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**COMMITTEE ON PAPERS
LAID ON THE TABLE
(2004-2005)**

(FOURTEENTH LOK SABHA)

THIRD REPORT

(Presented on 18 March, 2005)

**LOK SABHA SECRETARIAT
NEW DELHI**

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COMPOSITION OF THE COMMITTEE ON PAPERS LAID ON THE TABLE
(2004-2005)

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INTRODUCTION

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

2. As a result of examination of certain papers laid on the Table of Lok Sabha, the Committee have come to certain conclusions in regard to delay in laying of the Annual Reports and Audited Accounts of the (i) Council for Advancement of People's Action and Rural Technology, New Delhi; (ii) J&K Horticulture produce & Marketing Processing Corporation Ltd., Srinagar; (iii) National Judicial Academy, New Delhi; and (iv) Nehru Memorial Museum & Library, New Delhi.

3. On 10 September, 2004, the Committee took oral evidence of the representatives of the Ministry of Rural Development and the Ministry of Agriculture (Department of Agriculture & Cooperation) in connection with delay in laying Annual Reports and Audited Accounts of the Council for Advancement of Peoples Action and Rural Technology, New Delhi and J&K Horticulture Produce & Marketing Processing Corporation Ltd., Srinagar. On 28 October, 2004, the Committee also took oral evidence of the representatives of the Ministry of Law & Justice (Department of Justice) in connection with delay in laying Annual Reports and Audited Accounts of the National Judicial Academy, New Delhi.

4. The Committee wish to express their thanks to the representatives of the Ministry of Rural Development, the Ministry of Agriculture (Department of Agriculture & Cooperation) and the Ministry of Law & Justice (Department of Justice) for appearing before the Committee and furnishing information as required by the Committee.

5. The Committee considered and adopted this Report at their sitting held on 2 March, 2005.

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

NEW DELHI;
March, 2005

HANNAN MOLLAH,
Chairman,
Committee on Papers Laid on the Table.

CHAPTER I

DELAY IN LAYING ANNUAL REPORTS AND AUDITED ACCOUNTS OF THE COUNCIL FOR ADVANCEMENT OF PEOPLE'S ACTION AND RURAL TECHNOLOGY, NEW DELHI

The Council for Advancement of People's Action and Rural Technology (CAPART) is a Society registered under the Registration of Societies Act, 1860 and operates as an autonomous body under the aegis of the Ministry of Rural Development. The audit of CAPART has been entrusted to the Comptroller and Auditor General. During the year 2001-2002, the Council received an amount of Rs. 30 crores as grants-in-aid from the Ministry of Rural Development. There has been persistent delay in laying the Annual Reports and Audited Accounts of CAPART. The date of laying of the documents of CAPART since 1994-95 and the extent of delay is as under:—

Year	Date of laying	Extent of delay
1994-95	05.05.1997	16 months
1995-96	27.04.2000	40 months
1996-97	27.04.2000	28 months
1997-98	13.03.2001	26 months
1998-99	27.04.2001	16 months
1999-2000	16.04.2002	15 months
2000-2001	09.12.2003	23 months
2001-2002	22.07.2004	19 months

1.2 The Annual Report and Audited Accounts for the year 2002-2003 which were due for laying by 31.12.2003 were not laid till this report was considered by the Committee.

1.3 The details given in the delay statements laid alongwith Annual Reports and Audited Accounts for the years 1999-2000, 2000-2001 and 2001-2002 are as under:—

Stage	1999-2000	2000-2001	2001-2002
1	2	3	4
Accounts are required to be submitted to Principal Director of Audit	30.06.2000	30.6.2001	30.06.2002
Accounts submitted to Principal Director of Audit	29.06.2000	26.06.2001	27.06.2002

1	2	3	4
Audit of Accounts Commenced by Principal Director of Audit	07.08.2000	29.05.2001	08.11.2002 to 22.12.2002
Audit Certificate received from Principal Director of Audit	19.01.2001	04.02.2002	22.05.2003
Accounts and Annual Reports placed before the Finance & Appointments Committee	02.07.2001	13.03.2002	26.08.2003
Minutes of Finance & Appointments Committee approved by Director General	-	14.03.2002	02.09.2003
Accounts & Annual Reports placed before Executive Committee	14.09.2001	22.03.2002	03.09.2003
Minutes of the Executive Committee approved by Hon'ble MRD	19.10.2001	04.04.2002	14.11.2003
Reconstitution of EC, GB, and F&A Committees	-	28.06.2002	-
Accounts & Annual Reports placed before the General Body	14.09.2001	30.01.2003	03.09.2003
Minutes of General Body approved by Hon'ble MRD	19.10.2001	02.04.2003	12.01.2004
Receipt of translated version in Hindi	-	15.06.2003	-
Work order issued to the printer	19.10.2001	07.07.2003	23.01.2004
Receipt of First Proof of both English & Hindi version	26.10.2001	10.07.2003	01.03.2004
Final Proof of both versions with dummy	19.11.2001	15.07.2003	29.04.2004
Annual Report received in English and Hindi in CAPART	03.12.2001	22.07.2003	12.05.2004
Date of laying	16.04.2002	09.12.2003	22.07.2004

1.4 The Committee took oral evidence of the representatives of the Ministry of Rural Development and Council for Advancement of People's Action and Rural Technology, New Delhi at their sitting held on 10 September, 2004.

1.5 The main reasons for the delay in placing the Annual Reports before both the Houses of Parliament are stated to be as follows:—

- (i) Delay in receipt of Audit Certificate from the Principal Director of Audit;

- (ii) Delay in obtaining the approval of Executive Committee and General Body of CAPART. This was mainly due to non-existence of GB/EC and convenience of the President of GB and Chairman, EC; and
- (iii) Delay in translation of the Report to Hindi and printing of the reports.

1.6 Regarding the reasons for delay in the year 1995-96, the Secretary, Rural Development stated during evidence:

"There was a problem in the year 1995-96 C&AG would not give a certificate. In fact at that time, I remember, the Government had to intervene and CAPART appointed a consultant to look into the accounting system and put them in order."

1.7 Explaining the reasons further, the witness said:

"One of the problems of CAPART was that the auditor himself, who normally takes about three months time, took some time. After that it had to go to one Committee namely, the Administrative and Financial Committee. There was no problem in convening a meeting of that committee because it consists of official only. It consists of the Financial Advisor, the Director-General and one Joint Secretary of the Ministry. Apart from that, there are two non-official Members. Convening a meeting of that Committee has not passed any problem. After that it goes to the Executive Committee and then to the General Body of the CAPART. Since the Union Minister is the Chairman, these meetings would have to be held at his convenience. It has been seen in the past that the meetings could not be convened even after the audit report has been received. It is a requirement in the Article and Memorandum that the audit report has to be accepted by the General Body. After that also there have taken place some unavoidable delays because they could not get the Hindi version translation done and things like that, which I agree, is totally avoidable. We will ensure in future that such delays do not take place but certain delays are beyond our control. For instance, it has taken some time to convene the meeting. We would, of course, impress upon ourselves to see that the meetings are held regularly. Unless these meetings are held the accounts cannot be accepted and placed before Parliament. But what we have done as has been suggested by the Hon. Committee is that we have divided these activities. From the Ministry, we have now laid down certain schedule and calendar that it has to follow. We would keep monitoring it so that at least, to the extent it is possible for us we would request the hon. Minister to convene the meeting or would see if it could be done by circulation and try to see that there is no such delay."

In this regard the Director General, CAPART also added as under:—

"As has been explained by the Secretary, the cause of delay has been primarily due to non-receipt of the approval of the Executive Committee and

the General Body. Also for a year in between we did not have the General Body. It had been dissolved. That is one cause of delay. The hon. Minister is a busy person and we would have to ensure in future to get the meetings convened immediately as soon as we get the audit certificate. This year we have got the audit certificate and we be convening a special meeting of the General Body and Executive Council later. The New General Body and Executive Council has been constituted and we are going to have the meeting by the end of September or by early October. We have requested the hon. Minister to give us a date convenient to him."

1.8 To a query, whether such inordinate delays in getting approval of these bodies would call for review of the question of Ministers heading Governing Bodies of various organizations, the Ministry stated in a written reply that in view of the importance of this organization in providing succour to the downtrodden rural poor, it was imperative that said committees are headed by the head of the Ministry.

1.9 Enquired as to how many Executive Committee meetings are required to be held in a year and whether the Council had complied with the requirement, the Director General, CAPART informed that the Executive Committee meetings would have to be held quarterly and admitted that these meetings have been held only twice in a year and not every quarter. She further added:—

'It depends on the availability of the Hon. Minister. Anyhow, this time we will ensure that as soon as the audit report is available, we would request the Hon. Minister to convene the meeting even if there is not much agenda.'

1.10 As regards delay in auditing of accounts by auditors, the Director-General, CAPART stated as follows:—

"Since there were delays in the past and reports were not filed, we find that we have to really pursue this with the C&AG. It is because principally, over the last four to five year we find that Reports have been lying with the C&AG for a long time. For instance, in 2001-02 the Report was lying with the C&AG for a period of 11 months. The year before, that is in 2000-01, the Report was laying with the C&AG for a period of seven months and in the year before that, in 1999-2000, it was delayed for a period of six and a half months. Last year, our Deputy-Director of the Department was specially asked to meeting the concerned officers in the office of C&AG to expedite the audit. Despite that we go the report back only after 11 months. We have to keep on trying since the C&AG is an independent agency altogether we have to pursue them and we have to make up our mind this time that we will personally visit them.

1.11 In order to avoid delay at the stage of auditing of accounts by C&AG the Secretary, Rural Development assured during evidence that he would meet the C&AG and request him to expedite the matter.

1.12 On being asked how the auditing of accounts for the year 2000-2001 commenced (in May) before the accounts were actually handed over (in June) to the auditors, the Secretary, Ministry of Rural Development clarified as under:—

"There are two parts in audit. One is proprietary audit as they look at individual projects, performance audit and accounts audit. The performance audit has started much earlier. So, they have given, that date. They look at physical targets. The accounts audit cannot be started unless accounts are finalised and given to them."

1.13 To another query as to whether there is any mechanism in the Ministry to monitor the progress of activities involved in finalisation of the documents, the Ministry in their written reply stated as under:—

"The Secretary, the Additional Secretary & Financial Advisor and the Joint Secretary of the Ministry are on the Finance & Appointments Committee, the Executive Committee and the General Body of the CAPART. The Ministry also has a separate division to monitor the activities of CAPART. The activities of the CAPART are also reviewed on a regular basis both in the Ministry and also by these Committees."

1.14 CAPART is stated to have laid down a time schedule giving target dates for completion of various activities involved in finalization of Accounts. The Director General, CAPART stated in this regard during evidence as under:—

"We have made a calendar now and we will go by that. For instance, finalisation of annual accounts and submission of the same to CAG for undertaking an audit will be 30th June, getting the accounts audited and obtaining audit certificate from the Principal Director of Audit will be 15th October, preparation of annual report, translation in Hindi and printing and placing the annual report and audited accounts before the Executive Committee and General Body of CAPART will be definitely by 15th November, placing the annual report and audited accounts on the Table of both the Houses of Parliament will be done accordingly. We can assure that will be strict and will go by this calendar."

1.15 Regarding laying of Annual Report and Audited Accounts of CAPART for the years 2002-03 & 2003-04, the Director-General, CAPART stated during evidence as follows:—

"The report for the year 2002-03 is now ready and we have to get the approval of the Executive Committee and the General Body which would be held during September. For the year 2003-04, the auditor has completed its job. We are now waiting for the audit certificate. We are proposing to send some senior officers to get it from them. We may not be in time for the EC and GB which is to be held in September. We will convene it again sometimes in November and we hope to place the report before Parliament either during the Winter Session or during the Session to be convened in the month of February next year. We will try to place during the Winter Session but we are not too sure about it. But we hope to catch up. We will

try to put our best foot forward to ensure that we are able to catch up with the schedule"

1.16 Asked how it is proposed to ensure that the documents of CAPART are laid within stipulated time in future, the Ministry in their written reply stated as under:—

"Henceforth, care will be taken to pursue the Principal Director of Audit for timely commencement of audit and issue of audit certificate. The Annual Report will be got prepared in time and will be placed before the Executive Committee/General Body for their approval, if necessary by convening special meetings of these committees for this purpose. Care will also be taken to obviate the delay in printing of the Annual Report by taking simultaneous action for translation as well printing of these documents alongwith the action for obtaining the approval of the annual report and the audited accounts by these committees.

Special efforts will also be made to ensure that Annual Report and Audited Accounts are laid on the Tables of both the Houses of Parliament within the prescribed period of nine months from the close of the accounting year.

A nodal officer has been nominated in the organisation to deal exclusively with all the matters relating to the preparation of the Annual Report, obtaining timely audit certificate from the competent authority, getting approval from various Committees of the CAPART & finally ensuring timely laying of the documents on the Tables of both the Houses of Parliament."

1.17 The Committee regret to note that there have been delays ranging from 15 months to 40 months in laying the Annual Reports and Audited Accounts of Council for Advancement of People's Action and Rural Technology (CAPART) for the years from 1994- 95 to 2001-2002. The documents for the year 2002-2003 which were due for laying by 31.12.2003 were not laid till this report was considered by the Committee.

1.18 One of the reasons advanced for delay in laying the document is the unduly long time taken by the office of the C&AG in completing their audit and issue of audit Certificate to the Council, According to the Director General, CAPART, the Accounts of 2001-02 were lying with the office of the C&AG for a period of 11 months and the Accounts of 2000-01 were lying with them for seven months. The Committee feel that the problem can be overcome if the matter is appropriately taken up with the C&AG. The Secretary, Rural Development has assured that he would meet the C&AG in this regard. The Committee hope that as assured by the Rural Development Secretary, the matter will be taken up with the C&AG and the Committee be apprised of the outcome.

1.19 The Committee find that another major factor which has contributed to the delay in laying the documents is the delay in convening meetings and getting approval of Executive Committee and General Body of CAPART which are required to be chaired by the Minister for Rural Development. The Committee feel that the

question of Minister heading Governing Bodies of organisations under the control of their Ministries should be reviewed at the highest level as already recommended by the Committee in their 16th Report (13th LS), the relevant para of which is reproduced below:—

"Incidentally, the Committee note that delay in according approval to the annual accounts by Governing Bodies/Executive Committee is the main reason for delay in laying of documents by a number of organisations. These include Rajiv Gandhi National Institute of Youth Development, Sriperumbudur under the Ministry of Youth Affairs and Sports, National Institute of Rural Development, Hyderabad under the Ministry of Rural Development and a score of organizations under the Ministry of Health and Family Welfare. Governing Bodies/Executive Councils of all these organizations are stated to be headed by the Union Ministers and due to their pre-occupation they could not spare time to hold periodical meetings of Governing Bodies/Executive Councils. Consequently, not only the documents requiring approval of these bodies got delayed, there was also consequential delay in their being laid on the Table of the House. Such avoidable delays, the Committee feel lead to inevitable adverse impact on the efficient functioning of these organisations. The Committee, therefore, feel that the question of Ministers heading Governing Bodies of various organizations under the control of their respective Ministries should be reviewed at the highest level and if the review brings out any need for corrective measures, suitable steps be taken in the light thereof."

The Committee would like to be informed of the action taken in this regard.

1.20 Yet another factor which caused delay in laying the Annual Report and Audited Accounts of the CAPART was the delay in getting Hindi Translation and printing of the documents. The Committee feel that these factors are well within the control of the Council and delay, if any, on this account would reflect adversely on its management. As admitted by the Secretary, Rural Development, these delays are entirely avoidable. The Committee expect CAPART to take steps to avoid such unreasonable delays in future.

1.21 The Committee note that a nodal officer has since been nominated by the Council to deal exclusively with all the matters relating to the preparation and finalisation of the documents and a time schedule has also been laid down for completion of various activities concerning the Annual Reports and Audited Accounts. The Committee hope that the time schedule will be strictly adhered to and the Annual Report and Audited Accounts of CAPART will be laid in time in future.

CHAPTER II

DELAY IN LAYING ANNUAL REPORTS AND AUDITED ACCOUNTS OF J&K HORTICULTURE PRODUCE & MARKETING PROCESSING CORPORATION LTD., SRINAGAR

The Jammu & Kashmir Horticulture Produce Marketing and Processing Corporation Ltd. (J&KHPMC) was incorporated under the Companies Act, 1956 on 10 April, 1978. The total authorised capital of the project is Rs. 10 crore and paid up capital is Rs. 9.20 crore of which 3.20 crore is share of the Government of India. Since 1991-92, no financial assistance by way of grants or loan etc. has been given by Government of India to the Corporation. There has been inordinate delay in laying Annual Reports and Audited Accounts of J&K Horticulture Produce & Marketing Processing Corporation Ltd., Srinagar. The date of laying and the extent of delay in laying the documents of the Corporation is as under:—

Year	Date of laying	Extent of delay
1988-89	15.12.1999	10 years
1989-90	16.08.2000	10 years
1990-91	23.08.2001	10 years
1991-92	10.03.2003	10 years

2.2 The Annual Reports and Audited Accounts for the years 1992-93 to 2002-2003 were not laid till this report was considered by the Committee.

2.3 The Committee took oral evidence of the representatives of Ministry of Agriculture (Department of Agriculture & Cooperation) and J&K Horticulture Produce & Marketing Processing Corporation Ltd., Srinagar at their sitting held on 10 September, 2004.

2.4 Explaining the reasons for inordinate delay in laying the documents for the year 1991-92, the Department of Agriculture & Cooperation had, *inter-alia*, stated that the JKHPMC in the initial years had laid more stress on execution/implementation of the project with the result that less attention was given to audit and preparation of accounts. As a result, the account for the initial years could be prepared after a gap of 4-5 years which further delayed the preparation of accounts for the subsequent years. Asked how the Ministry justified lack of attention to audit and preparation of accounts, the Ministry stated in a written reply as follows:—

"Both the Ministry as well as the Corporation attach due importance to audit of accounts at all times, but the situation in J & K State, which was beyond the control of both the Ministry as well as the Corporation resulted in abnormal delay. Some of the reasons which resulted in delay for auditing

of accounts are (i) turbulence in the Valley which disturbed the functioning of Government organization as well as trade; (ii) delayed appointment of Statutory auditors; (iii) appointment of auditors, who were not existing in the valley on the addresses recorded on their appointment letter; (iv) death of one of the auditors; and (v) delay in reconstitution of Board of Directors and frequent transfer of some of the Directors."

2.5 During the evidence, a representative of the Ministry of Agriculture (Department of Agriculture & Cooperation) tendered apologies for the delay that had taken place in placing of the Reports before the Parliament and explained the reasons for delay as under:—

"We have identified four principal reasons as to why delays took place in placing the reports. In the very initial years, when the Corporation was set up much greater stress was laid in getting the Corporation to become functional and probably; *inter alia*, lesser stress was given to auditing and other functions.....

There were very disturbed conditions in the Valley. We had also problems with auditors. When we tried to trace the auditors who had been appointed in the address given to them, we found that they had moved from there, and it was quite possible that they had their office there and probably they moved out when disturbances took place....

There have been procedural delays in the Government also in regard to appointment of the Board of Directors because the people who were constituted as Board of Directors got transferred. Unfortunately, we are prevented from appointing people only by designation. They are appointed both by name and designation. When some person get transferred, re-constitution of the Board has to take place. That means, the file has to move or the papers have to move all the way up to the Chief Minister and down, which has created, what I would call a delay."

2.6 It has been stated that due to the disturbed law and order situations that prevailed in the Kashmir Valley for many years the records of a few offices of corporation located at Baramulla and Anantang District gutted and damaged. In the absence of records of these vital operational centres of the Corporation the process of compilation of accounts received further serious set-back. In a written reply, the Ministry stated that the fire incident in Zonal office Anantnag occurred twice *i.e.* in April, 1991 and February, 1993 and at Sopore, the fire incident took place in January, 1990.

2.7 The Managing Director of the Corporation also added as under:—

"I will give the ground reality that has been prevalent in the Valley. The working time got squeezed and the delay started occurring. Besides all these what had happened, and even the records, which were supposed to come to the Head Office for compilation of final records, got damaged and we had to trace them through the sources of other concerns, fruit traders and other related offices to make it update.

Moreover, in certain cases, there was delay in appointing the auditors by the Company Law Board. In one of the instances, Gupta & Associates were appointed and we received the appointment letter. When we tried to locate them at the address which was given by the Company Law Board, we found that the party was never existing there. It was not that it was a fake company. Probably, he had the office earlier but because of turmoil he had shifted from the Valley and then we had to revert back to the Company Law Board. Again it took some time for making a fresh appointment. When the fresh appointment was made it was a State based company—unfortunately when all the records were handed over to him, he met with a fatal accident and expired. So, these are the reasons which led us to a situation which we are seeing at the moment.

In the recent past, the State level Public Undertakings Committee and the Corporation management have laid too much stress on this and in the process we have created a special audit cell focusing our target, and wherever the Government's intervention is needed for the reconstitution of the Board and all that, they are being emphasized. I assure you that we will take all possible steps to squeeze this gap and put it on the Table of the Parliament at the earliest possible time."

2.8 Regarding appointment of auditors, a representative of the Ministry stated during evidence that "we can certainly take it up with both the C&AG and the Department of Company Affairs as to how this process of appointment of auditors can be compressed. That should certainly be possible."

2.9 Making a suggestion for speeding up the process of appointment of statutory auditors, the witness said, "It should be possible. For instance, if the Department of Company Affairs suggest a panel from which Board can pick up one. That can certainly be done. You can have a panel of six or seven people and Board should be free to take out one person from the panel to do the audit."

2.10 According to the information furnished by the Ministry (10.9.2004) in a written reply, the accounts for 1992-93 and 1993-94 have been compiled but have not been audited by the auditors appointed by C&AG. The accounts for the year 1992-93 are stated to be ready for presentation to Board of Directors for approval, but are pending as the Board is yet to be re-constituted. Though the accounts for 1993-94 are ready but they can be placed before the Board after incorporating the audited closing balances of 1992-93. The accounts for the year 1992-93 once approved by the Board of Directors shall have to be referred to auditors for audit, certification and report. Thereafter the certified accounts shall have to be referred to C&AG for supplementary audit and the accounts thereafter shall again be placed before the Board of Directors for adoption and for fixing date of Annual General Meetings.

2.11 A representative of the Corporation informed during evidence that provisional accounts up to 2003 are ready. It has been stated (19.5.2003) that the accounts of 1993-94 could not be finalized since the opening balance (closing balance of 1992-93) needs to be certified by statutory auditors.

2.12 About finalisation and laying of documents for the year 1992-93 onwards, the MD of the Corporation stated as follows:

"Provisionally, the statements of accounts up to the year 2003 are ready with us. We are expecting any moment the reconstitution of the Board after which the final figures of 1992-93 to come to us. I had requested by Principal Secretary concerned to expedite it. He said that the file was with the office of the hon. Minister. It is about to be issued any time. The moment we get the reconstituted Board, I can assure you, we would take up this item on priority as an individual item and deal with it. The statement of accounts for 1993-94 is already with us to incorporate the opening balance for this period, we have to get the statutory audited balance of 1992-93, I can assure you that all possible measures would be taken."

2.13 Regarding the question of reconstitution of the Board of Directors, a representative of the Ministry stated:

"I have already had a talk with the Chief Secretary of Jammu and Kashmir. We will certainly request him—this has to be done jointly by them and us—to see the appointments to the Board are made regularly so that Board meets regularly."

2.14 When asked to indicate as to what extent the reasons for delay in holding AGM for approval of the documents were beyond the control of the Management of the Corporation/Ministry a representative of the Corporation stated as under:—

"My submission is that normally the hon. Minister is the Chairman of the Corporation. Holding of Annual General Meeting has to suit the time of the hon. Minister and the shareholders. That is why, this delay has taken place because it is not within the MD or some other officers of our Corporation alone. So, that at time creates these delays. I do agree. Moreover, even the scenario is that we are at Srinagar for six months and at Jammu for six months. Then at times with this gap the Annual General meeting gets delayed or the Board meetings get delayed. I agree they should not have taken seven months, but this has been done after consultation with the hon. Chairman and other share holders."

2.15 The Department of Agriculture & Cooperation in their O.M. dated 19.5.2003 had stated that keeping in view the conditions prevailing in J & K, the Ministry proposed to take three issues with the Department of Company Affairs *viz.* (i) the question of relaxation for getting the accounts approved from the Board of Directors by circulation instead of holding a Board meeting; (ii) auditors should not insist on adoption of accounts of preceding year by AGM; and (iii) appointment of auditors by the Accountant General of the State instead of C&AG. When asked whether these issues were taken up with the Department of Company Affairs, the Department of Agriculture and Cooperation stated in a written reply that proposal from the Corporation required number of amendments in the Indian Companies Act, 1956 and the proposed amendments were not found feasible and hence the matter had not been taken up with the Department of Company Affairs.

2.16 The Corporation is now stated to be laying more focus on clearing the backlog of audit of accounts. A representative of the Ministry stated during evidence in this regard that it would be their endeavour to see that they do two year work in every one year so that every year the backlog of at least one year was cleared.

2.17 The Jammu & Kashmir Horticulture Produce Marketing and Processing Corporation Ltd., Srinagar was established in 1978. The Committee note with displeasure that the Annual Reports and Audited Accounts of the Corporation are laid on the Table of the House a decade after they were due. The delay has been about 10 years in respect of the documents for every year during the period from 1988-89 to 1991-92. The documents for the years 1992-93 to 2002-2003 have not been laid so far.

2.18 The Committee regret to learn that in the initial years, the Corporation did not pay adequate attention on audit and preparation of accounts. What is most disturbing is that even the administrative Ministry of the Government of India had not ensured that necessary stress was laid on timely preparation of accounts. As a result of the accounts of the initial years were prepared after a gap of 4 to 5 years.

2.19 One of the reasons advanced by the Ministry of Agriculture (Department of Agriculture & Cooperation) for the inordinate delay in laying the documents of the Corporation is the disturbed conditions in the Valley. This excuse does not seem to be sound. The turbulence in Valley appears to have manifested only in the 90s. The fact that the annual reports and audited accounts of the Corporation pertaining to the period even prior to 1998-99 and 1989-90 were laid only 10 years after the stipulated period shows that there has been something inherently wrong in ensuring the accountability of the Corporation. The Committee would urge the Government to pay due attention and look into the affairs of the Corporation seriously to ensure that the Corporation discharges its accountability to Parliament every year within the laid down time frame.

2.20 The Committee have been informed that there have been delays in appointment of auditors and there have also been procedural delays in the Government in regard to appointment of the Board of Directors. It has been assured during oral evidence that the Ministry of Agriculture would take up with both the C&AG and the Department of Company Affairs as to how the process of appointment of auditors can be compressed. As regards the constitution of the Board of Directors of the Corporation, it has been stated that absence of a system of appointment of Directors only by designation has led to procedural delays and it was assured that the matter would be taken up with the Chief Secretary of Jammu & Kashmir. The Committee wonder why these issues were not taken by the Ministry in the past. The Committee desire that these should be taken up with the concerned authorities at the Secretary level without any further delay and the Committee be informed of the outcome.

2.21 The Committee urge that the backlog of Annual Reports and Audited Accounts of the Corporation should be cleared within the shortest time possible and laid in Parliament. There should be a mechanism in the Ministry of Agriculture (Department of Agriculture & Cooperation) to monitor the progress in this regard.

Having cleared the backlog, a strict time schedule should be laid down and followed for timely completion of each stage involved in the finalisation of the documents, viz. appointment of auditors, auditing of accounts, holding of AGM for approval of the documents, translation & printing of the documents, dispatch of documents to the Ministry and processing the documents by the Ministry. The Committee would like to be apprised of the action taken in this regard.

CHAPTER III

DELAY IN LAYING ANNUAL REPORTS AND AUDITED ACCOUNTS OF NATIONAL JUDICIAL ACADEMY, NEW DELHI.

The National Judicial Academy is a Society registered under the Societies Registration Act of 1860 and came into existence *w.e.f.* 17 August, 1993. The Academy is fully financed by the grants from the Government of India. During the year 2001-2002, a grant of over Rs. 22 crores was given to the Academy. The audit of accounts of the Academy has been entrusted to C&AG. There has been persistent delay in laying the Annual Reports and Audited Accounts of the National Judicial Academy as shown under:—

Year	Date of laying	Extent of delay
1993-94 to 1996-97	13.07.1998	42 months to 6 months
1997-1998	29.10.1998	10 Months
1998-1999	15.05.2000	04 months
1999-2000	27.07.2001	07 months
2000-2001	16.05.2002	04 months
2001-2002	13.08.2003	07 months
2002-2003	23.07.2004	07 months

3.2 The Annual Report and Audited Accounts pertaining to the year 2003-04 which were due in December, 2004 have not been laid so far.

3.3 The Committee took oral evidence of the representatives of the Ministry of Law & Justice (Department of Justice) and National Judicial Academy, New Delhi at their sitting held on 28 October, 2004.

3.4 It is observed that 'statements of reasons for delay' laid alongwith the Annual Report and Audited Accounts have not disclosed the full details such as the date of finalisation of accounts, date of their submission to audit, replies given on the points raised in the audit report, the receipt of audit report from audit authorities, date of approval of competent authority, date of completion of translation & printing, date of dispatch of the documents to the Ministry, etc. The statements have also not indicated the exact reasons for delay at every stage. Asked to explain why full information in chronological order was not disclosed in the delay statement, the Ministry in their written reply admitted that "It is true that the delay statement so far have not been self explanatory" and assured that delay statements, if any, would henceforth contain full information.

3.5 It was pointed out to the Ministry of Law and Justice (Department of Justice) that if for any reason the annual report and audited accounts could not be laid within the stipulated period of the nine months, the Ministry is required to lay within 30 days of the expiry of the prescribed period or as soon as the House meets, whichever is later, a statement explaining the reasons why the report and accounts could not be laid within the stipulated period. In response, the Ministry in their written reply stated as under:—

"Alongwith submission of Annual Reports and Audited Accounts of the NJA on the Table of the House, the delay statements signed by the concerned Ministers were also being laid. However, in future, in such circumstances, another statement explaining the reasons for delay, if it occurs, beyond the said 30 day limit, will also be furnished."

3.6 It was observed that not even once had the Academy's Annual Report and Audited Accounts been laid on the Table in time since its inception in 1993. Asked to explain the specific reasons for persistent delay in laying the documents of the Academy since 1993-94, the Secretary, Department of Justice stated during evidence as under:—

"There are two reasons which I can give. First, there was no Director. If there is no head of an organisation, then there is nobody to look after. That is the main reason. So, there is no accountability..... Then, there was no Accountant. So, if you do not have a head of an organisation and if you do not have an Accountant, then these problems will arise. We now have for the first time from September a full-time Director. We also have a full time accountant."

3.7 Pointing out that there had been delay in completion of audit, the Secretary, Department of Justice stated as under:

"What is happening is that, as far as the completion of the accounts are concerned, they are more or less done by the Academy itself and is being done within the stipulated period. The Governing Council has also convened meetings and within a period of a few months, just a month or two, they have been able to adopt these accounts. What has been done is that the entire auditing work has been entrusted, under the General Financial Rules, to the Comptroller and Auditor General who in turn gives it to the DGACR. We have seen from the past experience that a considerable amount of time is taken by the office of Comptroller and Auditor General in the first scrutiny of these accounts and the period varied from nearly four months to a period of nine months, in the last few years. After having done this auditing, they present the first results of their audit and seek explanations from the officers of the National Judicial Academy and then that takes another few months. A period of about three months is being taken, after the C&AG report is received, for translation and printing.

3.8 Asked to state the efforts made by the Academy and the Ministry to ensure that the audit task is completed without delay, the Department of Justice in their written reply stated as under:—

"National Judicial Academy has been writing to the DGACR, New Delhi for expediting the audit report as well as supplementary audit report. Department of Justice was also following it up with the DGACR as well as the NJA for expediting the process before due date."

3.9 Suggesting that the Academy may go in for appointment of internal auditor to avoid delay in auditing, the witness said:—

"In the case of National Judicial Academy, the decision to go only to the C&AG was taken at the Council meeting because of the fact that it pertains to the Judiciary and Chief Justice of India being the Chairman of the Council, perhaps a greater amount of credibility would be given to an organisation which is chaired by him if the audit is done by C&AG himself. But I have decided to suggest to the Council of the NJA, as I also happen to be a member of that Council, that the Council may consider that they may take recourse to their own Articles of Association which permit the appointment of an external auditor and that the C&AG audit should be done under Rule 152A of GFR which permits the C&AG to oversee the work of the auditor. If this is done, then I see no reason why it is not possible for the audit to be done in time."

3.10 The Secretary, Department of Justice stated further in this regard as follows:—

"There are two other things which I propose to do. First, I want to have concurrent audit done by an internal auditor.....Secondly, we also propose, as is being done and it is mandated in all commercial organizations, that there should be an Audit Sub-Committee of the Board which should also look into this issue. We feel that if this is done, perhaps from the year 2004-2005—as far as 2003-2004 is concerned, we have already submitted the papers to the C&AG—we can also bring in this innovation so that most of the problems which have arisen do not take place in future."

3.11 Asked to state whether any time schedule has been laid down by the Ministry/Academy indicating the target dates for completion of various stages of finalisation of the documents, the Ministry in their written reply stated as follows:—

"The time schedule or a calendar of activities for laying the documents within the prescribed period in future will be worked out by DOJ in consultation with DGACR, as the main delay on this account is due to finalisation/submission of final Audit Certificate. The NJA would be advised to formulate a time schedule for finalisation and adoption of annual accounts by the Governing Council of the NJA, and also for completion of audit procedure."

3.12 The Committee regret to note that there have been persistent delays in laying Annual Reports and Audited Accounts of National Judicial Academy ever since the Academy came into existence in 1993. The documents for four years from 1993-94 to 1996-97 were laid together on 13 July, 1998 and thereafter there have been delays ranging from 4 to 10 months every year in laying the documents of the Academy.

3.13 One of the oft repeated recommendations of the Committee has been that if for any reason the Annual report and Audited Accounts of an organisation could not be laid within the stipulated period of nine months, the administrative Ministry should lay within 30 days the reasons why the Annual Report and Accounts could not be laid within the stipulated period. This requirement has not been fulfilled by the Ministry of Law and Justice (Department of Justice) in the past. The Committee hope that as assured by the Ministry, the Committee's recommendation in this regard will be complied with in future.

3.14 It has been stated that the Academy had neither a Director nor an Accountant to ensure timely completion of all activities. It is only recently that a full time Director and an Accountant have been appointed. The Committee hope that with the appointment of the Head of the Academy and an officer to handle the accounts, there will be improvement in the matter of adhering to the time schedule in laying the Annual Report and Audited Accounts of the Academy.

3.15 Another reason for delay in finalisation of the documents of the Academy is stated to be the long time taken for auditing of accounts and issue of audit certificate by DGACR. In order to avoid delay on this count, the Secretary, Justice has proposed appointment of internal auditors for concurrent audit, appointment of qualified external auditors and constitution of audit sub-committee of the Governing Council of the Academy. The Committee desire that the question of appointment of external auditor should be decided in consultation with Comptroller and Auditor General and the Committee be apprised of the final decision in this regard.

3.16 The Committee note that no time schedule indicating target dates for completion of various stages involved in finalisation of Annual Report and Audited Accounts has been laid down by the Ministry. It has been stated that the calendar of activities for laying the documents within the prescribed period in future will be worked out by the Department of Justice in consultation with DGACR. The Committee urge that the time schedule so prepared should be strictly adhered to and it should be ensured that the Annual Reports and Audited Accounts of National Judicial Academy are laid in time in future.

CHAPTER IV

DELAY IN LAYING ANNUAL REPORTS AND AUDITED ACCOUNTS OF NEHRU MEMORIAL MUSEUM AND LIBRARY, NEW DELHI

The Nehru Memorial Museum and Library, New Delhi, was established in 1966 as a society registered under the Registration of Societies Act of 1860. It maintains the Museum of Jawaharlal Nehru personalia, memorabilia, mementos and other objects pertaining to his life and the India Freedom Movement, a library of books, photography, motion pictures, sound recording and other material having a bearing on the history of modern India with special reference to the freedom movement. The museum launched a number of new programmes during the period under report with a view to promoting research in modern Indian history and society. The Institute is an autonomous body mainly funded by the Department of Culture, Government of India. During the year 2000-2001, a grant amounting to over Rs. 457 lakh has been released to the Museum by the Department of Culture, Government of India.

4.2 There have been delays in laying the Annual Report and Audited Accounts of Nehru Memorial Museum and Library as shown below:—

Year	Delay
1996-1997	28 months
1997-1998	19 months
1998-1999	08 months
1999-2000	08 months
2000-2001	14 months

The documents for the year 2001-2002 and 2002-2003 have not so far been laid.

4.3 The reasons for delay in laying the documents of NMML for the years 1997-98, 1998-99 and 1999-2000 as stated by the Ministry of Tourism and Culture (Department of Culture) in their written replies dated 26-5-2003 are as follows:—

1997-98	The Annual Report and Audited Accounts for the year 1997-98 could not be adopted by the General Body as the meeting of the Society could be held only on 26.2.2000.
1998-99	The Office of the Director General of Audit audited the Annual Accounts for the year 1998-99 in July 1999 but final Annual Report was received in March 2000 and the Annual Report and Audited Accounts were adopted by the Society in August 2000 and the same sent to the Department of Culture in August 2000.

1999-2000 The audited accounts for the year 1999-2000 was taken up by the Office of the Director General of Audit in November-December 2000 and the Audit Report was received in April 2001 and it was adopted in April, 2001 by circulation to avoid delay. It was finally sent to the Department of Culture on 29.05.2001.

4.4 In the 'Delay Statement' laid along with Annual Report and Audited Accounts for the year 2000-2001, the chronology of events in finalisation of the documents for that year has been given as under:—

Date on which copies of the Annual Account for the year 2000-2001 were supplied to the Audit	20.06.2001
Duration of Audit of Accounts	18.07.2001 to 14.8.2001
Date of discussion of Inspection Report	14.08.2001
Date on which the draft audit report was received by the Museum from the Director of Audit Central Revenues	27.09.2001
Date of receipt of final audit report	11.12.2001
Date on which the draft audit report was replied	22.01.2002
Date of adoption/approval of the Annual Accounts 2000-01 alongwith the Audit Report by the Nehru Memorial Museum & Library Society	22.10.2002
Date of despatch of the Annual Report alongwith the Annual Accounts to the Department of Culture	03.12.2002

4.5 Asked to state how the final audit report for the year 2000-2001 was received (on 11.12.2001) even before draft audit report/objections were replied (on 22.1.2002) by NMML, the Department has stated that the draft audit report was received on 27.9.01. As the time stipulated for giving the reply was over, the matter was discussed with the Deputy Director of Audit by NMML and former opined that there was no need to furnish the reply to the draft audit report. NMML received the final audit report on 11.12.2001 and same was replied on 22.1.2002. However, in the delay statement laid on the Table of both the Houses, the word 'draft' typed out erroneously instead of word 'final' against column No. 5 of the statement.

4.6 In a written reply dated 27.11.2003, the Ministry indicated the reasons for delay in laying the documents for the year 2000-2001 as under:—

"As per the orders of the Director General of Audit, Central Revenues, the accounts of each year are required to be submitted to them during the month of June every year. The accounts for the year 2000-2001 were sent to the Director General of Audit, Central Revenues on 20.6.2001. The audit of accounts was conducted by them during the period 18.7.2001 to 14.8.2001. After seeking the convenience of the President of the Society, the meeting of the Society was fixed on 22nd July 2002 but the same had to be postponed due to the sad demise of Shri Krishan Kant, the then Vice-President of India. Again after seeking the convenience of the President of the Society, the annual meeting of the Society was held on 22.10.2002."

4.7 The delay in convening the meeting of the Society reportedly resulted in delay in finalisation and adoption of Annual Accounts and Audit Reports in number of years. The Department have pleaded that no responsibility can be fixed on any individual for the delay as convening the meeting of the Society was beyond the control of NMML/Department of Culture. However, it has been held that Director, NMML is being advised to make vigorous efforts to convene the meeting of the Society in the month of October/November every year. However, this will depend upon the convenience of the President of the Society.

4.8 Enquired about the position regarding finalisation of Annual Report and Audited Accounts for the year 2001-2002 the Department of Culture stated on 26.5.2003 as under:—

"The Annual Report and Audited Accounts for the year 2001-2002 have been approved by the Executive Council. We have however, written to the office of the Director General of Audit to sent us the Hindi version of the Annual Report. As soon as the Hindi version of the report is received, the Chairman of the Society will be approached for giving the date convenient to him for holding the meeting of the society for adopting the Annual Report and Audited Accounts for the year 2001-2002."

4.9 To a query about remedial measures to ensure timely laying of the Annual Reports and Audited Accounts, the Department of Culture has stated that NMM&L has been asked to scrupulously follow the laid down time schedule for laying of Annual Report and Audited Accounts and if delay is anticipated inconvening the meeting of the Society, they would be asked to get the same approved by circulation. The Institute has also reportedly been advised to submit the referred documents within the stipulated period i.e., 2nd week of December every year from 2002-2003 to enable the Department to lay the documents in both the Houses of Parliament by 31st December every year.

4.10 The Committee considered the matter at their sitting held on 18 November, 2004.

4.11 The Committee are concerned to note that there have been delays ranging from 8 to 23 months in laying the Annual Reports and Audited Accounts of Nehru Memorial Museum and Library from the year 1996-97 to 2000-2001. The documents for the year 2001-2002 and 2002-2003 which were due for laying by 31.12.2002 and 31.12.2003 respectively have not been laid till the matter was considered by the Committee.

4.12 The Committee note that the NMML had taken as long as 4 months for replying to the draft audit report pertaining to the year 2000-01. Giving timely reply to audit report is well within the control of NMML. The unduly long time taken by NMML in replying to the audit report is regrettable. The Committee desire that Ministry/NMML should ensure that such delays do not recur in future.

4.13 From the information furnished by the Ministry of Tourism and Culture (Department of Culture), the Committee find that the delays in convening meetings of

the Society resulted in undue delay in the finalisation and adoption of Annual Accounts and Audit Report of the Society year after year. Convening the meeting of NMML reportedly depends on the convenience of the President of the Society. The Committee feel that the Ministry's plea that the delay in convening the meetings of the Society was beyond the control of Nehru Memorial Museum and Library/Department of Culture is unacceptable. The Department of Culture has how stated that if delay is anticipated in convening the meeting of the Society. NMML would be aksed to get the annual accounts and audit report approved by circulation. The Committee hope that resorting to this practice, as and when necessary would pave the way for timely completion of all formalities.

4.14 It appears that no detailed time schedule indicating target dates for completion of various stages involved in the finalisation of documents *viz.*, finalisation/ compilation of annual accounts and report, auditing of accounts, approval of documents from the competent authority, translation & printing, processing in the Ministry for being laid on the Table has been laid down by the Ministry. The Committee urge that this should be done forth with and it should be ensured that the time schedule so laid down is strictly adhered to. The Committee would like to be apprised of the action taken in this regard.

NEW DELHI;
March, 2005

Phalguna, 1926 (Saka)

HANNAN MOLLAH,
Chairman,
Committee on Papers Laid on the Table.

APPENDIX

SUMMARY OF RECOMMENDATIONS/OBSERVATIONS CONTAINED IN THE REPORT

Sl. No.	Ref. to Para No. of the report	Summary of Recommendations/Observations
1.	1.17	The Committee regret to note that there have been delays ranging from 15 months to 40 months in laying the Annual Reports and Audited Accounts of Council for Advancement of People's Action and Rural Technology (CAPART) for the years from 1994-95 to 2001-2002. The documents for the year 2002-2003 which were due for laying by 31.12.2003 were not laid till this report was considered by the Committee.
2.	1.18	One of the reasons advanced for delay in laying the document is the unduly long time taken by the office of the C&AG in completing their audit and issue of audit certificate to the Council. According to the Director General, CAPART, the Accounts of 2001-2002 were laying with the office of the C&AG for a period of 11 months and the Accounts of 2000-01 were laying with them for seven months. The Committee feel that the problem can be overcome if the matter is appropriately taken up with the C&AG. The Secretary, Rural Development has assured that he would meet the C&AG in this regard. The Committee hope that as assured by the Rural Development Secretary, the matter will be taken up with the C&AG and the Committee be apprised of the outcome.
3.	1.19	The Committee find that another major factor which has contributed to the delay in laying the documents is the delay in convening meetings and getting approval of Executive Committee and General Body of CAPART which are required to be chaired by the Minister for Rural Development. The Committee feel that that the question of Ministers heading Governing Bodies of organisations under the control of their Ministries should be reviewed at the highest level as already recommended by the Committee in their 16th Report (13th LS), the relevant para of which is reproduced below:— "Incidentally, the Committee note that delay in according approval to the annual accounts by Governing Bodies/

Sl. No.	Ref. to Para No. of the report	Summary of Recommendations/Observations
		<p>Executive Committee is the main reason for delay in laying of documents by a number of organisations. These include Rajiv Gandhi National Institute of Youth Development, Sriperumbudur under the Ministry of Youth Affairs and Sports, National Institute of Rural Development, Hyderabad under the Ministry of Rural Development and a score of organizations under the Ministry of Health and Family Welfare. Governing Bodies/Executive Councils of all these organisations are stated to be headed by the Union Ministers and due to their pre-occupation they could not spare time to hold periodical meetings of Governing Bodies/ Executive Councils. Consequently, not only the documents requiring approval of these bodies got delayed, there was also consequential delay in their being laid on the Table of the House. Such avoidable delays, the committee feel lead to inevitable adverse impact on the efficient functioning of these organisations. The Committee, therefore, feel that the question of Ministers heading Governing Bodies of various organizations under the control of their respective Ministries should be reviewed at the highest level and if the review brings out any need for corrective measures, suitable steps be taken in the light thereof."</p> <p>The Committee would like to be informed of the action taken in this regard.</p>
4.	1.20	<p>Yet another factor which caused delay in laying the Annual Report and Audited Accounts of the CAPART was the delay in getting Hindi Translation and printing of the documents. The Committee feel that these factors are well within the control of the Council and delay, if any, on this account would reflect adversely on its management. As admitted by the Secretary, Rural Development, these delays are entirely avoidable. The Committee expect CAPART to take steps to avoid such unreasonable delays in future.</p>
5.	1.21	<p>The Committee note that a nodal officer has since been nominated by the Council to deal exclusively with all the matters relating to the preparation and finalisation of the documents and a time schedule has also been laid down for completion of various activities concerning the Annual Reports and Audited Accounts. The Committee hope that the time schedule will be strictly adhered to and the Annual Report and Audited Accounts of CAPART will be laid in time in future.</p>

Sl. No.	Ref. to Para No. of the report	Summary of Recommendations/Observations
6.	2.17	The Jammu & Kashmir Horticulture Produce Marketing and Processing Corporation Ltd., Srinagar was established in 1978. The Committee note with displeasure that the Annual Reports and Audited Accounts of the Corporation are laid on the Table of the House a decade after they were due. The delay has been about 10 years in respect of the documents for every year during the period from 1988-89 to 1991-92. The documents for the years 1992-93 to 2002-2003 have not been laid so far.
7.	2.18	The Committee regret to learn that in the initial years, the Corporation did not pay adequate attention on audit and preparation of accounts. What is most disturbing is that even the administrative Ministry of the Government of India had not ensured that necessary stress was laid on timely preparation of accounts. As a result the accounts of the initial years were prepared after a gap of 4 to 5 years.
8.	2.19	One of the reasons advanced by the Ministry of Agriculture (Department of Agriculture & Cooperation) for the inordinate delay in laying the documents of the Corporation is the disturbed conditions in the Valley. This excuse does not seem to be sound. The turbulence in Valley appears to have manifested only in the 90s. The fact that the annual reports and audited accounts of the Corporation pertaining to the period even prior to 1998-99 and 1989-90 were laid only 10 years after the stipulated period shows that there has been something inherently wrong in ensuring the accountability of the Corporation. The Committee would urge the Government to pay due attention and look into the affairs of the Corporation seriously to ensure that the Corporation discharges its accountability to Parliament every year within the laid down time frame.
9.	2.20	The Committee have been informed that there have been delays in appointment of auditors and there have also been procedural delays in the Government in regard to appointment of the Board of Directors. It has been assured during oral evidence that the Ministry of Agriculture would take up with both the C&AG and the Department of Company Affairs as to how the process of appointment of auditors can be compressed. As regards the constitution of the Board of Directors of the Corporation, it has been stated that absence of a system of appointment of Directors

Sl. No.	Ref. to Para No. of the report	Summary of Recommendations/Observations
		only by designation has led to procedural delays and it was assured that the matter would be taken up with the Chief Secretary of Jammu & Kashmir. The Committee wonder why these issues were not taken by the Ministry in the past. The Committee desire that these should be taken up with the concerned authorities at the Secretary level without any further delay and the Committee be informed of the outcome.
10.	2.21	The Committee urge that the backlog of Annual Reports and Audited Accounts of the Corporation should be cleared within the shortest time possible and laid in Parliament. There should be a mechanism in the Ministry of Agriculture (Department of Agriculture & Cooperation) to monitor the progress in this regard. Having cleared the baklog, a strict time schedule should be laid down and followed for timely completion of each stage involved in the finalisation of the documents, viz. appointment of auditors, auditing of accounts, holding of AGM for approval of the documents, translation & printing of the documents, dispatch of documents to the Ministry and processing the documents by the Ministry. The Committee would like to be apprised of the action taken in this regard.
11.	3.12	The Committee regret to note that there have been persistent delays in laying Annual Reports and Audited Accounts of National Judicial Academy ever since the Academy came into existence in 1993. The documents for four years from 1993-94 to 1996-97 were laid together on 13 July, 1998 and thereafter there have been delays ranging from 4 to 10 months every year in laying the documents of the Academy.
12.	3.13	One of the oft repeated recommendations of the Committee has been that if for any reason the Annual report and Audited Accounts of an organisation could not be laid within the stipulated period of nine months, the administrative Ministry should lay within 30 days the reasons why the Annual Report and Accounts could not be laid within the stipulated period. This requirement has not been fulfilled by the Ministry of Law and Justice (Department of Justice) in the past. The Committee hope that as assured by the Ministry, the Committee's recommendation in this regard will be complied with in future.

Sl. No.	Ref. to Para No. of the report	Summary of Recommendations/Observations
13.	3.14	It has been stated that the Academy had neither a Director nor an Accountant to ensure timely completion of all activities. It is only recently that a full time Director and an Accountant have been appointed. The Committee hope that with the appointment of the Head of the Academy and an officer to handle the accounts, there will be improvement in the matter of adhering to the time schedule in laying the Annual Report and Audited Accounts of the Academy.
14.	3.15	Another reason for delay in finalisation of the documents of the Academy is stated to be the long time taken for auditing of accounts and issue of audit certificate by DGACR. In order to avoid delay on this count, the Secretary, Justice has proposed appointment of internal auditors for concurrent audit, appointment of qualified external auditors and constitution of audit sub-committee of the Governing Council of the Academy. The Committee desire that the question of appointment of external auditor should be decided in consultation with Comptroller and Auditor General and the Committee be apprised of the final decision in this regard.
15.	3.16	The Committee note that no time schedule indicating target dates for completion of various stages involved in finalisation of Annual Report and Audited Accounts has been laid down by the Ministry. It has been stated that the calendar of activities for laying the documents within the prescribed period in future will be worked out by the Department of Justice in consultation with DGACR. The Committee urge that the time schedule so prepared should be strictly adhered to and it should be ensured that the Annual Reports and Audited Accounts of National Judicial Academy are laid in time in future.
16.	4.11	The Committee are concerned to note that there have been delays ranging from 8 to 23 months in laying the Annual Reports and Audited Accounts of Nehru Memorial Museum and Library from the year 1996-97 to 2000-2001. The documents for the year 2001-2002 and 2002-2003 which were due for laying by 31.12.2002 and 31.12.2003 respectively have not been laid till the matter was considered by the Committee.

Sl. No.	Ref. to Para No. of the report	Summary of Recommendations/Observations
17.	4.12	The Committee note that the NMML had taken as long as 4 months for replying to the draft audit report pertaining to the year 2000-01. Giving timely reply to audit report is well within the control of NMML. The unduly long time taken by NMML in replying to the audit report is regrettable. The Committee desire that Ministry/NMML should ensure that such delays do not recur in future.
18.	4.13	From the information furnished by the Ministry of Tourism and Culture (Department of Culture), the Committee find that the delays in convening meetings of the Society resulted in undue delay in the finalisation and adoption of Annual Accounts and Audit Report of the Society year after year. Convening the meeting of NMML reportedly depends on the convenience of the President of the Society. The Committee feel that the Ministry's plea that the delay in convening the meetings of the Society was beyond the control of Nehru Memorial Museum and Library/ Department of Culture is unacceptable. The Department of Culture has now stated that if delay is anticipated in convening the meeting of the Society, NMML would be asked to get the annual accounts and audit report approved by circulation. The Committee hope that resorting to this practice, as and when necessary would pave the way for timely completion of all formalities.
19.	4.14	It appears that no detailed time schedule indicating target dates for completion of various stages involved in the finalisation of documents, viz. finalisation/compilation of annual accounts and report, auditing of accounts, approval of documents from the competent authority, translation & printing, processing in the Ministry for being laid on the Table has been laid down by the Ministry. The Committee urge that this should be done forthwith and it should be ensured that the time schedule so laid down is strictly adhered to. The Committee would like to be apprised of the action taken in this regard.