrative Ministry are taken up for consideration. To achieve this end, the Committee recommend

that the Ministry of Health and Family Welfare, being the administrative Ministry incharge of the affairs of the Institute should take immediate steps to amend the Rules, Regulations and Bye-laws of the Central Research Institute for Yoga, New Delhi providing therein that the accounts of the organisation shall be audited by CAG under Section 20 of CAG (DP&C) Act, 1971 and that then Annual Reports together with the Audited Accounts and Audit Report thereon with the 'Review' would be laid on the Table of the House within nine months of the close of the accounting year.

The Committee are concerned to note that the Annual Reports and Audited Accounts of the Fruit and Vegetable Development Corporation Limited, Patna, for the years 1980-81 and 1981-82 were laid on the Table of Lok Sabha as late as 6th August, 1984 and 17th May, 1985 respectively i.e. 31 months and 28½ months after close of the relevant accounting year. From a perusal of the delay statement laid alongwith the reports and accounts, the Committee feel that the delay could have definitely been minimised if the Corporation had compiled the accounts within 3 months of the close of the accounting years, as recommended by the Committee on Papers laid on the Table in paragraph 4.16 of their Second Report (Fifth Lok Sabha) and the approached the Company Law Board sufficiently in advance for appointment of Statutory Auditors. The Committee also feel that neither the Ministry of Food and Civil Supplies nor the Fruit and Vegetable Development Corporation have given due importance to the aforesaid recommendation of the Committee that the Government Companies should not take more than 3 months for compilation of accounts and their



submission to Audit and next six months for auditing of accounts, printing of the report and sending the same to Government for placing before Parliament.

6

3 10

The position of Annual Report and Audited Accounts of the Corporation for the year 1982-83 was no better as these were laid on the Table of Lok Sabha as late as 20th December, 1985 i.e. 24 months after close of the accounting year. Further the annual reports and audited accounts of the Corporation for the years 1983-84 which were due for laying by 31st December, 1984 and 31st December, 1985 have not been laid so far. The Corporation has been perpetually in arrears in submitting their Annual Reports and Audited Accounts to Parliament right from the year 1980-81 with no signs of improvement till date. The Committee find it difficult to resist the conclusion that the Directors of the Corporation have been totally complacent of their obligation to process the reports and accounts for presentation to Parliament by the stipulated time every year and the Ministry concerned did also not pay any serious attention to examine this matter with a view to locate the weak links and delaying obstacles and to take remedial measures thereon. The Committee need hardly stress that the very purpose in laying these informative documents is defeated if they are not laid in time and made available to Members of Parliament when the demands for grants of the concerned Ministries are taken up for consideration.

The Committee recommend that the Annual Reports and Audited Accounts of the Corporation for the years 1983-84 and 1984-85 which are in arrears, should be laid on the Table of the House without further delay. The Committee find that each year, the Corporation has to approach the Company Law Board for appointment of Statutory Auditors and this process takes long time. The Committee hope that in future the Corporation will approach the Company Law Board for the appointment of Auditors well in advance, compile the accounts within 3 months of the close of the accounting year and complete all other formalities in the next six months are furnish to the Ministry of Food and Civil Supplies for placing before Parliament within nine months of the close of the accounting year as recommended earlier by the Committee. The Committee would also like the Ministry of Food and Civil Supplies to explore the possibility of having a standing arrangement for statutory auditing in consultation with the Company Law Board or for a block of years so as to avoid delay in appointment of and settlement with the statutory auditors each year.

The Committee are distressed to note that the Annual Report and Audited Accounts of the Central Government Employee's Consumer Cooperative Society Limited, New Delhi for the year 1982-83 which in terms of the recommendation of the Committee on Papers laid on the Table made in para 4.16 of their Second Report (Fifth Lok Sabha) was required to be laid on the Table of the House by 31st March, 1984 i.e. within 9 months of the close of the accounting year, were actually laid after an inordi-

late delay of about one year and these documents for the years 1983-84 and 1984-85 are yet to be presented to Parliament.

As regards the delay in laying the Annual Report and Audited Accounts for the year 1982-83, the Committee find that an inordinately long period of 6 months was taken in auditing the accounts by Auditors. Thereafter, the Society took more than two months in placing the Annual Report and Audited Accounts before their General Body for adoption. The Committee also find that the Department of Personnel after receipt of the documents took 9 months in laying them on the Table of the House. The Committee cannot accept the plea taken by the Department of Personnel and Administrative Reforms that heavy turnover of sales, time taken in replying to the Audit queries and getting the approval of the General Body attributed to the delay. The Committee feel that knowing fully well the importance and urgency of the matter, the Department of Personnel did not care to adhere to the time schedule of nine months prescribed by the Committee but witnessed the Society acting in the matter in a very routine manner. No reasons have been deduced by the Department for not laying the documents on the Table of the House for 9 months. Though printed copies were received by it as far back as 19th June, 1984, the documents were actually laid on the Table on 20th March, 1985. The Committee deprecate this indifferent attitude and lethargy on the part of the Department of Personnel

and Administrative Reforms. The Committee also express their displeasure for not having honoured their aforementioned recommendation and for not having laid till date the Annual Reports and Audited Accounts for the subsequent years i.e. 1983-84 and 1984-85.

The Committee, therefore, urge upon the Department of Personnel and Administrative Reforms to involve themselves with the affairs of the Society and make sincere efforts to streamline the procedure of finalising the Annual Report and Audited Accounts of the Society so as to eliminate the delays in future. The Committee is of the opinion that considering the amount of funds and financial transactions involved in the aforesaid Society, the importance of finalising their accounts and audit thereof every year by the stipulated period cannot be minimised and hope that the Department will be more vigilant in future.

The Committee note that the Annual Report and Audited Accounts of the Coal Mines Provident Fund Organisation for the year 1983-84 were laid on the Table of Lok Sabha on 26th July, 1985 i.e. after about 7 months of the close of the accounting year. The delay took place at the stages of compilation of accounts, auditing and printing of Annual Reports and Audited Accounts. The Committee feel that there is need for drawing up a time bound programme to ensure elimination of delay in laying the documents in time on the Table of the Houses of Parliament. The Committee would, therefore, like to reiterate their earlier recommendation made in paragraph 4.16 of the Second Report (Fifth Lok Sabha) whereby the Coal Mines Provident Fund Organisation

should compile their accounts within 3 months of the close of the accounting year and make them available to the Auditors for auditing. The other formalities viz. auditing of accounts, resolving audit queries, if any, submission of Audit Report, adoption of Annual Reports and Audited Accounts by the Board of Trustees, translation, printing and forwarding them to the Ministry for laying the documents on the Table of the House should be completed within the next six months.

The Committee also note with regret that the adoption of Annual Accounts by the Board of Trustees was done before completion of audit of those accounts which was quite irregular and not in keeping with the norms and established practice in this regard. The Committee suggest that the final accounts should be placed before the Board of Trustees after completion of the audit formalities in order to avoid objections at a later stage.

The Committee further find that one of the factors that led to the delay in laying the documents on the Table of the House, was that the quality of printing of Hindi version was not up to the required standard and these had to be reprinted. The Committee recommend that quality of printing by the Printers should be ascertained in the first instance before allotting the work so that proper printing of the documents is ensured and cases of delaying in reprinting are eliminated in future.

2

5.9

5.10

1

12

13

The Committee note that the Annual Report and Audited Accounts of the National Institute of Rural Development, Hyderabad for the year 1983-84 were laid on the Table of the Lok Sabha with the delay of about 4 months, and the delay occurred at the stages of auditing of accounts, approval of the Annual Report and Audited Accounts by the Executive Council and the General Council and Translation and printing of these documents. The Committee feel that there was need to reduce the time taken at the stages of auditing and approval by the Executive Council/General Council of the Institute and the time taken in all these formalities could have definitely been curtailed had the Ministry and the Institute been serious in adhering to the time schedule of nine months prescribed by the Committee on Papers laid on the Table in paragraph 4.10 of their Second Report (Fifth Lok Sabha) presented to the Lok Sabha on 12th May, 1976. The Committee hope that the Ministry of Agriculture in consultation with the National Institute of Rural Development, Hyderabad would streamline the procedure so as to ensure that all the formalities are completed and the documents are laid on the Table of the House, by the stipulated period.

The Committee note that the Annual Report and Audited Accounts of the National Institute of Homoeopathy, Calcutta for the year 1982-83 were laid on the Table of Lok Sabha as late as 28th March, 1985 i.e. after 15 months of close of the accounting year. The Committee find that the Institute took 3½ months in compiling the annual accounts; the Auditors took more than 6 months for furnishing the final Audit Report to the Institute, the President of

the Governing Body took about one year for approval of the Report and accounts, and thereafter translation into Hindi and printing thereof took another 3 months. The Committee also note that the Annual Report and Audited Accounts of the Institute for the subsequent year 1983-84 were laid on the Table of Lok Sabha on 8th August, 1985 i.e. after about 7 months of the close of the accounting year. The documents for the year 1984-85 which were required to be laid before Parliament by 31st December, 1985 have not been laid so far.

The Committee regret to note that auditing of accounts has taken more than six months while normally auditing should not take more than 3 months. The President of the Governing Body of the Council who happens to be the Minister of Health has taken one year in approving the Report and Accounts which is an unduly long period. The Ministry of Health and Family Welfare cannot absolve itself of the responsibility of delay in this connection. The Ministry should have seen to the matter that this clearance was obtained expeditiously and whole process completed swiftly by being more vigilant and active. The Committee constrained to observe that the Ministry has not treated this matter with seriousness and sense of urgency it deserves.

The Committee would, therefore, like to reiterate their earlier recommendation contained in para 4.16 of their Second Report (Fifth Lok Sabha) presented to Lok Sabha on 12th May, 1976 and

impress upon the Ministry of Health and Family Welfare to draw up a time bound programme for all stages to ensure timely laying of Annual Reports and Audited Accounts of the National Institute of Homoeopathy, Calcutta, on the Table of the House in future.

18

8.9

The Committee feel concerned to note that the Annual Reports and Audited Accounts of All India Institute of Speech and Hearing, Mysore for the years 1978-79, 1979-80, 1980-81, 1981-82, 1982-83 and 1983-84 which were required to be presented to Parliament within nine months of the close of the relevant accounting year as per recommendation of the Committee on Papers laid on the Table made in para 3.5 of their First Report (Fifth Lok Sabha), were actually placed on 2nd May, 1985 i.e. after a delay of 64 months, 52 months, 40 months, 28 months, 16 months and 4 months respectively. The Annual Report and Audited Accounts of the Institute for the year 1984-85 which were due for laying by 31st December, 1985, have not been laid so far.

19

8.10

From the information supplied by the Ministry of Health and Family Welfare, the Committee observe that the delay was not confined to a particular year but repeated in all the years of the report and at all the stages of finalisation of the reports and accounts. The Committee feel that the persistent delay in finalisation of the Annual Reports and accounts and laying them on the Table of the House had been entirely due to the negligence on the part of the Ministry of Health and Family Welfare to impress upon the Institute the necessity of submitting these documents by the



stipulated time. No effort seem to have been made by the Ministry to assist the Institute identify the stages of delay which had been prevalent in all the years in the matter of finalisation of accounts, giving them to Audit, getting them audited, etc.

The Committee note that the main reason for delay in laying these documents on the Table of the House was lack of arrangements for translation. Neither the Institute nor the Ministry of Health and Family Welfare considered this matter seriously and did not take positive steps to solve this problem. The work of translation was kept on accumulation year after year. The Committee feel that the decision to entrust the work of translation to the Central Hindi Directorate, Madras should have been taken much earlier. It is pity that it has taken 3 long years in correspondence to settle the issue. The Committee deplore this delay which could have been avoided had the Ministry acted swiftly and with fore-sightedness and by resorting to mutual discussion at personal level instead of doing protracted correspondence. The Committee would like to observe that by not submitting these documents to Parliament in time, the Members of Parliament have been denied the opportunity of studying them and to participate effectively in their discussion in the House. The Committee trust that the Ministry of Health and Family Welfare will take necessary steps hereafter to observe the time schedule prescribed by the Committee and lay the Reports and accounts of the Institute on the Table of the House by the stipulated time in future.