

**COMMITTEE ON PAPERS LAID ON
THE TABLE
(1999-2000)**

(THIRTEENTH LOK SABHA)

FIRST REPORT

[Action taken by Government on the recommendations/observations made by the Committee on Papers Laid on the Table in their First & Second Reports (Eleventh Lok Sabha)]

(Presented on 3 May, 2000)



**LOK SABHA SECRETARIAT
NEW DELHI**
May, 2000/Vaisakha, 1922 (Saka)
Price : Rs. 10.00

CONTENTS

	PAGE
COMPOSITION OF THE COMMITTEE	(iii)
INTRODUCTION	(v)
REPORT Action taken by Government on the recommendations/observations made by the Committee on Papers Laid on the Table in their First and Second Reports (Eleventh Lok Sabha)	1
APPENDIX Statement showing Action taken by Government on the recommendations/observations of the Committee on Papers Laid on the Table in their First and Second Reports (Eleventh Lok Sabha)	2—18

**COMPOSITION OF THE COMMITTEE ON PAPERS LAID ON THE
TABLE**

(1999-2000)

Shri Arjun Charan Sethi — *Chairman*

MEMBERS

2. **Shri Kirti Jha Azad**
3. **Dr. Bali Ram**
4. **Shri Kantilal Bhuria**
5. **Shri Namdeo Harbaji Diwathe**
6. **Shri Rajen Gohain**
7. **Md. Anwarul Haque**
8. **Shri Rizwan Zaheer Khan**
9. **Shri Bir Singh Mahato**
10. **Shri Hannan Mollah**
11. **Shri A.F. Golam Osmani**
12. **Shri Dcepak Patel**
13. **Dr. D.V.G. Shankar Rao**
14. **Dr. Ram Lakhani Singh**
15. **Shri Kodikunnil Suresh**

SECRETARIAT

- Shri P.D.T. Achary — *Joint Secretary***
Shri Ram Autar Ram — *Director*
Shri P.D. Malvalia — *Under Secretary*

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 on the Action Taken or proposed to be taken by Government on certain recommendations/observations of the Committee on Papers Laid on the Table made in their First and Second Reports (Eleventh Lok Sabha).

The Committee considered and adopted this Report at their sitting held on 28.4.2000

NEW DELHI;
28 April, 2000

8 Vaisakha, 1922 (*Saka*)

ARJUN CHARAN SETHI,
Chairman,
Committee on Papers Laid on the Table.

REPORT

ACTION TAKEN BY GOVERNMENT ON THE RECOMMENDATIONS/OBSERVATIONS MADE BY THE COMMITTEE ON PAPERS LAID ON THE TABLE IN THEIR FIRST AND SECOND REPORTS (ELEVENTH LOK SABHA)

The recommendations/observations made by the Committee on Papers Laid on the Table in their First and Second Reports (Eleventh Lok Sabha) and the action taken replies thereto furnished by the Government have been given in appendix to this Report.

2. The Committee are happy to note that all the recommendations contained in the aforesaid reports of the Committee have been accepted for implementation. The Committee trust that effective steps will be taken by the Ministries concerned to ensure that in future there is no delay in laying on the Table of the House the Annual Reports and Audited Accounts of the Organisations under their administrative control.

NEW DELHI;
28 April, 2000

8 Vaisakha, 1922 (Saka)

ARJUN CHARAN SETHI,
Chairman,
Committee on Papers Laid on the Table.

APPENDIX

[vide Paragraph 1 of the Report]

Statement showing action taken by Government on the recommendations/ observations of the Committee on Papers Laid on the Table made in their First Report (Eleventh Lok Sabha)

Recommendations

The Committee are distressed to note that the Annual Report and Audited Accounts of Damodhar Cement and Slag Ltd. for the year 1991-92 which were required to be laid on the Table of the House by 31 December, 1992 were actually laid on the Table of the House on 17 August, 1994 with a delay of about 19½ months.

The Committee find from the information furnished by the Ministry of Industry that 5 months were taken by the DCSL in compilation of their accounts instead of three months recommended by the Committee, 11 months were taken in auditing the accounts and giving replies to the queries sought by the Board of Directors instead of six months which also includes translation and printing. Not only the DCSL had taken too much time but the Ministry also took about 8 months in preparing delay and review statements. However, the Committee are happy to note that the Annual Report and Audited Accounts of DCSL for the year 1993-94 were laid on the Table of Lok Sabha on 21 December, 1994 i.e. well within 9 months of the close of the accounting year as laid down by the Committee on Papers Laid. The Committee hope that the Annual Report and Audited Accounts of DCSL for the year 1994-95, which were due to be laid on the Table of the House by 31 December, 1995, will be laid without further delay.

For the timely laying of the Annual Reports and Audited Accounts of DCSL, the Committee feel that the DCSL should have an internal audit system so as to be able to compile their accounts in time. If the DCSL authorities find that there is a delay in the auditing of accounts they should remind the audit authorities to expedite auditing of their accounts and supply the audit report within the time frame given by the Committee on Papers Laid. The Committee also recommend that the DCSL in consultation with the Ministry of Industry should chalk out a time bound schedule and every stage involved therein right from the beginning of the compilation of accounts to the laying of reports should be monitored at some higher level in the DCSL as well as in the Ministry of Industry so that the annual Reports and audited Accounts of the DCSL could be laid on the table of the House in time

[Paras 1.6 to 1.8 of the First Report (Eleventh Lok Sabha)]

Reply of the Government

As far as finalisation of DCSL's Accounts for the year 1995-96 is concerned, it may be stated that since it is net worth had become negative, Damodhar Cement & Slag Ltd. (a subsidiary of Cement Corporation of India Ltd.) was referred to the Board for Industrial and Financial Reconstruction (BIFR) during January, 1994, in accordance with the provisions of Sick Industrial Companies (Special Provisions), Act, 1985. BIFR had subsequently declared the company as "sick" and appointed IDBI as the Operating Agency (OA). The revival plan, prepared by the Company, was not found viable by the OA. Thereafter, M/s Associated Cement Companies (ACC) evinced interest in taking over the Company for revival. Based on their offer BIFR published a draft scheme for revival of the Company (through ACC) and circulated it to all concerned for their comments. In their meeting held on 24.7.96, BIFR approved the scheme for take over of DCSL by the new promoter viz. ACC. In pursuance of the terms of the approved scheme, DCSL has already been taken over by the ACC w.e.f. 1.9.1996 and, therefore, ceases to be a subsidiary of CCI.

Since DCSL is now under the management of private sector, there is no action to be taken by the Govt. on the recommendations of the Committee.

[Vide Ministry of Industry (Deptt. of Heavy Industry) O.M. No. 4/23/95-PE. XII dated 22.1.1997]]

Recommendation

The Committee regret to note that the Audited accounts of the Central Pollution Control Board, Delhi for the year 1992-93 were laid on the Table of the House after a delay of about 11½ months, though the Annual Report was laid on the Table of the House on 21.12.1993 i.e. within the scheduled time. Further the Annual Reports for the subsequent years 1993-94 and 1994-95 have been laid on the Table after a delay of about 2 and 3 months respectively whereas the Audited Accounts for these years have not so far been laid.

[Para 2.6 of First Report (11th Lok Sabha)]

Reply of the Government

The time-table for laying of Annual Reports and Audited Accounts of the Central Pollution Control Board will be adhered to from the financial year ending March 31, 1997 and in the meantime, all efforts will be made to clear all pending Audited Accounts/Annual Reports of the Central Pollution Control Board for laying in Parliament by the end of the financial year, March 31, 1997.

[Vide Ministry of Environment & Forests O.M. No. H-11019/2/98-CPW dated 28.2.1997]

Recommendation

The Committee note that the Annual Reports in respect of the Board are not being laid together with the Audited Accounts and Audited Reports. The Committee feel that this is not in consonance with the recommendation of the Committee. The purpose of laying all these documents together is to enable the Members of Parliament to have a complete picture of the activities, performance and financial stability of the organisation. The Committee, therefore, recommend that the Ministry of Environment and Forests should lay on the Table of the House the Annual Report of the Board alongwith the Audited Accounts and Audit Report so that all the documents are available to the Members of Parliament at the same time.

[Para 2.7 of the First Report (11th L.S.)]

Reply of the Government

As indicated in the reply to Para 2.6, all efforts will be made to place the Audited Accounts and Annual Reports of Central Pollution Control Board together in the Parliament for the financial year commencing from 1.4.1997.

[Vide Ministry of Environment & Forests O.M. No. H-11019/2/96-CPW dated 28.2.1997]

Recommendation

It is true that Section 40 of the Water (Prevention and Control of Pollution) Act, 1974 which provides for laying the Annual Report and Audited Accounts of the Central Pollution Control Board before the Houses of Parliament does not lay down any time-limit for laying its audited statement of accounts. As a matter of fact, the time-limit within which autonomous organisations should lay their annual reports before Parliament have not been specified in any Rule or enactment but through its recommendations made from time to time, the Committee on papers laid have stipulated that Annual Reports and Audited Accounts of different organisations should be laid in Parliament within a specified time i.e. within nine months of the close of the accounting year.

[Para 2.8 of the First Report (11th Lok Sabha)]

Reply of the Government

The recommendations of the Committee in this regard will be adhered from the financial year commencing from 1.4.1997.

[Vide Ministry of Environment and Forests, O.M. No. H-11019/2/96-CPW dated 28.2.1997]

Recommendation

On persual of the information furnished by the Ministry of Environment and Forests, the Committee also find that the Ministry did not prepare and lay the Review statement on the Table of the House alongwith the documents. The attention of the Ministry is invited to the recommendation contained in para 4.18 of the Second Report (Fifth Lok Sabha) which states as follows:—

“The Committee note that while laying the Report of a Government Company before Parliament the concerned administrative Ministry also lays alongwith the Report a Review on the working of that company. However, in certain cases no such Review is laid on the Table. The Committee are of the view that even in cases where Government are in agreement with the information given in the Report of the company and they have nothing to add, Government should lay on the Table alongwith the Report a statement saying that they are in agreement with the Report and hence no Review is being laid.”

[Para 2.9 of the First Report (11th Lok Sabha)]

Reply of the Government

The non-laying of Review Statement in respect of Annual Report of the Central Pollution Control Board for the year 1992-93 is an inadvertent error. However, in respect of the subsequent Annual Reports, *i.e.*, for the years 1993-94 and 1994-95, Review Statement was duly furnished.

[Vide Ministry of Environment and Forests, O.M. No. H-11019/2/96-CPW dated 28.2.1997]

Recommendation

From the above, the Committee cannot conclude that the recommendations of the Committee made from time to time have not been implemented with the seriousness they deserve. The Committee deplore the lackadaisical manner in which the things were handled by the Ministry. The Committee desire that the Ministry of Environment and Forests should in consultation with the Board and Audit Authorities chalk out a time schedule for completion of all the stages of finalisation of Annual Report and Audited Accounts in such a manner that Annual Reports and Audited Accounts together with the Audit Report and 'Review' are placed before Parliament simultaneously at the same time and within the prescribed period of nine months of the close of the accounting year.

[Para 2.10 of the First Report (11th Lok Sabha)]

Reply of the Government

A considerable time was consumed in finalising the appointment of auditors in consultation with the Comptroller & Auditor General of India for the financial year, 1993-94, 1994-95 and 1995-96. The audit of Central Pollution Control Board is in itself a very time consuming process as 100% checking is required to be done. Also, the Auditors are not satisfied with the remunerations being paid to them by the Government and, therefore, they cannot employ more staff to get the assignment completed expeditiously. This aspect will be duly considered for appointment of Auditors for future auditing of Central Pollution Control Board's Accounts. The Ministry once again assures the Hon'ble Committee on papers that every effort will be made to place before the Parliament. The Annual Report and Audited Statements of Accounts of Central Pollution Control Board within the stipulated time of nine months from the close of the financial year, commencing from the year 1997-98.

[Vide Ministry of Environment and Forests, O.M. No. H-11019/2/96-CPW dated 28.2.1997]

Recommendation

The Committee regret to note that the Annual Reports and Audited Accounts of National Academy of Ayurveda, New Delhi for the years 1991-92 and 1992-93 were laid on the Table of Lok Sabha on 23.12.1994 after a delay of about 24 months and 12 months respectively.

[Para 3.7 of the First Report (11th Lok Sabha)]

Reply of the Government

This Department regrets the delay in laying the Annual Report and Audited Accounts of the National Academy of Ayurveda, New Delhi for the years 1991-92 & 1992-93.

[Vide Ministry of Health & Family Welfare (Deptt. of ISM & H) O.M. No. H.11021/2/97-N.I.Desk dated 2.6.1997]

Recommendation

The Committee find from the delay statement and subsequent information furnished by the Ministry of Health and Family Welfare that much of the delay took place in appointing the statutory auditors *i.e.* after 17 months of the close of the accounting year 1991-92. Further after receipt of final Audit Report, the Academy has taken about 2½ months in adopting them and about 6 months were taken in translation and printing of the reports. The Committee is surprised to note that after printing of the reports, the Academy has taken unduly long period of about 4 months in sending them to the Ministry for being placed before Parliament.

[Para 3.8 of the First Report (11th Lok Sabha)]

Reply of the Government

In order to avoid delay in future, the Academy has been advised to take timely action so that such documents are laid on the Table of the Sabha in time.

[Vide Ministry of Health & Family Welfare (Deptt. of ISM & H) O.M. No. H11021/2/97-N.I. Desk dated 2.6.1997]

Recommendation

The Committee find that the Annual Report and Audited Accounts for the year 1993-94 have been laid on the Table of Lok Sabha after a marginal delay of about 2-1/2 months *i.e.* on 15.3.1995, but the documents for the year 1994-95 have not been laid on the Table of the House so far.

[Para 3.9 of the First Report (11th Lok Sabha)]

Reply of the Government

The Annual Report and Audited statement of Accounts of the Academy for the year 1994-95 have been laid on the Table of the Lok Sabha on 9th September, 1996.

[Vide Ministry of Health and Family Welfare (Department of ISM&H) O.M. No. 11021/2/97-N.I. Desk dated 2.6.1997]

Recommendation

The Committee stress the need for laying a time schedule for each and every stage right from compilation of accounts to the laying of these documents on the Table of the House. There should be proper coordination and interaction between the Ministry and the Academy and some senior officer should be given the responsibility to ensure that the time schedule is being adhered to at each stage, so that the Annual Report and Audited Accounts are laid in time, in future.

[Para 3.10 of the first Report (11th Lok Sabha)]

Reply of the Government

The Department have issued instructions to its autonomous bodies including National Academy of Ayurveda to ensure action in future in time.

The National Academy of Ayurveda has started taking prompt action on the advice of the Department with the result that the documents for the year 1995-96 have been laid on the Table of Lok Sabha on 16.12.96 *i.e.* within the stipulated period of 9 months from the close of the accounting year.

The Department will make sincere efforts for laying the documents on the Table of the Lok Sabha in future also by monitoring periodical progress by a senior officer.

[Vide M/o. Health & Family Welfare (Department of ISM & H) O.M. No. H.11021/2/97-N.I. Desk dated 2.6.1997]

Recommendation

The Committee are concerned to note that the Annual Report and Audited Accounts of Pharmacy Council of India, New Delhi for the year 1992-93 which were required to be laid on the Table of the House by 31 December, 1993 were actually laid on 19.12.1994 after a delay of about 11½ months.

The Committee are surprised to find from the information furnished by the Ministry of Health and Family Welfare (Department of Health) that the action for appointment of Auditors was initiated as late as on 18.8.1993 and they were appointed on 13.9.1993 *i.e.* after 5½ months of the close of the accounting year. When the Ministry are well aware that the Audited Accounts of the Pharmacy Council of India are required to be laid on the Table of the House, they should have taken appropriate steps for appointment of statutory Auditors well before the close of the accounting year so that the Auditors could have been appointed in time. The Committee recommend that the action for appointment of Auditors should be initiated well in time before the close of the accounting year so that the finalisation of audit reports and annual reports is not delayed because of the delay in appointment of Auditors.

The Committee are unhappy to find from the information furnished by the Ministry that the annual accounts were compiled 4½ months after the close of the accounting year as against 3 months recommended by this Committee.

The Committee note with regret that an unduly long period of 8 months was spent at the stage of auditing of accounts from the date of submission of accounts of auditors on 13.9.1993 to receipt of audit report on 26.4.1994 from them. The Committee feel that the Ministry and the Council failed to pursue with the auditors for early auditing of accounts and consequently 8 months were allowed to lapse at the stage of auditing.

The Committee further note with concern that after receipt of the documents from the Council on 16.5.1994, for being laid on the Table of the House, the Ministry took 2 months in preparing Review and Delay Statement and thereafter 2 months in getting these documents authenticated from the Minister. Further, 3 months were taken in laying these documents after its authentication.

The Committee express their displeasure over the aforesaid chains of events which led to inordinate and avoidable delay in placing the documents before the House. The Committee are of the opinion that neither the Council nor the Ministry of Health and Family Welfare gave due importance to the timely laying of the documents on the Table of the House.

The Annual Report and Audited Accounts for the year 1993-94 which were required to be laid on the Table by 31.12.1994 were laid on the Table on 9.8.1995 after a delay of about 7 months. These documents for the year 1994-95 to be laid by 31.12.1995 are yet to be laid on the Table.

The Committee are distressed to note that despite their earlier recommendations made in their First Report (5th Lok Sabha) and Twenty-second Report (7th Lok Sabha), the documents are still being laid on the Table of the House with inordinate delays. The Committee feel that the Ministry of Health and Family Welfare and the Pharmacy Council of India had not been sincere enough in drawing up the time schedule and adhering to it. The Committee have taken a serious view of it and desire that the Council and the Ministry should be very careful in future in laying the documents on the Table of the House within the scheduled time.

The Committee also recommend that the time schedule so drawn up should be monitored and adhered to by both the Ministry and the Council at higher levels so that the Annual Reports and Audited Accounts are finalised as per schedule and are placed before Parliament well within 9 months of the close of the accounting year of the Council *i.e.* latest by 31 December every year.

[Paras 4.7 to 4.15 of the First Report (11th Lok Sabha)]

Reply of the Government

The President of the Pharmacy Council of India has been requested *vide* this Ministry's D.O. Letter No. H. 11019/6/96-PMS dated 15.1.1997 to re-arrange the activities of the Council so that priority is given to the audit of the accounts in the first quarter of financial year. The Council has been further requested to prepare an action programme for timely submission of the report.

[*Vide* Ministry of Health and Family Welfare, O.M. No. H. 11019/6/96-PMS dated 10.4.1997]

STATEMENT SHOWING ACTION TAKEN BY GOVERNMENT ON
THE RECOMMENDATIONS/OBSERVATIONS OF THE
COMMITTEE ON PAPERS LAID ON THE TABLE MADE IN THEIR
SECOND REPORT (ELEVENTH LOK SABHA)

Recommendation

The Committee regret to note that the Annual Reports and Audited Accounts of Mahila Samakhya Society, Lucknow (UP) for the year 1992-93 were laid on the Table of Lok Sabha on 20.12.1994 after a delay of about 11½ months.

[Para 1.6 of the Second Report (11th Lok Sabha)]

Reply of the Government

The delay in laying of Annual Report and Audited Accounts of Mahila Samakhya Society, Uttar Pradesh, is due to delay in auditing of accounts of the Society and the acceptance of the audited statement of accounts by the Executive Committee of the Society.

[Vide Ministry of Human Resource Development (Department of Education) O.M.No.F.1-23/93 PN(V) dated 24.7.1997]

Recommendation

The Committee find from the delay statement and subsequent information furnished by the Ministry of Human Resource Development (Department of Education) that much of the delay took place in appointing the auditors *i.e.* 5½ months after the close of the accounting year 1992-93.

Though the annual accounts were completed and made ready in time *i.e.* on 15.4.1993, the Committee fail to understand why the advance steps were not taken for appointment of auditors whereas it was well known to them that the auditors were required to get the accounts audited within a stipulated period. Further 5 months were taken at the auditing stage and the audited accounts were approved by the Executive Committee after about 6½ months of its auditing.

[Para 1.7 of Second Report (11th Lok Sabha)]

Reply of the Government

The Mahila Samakhya Society, Uttar Pradesh was set up in 1991 and it took a while for the financial rules and regulations of the Society to be clearly formulated. The authority of appointing an auditor and fixing the fees was vested in the competent authority (*i.e.* Chairman of Executive Committee). A sub-Committee was constituted on 6.8.93 to look into the audit fees and took its decision on 7.9.93. Thereafter, the appointment order of the auditor was issued on 18.9.93.

The UPMSS continued to request the auditor to complete the audit as early as possible. The Auditors finalized the audit report on 25.2.1994. As per the bye-laws of the Society, the Audit Report along with the Annual Report was to be approved by the Executive Committee. The meeting of the Executive Committee was held on 17th September, 1994 and the audit Report was approved therein.

[Vide Ministry of Human Resource Development (Department of Education) O.M.No.F. 1-23/93 PN(N) dated 24.7.1997]

Recommendation

The Committee also find that a long period of about 2½ months was taken by the Ministry in preparing Review, Delay Statement, authentication of the documents from the Minister and thereafter laying them on the Table of the House.

The Committee note that the Annual Report and Audited Accounts of the Society for the year 1993-94 were laid on the Table of Lok Sabha after a delay of about 2½ months *i.e.* on 21 March, 1995 and for the years 1994-95 and 1995-96 these documents were laid on the Table on 19.12.1995 and 9.12.1996 respectively, within the stipulated time.

[Para 1.8 of the Second Report (11th Lok Sabha)]

Reply of the Government

The Ministry prepared the Review and Delay Statement expeditiously and got it translated into Hindi by 24th October, 1994. The Annual Report along with the Review and Delay Statement were duly authenticated by Deputy Minister (E&C) on 13th November, 1994. The Annual Reports were sent to Lok Sabha Secretariat on 12th December, 1994, after the commencement of the Winter Session of the Parliament on 7th December, 1994.

The Ministry has taken steps to ensure laying of Annual Reports of all Mahila Samakhya Societies on the Table of both the Houses of Parliament within the stipulated time. The Annual Reports of 1994-95 and 1995-96 have been laid on the Table of Lok Sabha within the stipulated time.

[Vide Ministry of Human Resource Development (Department of Education) O.M.No.F. 1-23/93 PN(P) dated 24.7.1997]

Recommendation

The Committee note with some satisfaction that the Ministry has shown improvement in reducing the period of delay in laying their Annual Reports and Audited Accounts over the previous years. The Committee hope that the required documents are laid in Parliament within the prescribed period *i.e.* within 9 months of the close of the accounting year, in future.

[Para 1.9 of the Second Report (11th Lok Sabha)]

Reply of the Government

As already explained above, the Ministry has initiated the required steps for laying the Annual Reports of preceding year by way of regular reminders to the Societies to submit the Annual Reports of preceding year by 30th September. The State Project Directors have also been instructed to strictly adhere to the time schedule for laying of annual reports by appointing auditors in time & completing the audit work. As a result of close monitoring, the annual reports and audited accounts of Mahila Samakhya for the period 1994-95 and 1995-96 have been laid within the stipulated time. Further, it is expected that the Annual Reports of all Mahila Samakhya Societies for 1996-97 would be laid within the stipulated time.

[*Vide* Ministry of Human Resource Development (Department of Education) O.M. No. F. 1-23/93 PN(N) dated 24.7.1997]

Recommendation

The Committee are distressed to note that the Annual Reports and Audited Accounts of Dr. B.R. Ambedkar College of Engineering, Jalandhar for the years 1991-92 and 1992-93 were laid on the Table of the House on 20 December, 1994 after a delay of about 23½ months and 11½ months respectively. The Committee note with regret that action for appointment of auditors for auditing the accounts of the year 1991-92 was initiated on 10.8.92 much after the accounting year was closed, and the auditors were actually appointed by the Government on 6.7.1993 which took about 11 months. Though the auditors were appointed on 6.7.1993 and the accounts were already handed over to them in advance but the auditors started auditing only on 14.12.1993 *i.e.* after five months of their appointment. While the auditors had completed the audit of accounts and Audited Accounts were finalised on 31 December, 1993, their approval from the Governing Body/Executive Body was taken after 2 months *i.e.* in February, 1994. Though the accounts of the College for the year 1992-93 were ready, for handing over to auditors on 15.7.1993 yet these were actually handed over to them on 18.8.1993 which took more than a month. Further the auditing of accounts was completed on 22.6.1994; thus about

10 months were taken at the auditing stage. Nearly one month was taken by the Ministry in getting authentication of the documents for laying them on the Table of the House.

[Para 2.6 of the Second Report (11th Lok Sabha)]

Reply of the Government

No Comments.

[Vide Ministry of Human Resource Development (Department of Education) O.M. No. F.7-4/97, T.S. III, dated 2.2.1998]

Recommendation

The Committee further note that the Annual Report and Audited Accounts for the year 1993-94 were laid on the Table of the House on 1.6.1995 after a delay of about 5 months and the documents for the year 1994-95 were laid on the Table after a delay of about 11½ months i.e. on 16.12.1996. The documents for the year 1995-96 are yet to be laid on the Table.

[Para 2.7 of the Second Report (11th Lok Sabha)]

Reply of the Government

Annual Report and Audited Accounts of Regional Engineering College, Jalandhar for the year 1995-96 have been laid on the Table of the House on 16.5.1997.

[Vide Ministry of Human Resource Development (Department of Education) O.M. No. F.7-4/97, T.S. III, dated 2.2.1998]

Recommendation

The Committee do not see any reasons why the action for appointment of auditors for auditing the accounts for the year 1991-92 was taken so late. The Committee feel that after handing over the accounts to the auditors in anticipation of their appointment, the College did not make efforts to pursue with the auditors for early audit of accounts.

[Para 2.8 of the Second Report (11th Lok Sabha)]

Reply of the Government

Since the delay occurred to late approval from Ministry of Finance in appointing auditors, necessary steps will be taken to appoint the auditors well before their expiry of the term. Every efforts will be made by the College as well as by the Ministry to get the accounts audited within the prescribed time schedule.

[Vide Ministry of Human Resource Development (Department of Education) O.M.No. F.7-4/97-T.S. III dated 2.2.1998]

Recommendation

The Committee recommend that the College in consultation with the Ministry of Human Resource Development should prepare a time schedule

for various stages involved from appointment of auditors upto the laying of Annual report and Audited Accounts on the Table of the House. The time schedule so drawn up should be monitored by some senior officers both in the College as well as in the Ministry to avoid delay in laying these documents, in future.

[Para 2.9 of the Second Report (11th Lok Sabha)]

Reply of the Government

The recommendations of the Committee have been noted by the ministry as well as by the College. To ensure that the Annual Report and Audited accounts do not get delayed for laying in Parliament the following time schedule has been prescribed:—

1. Annual Accounts be finalised before 31st May for submission to Accountant General (Audit).
2. Audit Report be obtained before 31st July. This, obviously, will require pursuing the matter with Auditors concerned for which an officer may be entrusted to see that delay do not occur.
3. Audit Report alongwith annual Report be submitted to the Board of Governors of the College for its approval before 30th September.
4. The printing of the Annual/Audit Report (both in Hindi and English) should be completed by 31st October.
5. Printed copies each of Reports (Hindi and English version) be sent to the Ministry by the first week of November.
6. Submission of Review on Annual Report alongwith Annual Report and Audited Accounts by the Ministry for authentication of the Minister by 3rd week of November.

Divisional Head dealing with the scheme and a senior officer of the College will monitor the work of Annual Report and Audited Accounts of the College at each stage as per time schedule. Every effort will be made to follow the time schedule scrupulously:—

[Vide Ministry of Human Resource Development (Department of Education) O.M. No. F.7-4/97, T.S. III, dated 2.2.1998]

Recommendation

The Committee are distressed to note that the Annual Report and Audited Accounts of Acharya Harihar Regional Centre for Cancer Research and Treatment Society, Cuttack for the year 1991-92 were laid on the Table of Lok Sabha after an inordinate delay of about 23½ months.

[Para 3.5 of the Second Report (11th Lok Sabha)]

Reply of the Government

Annual Report & Audited Report of this Society for the year 1991-92 were laid on the Table of the Lok Sabha after an inordinate delay about 23½ months. This occurred because of certain ambiguous provisions for appointment of the auditors in the previous Byelaws of the Society which unnecessarily took much time and cause delay for finalisation of Audited Accounts & Annual Reports thereby. They have informed that the translation of Hindi version of Annual Report & Audited Accounts is a very difficult task in that state. Moreover, printing of the Hindi version is also a problem in the state which contributed inordinate delay in submission of such reports. They have now been directed to forward Annual Report & Audited Accounts of the Society of the Ministry within the stipulated period i.e. by the end of October of each year.

[Vide Ministry of Human Resource Development (Department of Health) O.M. No. V.22012/3/97-R dated 11.11.1997]

Recommendation

The Committee find that the delay has taken place at each and every stage. The statutory auditors were appointed as late as 18 months after the close of the accounting year; about 12 months were taken in compiling the account; about 25 months were taken by the Society in finalising the Annual Report; about 3½ months were taken in translation and printing of the documents; and 2 months were taken by the Ministry, after receipt of the documents, in preparing Review and Delay statements and thereafter getting the documents authenticated by the Minister. The Committee feel much of the delay could have been avoided had the action been taken in time by the Society in coordination with the Ministry for early appointment of the auditors.

[Para 3.6 of the Second Report (11th Lok Sabha)]

Reply of the Government

Keeping in view the difficulties being faced by the Centre certain amendments have been carried out for the appointment of auditors and accordingly the work relating to Audit will be completed by the end of June each year. Hence no delay in printing of Annual Report & Audited Accounts is anticipated.

[Vide Ministry of Health & Family Welfare (Department of Health) O.M. No. V.22012/3/97-R dated 11.11.1997]

Recommendation

The Committee note that the Annual Reports and Audited Accounts of the Society for the years 1992-93 and 1993-94 were laid on the Table after a delay of about 17 months and 5 months respectively. Documents for 1994-95 have been laid on 12.3.1996 that too after a delay of about 2 1/2 months. Documents for the year 1995-96 are yet to be laid on the Table.

[Para 3.7 of the Second Report (11th Lok Sabha)]

Reply of the Government

The delaying process continued upto the end of 1993-94 due to ambiguous provision for appointment of Auditors but from 1994-95 onwards they were able to submit the Annual Report & Audited Accounts by the stipulated time.

[Vide Ministry of Health & Family Welfare (Department of Health)
O.M. No. V. 22012/3/97-R dated 11.11.1997]

Recommendations

The Committee are concerned to note that the recommendations contained in para 3.5 of their First Report (Fifth Lok Sabha) for observing a time-bound programme for each stage of finalisation of Annual Report and Audited Accounts had not been followed seriously. The Society had taken the matter in a very casual manner. The Committee had observed in that Report that normally a period of 3 months should be sufficient for compilation of accounts and their submission to auditors and the next six months might be given for auditing of accounts, printing of the Report and sending it to the Government for laying.

The Committee desire that necessary steps be taken by the Ministry of Health & Family Welfare in coordination with the Society to follow the aforesaid recommendation of the Committee in letter and spirit and ensure that the Annual Report and Audited Accounts of the Society are laid on the Table of the House by the stipulated period every year. The Committee recommend that some senior officer in the Ministry as well as in the Society should be entrusted with this responsibility so as to avoid delay in future.

[Paras 3.8 & 3.9 of the Second Report (11th Lok Sabha)]

Reply of the Government

The points raised have been noted by the Director of the Institute. Suitable amendment have already been made in the Bye-laws regarding appointment of Auditors. The person for translation of Hindi version and the press for printing of English version has already been selected. A Committee comprising with the Superintendent and Statistician has already

been entrusted with the responsibility of timely submission of Annual Report & Audited Accounts to the Ministry of Health & Family Welfare, Government of India.

[Vide Ministry of Health & Family Welfare (Department of Health)
O.M. No. V. 22012/3/97 dated 11.11.1997]

Recommendations

The Committee are unhappy to note that the Annual Report and Audited Accounts of Ranchi Kshetriya Gramin Bank, Ranchi for the year 1992-93 and 1993-94 were laid on the Table of the House after a delay of about 11½ months and 3 months respectively. The Committee are distressed to find that the Ministry took unnecessarily a long period of 15 months in laying these documents for the year 1992-93 and 8 months for the year 1993-94 after receiving these documents from the Bank on 18.9.93 and 16.7.94 respectively and that too without the review and delay statements. The Committee feel that the Ministry did not take the matter seriously whereas they are fully aware of the fact that the Annual Reports and Audited Accounts alongwith Review of working of the Bank are required to be laid on the Table of the House within the prescribed period of 9 months from the close of the accounting year and if the documents are laid on the Table of the House with delay, a delay statement should have also been laid explaining the reasons for delay.

The Committee are constrained to take a serious view in the matter and feel that the work in the Ministry in this regard needs to be streamlined so as to ensure that the due attention is paid at appropriate levels with a view to adhering to the time limits prescribed by the Committee for laying the annual report and audited accounts of the Banks on the Table of the House. The Committee feel that some responsibility should be fixed for this type of avoidable delay. The Committee desire that the Ministry of Finance should be careful in future in laying these documents on the Table of the House within the scheduled time.

The Committee note with satisfaction that the Annual Reports and Audited Accounts of the Bank for the year 1994-95 & 1995-96 have been laid on the Table on 28.8.1995 and 13.12.1996 respectively i.e. within the stipulated period of 9 months from the close of the accounting year. However, to ensure timely laying of the documents in future also, the Committee recommend that the Bank, in consultation with the Ministry, should draw up a time schedule for each stage of finalisation of annual report, and audited accounts and entrust the responsibility to a senior officer for monitoring the same both in the Ministry and the Bank. Further, the Committee also stress that Ministry should invariably lay their 'Review' alongwith the Annual Report/Audited Accounts and whenever there is delay in laying the documents, the Ministry should lay a statement explaining the reasons therefor as per requirement.

[Paras 4.6 & 4.7 of the Second Report (11th Lok Sabha)]

Reply of the Government

The Ministry of Finance has instructed the Chairman of the sponsor banks to ensure that the annual reports and audited accounts of the Regional Rural Banks (RRBs) should be invariably forwarded to the Ministry well before the stipulated time so that the same could be laid on the Table of the House within the prescribed time limit.

As recommended by the Committee, a senior officer in the Ministry as well as in each of the sponsor banks have been entrusted with the job of monitoring the process of laying of these documents within the time schedule for each stage of finalisation of annual report and audited accounts. Accordingly, the banks have been instructed to draw a time schedule and they are being asked to strictly adhere to this schedule. Further, the sponsor banks are being asked to urgently send the Annual Reports and Audited Accounts of their respective RRBs to the Ministry of Finance through their local offices at Delhi so as to avoid delays in transit. The ministry has also noted for compliance the observations of the Committee that the Ministry should invariably lay their 'Review' alongwith the annual report/audited accounts and whenever there is delay in laying the documents, the Ministry should lay a statement explaining the reasons therefor as per requirement. As regards Committee's recommendation that some responsibility should be fixed for the delay, the official concerned has since been transferred from the RRB Division.

[Vide Ministry of Finance (Department of Economic Affairs)
O.M. No. 12-L/95-RRB dated 22.4.1998]

NEW DELHI;
28 April, 2000

8 Vaisakha, 1922 (Saka)

ARJUN CHARAN SETHI,
Chairman,
Committee on Papers Laid on the Table.