

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

(EIGHTH LOK SABHA)

FIRST REPORT

[Presented on 19 August, 1985]



LOK SABHA SECRETARIAT
NEW DELHI

August, 1985; Sravana, 1907 (Saka)

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FIRST REPORT OF COMMITTEE ON PAPERS LAID ON THE TABLE (1985-86)

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

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3. Shri Naresh Chandra Chaturvedi
4. Shri Shanti Dhariwal
5. Shri G. S. Gholap
6. Shri Kammodilal Jatav
7. Shri Maurice Kujur
8. Shri C. K. Kuppuswamy
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10. Shrimati Manorma Singh
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13. Shri Ramashray Prasad Singh
14. Shri Atish Chandra Sinha
15. Shri V. Tulsiram

SECRETARIAT

Shri N. N. Mehra—*Joint Secretary*.

Shri S. Balasubramanian—*Chief Legislative Committee
Officer*.

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

INTRODUCTION

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

2. On examination of certain papers laid on the Table of Lok Sabha during the Eighth, Tenth, Eleventh, Thirteenth and Fourteenth Sessions (Seventh Lok Sabha), the Committee have come to certain conclusions in regard to delay in laying (i) Annual Report and Audited Accounts of the Central Council for Research in Ayurveda and Siddha; (ii) Annual Reports of Tea Trading Corporation of India Limited, Calcutta; (iii) Annual Reports of the Karnataka Dairy Development Corporation Limited, Bangalore; (iv) Twenty-First Report by the Deputy Commissioner for Linguistic Minorities in India for the period July, 1980 to June, 1981; (v) Annual Report and Audited Accounts of the Indian Road Construction Corporation Limited; and (vi) Annual Report and Audited Accounts of the Central Revenues Sports Board for the years 1979-80 and 1980-81. The conclusions of the Committee are embodied in the Report.

3. On 13 September, 1984, the Committee took evidence of the representatives of the Ministry of Health and Family Welfare on the question of delay in laying the Annual Report and Audited Accounts of the Central Council for Research in Ayurveda and Siddha. On 19 October, 1984, the Committee took evidence of the representatives of the Ministry of Commerce on the question of delay in laying the Annual Reports of the Tea Trading Corporation of India Limited. On 12 September, 1984, the Committee took evidence of the representatives of the Ministry of Agriculture on the question of delay in laying Annual Reports of the Karnataka Dairy Development Corporation Limited, Bangalore. On 13 September, 1984, the Committee took evidence of the representatives of the Ministry of Home Affairs on the question of delay in laying their Twenty-First Report by the Deputy Commissioner for Linguistic Minorities in India.

4. The Committee wish to express their thanks to the Officers of the Ministries of Health & Family Welfare, Commerce, Agriculture and Home Affairs for furnishing the information desired by the Committee.

5. The Committee considered and adopted this Report at their sitting held on 8 August, 1985.

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

NEW DELHI;
8 August, 1985
17 Sravana 1907 (Saka)

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

CHAPTER I

DELAY IN LAYING THE ANNUAL REPORT AND AUDITED ACCOUNTS OF THE CENTRAL COUNCIL FOR RESEARCH IN AYURVEDA AND SIDDHA FROM 1979-80 to 1981-82

The Annual Report and Audited Accounts of the Central Council for Research in Ayurveda and Siddha for the year 1979-80 were laid on the Table of Lok Sabha on 29 April, 1982, alongwith a statement explaining the reasons for delay. In terms of the recommendation of the Committee on Papers laid on the Table, made in paragraph 3.5 of their First Report (Fifth Lok Sabha) these papers were required to be laid on the Table within 9 months of the close of the year, i.e., by 31-12-1980. The period of delay involved in laying the Annual Report for 1979-80, thus, came to 16 months.

1.2. In the Statement laid on the Table on 29 April, 1982, the reasons for delay in laying the Annual Report for 1979-80 had been explained as under:—

“The Central Council for Research in Ayurveda and Siddha is an autonomous organisation registered under the Societies Registration Act, 1860 and is fully financed by the Ministry of Health and Family Welfare. The Annual Report for the year 1979-80 and the audited statement of Accounts for the same year was approved on broad lines by the Governing Body at its meeting held on the 19th December, 1981. However, as resolved by the Governing Body, the Annual Report was subsequently recast by a Committee. Copies of the reports in English were received from the Council in January, 1982. Hindi copies have been received now.”

1.3. The Central Council for Research in Ayurveda, and Siddha was established on 10 July, 1979. On being asked in May, 1982 as to when the recommendation of the Committee on Papers laid on the Table regarding laying of Annual Reports and Audited accounts of the Council was conveyed to the Council, the Ministry of Health and Family Welfare informed that a decision in the matter was taken by the Ministry and communicated to the Council on 15 December, 1980 and the Annual Report and Audited Accounts of the Council for the year 1979-80 were laid on the Table of Lok Sabha for the first time on 22 April, 1982.

1.4. In reply to another query about the steps taken to eliminate the delay in future, the Ministry informed that efforts were being made to reduce the time taken for translation and printing of the Annual Reports both in English and Hindi.

1.5. As regards the reasons for taking 6 months (from 27 August, 1980 to 27 February, 1981) for commencing the audit work on the accounts of the Council for 1979-80 and the action taken by the Ministry to ensure timely auditing of accounts, the Ministry stated as under:—

“The accounts of the Council for the period from 10-1-79 to 31-3-80 were forwarded to the Director of Accounts, Central Revenue on 27-8-80 with a request to send their audit party in the first week of September. But, they sent their audit party only on 27-2-81 which completed their work on 20-4-81.

The matter regarding timely auditing of accounts is pursued with the Council which is an autonomous organisation. The Council is instructed to adhere strictly to the time schedule laid down in this regard. The Council in turn instructs all their subordinate institutions to make available the requisite material within the stipulated time.”

1.6. On being asked about the time normally taken for the Council to approve the Annual Report and Audited Accounts at its Annual General Meeting, after the drafts thereof had been considered by its Governing Body, the Ministry explained the position as under:

“The accounts of the Council for the previously financial year are normally finalised and kept ready for audit within 3 to 4 months of the close of the financial year. The Director of Accounts, Central Revenue schedule their audit inspection according to their programme. Normally it is done during December-January. As regards the annual report, the draft reports are made ready after getting sectional reports from all the subordinate Institutes/Centres soon after closing of the financial year within 2 months of the close of the financial year. Thereafter the draft reports are consolidated and submitted to the concerned Scientific Advisory Committee and after their vetting, final draft report is made ready to be presented to the Governing Body of the Council. This would approximately take 4 months time if meetings of

these bodies could be arranged during the period. If the D.A.C.R. audit report is also available by then, such reports along with the statement of accounts are also annexed to the draft annual report and approved by the Governing Body. The Council has been advised to speed up the time schedules so that the Annual Reports and Audited Statement of accounts are presented to Parliament well in time."

1.7. Indicating the reasons for not laying the 'Review' of Government along with the Annual Report and Audited Accounts of the Council for 1979-80, the Ministry stated that the Annual Report was finalised by the Governing Body of which the Minister of Health and Family Welfare was the President. Similarly the Audited Accounts were finally certified by the Director of Accounts, Central Revenues.

1.8. The Annual Report and Audited Accounts of the Central Council for Research in Ayurveda and Siddha for the year 1980-81 were laid on the Table of Lok Sabha on 8 March, 1984, along with a statement explaining the reasons for delay. The period of delay involved in laying the Annual Report and Audited Accounts for 1980-81 came to 26 months. In the statement, the reasons for delay had been explained as under:—

"The Annual Report together with Audited Statement of Accounts for the year 1980-81 was to be adopted by the Governing Body of the Council. The draft Annual Report together with the Audited Statement of Accounts for the year 1980-81 was placed before the Governing Body at its meeting held on 19-12-81. The Governing Body constituted a Sub-Committee to recast and finalise the Annual Report for the year 1980-81 on behalf of the Governing Body. The Sub-Committee finalised the Annual Report for the year 1980-81 and the same was circulated to the members of the Governing Body on the 3rd March, 1983. The Annual Report and Audited Statement of Accounts for the year 1980-81 have been approved by the Governing Body.

The Annual Report alongwith Audited Statement of Accounts for the year 1980-81 (Hindi and English versions) was since under print and printed copies have been received only in January, 1984."

1.9 The Annual Report and Audited Accounts of the Council for the year 1981-82 were laid on the Table of Lok Sabha on 29

March, 1984 together with a statement explaining the reasons for delay. The period of delay involved was 15 months. In the statement, the reasons for delay had been explained as under:

"The consolidation of the accounts and expenditure statement and balance sheet are prepared at Headquarters office. Due to non-availability of experienced accounts staff at the decentralised Institutes/Centres there was delay in getting accounts completed in all respects in time and as such there was some delay in consolidation of accounts of the Council at the Headquarters office.

Since the Annual Reports of the Council are highly technical in nature, there was delay in translation into Hindi. The Council had prepared the statement of accounts in respect of the year 1981-82 and sent to the Director of Audit, New Delhi for audit on 1-7-1982. Audit was conducted by the Director of Audit from 27-7-82 to 18-9-1982. Audited Accounts were received from the Director of Audit on 9-12-1982.

Annual Report together with Audited Statement of accounts for the year 1981-82 were to be adopted by the Governing Body of the Council. Annual Report and Audited statement of accounts for the year 1981-82 were circulated to the members of the Governing Body on 3-3-1983. These documents have thus been approved by the Governing Body by circulation. The Annual Report and Audited statement of accounts for the year 1981-82 (Hindi and English version) were since under print and printed copies of these documents have been received only on 29-2-1984.

This Ministry had requested the Lok Sabha Secretariat on 17 February, 1984 to move the Committee on Papers laid to kindly grant extension of time for laying the Annual Report and Audited statement of accounts for the year 1981-82 upto 31 March, 1984"

1.10. As decided by the Committee on 13 July, 1984, the representatives of the Ministry of Health and Family Welfare appeared

before the Committee on 13 September, 1984 and tendered oral evidence on the subject.

1.11. During evidence when asked to explain the circumstances which led to delay in laying the Annual Reports and Audited Accounts on the Table of the House, the Additional Secretary, Ministry of Health and Family Welfare admitted that it was true that the Ministry did not observe the time schedule prescribed for placing the required documents before Parliament. He explained that the delay was partly due to administrative problems and partly due to streamlining the procedure for submitting the Reports in time.

1.12. On being asked to state the time lag between the meetings of the previous governing body and the re-constituted governing body and when the Annual Report and Audited Accounts of the Council for the year 1982-83 was expected to be considered by the re-constituted Governing body of the Council and placed before Parliament, the witness stated that there was a time lag of slightly less than 3 years and the Annual Report and Audited Accounts for the year 1982-83 had been considered by the re-constituted governing body of the Council on 21 July, 1984 and was being sent for printing. It would, therefore, be possible for the Ministry to place the same before Parliament by 30 November, 1984.

1.13. Regarding the steps taken to avoid delay in re-constituting the Governing Body with a view to ensure timely laying of Annual Reports and Audited Accounts, the witness informed the Committee that an internal review system had been introduced in the Ministry so that a quarterly review could be made at the Secretary's level and progress submitted to the Minister about the Annual Reports and Audited Accounts of all the autonomous organisations. The witness, however, assured that there would not be much delay in laying the Annual Report and Audited Accounts for 1982-83 and those would be placed before Parliament within the extended period i.e. by 30 November, 1984.

1.14. The Committee feel distressed to note that the Annual Reports and Audited Accounts of the Central Council for Research in Ayurveda and Siddha for the years from 1979-80, 1980-81 and 1981-82 were not laid on the Table of Lok Sabha within the time limit prescribed by the Committee in their First Report (Fifth Lok Sabha). The delay of more than one year in each case is obviously inordinate. The Annual Report and Audited Accounts for the year 1982-83 which ought to have been laid before 31 Decem-

ber, 1983 are yet to be laid. While the Council was established in July, 1979, the Administrative Ministry of Health and Family Welfare took about six months merely to inform the Council about the requirement of their Annual Report and Audited Accounts to be laid on the Table of Lok Sabha.

1.15. From the information furnished to the Committee, it is apparent that the delay in laying the said documents is owing to long time taken at various stages, namely, receipt of information from different agencies, preparation of Report and Accounts, approval by the Governing Body, audit, Hindi translation, and finally printing. The Committee suggest that the Ministry should impress upon the Council to take suitable steps to identify the stages where an unusually long time is taken and fix a time schedule keeping in view the target date for their laying. The Committee need hardly add that the very purpose of laying these documents is forfeited if this is not done in time. The Committee hope that such delay would not recur in future.

1.16. The Committee find that the 'Review' by the Government on the working of the Council was not laid on the Table along with Annual Report and Audited Accounts for the year 1979-80. The Committee do not accept the stand taken by the Ministry that the laying of Review was not necessary as the Minister of Health and Family Welfare happens to be the ex-officio President of the Governing Body of the Council and would reiterate their earlier recommendations that a Review by the Government should invariably be laid even when the Government have no comments on the Report and the Accounts.

CHAPTER II

DELAY IN LAYING ANNUAL REPORTS OF THE TRADING CORPORATION OF INDIA LIMITED, CALCUTTA

The Annual Report of the Tea Trading Corporation of India Limited, Calcutta for 1979-80 was laid on the Table of Lok Sabha on 8 October, 1982 alongwith 'Review' and a statement of reasons for delay. The statement of reasons for delay read as follows:

"Ministry of Law, Justice and Company Affairs appointed statutory auditors in September, 1980 for the Annual accounts of 1979-80. It was found that the address of the auditors had been wrongly furnished. The attention of the Ministry of Law was drawn to this wrong address. An amended letter was received from them in November, 1980. The auditors started work in January, 1981, and gave their report in July, 1981. Annual-accounts were forwarded to the Director, Commercial Audit who cleared the same in October, 1981. The Annual General Meeting was held thereafter. All this resulted in delay in laying the report before both the House of Parliament."

2.2 Since the above reasons did not explain the position in detail, the factors which contributed towards delay in laying of the Report, the Ministry of Commerce were asked to furnish stagewise progress of finalising and auditing of the accounts etc. for the year 1979-80. In reply the Ministry explained the position as under:

"The Company Law Board was approached on 17-9-1980 to appoint Statutory Auditors. The Accounts of the Corporation for 1979-80 were ready on 25-11-1980 for audit. The accounts were forwarded to C&A.G. on 10-7-1981 for comments. The comments on C&A.G. were received on 17-10-1981. The Annual Report with Audited Accounts for 1979-80 were sent on 15-1-1982 for printing. The printed copies of the Annual Report were received in the Corporation on 3-3-1982 and these were received in the Ministry on 23-3-1982 for laying on the Table of the House."

2.3 The Annual Report of the Tea Trading Corporation of India Limited, Calcutta for the year 1980-81 was laid on the Table of Lok Sabha on 22 December, 1983 along with 'Review' and a statement of reasons

for delay. In the statement of reasons for delay the Ministry explained the datewise position of the Annual Report and Accounts for 1980-81 as well as the position of the Annual Reports and Accounts for 1981-82 and 1982-83. The statement read as follows:

I. In respect of the delay in submitting the Annual Report and Accounts for the year 1980-81 of the Tea Trading Corporation of India Limited, the following dates are submitted for information:—

a) The Company Law Board appointed the Statutory Auditors.	4-2-1982
b) The Accounts of the Corporation for 1980-81 were ready for Audit	1-3-1982
c) The Accounts were forwarded to the Comptroller and Auditor General for comments.	6-1-1983
d) C & A.G.'s comments were received by the Corporation.	8-4-1983
e) The Annual Report with audited accounts for 1980-81 were sent for printing.	20-4-1983
f) The copies were received for laying on the Table of the House.	2-9-1983

II (a) The present position of the Annual Report and Accounts of the Tea Trading Corporation of India for 1981-82 is that the auditing of the accounts by the Statutory Auditors was completed and the Accounts were approved by the Board of Directors of TTCI Ltd. on 8th September, 1983. The Accounts were forwarded to the Director of Commercial Audit, Calcutta on 12-9-1983. As soon as these are received back, arrangements will be made to submit them for laying on the Table of the House.

(b) The position in respect of the Accounts for the year 1982-83 is that the Accounts have been prepared and the Statutory Audit is presently under way.

III. The Ministry has placed special emphasis on the need for Tea Trading Corporation of India to ensure timely laying of the Annual Reports and Accounts of the Corporation in future."

2.4 The Annual Report of the Tea Trading Corporation of India Limited, Calcutta for the year 1981-82 was laid on the Table of Lok Sabha on 4 May, 1984 with 'Review' and a statement of reasons for delay. In the statement of reasons for delay, the Ministry explained the position as under:

"In respect of delay in submitting the Annual Report and Accounts

for the year 1981-82, of the Tea Trading Corporation of India Ltd., following dates are submitted for information:

1. Date on which accounts were ready for audit. 6-7-1982
2. Date on which statutory Auditors were appointed. 28-6-1982
3. Date on which accounts were audited by Statutory Auditor (completed audit) 8-9-1983
4. Date on which accounts were approved by the Board of Directors of TTCI Ltd. 8-9-1983
5. Date on which accounts were forwarded to the Director of Commercial Audit, Calcutta 12-9-1983
6. Date on which the accounts were cleared by the Director of Commercial Audit, Calcutta. 23-12-1983
7. Date on which the Annual Accounts were sent to printers for printing 26-12-1983
8. Date on which the AGM in respect of the said year was held. 21-1-1984
9. Copies (English Version) were received for laying on the Table of the House 6-2-1984
10. Copies (Hindi version) were received for laying on the Table of the House. 27-3-1984

The Ministry has placed special emphasis on the need for TTCI to ensure timely submission of Annual Report and Accounts of the Corporation in future "

2.5 At their sitting held on 13 July, 1984, the Committee on Papers laid on the Table considered the whole matter and decided to call the representatives of the Ministry of Commerce to know their viewpoints.

2.6 The Committee heard the representatives of the Ministry of Commerce at their sitting held on 19 October, 1984.

2.7 During evidence, explaining the circumstances leading to the delay in compilation of the accounts for the years 1979-80 and 1980-81 and their auditing by the C&A.G., the Additional Secretary, Ministry of Commerce while admitting the delay stated that the Corporation did not have anybody at the head of their Finance Department to ensure timely preparation of accounts. The initial delay in preparation of accounts of the year 1979-80 had resulted in delays of accounts for the subsequent years. Further, the Statutory Auditors recommended by the Company Law Board were from a small company who could spare only one Auditor who could not complete the task as expeditiously as it could have been done by a bigger audit company. The witness, however, informed the Committee that a Manager and Financial Manager had since been appointed in the Finance Department of the Corporation, to ensure that in future the ac-

counts were properly maintained, compiled, Audited and laid on the Table of the House in time. The Auditors had also been instructed to furnish quarterly reports of the progress made and a computer department started for expediting the work.

2.8 Asked to state the position of Annual Reports and Audited Accounts for 1982-83 and onwards, the witness informed that the Annual Accounts for 1982-83 were pending with the Comptroller and Auditor General of India and would be placed before Parliament when received from him. As regards the accounts for 1983-84, which has been pending due to non-finalisation of accounts of the earlier years, it was likely to be presented to Parliament during the Monsoon Session in 1985. The Ministry, however, hope to lay in time the Annual Reports and Audited Accounts for the year 1984-85.

2.9 On being asked about the steps that had been taken for removal of shortcomings in the Corporation as pointed out by the Auditors in their Reports the witness stated that the Finance Department had been strengthened and necessary instructions issued to the Management of the Corporations and the Board of Directors to see that all the shortcomings were removed and Annual Reports and Audited Accounts laid on the Table of the House within the stipulated period:

2.10 The Committee note with concern that there has been a consistent delay in presenting to Parliament, the Annual Report and Audited Accounts of the Tea Trading Corporation from the year 1979-80 onwards. The delay initially has been on the part of the Corporation in the preparation of the Reports and Accounts. Subsequently a long time has been taken in auditing of the Accounts. The Committee regret that this matter has not received adequate attention by the Corporation and suggest that a time bound programme for the preparation of the Annual Reports and Accounts, their auditing and laying on the Table of the House should be drawn up to be strictly adhered to so as to avoid such delays in future. The Committee would also like the Ministry of Commerce to keep a close watch in the matter to ensure timely presentation of the Reports and Accounts to Parliament.

CHAPTER III

DELAY IN LAYING ANNUAL REPORTS OF THE KARNATAKA DAIRY DEVELOPMENT CORPORATION LIMITED, BANGALORE

The Annual Report of the Karnataka Dairy Development Corporation Limited, Bangalore for the year ended 30 June, 1979 was laid on the Table of Lok Sabha on 3 March, 1983 alongwith 'Review' and a statement explaining reasons for delay. In terms of recommendation contained in paragraph 4.16 of the Second Report (Fifth Lok Sabha) of the Committee on Papers laid on the Table, the above Report involved a delay of nearly three years.

3.2 The statement explaining the reasons for delay in laying the Annual Report for 1978-79 read as follows:

"As per the Companies Act, 1956, the Accounts for 1978-79 (i.e. 1-7-78 to 30-6-79) should have been adopted at the Annual General Meeting on or before 31-12-1979. Company Law Board's permission was obtained to hold the meeting on or before 31-3-1980. The appointment of Statutory Auditors by the Government of India for the year 1978-79 was delayed. Appointment of Statutory Auditors was made by Government of India on 8-1-1980. Thereafter the Statutory Auditors submitted their report on 3-4-1981. Subsequently the Government Auditors suggested certain minor modification. The suggestions were carried out and the Statutory Auditors again submitted their report on 10-11-1981. The comments of the Comptroller and Auditor General of India on the accounts of the Corporation for the year 1978-79 was received on 7-12-1981. The Adjourned Annual General Meeting was held on 18-3-1982 and accounts for the year 1978-79 were adopted.

It may be seen from the above, that the reasons for not adopting the accounts were beyond the control of the Corporation.

- i. Date on which the accounts were compiled by the Corporation: 24-12-1980
- ii. Date on which the Statutory Auditors were appointed: 8-1-1980
- iii. Date on which the accounts were handed over to Auditors for audit: 5-1-1981
- iv. Date on which the accounts were audited by the Statutory Auditors: 3-4-1981
- v. Date on which the accounts were referred to the C & A. G.: 28-4-1981
- vi. Date on which the statutory auditors submitted their revised report: 10-12-1981

vii. Date on which the Annual General Meeting of the Corporation approved the accounts:	18-9-1982
viii. Date on which the Annual Report was presented and approved by the Annual General Meeting:	18-9-1982
ix. Date of preparation of Report in Hindi:	7-9-1982
x. Date of submission of this Report to the Ministry of Agriculture.	13-10-1982''

3.3 On being enquired about the circumstances which led to a delay of 1½ years after close of the accounting year in compilation of the Accounts for the year 1978-79, the Ministry of Agriculture stated as under:

"The Karnataka Dairy Development Corporation (KDDC) was incorporated in 1974. Consequently to the incorporation, Government dairies at Bangalore, Mysore and other Chilling Centres in the project areas run by the Government of Karnataka were taken over by the Corporation. The accounts of these dairies were maintained not on commercial lines but on Government Revenue System. These dairies did not have qualified Accountants who were conversant with commercial accounting. The account work was done by the Accounts Officer deputed from the Accountant General's Office and State Accounts Department. There was substantial delay in the initial stages in compiling the accounts for the year starting from 1975-76 and onwards.

The procedure for finalising the accounts is that unless the accounts of the previous year are adopted at the Annual General Meeting (AGM), the opening balance for the next year will not be available. Thus, the delay in finalising the accounts continued from year to year mainly because of the initial delay explained above and non-availability of qualified Accountants in the Corporation during the initial years. Subsequently the Corporation recruited a few qualified Chartered Accountants to strengthen its accounts wing. The accounts for the year 1977-78 was adopted at the Annual General Meeting of the Corporation only on 25-3-1981. The accounting work for the year 1978-79 could be taken up only after adoption of the 1977-78 accounts by the Annual General Meeting of the Corporation. Though the accounts of the Corporation were compiled on 24-12-1980 and handed over to Statutory Auditors on 5-1-1980, the accounts were only provisional in the absence of opening balance which was confirmed only after the adoption of 1977-78 accounts i.e. on 25-2-1981. In view of the circumstances explained above the Corporation could not compile and finalise the accounts on time as per recommendation of the Committee."

3.4 Asked to state the reasons for taking 7 months (from 28 April, 1981 to 7 December, 1981) by C&AG. in furnishing his comments on the

accounts and whether this question of delay was taken up with C&A.G., the Ministry stated:

"The accounts of the Karnataka Dairy Development Corporation were sent to the Office of the Comptroller and Auditor General of India on 28-4-1981. The preliminary comments on the accounts were received on 27-8-1981. Based on these comments, certain modifications were carried out in the accounts and the Statutory Auditors gave their report on the modified accounts on 10-11-1981. The final comments of the Comptroller and Auditor General on the modified accounts were received on 7-12-1981.

The question of delay was not taken up as the preliminary comments of the Comptroller and Auditor General were received on 27-8-1981. In the interval between 27-8-1981 and 10-11-1981 efforts were made by the Corporation to furnish additional information and revise the accounts which ultimately formed the basis for the revised comments of C&A.G. received on 7-12-1981."

3.5 As regards the reasons for holding the Annual General Meeting of the Corporation on 18 March, 1982 instead of 31 March, 1980 upto which the permission for holding the meeting had been granted by the Company Law Board and whether it construed violation of the provisions of the Companies Act, 1956 the Ministry explained the position as follows:

"The Annual Accounts for the financial year 1978-79 of the Karnataka Dairy Development Corporation was required to be placed before the Annual General Meeting on or before 31-12-1979 as per the provisions of the Companies Act, 1956. In view of the anticipated delay, the permission of Company Law Board was obtained to hold the Annual General Meeting for the year 1978-79 upto 31-3-1980. The Annual General Meeting was actually on 4-2-1980 but was adjourned *sine die* in the absence of certified accounts. Subsequently the accounts for 1978-79 were ready in all respects and after observing all the formalities the same were adopted in the adjourned Annual General Meeting reconvened on 18-3-1982. The provisions of the Companies Act, 1956 have not been violated since the Annual General Meeting for the year 1978-79 was duly held on 4-2-1980 well before the expiry of the extended time upto 31-3-1980 and the meeting was adjourned *sine die* in the absence of certified accounts and convened again on 18-3-1982."

3.6 Regarding the position of the Annual Report for the years 1979-80 to 1981-82, the Ministry stated:

"The Statutory Auditors for the years 1979-80 and 1980-81 were appointed on 7th May, 1981.

The Audit of 1979-80 accounts by the Statutory Auditors is expected to be completed and the accounts certified by the end of June, 1983.

This will be followed by scrutiny by the Auditors of Accountant General, Karnataka after which comments of the C&A.G. would be received. Thereafter the Audited Accounts with the C&A.G.'s comments thereon would be placed at the adjourned Annual General Meeting for adoption.

The Accounts for the year 1980-81 were compiled in May, 1982. The accounts for the year 1981-82 are under compilation and are expected to be completed shortly. Statutory Auditors for the year 1981-82 are yet to be appointed."

3.7 The position in regard to laying of Annual Reports of other Dairy Development Corporations in which Central Government have equity participation were as follows:—

	Annual Reports	Date of laying	Delay
(1) Rajasthan State Dairy Development Corporation	1978-79 1979-80 to 1980-83	18-8-1982 Not yet laid	26½ months
(2) Madhya Pradesh State Dairy Development Corporation	1978-79 1979-80 to 1982-83	22-8-1982 Not yet laid	45½ months
(3) Indian Dairy Corporation	1980-83	7-5-1982	4½ months

3.8. Explaining the position about the Annual Reports of the Madhya Pradesh State Dairy Development Corporation and Rajasthan State Dairy Development Corporation for the years from 1979-80 to 1981-82, the Ministry of Agriculture stated:

Madhya Pradesh State Dairy Development Corporation

For 1979-80, audit by the Statutory Auditors is complete and supplementary audit by the Accountant General has been started.

For 1980-81 also, audit by Statutory Auditors has been started and is expected to be completed soon.

For the year 1981-82, audit by the Statutory Auditors is to be undertaken."

Rajasthan Dairy Development Corporation Limited.

"Regarding 1979-80, audit by the Statutory Auditors is already on. After completion of the same, audit by the Accountant General will have to be taken up.

Regarding 1980-81 and 1981-82, appointment of Statutory Auditors has been taken up by the Dairy Corporation.

The Ministry has been periodically reminding the Corporations and the matter has also been taken up by Secretary, Additional Secretary and Joint Secretary with the State Chief Secretaries for early finalisation of accounts and audited reports."

3.9. The contributions made by the Central Government and the concerned State Governments towards paid-up capital of Dairy Corporations as on 1-7-1983 are indicated below:

Equity Share	Rs. in Lakhs	Percentage
(i) Karnataka State Dairy Development Corporation		
Government of India	35.00	56.45
Government of Karnataka	27.00	43.55
(ii) Rajasthan State Dairy Development Corporation		
Government of India	2,71.00	94.94
Government of Rajasthan	15.69	5.06
(iii) Madhya Pradesh State Dairy Development Corporation		
Government of India	8.90	80.83
Government of Madhya Pradesh	11.90	78.91

3.10. At their sitting held on 18 July, 1984, the Committee on Papers laid on the Table considered the reasons given by the Minis-

try and decided that the representatives of the Ministry of Agriculture might be called to appear before them to explain the delays.

3.11. At the sitting of the Committee held on 12 September, 1984, the representatives of the Ministry of Agriculture appeared before the Committee to give oral evidence on the subject.

3.12. When asked to explain the responsibility of the Ministry of Agriculture in getting the Annual Reports and Audited Accounts of the Karnataka Dairy Development Corporation Limited, Bangalore and place them before Parliament, the Additional Secretary, Ministry of Agriculture stated that the Karnataka Dairy Development Corporation functioned at the State level and the Central Government, in spite of their holding equity participation in it, did not have any administrative control over the functioning of the Corporation. The equity participation was in the nature of giving financial assistance as a developmental measure whereas all issues relating to maintenance of accounts, management etc. were areas under the jurisdiction of the State Government. Despite the fact that the Corporation received grant from the Centre, the Corporation was basically answerable to the State Government. Regarding the extent of control exercised by the Ministry, the witness informed that their Directors who were represented on the Board of the Corporation, drew the attention of the management to the unsatisfactory situation in regard to compliance with the statutory requirements of placing the Annual Reports and Accounts of the Corporation before Parliament. The Ministry had also drawn the attention of the State Government periodically at the level of Chief Minister, Chief Secretary, etc. drawing their attention to the unsatisfactory situation.

3.13. Regarding the steps taken for clearance of backlog of accounts of the previous years, the Managing Director of the Karnataka Dairy Development Corporation informed the Committee that the Corporation had drawn a time schedule whereby the auditing of the accounts had to be got completed and reports submitted to the Government as indicated under:

1980-81	. By 31 January, 1985
1981-82 By 30 June, 1985
1982-83 By 30 September, 1985
1983-84 By 30 September, 1985

3.14 The Committee were also informed that the Corporation had become a cooperative Federation with effect from May, 1984

and as such the accounting system of the Corporation would undergo a change.

3.15. When asked whether the Annual Report and Accounts of the Corporation had been examined by the State Legislature, the Managing Director informed that the Annual Reports for the earlier years had been placed before the State Legislatures but had not been examined by any of its Committees.

3.16. The Ministry of Agriculture informed the Committee that the Central Government appointed three Directors on the Board of Directors of Karnataka Dairy Development Corporation, and two Directors each on the Board of Directors of Madhya Pradesh State Dairy Development Corporation, Limited, Bhopal and Rajasthan State Dairy Development Corporation Limited, Jaipur. The Ministry also informed that at the meeting of the Board of Directors of Madhya Pradesh State Dairy Development Corporation Limited held on 21 May, 1984 the Director from the Centre had brought to the notice of the Board the requirement of placing the Annual Reports before Parliament, which was being delayed due to non-finalisation of accounts. Accordingly, the Board decided to review the audit position in every Board Meeting. In addition the question of timely submission of the Annual Reports was discussed in the Review meetings of the Corporations held from time to time. In the meetings held in June, 1983, February, 1984 and August, 1984, the Corporations were asked to draw specific time schedule for submission of Annual Reports.

3.17. As regards time schedule in respect of each of the three Corporations for clearing the backlog of the Annual Reports, the Ministry furnished the following information:—

() *Karnataka Dairy Development Corporation, Bangalore.*

Year of accounts	Schedule for completing audit and placing before Parliament.
1980-81	31 January, 1985
1981-82	30 June, 1985
1982-83	30 September, 1985
1983-84	31 December, 1985

(b) *Madhya Pradesh State Dairy Development Corporation, Bhopal*

1979-80..	Report sent to the Ministry and expected to be placed before Parliament in the coming Session.
1980-81	Statutory Audit completed and accounts of C. & A.G. received. Report would be sent to Government of India by October, 1984.
1981-82	Audit by Statutory Auditors in progress. Accounts would be sent to Government of India in January, 1985.
1982-83 } 1983-84 }	The reports likely to be sent to Government of India by March, 1985 and June, 1985 respectively.

(c) *Rajasthan State Dairy Development Corporation, Jaipur.*

Time Schedule not received from the Corporation.

The Ministry further stated that the above mentioned time schedule was subject to the Statutory Auditors being appointed in time and their completing the audit within one to two months of their getting the accounts of the Corporation. The Corporation did not have any control either over the Statutory Auditors or over the Government Auditors.

3.81 The Karnataka Dairy Development Corporation, the Rajasthan State Dairy Development Corporation and the Madhya Pradesh State Dairy Development Corporation were incorporated under the Companies Act, 1956 in 1974 and 1975 with the equity participation of the Government of India in them to the extent of 56.45 per cent., 84.54 per cent and 20.25 per cent respectively. The Government of India is represented by its three directors on the Board of Directors of the Karnataka Corporation and two Directors, each on the Madhya Pradesh and Rajasthan Corporations. Although there is substantial financial involvement of the Government of India and also its participation in the management of the affairs of these Corporations, it has been possible so far only to have their annual report and audit accounts for the year 1978-79 laid on the Table of Lok Sabha and that too much after the stipulated period. The laying of the documents for subsequent years is still in fluid stage. The delay is obviously inordinate and inhibits total lack of obligation to the Parliament by the concerned authorities both in the Corporations as well as in the Ministry. The Committee take a serious view of the lapse and would recommend that immediate remedial steps be taken by the Government and the Corporations inter alia by drawing up a time bound programme for the laying of outstanding annual reports and audited accounts with the statement explaining the reasons for delay and by devising a suitable

mechanism to ensure that such delays do not recur in future. The Committee need hardly add that the steps to be devised should take into consideration advance planning about the availability of qualified accountants for the preparation of accounts and such other problems, and ~~ensuring~~ the cooperation of all agencies involved including the State Governments.

CHAPTER IV

DELAY IN LAYING TWENTY-FIRST REPORT BY THE DEPUTY COMMISSIONER FOR LINGUISTIC MINORITIES IN INDIA FOR THE PERIOD JULY, 1980 TO JUNE, 1981

The Twenty-first Report of the Deputy Commissioner for Linguistic Minorities in India for the period July, 1980 to June, 1981 was laid on the Table of Lok Sabha on 16 November, 1983 along with a statement explaining the reasons for delay. In terms of the recommendation of the Committee on Papers Laid on the Table, made in paragraph 1.17 of their First Report (Fifth Lok Sabha), the Report was required to be laid on the Table within 6 months of the close of the accounting year i.e. by 31 December, 1981. The period of delay involved in the instant case comes to 22½ months.

4.2. In the statement laid on the Table on 16 November, 1983, the reasons for delay in laying the Twenty-first Report for the period July, 1980 to June, 1981 had been explained as under.

"The post of Special Officer for Linguistic Minorities in terms of Article 350B of the Constitution (Commissioner for Linguistic Minorities) has remained vacant since May, 1977 and, therefore, there is no Report to be laid on the Table of the House in terms of Article 350E of the Constitution.

The Deputy Commissioner for Linguistic Minorities has submitted the Report to the Government in January, 1982 which is being laid on the Table of the House now. The delay has been occasioned by translation into Hindi and printing of the Report."

4.3. On being enquired about the reasons for remaining vacant the post of Special Officer for Linguistic Minorities in India remaining vacant since May, 1977, the Ministry of Home Affairs informed as under:

"The post of Special Officer (which has been designated as Commissioner for Linguistic Minorities) had fallen vacant in May, 1977 with the resignation of Smt. Neera Dogra. The then Director General (Backward Classes, Welfare) in the Ministry of Home Affairs looked after the duties and responsibilities of the post of Special Officer in addition to his own duties till his superannuation on 31st

March, 1980. Since then the Deputy Commissioner for Linguistic Minorities has been looking after the duties and responsibilities of the post of Special Officer. In the meanwhile, by a resolution dated 12th January, 1978, the Government had set up a Minorities Commission to safeguard the interests of minorities whether based on language or religion.

The matter regarding making a substantive appointment to the post of Special Officer for Linguistic Minorities has been under consideration of the Government. It may be difficult to indicate a precise time for the purpose.

Since the post of Special Officer for Linguistic Minorities in terms of Article 350B of the Constitution has been vacant since May, 1977, there is, therefore, no report to be laid on the Table of the House in terms of Article 350B of the Constitution. The Deputy Commissioner for Linguistic Minorities has since been submitting his reports. These reports are being laid in Parliament in view of the Public importance of the matter."

4.4. When asked to indicate the dates when (a) the English version of the Report was ready; (b) the English version of the Report was sent for translation into Hindi; (c) the Report was finally translated into Hindi; and (d) the Report was received in the Ministry of Home Affairs for laying on the Table of the House, the Ministry explained as under:

"The English version of the Report of the Deputy Commissioner for the period July, 1980 to June, 1981 became available on 20th January, 1982. English version was sent for Hindi translation on 25th January, 1982. The final Hindi translation of the report was received on 28th July, 1982. The final printed copies of the English version of the Report for being laid in Parliament were received in the Ministry on 26th August, 1982.

4.5. Regarding the dates when the earlier 20 Reports were laid on the Table of the Lok Sabha, the Ministry informed as under:

"The earlier 20 reports of the Special Officer relate to the period 30 July, 1957 to 30 June, 1980. Due to lapse of time of nearly three decades, it may not be possible to indicate the exact dates for laying of all the reports in Parliament. However, the 18th, 19th and 20th Reports for the periods 1st July, 1975 to 30 June, 1976, 1st July, 1976 to 30th June,

1978 and 1st July, 1978 to 30 June, 1980 respectively submitted by the Deputy Commissioner for Linguistic Minorities were received in this Ministry in August, 1978, December, 1978 and December, 1980. The 18th and 19th Reports were laid in Parliament on 11th August, 1980 and the 20th Report on 5th November, 1982."

4.6. As regards the steps taken by the Ministry to ensure laying of the Reports in time in future, the Ministry stated:

"The delay in placing the reports in Parliament was occasioned on account of their printing. It is, however, the endeavour of the Government to process the reports of the Commissioner for Linguistic Minorities with utmost expedition and to place the same in Parliament as early as possible."

4.7. At their sitting held on 12 July, 1984, the Committee considered the matter in detail and decided that the representatives of the Ministry of Home Affairs might be called to place their viewpoint before the Committee. Accordingly, the representatives of that Ministry appeared before the Committee on 13 September, 1984 to tender evidence on the subject.

4.8. During evidence when asked to explain the circumstances leading to the delay of 22½ months in laying the Twenty-first Report by the Deputy Commissioner for Linguistic Minorities in India, the Additional Secretary, Ministry of Home Affairs stated as under:—

"The manuscript copy or rather the first typed copy of the Deputy Commissioner was received in the Ministry in January, 1981, about six months after the period was over because of the time taken for Hindi translation and printing and we were able to place it before the Parliament only in November, 1983 which is only one year 11 months after the date it was received in the Ministry. The delay is mainly on account of two time-lags. The first time-lag of about six months was taken in Hindi translation and the second time-lag of about one year for printing. As we had explained in our reply to the Lok Sabha Secretariat, we are taking action to reduce this time-lag.

As for the first time-lag, namely Hindi translation, it is somewhat in our control in the sense we can take action to expedite it.

But the time-lag taken in printing is not entirely within the control of the Ministry because we have to go to the press to print it and they have work load with them of various Government offices in various parts of the country. However, we will take up with the Ministry of Works and Housing."

4.9. On being asked about the present position of the Twenty-second and Twenty-third Reports by the Deputy Commissioner for Linguistic Minorities in India and the exact time when those could be placed on the Table of the House, the witness informed the Committee that a proof in respect of Twenty-second Report had been received by the Ministry and was being examined. The Government Press would be approached to expedite printing of the report within the next few months. There would, therefore, be no further delay in its being laid on the Table of the House. As far as the Twenty-third Report was concerned, the report had been translated into Hindi and was being sent for final printing. The Government presses would be impressed upon to expedite final printing of that Report also so that the printed copies are available in the Ministry for being laid before Parliament.

4.10. On the matter being pointed out that the Deputy Commissioner for Linguistic Minorities had submitted the Twenty-first Report to the Ministry of Home Affairs in January, 1984, whereafter the Ministry took about 21½ months in laying the Report on the Table of the House and the delay was stated to have occurred at the stages of translation and printing of the Report, the witness stated that necessary steps had been contemplated by the Ministry to cut short the delay. The witness indicated the following steps being taken by the Ministry:—

"The regular Commissions like the Minorities Commission or the Commission for Linguistic Minorities or the Commission for the welfare of the Scheduled Castes and Scheduled Tribes have their own translation staff. These organisations get their reports translated through their own translators, not by the translators in the Home Ministry. Since Members are anxious that there should not be this kind of delay in future, we can contemplate two kinds of steps.

If there is a sudden accumulation of work for the translation staff in this Commission, we will assist the Commissioner's office by putting our translators or the translators of the Official Language Department or even by getting the services of translators from outside so that the work

is distributed and the Report which runs to 300 or 400 pages does not get stuck up with one or two translators. That help, we can give. The other thing is to see that these Commissioners' offices themselves organize the work in such a way that they do not start with the preparation of the Report after the period is over. If you have a look at the Commissioner's Report, you will find that there are many Annexures in which they refer to action taken on the individual petitions received. All these need not really wait for the period to be over. They could prepare the chapters as the year progresses and give them over for translation so that it does not happen that all the Chapters and Annexures are given only at the final stage."

4.11. The witness was then informed by the Committee that the Constituent Assembly had been deeply concerned on the issue of Linguistic minorities and the numerous problems likely to figure in their future schemes about their cultural rights and other grievances in the sphere of education etc. By virtue of Article 350B(1) and (2) of the Constitution, the Government of India (under the allocation of business, the Home Ministry) was charged with the duty of informing Parliament in the above matter. Taking into account the lack of initiative in the finalisation of their reports, the Committee observed that due importance was not being given to the constitutional office of the Linguistic Minorities in India. Referring to this observation of the Committee, the witness stated as under:—

"This is a Constitutional office. The post of Commissioner for the Linguistic Minorities was held from 1957 to 1977 by successive persons, and it has remained vacant since May, 1977 when the last incumbent's term was over. Since then the question of filling up the office has remained under the consideration of the Government. Initially when the Minorities Commission was sought to be set up in 1977, it was decided by the then Government that this post need not be filled up because they were having other plans and the Minorities Commission was set up charged with the duty of safeguarding the interests of Linguistic Minorities also and not only the interests of the religious minorities. The Minorities Commission when it was set up initially, was only an administrative body, but attention was paid to the question whether it should be given a statutory status or Constitutional status and a Bill was brought forward where the Minorities Commission was

given the responsibility of safeguarding the interests of the Linguistic Minorities also. But later on the Bill lapsed because of the change of Government. Now we have the Minorities Commission whose responsibility also extends to the Linguistic sphere."

4.12. On being asked whether the recommendation of the Committee on Papers laid on the Table, made in the year 1976 in their First Report (Fifth Lok Sabha) for placing the Reports on the Table of the House within 6 months of the close of the year had been communicated to the Deputy Commissioner of Linguistic Minorities, the witness informed that the recommendation had been communicated to the Secretary, Minorities Commission in December, 1982 since the Deputy Commissioner's office functioned under the administrative control of the Minorities Commission.

4.13. In reply to another question whether any time limit had been laid down for the Deputy Commissioner for Linguistic Minorities in India to submit the Report to the President of India, the witness replied in the negative. In view of the fact that (a) the provisions of the Article 350(1) and (2) were not being complied with by the Ministry because of the appointment of a junior officer of the rank of Deputy Commissioner for Linguistic Minorities in India; and (b) no officer was appointed to head the Commission as per constitutional requirement for the last 7 years, especially when it involved constitutional guarantee and safeguards to linguistic minorities in the country. The Committee, therefore, decided that the Secretary, Ministry of Home Affairs might appear before the Committee at the next thing and apprise them of the developments in this regards.

The Secretary, Ministry of Home Affairs appeared before the Committee on 19 October, 1984 to tender evidence in the matter.

4.14. During evidence when asked to explain in the reasons why the Ministry could not adhere to the time-limit of six months after close of the accounting year for laying the Twenty-first Report by the Deputy Commissioner for Linguistic Minorities in India, the Secretary, Ministry of Home Affairs informed that the Reports of the Commission were voluminous and involved 6 to 8 months for translation and printing. The witness, however, informed the Committee that in order to minimize the time taken in Hindi translation, the Deputy Commissioner for Linguistic Minorities has been advised that in future instead of completing the full Report and then taking up its translation the report should henceforth be translated chapter-wise simultaneously. The Deputy Commissioner has also been

advised to make independent arrangements for translation of the reports instead of depending on the Ministry for the same. With regard to the printing of the Reports, the witness expressed his inability to cut down the time consumed in printing the Reports as the Government of India Press where the reports were printed remained over-burdened with the work of other Ministries and Departments. On a suggestion made by the Committee, the witness agreed to lay, in future, the cyclostyled copies of the Reports on the Table of the House.

4.15. The Committee regret to observe that despite their clear guidelines for laying the reports within six months after close of the accounting year, the 18th to 21st Reports of the Deputy Commissioner for Linguistic Minorities in India for the years from 1975 to 1981 were not laid on the Table within the stipulated period. The delay occurred mainly at the stages of translation and printing. While appreciating the steps taken by the Ministry to cut short the delay in translation, the Committee would like to suggest that with regard to printing of reports, which according to the witness was always held up at the Government of India Press, the matter may be taken up by the Ministry of Home Affairs at a higher level with the Ministry of Works and Housing in order to get them printed on a priority basis. However, in order to ensure timely presentation of the Reports to the House, the Ministry of Home Affairs might lay the cyclostyled copies (English and Hindi versions) on the Table of the House while printed copies may be circulated to Members later when received from the Press.

CHAPTER V

DELAY IN LAYING ANNUAL REPORT AND AUDITED ACCOUNTS OF THE INDIAN ROAD CONSTRUCTION CORPORATION LIMITED FOR THE YEAR 1982-83

The Annual Report and Audited Accounts of the Indian Road Construction Corporation Limited for the year 1982-83 were laid on the Table of Lok Sabha on 5 April, 1984 alongwith 'Review' of the Government on the working of the Corporation.

5.2 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 accounting year, i.e. by 31st December, 1983. The period of delay involved in laying the Annual Report and Audited Accounts for 1982-83, therefore, came to about three months. But the Ministry of Shipping and Transport did not lay the statement showing the reasons for delay in laying the said documents on the Table of the House.

5.3 On a request made to the Ministry to state the reasons for the above delay, the Committee were informed that although the accounts of the Corporation had been finalised in October, 1983, the time involved in auditing the accounts, their approval at the Annual General Meeting and translation and printing thereof had necessitated its presentation to the House only in April, 1984. The accounts of the Corporation could have been finalised earlier but for the fact that some of their projects operating in Libya and Iraq had been spread out in far off places which made it difficult to complete the accounts. The Ministry have, however, advised the Corporation to avoid such a situation in future and to have the accounts finalised with the utmost expedition.

5.4. The matter was considered by the Committee at their sitting held on 17 November, 1984.

5.5. The Committee note that the Corporation have taken more than 6 months in compiling the accounts and making them available for Audit whereas the Committee in their First Report (Fifth Lok Sabha) had recommended that the accounts should be available for Audit within 3 months of their finalisation.

The Committee would suggest that suitable steps be taken by the Indian Road Construction Corporation Limited to finalise their Annual Reports and Accounts well in advance in order that they could be laid on the Table of the House by the stipulated period.

CHAPTER VI

DELAY IN LAYING OF THE ANNUAL REPORTS AND AUDITED ACCOUNTS OF THE CENTRAL REVENUES SPORTS BOARD FOR THE YEARS 1979-80 AND 1980-81

The Annual Reports and Audited Accounts of the Central Revenue Sports for the years 1979-80 and 1980-81 were laid on the Table of Lok Sabha on 27 April, 1984, along with a statement showing reasons for delay and 'Review'. In terms of the recommendation of the Committee on Papers laid on the Table made in paragraph 3.5 of their First Report (Fifth Lok Sabha) presented to Lok Sabha on 8-3-1976, papers relating to the period 1979-80 and 1980-81 ought to have been laid on the Table by 31-12-1980 and 31-12-1981, respectively, i.e. within 9 months of the close of the accounting years and hence the period of delay involved in these cases were of about 40 months and 28 months, respectively.

6.2 In the statement explaining the reasons for delay, the Ministry of Finance had stated as under:

"The Annual Report and the Audited Accounts could not be laid by the due date owing to their late receipt in the Department from the Central Revenues Sports Board and certain other administrative reasons beyond control."

6.3 From the clarification received from the Ministry of Finance (Department of Revenue) relating to the time involved at various stages of the processing and adoption of the Annual Reports and Accounts of the Central Revenues Sports Board for the years 1979-80 onwards, the Committee observed as follows:—

- (i) The Audit for the year 1979-80 commenced on 7 July, 1981 and was completed on 18 July, 1981 i.e. after about 11 days whereas the Audit for the year 1980-81 which commenced on 16 July, 1982 was completed on 16 April, 1983 i.e. after about 9 months.
- (ii) An exceptionally long time of one year was taken by the Central Revenues Sports Board at various levels for approving the Report for the year 1979-80.
- (iii) The Annual Reports and Audited Accounts of the Board for the years 1981-82 and 1982-83 was proposed to be laid on the Table by 31 December, 1984 i.e. after a delay of 24 months and 12 months respectively.

6.4 The matter was considered by the Committee at their sitting held on 17 November, 1984.

6.5 The Committee are distressed to note the persistent delay in the laying of the Annual Reports and Accounts of the Central Revenues Sports Board and hope that suitable remedial steps would be taken, including adoption of a time bound programme, in order to ensure timely presentation of these documents before Parliament.

APPENDIX

Summary of Recommendations|Observations contained in the Report

S. No.	Reference to para No. of the Report	Summary of recommendations observations
1	2	3
1	1.14	<p>The Committee feel distressed to note that the Annual Reports and Audited Accounts of the Central Council for Research in Ayurveda and Siddha for the years from 1979-80, 1980-81 and 1981-82 were not laid on the Table of Lok Sabha within the time limit prescribed by the Committee in their First Report (Fifth Lok Sabha). The delay of more than one year in each case is obviously inordinate. The Annual Report and Audited Accounts for the year 1982-83 which ought to have been laid before 31 December, 1983 are yet to be laid. While the Council was established in July, 1979, the Administrative Ministry of Health and Family Welfare took about six months merely to inform the Council about the requirement of their Annual Report and Audited Accounts to be laid on the Table of Lok Sabha.</p>
2	1.15	<p>From the information furnished to the Committee, it is apparent that the delay in laying the said documents is owing to long time taken at various stages, namely, receipt of information from different agencies, preparation of Report & Accounts, approval by the Governing Body, audit, Hindi translation, and finally printing. The Committee suggest that the Ministry should impress upon the Council to take suitable steps to identify the stages where an unusually long time is taken and fix a time schedule keeping in view the target date for their laying. The Committee need hardly add that the very purpose of</p>

S. No.	Reference to para No. of the Report	Summary of recommendation/observations
		laying these documents is forfeited if this is not done in time. The Committee hope that such delay would not recur in future.
3	1.16	The Committee find that the 'Review' by the Government on the working of the Council was not laid on the Table along with Annual Report and Audited Accounts for the year 1979-80. The Committee do not accept the stand taken by the Ministry that the laying of Review was not necessary as the Minister of Health and Family Welfare happens to be the <i>ex officio</i> President of the Governing Body of the Council and would reiterate their earlier recommendations that a Review by the Government should invariably be laid even when the Government have no comments on the Report and the Accounts.
4	2.10	The Committee note with concern that there has been a consistent delay in presenting to Parliament, the Annual Report and Audited Accounts of the Tea Trading Corporation from the year 1979-80 onwards. The delay initially has been on the part of the Corporation in the preparation of the Reports and Accounts. Subsequently a long time has been taken in auditing of the Accounts. The Committee regret that this matter has not received adequate attention by the Corporation and suggest that a time bound programme for the preparation of the Annual Reports and Accounts, their auditing and laying on the Table of the House should be drawn up to be strictly adhered to so as to avoid such delays in future. The Committee would also like the Ministry of Commerce to keep a close watch in the matter to ensure timely presentation of the Reports and Accounts to Parliament.
5	3.18	The Karnataka Dairy Development Corporation, the Rajasthan State Dairy Development Corporation and the Madhya Pradesh State Dairy Development Corporation were incorpo-

S. No.	Reference to para No. of the Report	Summary of recommendation/observations
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rated under the Companies Act, 1956 in 1974 and 1975, with the equity participation of the Government of India in them to the extent of 56.45 per cent., 94.5 per cent and 20.25 per cent respectively. The Government of India is represented by its three directors on the Board of Directors of the Karnataka Corporation and two Directors each on the Madhya Pradesh and Rajasthan Corporations. Although there is substantial financial involvement of the Government of India and also its participation in the management of the affairs of these Corporations, it has been possible so far only to have their annual report and audit accounts for the year 1978-79 laid on the Table of the Lok Sabha and that too much after the stipulated period. The laying of the documents for subsequent years is still in fluid stage. The delay is obviously inordinate and inhibits total lack of obligation to the Parliament by the concerned authorities both in the Corporations as well as in the Ministry. The Committee take a serious view of the lapse and would recommend that immediate remedial steps be taken by the Government and the Corporations *inter alia* by drawing up a time bound programme for the laying of outstanding annual reports and audited accounts with the statement explaining the reasons for delay and by devising a suitable mechanism to ensure that such delays do not recur in future. The Committee need hardly add that the steps to be devised should take into consideration advance planning about the availability of qualified accountants for the preparation of accounts and such other problems and enlisting the cooperation of all agencies involved including the State Governments.

6	4.15	The Committee regret to observe that despite their clear guidelines for laying the reports within six months after close of the accounting year, the 18th to 21st Reports of the Deputy
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S. No.	Reference to para No. of the Report	Summary of recommendation/observations
		<p>Commissioner for Linguistic Minorities in India for the years from 1975 to 1981 were not laid on the Table within the stipulated period. The delay occurred mainly at the stages of translation and printing. While appreciating the steps taken by the Ministry to cut short the delay in translation, the Committee would like to suggest that with regard to printing of reports, which according to the witness was always held up at the Government of India Press, the matter may be taken up by the Ministry of Home Affairs at a higher level with the Ministry of Works and Housing in order to get them printed on a priority basis. However, in order to ensure timely presentation of the Reports to the House, the Ministry of Home Affairs might lay their cyclostyled copies (English and Hindi versions) on the Table of the House while printed copies may be circulated to Members later when received from the Press.</p>
7	5.5	<p>The Committee note that the Corporation have taken more than 6 months in compiling the accounts and making them available for Audit whereas the Committee in their First Report (Fifth Lok Sabha) had recommended that the accounts should be available for Audit within 3 months of their finalisation. The Committee would suggest that suitable steps be taken by the Indian Road Construction Corporation Limited to finalise their Annual Reports and Accounts well in advance in order that they could be laid on the Table of the House by the stipulated period.</p>
8	6.5	<p>The Committee are distressed to note the persistent delay in the laying of the Annual Reports and Accounts of the Central Revenues Sports Board and hope that suitable remedial steps would be taken, including adoption of a time bound programme, in order to ensure timely presentation of these documents before Parliament.</p>

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