

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

(THIRTEENTH LOK SABHA)

THIRD REPORT

(Presented on 5 December, 2000)



**LOK SABHA SECRETARIAT
NEW DELHI**

December, 2000/Agrahayana, 1922 (Saka)

Price: Rs. 25.00

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

Shri Prabhat Samantray*—Chairman

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Shri P.D.T. Achary	— <i>Joint Secretary</i>
Shri Ram Autar Ram	— <i>Director</i>
Shri P.D. Malvalia	— <i>Under Secretary</i>

*Appointed w.e.f. 24.7.2000

INTRODUCTION

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

2. As a result of examination of some papers laid during the Second and Third Sessions (Tenth Lok Sabha) and Fifth Session (Eleventh Lok Sabha) the Committee have come to certain conclusion in regard to delay in laying of Annual Reports and Audited Accounts of the (i) Lakshadweep Development Corporation Ltd., Agatti, Lakshadweep for the years 1987-88 to 1992-93; (ii) Regional Rural Banks for the year 1993-94; (iii) Regional Engineering College, Tiruchirapalli for the year 1994-95; (iv) Regional Engineering College, Calicut for the year 1994-95; (v) Motilal Nehru Regional Engineering College, Allahabad for the year 1994-95; and (vi) Maulana Azad College of Technology, Bhopal for the year 1994-95 and have made certain recommendations. The conclusions of the Committee are reflected in the Report.

3. The Committee considered and adopted this Report at their sitting held on 29.11.2000.

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

NEW DELHI;
29 November, 2000
8 Agrahayana, 1922 (Saka)

PRABHAT SAMANTRAY,
Chairman,
Committee on Papers Laid on the Table.

CHAPTER I

Delay in laying Annual Reports and Audited Accounts of Lakshadweep Development Corporation Ltd., Agatti, Lakshadweep for the years 1987-88 to 1992-93

The Annual Reports and Audited Accounts of Lakshadweep Development Corporation Ltd., Agatti, Lakshadweep for the years 1987-88 to 1992-93 were laid together alongwith Review and Delay Statement on the Table of the House on 5.8.1997. In terms of recommendation of the Committee on Papers Laid on the Table contained in Para 4.16 of their Second Report (Fifth Lok Sabha), the Annual Reports and Audited Accounts of the Corporation for the said years should have been laid on the Table of the House by 31 December, 1988, 31 December, 1989, 31 December, 1990, 31 December, 1991, 31 December, 1992, 31 December, 1993 respectively, *i.e.*, within 9 months of the close of the concerned accounting year. Thus, the delay in laying the Annual Reports and Audited Accounts for the years 1987-88, 1988-89, 1989-90, 1990-91, 1991-92 and 1992-93 came to about 8 years 7 months, 7 years 7 months, 6 years 7 months, 5 years 7 months, 4 years 7 months and 3 years 7 months respectively.

1.2 In the Delay Statements laid alongwith the Annual Reports and Audited Accounts, the reasons for delay have been explained as under:—

1987-88

“The Annual Report and Audited Statements of the Lakshadweep Development Corporation Limited (LDCL) for the year 1987-88 was received by the Department of Agriculture and Cooperation on 25.2.1997. The report was not in bound form and did not contain any statement of reasons for the delay. Further Hindi version of the report was not forwarded. Hence LDCL was requested on 12.3.1997 to furnish the required copies of the report both in English and Hindi versions alongwith a statement of reasons for delay latest by 7.4.1997. The LDCL furnished these documents on 7.4.1997. A statement showing reasons for delay arising out of the long period of time taken for completion of the work relating to finalisation and adoption of audited accounts furnished by LDCL is enclosed. As per the statement, it may kindly be seen that the audited statements were approved by AGM on 9.9.1991. The LDCL Management has stated that the LDCL is the first PSU in the Union Territory of Lakshadweep and the concerned officials were not aware of

the legal and procedural requirements regarding submission of Annual Reports to the Government. The Lakshadweep Administration has since been advised to be more vigilant in complying with the statutory requirements relating to finalisation and submission of Annual Reports.

In view of the circumstances explained above, the delay in laying the Annual Report and Audited Statements of LDCL for the year 1987-88 may kindly be condoned.

The chronological status of completion of work is as under:—

1. Date of request made for appointment of Auditors. 30.08.1989
2. Date of appointment of Auditors by Company Law Board. 22.10.1990
3. Date of receipt of appointment order in our office. 02.11.1990
4. Date of certification of Accounts by Statutory Auditors. 31.01.1991
5. Date of request made to AGMP for supplementary Audit. 23.04.1991
6. Date of commencement of supplementary Audit of AGMP. 02.05.1991
7. Date of completion of supplementary Audit of AGMP. 03.06.1991
8. Date of receipt of comments of CAG. 20.07.1991
9. Date of adoption of Accounts by the AGM. 09.09.1991
10. Date of submission of Accounts 13.02.1997.”

1988-89

“The Annual Report and Audited Statements of the Lakshadweep Development Corporation Limited (LDCL) for the year 1988-89 was received by the Department of Agriculture and Cooperation on 25.2.1997. The report was not in bound form and did not contain a statement of reasons for the delay. Further Hindi version of the report was not forwarded. Hence LDCL was requested on 12.3.1997 to furnish the required copies of the report both in English and Hindi versions alongwith a statement of reasons for delay latest by 7.4.1997. The LDCL furnished these documents on 7.4.1997. A statement showing reasons for delay arising out of the long period of time taken for completion of the work relating to finalisation and adoption of audited accounts furnished by LDCL is enclosed. As per the statement, it may kindly be seen that the audited statements were approved by AGM on 28.1.1993. The LDCL Management has stated that the LDCL is the first PSU in the Union

Territory of Lakshadweep and the concerned officials were not aware of the legal and procedural requirements regarding submission of Annual Reports to the Government. The Lakshadweep Administration has since been advised to be more vigilant in complying with the statutory requirements relating to finalisation and submission of Annual Reports.

In view of the the circumstances explained above, the delay in laying the Annual Report and Audited Statements of LDCL for the year 1988-89 may kindly be condoned.

The chronological status of completion of work is as under:—

1. Date of request made for appointment of Auditors.	26.05.1990
2 Date of appointment of Auditors by Company Law Board.	22.10.1990
3 Date of receipt of appointment order in our office.	02.11.1990
4. Date of certification of Accounts by Statutory Auditors.	23.10.1991
5. Date of request made to AGMP for supplementary Audit.	28.10.1991
6. Date of commencement of supplementary Audit of AGMP.	01.12.1991
7. Date of completion of supplementary Audit of AGMP.	10.12.1991
8. Date of which revised Audit Report was signed by Statutory Auditors.	30.03.1992
9. Date of receipt of comments of CAG.	30.04.1992
10. Date of adoption of Accounts by the AGM.	28.01.1993
11. Date of submission of Accounts	13.02.1997"

1989-90

"The Annual Report and Audited Statements of the Lakshadweep Development Corporation Limited (LDCL) for the year 1989-90 was received by the Department of Agriculture and Cooperation on 25.2.1997. The report was not in bound form and did not contain any statement of reasons for the delay. Further Hindi version of the report was not forwarded. Hence LDCL was requested on 12.3.1997 to furnish the required copies of the Report both in English and Hindi versions alongwith a statement of reasons for delay latest by 7.4.1997. The LDCL furnished these documents on 7.4.1997. A statement showing reasons for delay arising out of the long period of time taken for completion of the work relating to finalisation and adoption of audited accounts furnished by LDCL is enclosed. As per the statement, it may kindly be seen that the audited statements were approved by AGM on

19.2.1994. The LDCL Management has stated that the LDCL is the first PSU in the Union Territory of Lakshadweep and the concerned officials were not aware of the legal and procedural requirements regarding submission of Annual Reports to the Government. The Lakshadweep Administration has since been advised to be more vigilant in complying with the statutory requirements relating to finalisation and submission of Annual Reports.

In view of the circumstances explained above, the delay in laying the Annual Report and Audited Statements of LDCL for the year 1989-90 may kindly be condoned.

The chronological status of completion of work is as under:—

1. Date of request made for appointment of Auditors.	-
2. Date of appointment of Auditors by Company Law Board.	30.01.1992
3. Date of receipt of appointment order in our office.	10.02.1992
4. Date of certification of Accounts by Statutory Auditors.	08.03.1993
5. Date of request made to AGMP for supplementary Audit.	12.03.1993
6. Date of commencement of supplementary Audit of Not reviewed AGMP.	
7. Date of completion of supplementary Audit of AGMP.	NA
8. Date of receipt of comments of CAG.	25.04.1993
9. Date of adoption of Accounts by the AGM.	19.02.1994
10. Date of submission of Accounts.	13.02.1997"

1990-91

“The Annual Report and Audited Statements of the Lakshadweep Development Corporation Limited (LDCL) for the year 1990-91 was received by the Department of Agriculture and Cooperation on 25.2.1997. The report was not in bound form and did not contain any statement of reasons for the delay. Further Hindi version of the report was not forwarded. Hence LDCL was requested on 12.3.1997 to furnish the required copies of the Report both in English and Hindi versions alongwith a statement of reasons for delay latest by 7.4.1997. The LDCL furnished these documents on 7.4.1997. A statement showing reasons for delay arising out of the long period of time taken for completion of the work relating to finalisation and adoption of audited accounts furnished by LDCL is enclosed. As per the statement, it may kindly be seen that the audited statements were approved by AGM on 27.12.1995. The LDCL

Management has stated that the LDCL is the first PSU in the Union Territory of Lakshadweep and the concerned officials were not aware of the legal and procedural requirements regarding submission of Annual Reports to the Government. The Lakshadweep Administration has since been advised to be more vigilant in complying with the statutory requirements relating to finalisation and submission of Annual Reports.

In view of the circumstances explained above, the delay in laying the Annual Report and Audited Statements of LDCL for the year 1990-91 may kindly be condoned.

The chronological status of completion of work is as under:—

1. Date of request made for appointment of Auditors.	—
2. Date of appointment of Auditors by Company Law Board.	04.07.1993
3. Date of receipt of appointment order in our office.	12.07.1993
4. Date of certification of Accounts by Statutory Auditors.	05.10.1994
5. Date of request made to AGMP for supplementary Audit.	15.10.1994
6. Date of commencement of supplementary Audit of AGMP.	26.10.1994
7. Date of completion of supplementary Audit of AGMP.	07.11.1994
8. Date on which revised Audit Report was signed by Statutory Auditors.	31.05.1995
9. Date of receipt of comments of CAG.	12.07.1995
10. Date of adoption of Accounts by the AGM.	27.12.1995
11. Date of submission of Accounts.	13.02.1997"

1991-92

"The Annual Report and Audited Statements of the Lakshadweep Development Corporation Limited (LDCL) for the year 1991-92 was received by the Department of Agriculture and Cooperation on 25.2.1997. The report was not in bound form and did not contain any statement of reasons for the delay. Further Hindi version of the report was not forwarded. Hence LDCL was requested on 12.3.1997 to furnish the required copies of the Report both in English and Hindi versions alongwith a statement of reasons for delay latest by 7.4.1997. The LDCL furnished these documents on 7.4.1997. A statement showing reasons for delay arising out of the long period of time taken for completion of the work relating to finalisation and adoption of audited accounts furnished by

LDCL is enclosed. Even though the audited statements were approved by AGM on 5.2.1997, there was delay on the part of LDCL in complying with the statutory requirements relating to finalisation and submission of the Annual Report for the year 1991-92. The Lakshadweep Administration has since been advised to adhere to the time schedule in submission of Reports.

In view of the circumstances explained above, the delay in laying the Annual Report and Audited Statements of LDCL for the year 1991-92 may kindly be condoned.

The chronological status of completion of work is as under:—

- | | |
|-------------------------------------------------------------|-------------|
| 1. Date of request made for appointment of Auditors. | |
| 2. Date of appointment of Auditors by Company Law Board. | 04.07.1993 |
| 3. Date of receipt of appointment order in our office. | 12.07.1993 |
| 4. Date of certification of Accounts by Statutory Auditors. | 01.08.1996 |
| 5. Date of request made to AGMP for supplementary Audit. | 18.08.1996 |
| 6. Date of commencement of supplementary Audit of AGMP. | 12.09.1996 |
| 7. Date of completion of supplementary Audit of AGMP. | 15.10.1996 |
| 8. Date of receipt of comments of CAG. | 05.02.1997 |
| 9. Date of adoption of Accounts by the AGM. | 05.02.1997 |
| 10. Date of submission of Accounts. | 13.02.1997" |

1992-93

“The Annual Report and Audited Statements of the Lakshadweep Development Corporation Limited (LDCL) for the year 1992-93 was received by the Department of Agriculture and Cooperation on 3.6.1997. A statement showing reasons for delay arising out of the long period of time taken for completion of the work relating to finalisation and adoption of audited accounts furnished by LDCL is enclosed. Even though the audited statements were approved by AGM on 7.5.1997, there was delay on the part of LDCL in complying with the statutory requirements relating to finalisation and submission of the Annual Report for the year 1992-93. The Lakshadweep Administration has since been advised to adhere to the time schedule in submission of Reports.

In view of the circumstances explained above, the delay in laying the Annual Report and Audited Statements of LDCL for the year 1992-93 may kindly be condoned.

The chronological status of completion of work is as under:—

1. Date of request made for appointment of Auditors.	—
2. Date of appointment of Auditors by Company Law Board.	04.07.1993
3. Date of receipt of appointment order in our office.	12.07.1993
4. Date of certifications of Accounts by Statutory Auditors.	16.02.1997
5. Date of request made to AGMP for supplementary Audit.	28.02.1997
6. Date of commencement of supplementary Audit of AGMP.	10.03.1997
7. Date of completion of supplementary Audit of AGMP.	14.03.1997
8. Date of receipt of comments of CAG.	02.05.1997
9. Date of adoption of accounts by the AGM.	07.05.1997
10. Date of submission of Accounts.	28.05.1997"

1.3 The Ministry of Agriculture (Department of Agriculture and Cooperation) who were requested to furnish information on some more points, have furnished the same as under:—

POINTS		REPLIES
1		2
I. The dates when:	Year	Date/Month
(a) The accounts of Lakshadweep Development Corporation Limited, Agatti for the years 1987-88 to 1992-93 were compiled and were ready for being handed over to auditors.	1987-88 1988-89 1989-90 1990-91 1991-92 1992-93	November, 1990 July, 1991 January, 1992 7.12.1993 28.4.1995 December, 1996
(b) the accounts were actually handed over to auditors, year-wise;	1987-88 1988-89 1989-90 1990-91 1991-92 1992-93	December, 1990 July, 1991 February, 1992 December, 1993 May, 1995 January, 1997
(c) the auditing of accounts commenced by the auditors and the time taken in it;	1987-88	Commenced in December, 1990. Completed on 31.1.1991. Time taken 1 month.

	1988-89	Commenced in July, 1991. Completed on 23.10.1991. Time taken 3 months.
	1989-90	Commenced in February, 1992. Completed on 8.3.1993. Time taken 13 months.
	1990-91	Commenced in December, 1993. Completed on 31.5.1995. Time taken 18 months.
	1991-92	Commenced in May, 1995. Completed in August, 1996. Time taken 14 months.
	1992-93	Commenced in January, 1997. Completed on 16.2.1997. Time taken 1 month.
(d) The Annual Reports were finalised, year-wise;	1987-88	20.7.1991
	1988-89	30.4.1992
	1989-90	25.4.1993
	1990-91	12.7.1995
	1991-92	5.2.1997
	1992-93	6.5.1997
(e) The Annual Reports and Audited Accounts were taken up for translation and printing and the time taken in it, year-wise;	1987-88	18.3.1997
	1988-89	1 month.
	1989-90	18.3.1997
	1990-91	3 weeks.
	1991-92	18.3.1997
	1992-93	3 weeks.
		18.3.1997
		3 weeks.
		18.3.1997
		3 weeks.
		6.5.1997
		3 weeks.

1	2
(f) The finalised Annual Reports and Audited Accounts in both Hindi and English versions were sent to the Ministry for being laid in Parliament, year-wise;	1987-88 7.4.1997 1988-89 7.4.1997 1989-90 7.4.1997 1990-91 7.4.1997 1991-92 7.4.1997 1992-93 28.5.1997.
(g) The Delay Statements and Review were prepared by the Ministry, year-wise; and	1987-88 31.7.1997 1988-89 31.7.1997 1989-90 31.7.1997 1990-91 31.7.1997 1991-92 31.7.1997 1992-93 31.7.1997
(h) The Annual Reports and Audited Accounts alongwith Review and Delay Statements were not authenticated from the Minister, year-wise.	1987-88 1.8.1997 1988-89 1.8.1997 1989-90 1.8.1997 1990-91 1.8.1997 1991-92 1.8.1997 1992-93 1.8.1997
II The latest position regarding finalisation of the Annual Report(s) and Audited Accounts for the subsequent year(s) *1993-94, *1994-95, **1995-96 and 1996-97. When these are expected to be laid on the Table of Lok Sabha.	The Status of the Reports for the years 1993-94 to 1996-97 as indicated by the Lakshadweep Development Corporation, Limited is reproduced below, year-wise:— 1993-94 Accounts

The 1993-94 Accounts was subjected to Statutory Audit in April '97 and handed over to CAG Auditors on 02.07.1997. The CAG Audit was over on 01.08.1997. The Preliminary comments were received in the LDCL on 02.09.1997. Only after getting CAG's final comments, accounts can be adopted in the AGM and forwarded to Ministry. The Tentative date is not certain, however it is expected to forward 1993-94 accounts by October 25th, 1997.

*Laid on 3.6.1998.

**Laid on 10.6.1998.

1994-95 Accounts

The Statutory Audit is complete, the same cannot be forwarded to CAG since the Statutory Auditors will not affix signature until the previous years accounts are adopted by the Company. Therefore, 1994-95 accounts will again be submitted to CAG Auditors and only after their clearance to the same can be forwarded. Usual time taken by CAG audit is anywhere between 45 to 90 days for giving clearance after the accounts are forwarded. Therefore, likely date of submission of 194-95 accounts would be February, 1998.

1995-96 Accounts

The same process will have to be followed for this year also. The accounts are kept ready for audit and the accounts can be forwarded by May, 1998.

1996-97 Accounts

The same process will apply . The accounts are kept for audit however no auditor has been appointed by the Company Law Board. Therefore, the process of Statutory audit/CAG audit would be completed by July, 1998 and the same forwarded to Ministry.

The Managing Director of LDCL had ben requested by a DO letter dt. 27.8.1997 from the Department of Agriculture & Cooperation to expedite the pending reports for the four years viz. 1993-94, 1994-95, 1995-96 and 1996-97. These reports as and when received will be laid on the Table of the Lok Sabha in the ensuing session (if there is Session at that time)/next Session.

III. The remedial measures taken or proposed to be taken both in the Ministry and the Lashadweep Development Corporation Limited, Agatti to ensure timely laying of the Annual Report and Audited Accounts within the prescribed period of nine months from the close of accounting year, in future.

The Ministry of Agriculture, Department of Agriculture and Cooperation *vide* DO letter dated 21.7.1998 from Joint Secretary (Fy) addressed to both the Administrator, Lashadweep Administration and the Managing Director of Lakshadweep Development Corporation Limited have requested them to stick to the statutory requirements relating to finalisation and submission of Annual Reports and Audited Statements in future. In a subsequent DO letter dated 27.8.1997, they have been requested to expedite the pending reports for the years 1993-94, 1994-95, 1995-96 and 1996-97.

The Managing Director of Lashadweep Development Corporation Limited has stated that the accounts for the pending years are ready and can be submitted for audit, but the statutory auditors can certify the accounts only for one year at a time. The LDCL has fully computerised the accounting transactions and all the accounts are updated including the current year 1997-98. Since there is a two tier audit the laying of accounts will be beyond the statutory time of nine months in the case of accounts upto 1996-97.

The LDCL has therefore, indicated that the only way out to reduce the time lag is when the CAG decides to drop the review of accounts for at least two years, *i.e.*, 1994-95 and 1995-96 in which case accounts for 1993-94, and 1994-95 can be submitted in October-November, 1997, 1995-96 by early December and 1996-97 by January-February, 1997, thus saving at least 5 to 6 months. It is the discretion of CAG office in the matter of selection, reviewing or dropping supplementary audit under section 619(4) of the Companies Act.

1.4 The Committee are unhappy to note that the Annual Reports and Audited Accounts of Lakshadweep Development Corporation Limited, Agatti for the years 1987-88 to 1992-93 were laid on the Table of the House after a delay ranging from 3 years & 7 months to 8 years & 7 months.

1.5 The Committee are distressed to note that the Corporation initiated action for appointment of auditors for auditing of their accounts only after the close of the accounting years. Not only this, a long time was also taken in processing the appointment of auditors for each of the accounting years. The Committee are unhappy on the action taken with delay by the Corporation and the way in which the appointment of auditors was made for all these years. The Committee feel that the Corporation initiated timely action for appointment of auditors before the close of the accounting years and seriously pursued the matter with the Ministry for early appointment of auditors, much of the delay could have been avoided. The Committee hope that such lapses would not be allowed by the Corporation to recur in future.

1.6 The Committee also find from the subsequent information furnished by the Ministry of Agriculture (Department of Agriculture and Cooperation) that the Corporation took about 22 to 45 months in compilation of their accounts for all these years. The Committee did not see any reason for taking so much time by the Corporation in compilation of their accounts. The Corporation should have introduced concurrent audit system so as to eliminate avoidable delay in compilation of their accounts and discrepancies, if any.

1.7 The Committee are also unhappy to note that one month to 18 months were taken by the auditors in auditing the accounts of the Corporation. The matter of early completion of auditing of accounts could have been pursued by the Corporation and whatever the audit authorities needed might have been made available to them without delay. The Committee also feel that if the Corporation had anticipated any delay in auditing of accounts, they should have informed the Ministry so as to take suitable measures on the part of the Ministry to cut short the delay or to lay the delay statement on the Table of the House explaining the reasons for delay.

1.8 The Committee regret to note that the Corporation as against the recommendation of the Committee given in para 1.17 of their First Report (Fifth Lok Sabha) that the Annual Reports should be finalised within six months after close of the financial year, took 37 to 58 months. The Committee feel that since no outside agency is involved in finalisation of the Annual Reports, the Corporation should not have taken so much time. The Committee have the impression that the Corporation did not pay adequate attention towards the early finalisation of their Annual Reports. The Committee hope that the Corporation will take care of this in future.

1.9 The Committee further regret to note that after approval of the Annual Reports for the years 1987-88 to 1991-92, the Corporation did not take prompt action for their translation and printing and took 19 to 67 months. Had the Corporation taken immediate action after approval of the documents from the Governing Council and watched the progress made therefor, much of the delay could have been avoided in laying the documents on the Table of the House.

1.10 The Committee see that after receiving copies of Annual Reports and Audited Accounts of the Corporation in the Ministry of Agriculture (Department of Agriculture and Cooperation), the Ministry took 2 to 3 months in preparing "Review" and "Delay Statements". The Committee find from the chain of events that the Ministry did not take up the matter with seriousness it deserved.

1.11 The Committee do not accept the excuse put forth by the Corporation that they were not aware of the legal and procedural requirements regarding submission of Annual Reports and Audited Accounts to the Government since recommendations of the Committee on Papers Laid have been circulated to all the Ministries of Government of India for compliance. The Ministry of Agriculture (Department of Agriculture and Cooperation) should have apprised the Corporation about the recommendations of the Committee.

1.12 To avoid recurrence of such delays in future, the Committee recommend that the Corporation in consultation with the Ministry of Agriculture (Department of Agriculture and Cooperation) should prepare a time bound schedule for each and every stage of finalisation of Annual Report and Audited Accounts right from compilation of accounts to the laying of the documents on the Table of the House. There should be proper co-ordination and interaction between the Corporation and the Ministry at sufficiently higher level, to ensure that time-schedule is adhered so as to see that Annual Reports and Audited Accounts of the Corporation are laid on the Table of the House within nine months from the close of the accounting year, in future.

CHAPTER II

Delay in laying Annual Reports and Audited Accounts of Regional Rural Banks for the year 1993-94

The Annual Reports and Audited Accounts of Regional Rural Banks (i) Palamau Kshetriya Gramin Bank, Daltonganj (Bihar); (ii) Surat Bharuch Gramin Bank, Bharuch (Gujarat); (iii) Bardhaman Gramin Bank, Burdwan (W.B.); (iv) Sri Saraswathi Grameena Bank, Adilabad (A.P.); and (v) Varada Grammena Bank, Kumta (Karnataka) for the year 1993-94 were laid on the Table of Lok Sabha on 26 July, 1996. As per recommendation of the Committee contained in para 4.16 of their Second Report (Fifth Lok Sabha), the afore mentioned documents should have been laid by 31 December, 1994 *i.e.*, within 9 months of the close of the accounting year. Thus, the delay in laying the Annual Reports and Audited Accounts of these Banks on the Table of Lok Sabha came to about 19 months.

2.2 While laying the documents on the Table of Lok Sabha, the Finance Minister has not laid the "Review" and "Delay Statement."

2.3 In this connection, the Ministry of Finance (Department of Economic Affairs) who were requested to furnish information on certain points have furnished the same as under:—

(i) Palamau Kshetriya Gramin Bank

POINTS	REPLIES
I. The dates when:	
(a) the action was initiated for appointment of auditors for auditing the accounts of the Bank for the year 1993-94.	23.3.94
(b) the auditors were appointed	23.3.94
(c) the accounts of the Bank were compiled and were ready for being handed over to auditors;	10.4.94
(d) the accounts were actually handed over to auditors for auditing;	17.4.94
(e) the auditing of accounts commenced by the auditors and the time taken in it;	17.4.94 to 6.5.94

POINTS	REPLIES
(f) the Annual Reports were finalised;	31.5.94
(g) the Annual Reports and Audited Accounts were got approved from the Annual General Meeting/ Governing Body/Executive Committee of the bank;	31.5.94
(h) the Annual Reports and Audited Accounts were taken up for translation and printing and the time taken in it;	1.6.94 to 25.6.94
(i) the finalised Annual Report and audited accounts in both Hindi and English versions were sent to the Ministry of Finance for being laid in Parliament;	10.6.96
(j) the Annual Report and Audited Accounts were got authenticated from the Minister.	17.7.96
II. The reasons why the delay statement and review were not laid on the Table of the House.	These were inadvertently left out. This aspect will be kept in view in future.
III. The latest position regarding finalisation of the Annual Report and Audited Accounts for the subsequent year 1994-95. When these are expected to be laid on the Table of Lok Sabha?	1994-95 : 8.3.96 1995-96 : 28.2.97
IV. The remedial measures taken or proposed to be taken both in the Ministry and in the Bank to ensure timely laying of the Annual Reports and Audited Accounts within the prescribed period of nine months from the close of the accounting years, in future.	Printed Annual Reports for 1996-97* will be submitted in time.

* Laid on the Table on 4.7.1998.

POINTS	REPLIES
V. The dates on which the Annual Reports and Audited Accounts for the years 1990-91, 1991-92 and 1992-93 were laid on the Table of Lok Sabha.	1990-91 :6.12.94 1991-92 :19.3.93 1992-93 :24.12.93
<i>(ii) Surat Bharuch Gramin Bank</i>	
The dates when:	
(a) the action was initiated for appointment of auditors for auditing of Accounts of the Bank for the year 1993-94;	18.3.94
(b) the auditors were appointed;	26.4.94
(c) the accounts of the Bank were compiled and were ready for being handed over to auditors;	Second week of April, 1994.
(d) the accounts were actually handed over to auditors for auditing;	2.5.94
(e) the auditing of accounts commenced by the auditors and the time taken in it;	2.5.94 to 26.5.94
(f) the Annual Reports were finalised;	4.6.94
(g) the Annual Reports and Audited Accounts were got approved from the Annual General Meeting/ Governing Body/Executive Committee of the bank;	14.6.94
(h) the Annual Report and Audited Accounts were taken up for translation and printing and the time taken in it;	14.6.94 to 30.7.94
(i) the finalised Annual Report and audited accounts in both Hindi and English versions were sent to the Ministry of Finance for being laid in Parliament;	20.3.96
(j) the Annual Report and Audited Accounts were got authenticated from the Minister;	17.7.96
II. The reasons why the delay statement and review were not laid on the Table of the House.	These were inadvertently left out. This aspect will be kept in view in future.

POINTS		REPLIES
III.	The latest position regarding finalisation of the Annual Report and Audited Accounts for the subsequent year 1994-95. When these are expected to be laid on the Table of Lok Sabha?	1994-9 5: 8.3.96 1995-96 : 13.12.96
IV.	The remedial measures taken or proposed to be taken both in the Ministry and in the Bank to ensure timely laying of the Annual Reports and Audited Accounts within the prescribed period of nine months from the close of the accounting years, in future.	Printed Annual Reports for 1996-97** will be submitted in time.
V.	The dates on which the Annual Reports and Audited Accounts for the years 1990-91, 1991-92 and 1992-93 were laid on the Table of Lok Sabha.	1990-91 : 26.7.91 1991-92 : 24.7.92 1992-93 : 24.12.93
<i>(iii) Bardhaman Gramin Bank</i>		
POINTS		REPLIES
I.	The dates when:	February, 1994
	(a) the action was initiated for appointment of auditors for auditing the Accounts of the Bank for the year 1993-94;	
	(b) the auditors were appointed;	4.4.94
	(c) the accounts of the Bank were compiled and were ready for being handed over to auditors;	21.4.94
	(d) the accounts were actually handed over to the auditors for auditing;	
	(e) the auditing of accounts commenced by the auditors and the time taken in it;	21.4.94 to 12.6.94
	(f) the Annual Reports were finalised	15.6.94
	(g) the Annual Reports and Audited Accounts were got approved from the Annual General Meeting/Governing Body/Executive Committee of the bank;	

POINTS	REPLIES
(h) the Annual Report and Audited Accounts were taken up for translation and printing and the time taken in it;	11.7.94
(i) the finalised Annual Report and audited accounts in both Hindi and English versions were sent to the Ministry of Finance for being laid in Parliament;	17.6.96
(j) the Annual Report and Audited Accounts were got authenticated from the Minister;	17.7.96
II. The reasons why the delay statement and review were not laid on the Table of the House.	These were inadvertently left out. This aspect will be kept in view in future.
III. The latest position regarding finalisation of the Annual Report and Audited Accounts for the subsequent year 1994-95. When these are expected to be laid on the Table of Lok Sabha?	1994-95 : 2.8.96 1995-96 : 28.2.97
IV. The remedial measures taken or proposed to be taken both in the Ministry and in the Bank to ensure timely laying of the Annual Reports and Audited Accounts within the prescribed period of nine months from the close of the accounting years, in future.	Printed Annual Reports for 1996-97* will be submitted in time.
V. The dates on which the Annual Reports and Audited accounts for the years 1990-91, 1991-92 and 1992-93 were laid on the Table of Lok Sabha.	1990-91 : 6.3.92 1991-92 : 14.5.93 1992-93 : 5.8.94
<i>(iv) Sri Saraswathi Grameena Bank</i>	
I. The dates when:	
(a) the action was initiated for appointment of auditors for auditing the accounts of the Bank for the year 1993-94;	25.3.94
(b) the auditors were appointed;	29.3.94

*Laid on the Table on 4.7.1998

1	2
(c) the accounts of the Bank were compiled and were ready for being handed over to auditors;	2.4.94
(d) the accounts were actually handed over to the auditors for auditing;	12.4.94
(e) the auditing of accounts commenced by the auditors and the time taken in it;	48 days
(f) the Annual Reports were finalised;	30.5.94
(g) the Annual Reports and Audited Accounts were got approved from the Annual General Meeting/Governing Body/ Executive Committee of the bank;	14.6.94
(h) the Annual Report and Audited Accounts were taken up for translation and printing and the time taken in it;	2 months
(i) the finalised Annual Report and audited accounts in both Hindi and English versions were sent to the Ministry of Finance for being laid in Parliament; and	30.12.95
(j) the Annual Report and Audited Accounts were got authenticated from the Minister.	17.7.96
II. The reasons why the delay statement and review were not laid on the Table of the House.	These were inadvertently left out. This aspect will be kept in view in future.
III. The latest position regarding finalisation of the Annual Report and Audited Accounts for the subsequent year 1994-95. When these are expected to be laid on the Table of Lok Sabha?	1994-95 : 22.12.95 1995-96 13.12.96
IV. The remedial measures taken or proposed to be taken both in the Ministry and in the Bank to ensure timely laying of the Annual Reports and Audited Accounts within the prescribed period of nine months from the close of the accounting years, in future.	RRB has assured that printed Annual Reports for 1996-97* will be submitted in time.

*Laid on the Table on 17.7.1998.

V.	The dates on which the Annual Reports and Audited accounts for the years 1990-91, 1991-92 and 1992-93 were laid on the Table of Lok Sabha.	1990-91	
		1991-92 :	24.7.92
		1992-93	24.12.93

(V) Varadha Grameena Bank

I.	The dates when:		
(a)	the action was initiated for appointment of auditors for auditing the Accounts of Bank for the year 1993-94;	21.3.94	
(b)	the auditors were appointed;	26.3.94	
(c)	the accounts of the Bank were compiled and were ready for being handed over to auditors;	7.4.94	
(d)	the accounts were actually handed over to the auditors for auditing;	8.4.94	
(e)	the auditing of accounts commenced by the auditors and the time taken in it;	8.4.94 to 16.4.94	
(f)	the Annual Reports were finalised;	20.4.94	
(g)	the Annual Reports and Audited Accounts were got approved from the Annual General Meeting/ Governing Body/ Executive Committee of the bank;	29.4.94	
(h)	the Annual Reports and Audited Accounts were taken up for translation and printing and the time taken in it;	30.4.94 to 5.5.94	
(i)	the finalised Annual Report and audited accounts in both Hindi and English versions were sent to the Ministry of Finance for being laid in Parliament; and	25.1.96	
(j)	the Annual Report and Audited Accounts were got authenticated from the Minister.	17.7.96	

1	2
II. The reasons why the delay statement and review were not laid on the Table of the House.	These were inadvertently left out. This aspect will be kept in view in future.
III. The latest position regarding finalisation of the Annual Report and Audited Accounts for the subsequent year 1994-95. When these are expected to be laid on the Table of Lok Sabha?	1994-95 11.8.95 1995-96 10.12.96
IV. The remedial measures taken or proposed to be taken both in the Ministry and in the Bank to ensure timely laying of the Annual Report and Audited Accounts within the prescribed period of nine months from the close of the accounting years, in future.	Printed Annual Reports for 1996-97* will be submitted in time.
V. The dates on which the Annual Reports and Audited Accounts for the years 1990-91, 1991-92 and 1992-93 were laid on the Table of Lok Sabha.	1990-91 : 6.9.91 1991-92 7.8.92 1992-93 24.12.93

2.4 The matter was considered by the Committee on Papers Laid on the Table at their sitting held on 13.10.1998.

2.5 The Committee regret to note that the Annual Reports and Audited Accounts of the five Regional Rural Banks namely (i) Palamau Kshetriya

* Laid on the Table on 4.7.1998.

Gramin Bank, Daltonganj (Bihar); (ii) Surat Bharuch Gramin Bank, Bharuch (Gujarat), (iii) Bardhaman Gramin Bank, Burdwan (W.B.); (iv) Sri Saraswathi Grameena Bank, Adilabad (A.P.); and (v) Varada Grameena Bank, Kumta (Karnataka) for the year 1993-94 which were required to be laid on the Table of the House by 31 December, 1994 were actually laid on the table of the House on 27.7.1996, i.e. after a delay of about 19 months over and above the prescribed period of nine months after close of the accounting year.

2.6 The Committee are unhappy to note that the "Delay Statement" and the "Review" on the working of these five banks have not been laid along with Annual Reports and Audited Accounts. These were required to be laid alongwith the Annual Reports and Audited Accounts as per recommendations of the Committee made in paras 1.20 of Tenth Report (6th Lok Sabha) and 3.8 of Second Report (6th Lok Sabha). The above recommendations of the Committee are reproduced hereunder for information and future compliance of the Ministry of Finance:—

"1.20 From the statements of reasons for delay the Committee find that full details of the dates of finalisation of accounts and their auditing etc. as also of the finalisation, consideration and approval of the annual reports at the annual general meetings of the Council are not given. The Committee recommend that in the 'Statements of reasons for delay'. Government should invariably indicate in chronological order the dates of finalisation of reports and accounts, their submission to audit, issue of Inspection Reports, Replies given on points raised in the reports and finally the receipt of the audit report from the Audit authorities so that the House may identify the stage and extent of delay and suggest remedial measures therefor".

"3.8 The Committee hope that the administrative Ministries will critically examine Annual Reports/Audited statements of accounts of the autonomous organisations under their control and invariably lay alongwith the Report/Audited Statement of accounts their own assessment before Parliament in the form of Review."

2.7 The Committee find from the subsequent information furnished by the Ministry of Finance that the Annual Reports and Audited Accounts of these banks were got approved from their respective Executive

Body/Finance Committee and also got translated and printed by the month of August, 1994 but these were sent to the Ministry of Finance as follows:—

Name of Regional Rural Bank	Date of sending Annual Report and Audited Accounts of the Ministry of Finance
Palamau Kshetriya Gramin Bank	— 10.6.1996
Surat Bharuch Gramin Bank	— 20.3.1996
Bardhaman Gramin Bank	— 17.6.1996
Sri Saraswathi Grameena Bank	— 30.12.1995
Varada Grameena Bank	25.1.1996

2.8 The Committee find it difficult to understand as to why the printed copies of the Annual Reports and Audited Accounts of these Banks were kept within the banks itself for the period ranging from 16 months to 21 months. The Committee feel that the Banks took it leisurely and did not give due importance to the work relating to the placing of the documents before Parliament. The Ministry of Finance also did not remind the banks to forward copies of their finalised Annual Reports and Audited Accounts for laying them on the Table of the House within the prescribed period of 9 months from the close of the accounting years. The Committee are, therefore, bound to presume that there is total lack of watch in the Ministry of Finance on the Regional Rural Banks. The Committee would like to emphasise that the delay in laying the documents of the Banks deprived the members of Parliament of the opportunity to have an access to these documents in time to evaluate the performance and activities of the Banks, appropriation of funds provided to them and suggest the remedial measure in case of shortcomings, if any. The Committee would like to know the reasons from the Ministry of Finance why the copies of the finalised Annual Reports and Audited Accounts were kept by the Banks with themselves for such a long period and what action has been taken or proposed to be taken to avoid such lapse in future.

2.9 The Committee, however, note with satisfaction that the Annual Reports and Audited Accounts of the aforesaid Banks for the year 1994-95 and 1995-96 have been laid on the Table of the House within the stipulated period i.e. on 22.12.1995 and 13.12.1996 respectively. But these documents for the year 1996-97 have again been laid after a delay of 6½ months i.e. on 17.7.1998 which is not a happy situation.

2.10 The Committee hope that the Ministry of Finance as well as the Regional Rural Banks would make all out efforts to see that delays are eliminated completely and the documents are laid on the Table of the House within the prescribed period of nine months from the close of the accounting year in future.

CHAPTER III

Delay in laying Annual Report and Audited Accounts of Regional Engineering College, Tiruchirapalli, for the year 1994-95

The Regional Engineering College, Tiruchirapalli, a joint venture funded by the Central and Government of Tamil Nadu, was established in 1964. The College enjoys considerable autonomy in all academic matters. Its management in the matters of administration and finance is vested in the duly constituted Board of Governors functioning under the Chairmanship of Hon'ble Minister for Education, Government of Tamil Nadu with nominees of the Central Government, State Government, UGC, AICTE, etc. as members. The College is conducting four year Under-Graduate Courses in Architecture. It also offers Post-Graduate Courses in Engineering. In addition, the College conducts a number of part-time Under-Graduate and Post-Graduate Courses in Engineering and Technology for the benefit of employed personnel.

3.2 The Annual Report and Audited accounts of the Regional Engineering College, Tiruchirapalli, for the 1994-95 were laid together with Review and Delay Statement on the Table of the Lok Sabha on 20.12.1996. As per the recommendations of the Committee on Papers Laid on the Table contained in para 3.5 of their First Report (5th Lok Sabha), the aforementioned documents should have been laid by December 31, 1995 *i.e.* within 9 months from the close of the accounting year. Thus, the period of delay involved in this case came to about 11½ months.

3.3 In the statement laid alongwith the Annual Report and Audited Accounts, the reasons for delay have been explained as under:—

“The Annual Report/Audited Reports alongwith Audited Statement of accounts in respect of Regional Engineering College, Tiruchirapalli, for the year 1994-95 were received after 31st December, 1995. A statement showing the reasons for delay in chronological order is enclosed as an Annexure. As such, these could not be laid before the House within the prescribed period. The same are being laid now.

All efforts are being made to ensure that there is no delay in laying these documents before the House in future.”

Reasons for delay in chronological orders:—

I. AUDIT REPORT

1.	Date of Finalisation of Accounts by College	31.10.1995
2.	Date of Submission of Accounts to A.G.	14.12.1995
3.	Commencement of Inspection of Accounts by A.G.	24.01.1996
4.	Date of Approval of Accounts by the Inspecting Officer	24.01.1996
5.	Date of despatch of Audited Accounts by A.G. (both English and Hindi version)	31.05.1996
6.	Date of approval of BOG/FC of the College	29.03.1996 01.02.1996
7.	Date of Despatch of Audit Report and Audited Accounts by the College	
	(i) English	22.12.1995
	(ii) Hindi	05.12.1996

II. ANNUAL REPORT

1.	Date of Approval by BOG	29.03.1996
2.	Date of Despatch to the Ministry	
	(i) English	22.12.1995
	(ii) Hindi	05.12.1996

3.4 The Ministry of Human Resource Development (Department of Education) who were requested to furnish information on certain more points, have furnished the same as under:—

POINTS	REPLIES
1	2
I. The dates when:—	
(a) The Regional Engineering College, (REC) Tiruchirapalli approached the audit authority for appointment of auditors and when were they appointed by the College;	The accounts for the year 1994-95 were ready by second week of December, 1995. The audit of the accounts of REC, Trichy was entrusted to Comptroller & Auditor General of India U/S 20(1) of CAG's (DPC) Act 1971 <i>w.e.f.</i> 1978-79 accounts. Accordingly the Accountant General Tamil Nadu had commenced the audit of the accounts of this College for 1994-95 on 2/1/96 and completed on 24.1.1996.

- | 1 | 2 |
|---------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (b) The Annual Report and Audited Accounts were taken up for translation and printing and the time taken in it; | Due to non-availability of translation facility in Trichirapalli the work was entrusted on 26.1.1995 out side the State and the printed copies were received in the Ministry on 5.12.1996. |
| (c) The "Delay Statement" and "Review" were prepared by the Ministry; | "Review" prepared by the Ministry on 26.2.1996. Delay Statement prepared by the Ministry on 11.12.1996. |
| (d) The Annual Report and Audited Accounts alongwith "Review" and "Delay Statement" were got authenticated from the Minister; and | The Annual Report and Audited Accounts alongwith "Review" and "Delay Statement" were got authenticated from the Minister on 13.12.1996. |
| (e) The Annual Report and Audited Accounts of REC for the last three years i.e. 1991-92, 1992-93 and 1993-94 were laid in Parliament. | The Annual Reports and Audited Accounts of REC for the last three years i.e. 1991-92, 1992-93 and 1993-94 were laid on: |

Year	Lok Sabha	Rajya Sabha
1991-92	14.5.1993	14.5.1993
1992-93	16.8.1994	12.8.1994
1993-94	08.8.1995	04.8.1995

- II. The latest position regarding finalisation of the Annual Reports and Audited Accounts for the subsequent years 1995-96 and 1996-97. When these are expected to be laid on the Table of Lok Sabha?
- The English version of Annual Report and Audited Statement for the year 1995-96* were sent to the Ministry. However, Hindi version shall be sent shortly. For the year 1996-97* the accounts will be finalised and sent to the Ministry along with Annual Reports as per guidelines of the M.H.R.D.

*Laid on 11.8.97 & 8.6.98 respectively.

1

2

III. The remedial measures taken In this regard Ministry has of/proposed to be taken both reminded on 20th March, 1997 to in the Ministry and the REC all the Regional Engineering to ensure timely laying of the Colleges including REC Trichy to Annual Report and audited expedite submitting the English/ accounts within the prescribed Hindi version of the Annual and period of nine months from Audit Report for the year 1995-96 the close of the accounting and verbally also whenever they year, in future. contact us telephonically from time to time. College has submitted only English version of the Report for 1995-96. As College has been experiencing difficulties in getting the Report translated in Hindi in Trichy the same has been got translated/printed outside the State which takes some extra time.

3.5 The matter was considered by the Committee on Papers Laid on the Table at their sitting held on 18 January, 1999.

3.6 The Committee note that the Annual Report and Audited Accounts of the Regional Engineering College, Tiruchirapalli for the year 1994-95 were laid after a delay of about 11^{1/2} months over and above the maximum permitted period of nine months after close of the accounting year.

3.7 The Committee are distressed to note that the College took 7 months in compilation of their accounts and further 1^{1/2} months in handing over the documents to the auditors. The Committee also note that after submission of the accounts to auditors on 14.12.1995, the audited accounts in English and Hindi versions were despatched by the Accountant General after a long period of 5^{1/2} months, i.e., on 31.5.1996. The Committee on constrained to observe that no efforts appear to have been made either by the Ministry of Human Resources Development or the authorities of the Regional Engineering College, Tiruchirapalli to persuade the Accountant General, Tamil Nadu to have the audited accounts together with the Audit certificate returned dispatched without any loss of time.

3.8 The Committee further note that the Annual Report, which contained administrative matters only should have been finalised within 6 months from the close of the accounting year. It was actually finalised and approved by the Board of Governors of the College after about 12 months, i.e. on 29.3.1996. The Committee also note that the printed copies in Hindi version of the Annual Report were received after 8 months of their approval from the Board of Governors, i.e., on 5.12.1996. The Committee deplore the manner in which the finalisation and printing of

Annual Report have been dealt with. The Committee feel that the whole matter had been treated with laxity and no serious attention had been paid to expedite process of finalising the documents at each stage thereof.

3.9 Keeping in view the above factors which contributed towards delay, the Committee strongly recommend that the College must pay serious attention to the work of finalising of documents and subsequently sending it to the Ministry for placing them on the Table of the House. The Committee reiterate that a period of 3 months after close of the accounting year as recommended by the Committee earlier would be sufficient for compilation of accounts and their submission to audit and next 6 months should be given for auditing of accounts, for printing of reports in English and Hindi versions and sending it to Government for laying on the Table of the House.

3.10 To achieve the desired result the Ministry of Human Resource Development (Department of Education) in consultation with the Regional Engineering College, Tiruchirapalli must draw a time bound programme for the stages involved in finalisation of these documents and monitor the progress made at each stage.

3.11 The Committee are, however, happy to note that the documents for the year 1997-98 which were due for laying on the Table of the House by 31.12.1997 have been laid on 23.12.1998, i.e. within the prescribed period of nine months after close of the accounting year. The Committee hope that this trend may be sustained by the College and Ministry of Human Resource Development (Department of Education).

CHAPTER IV

Delay in Laying Annual Report and Audited Accounts of Regional Engineering College, Calicut for the Year 1994-95

Regional Engineering College, Calicut established in 1961, is a joint venture enterprise of the Central Government and the Government of Kerala. The Central Government is meeting the entire non-recurring expenditure other than that on Land and Land Development and 50% of recurring expenditure on Under-Graduate Courses. The balance 50% recurring expenditure and non-recurring on Land and Land Development is borne by the Government of Kerala. The entire non-recurring and recurring expenditure on Post-Graduate Courses is being met by the Central Government. Its management in the matter of administration and finance is vested in a duly constituted Board of Governors.

4.2 The College, affiliated to the University of Calicut, is a Professional Institute imparting instructions in Civil, Mechanical, Electrical, Electronics, Production Engineering and Management, Architectural Engineering and Computer Engineering at the Under-Graduate Level. It also offers ten M. Tech. Courses in the major disciplines of Civil, Mechanical and Electrical Engineering. In addition, a three year (six semester) Master of Computer Applications (MCA) Course is also offered.

4.3 The Annual Report and Audited Accounts of the Regional Engineering College, Calicut for the year 1994-95 were laid alongwith Review and Delay Statement on the Table of Lok Sabha on 3 December, 1996. As per recommendation of the Committee contained in para 3.5 of their First Report (Fifth Lok Sabha), the aforementioned documents should have been laid by 31 December, 1995 *i.e.* within 9 months of the close of the accounting year. Thus, the delay in laying the Annual Report and Audited Accounts on the Table of Lok Sabha come to about 11 months.

4.4 The statement as laid alongwith the Annual Report and Audited Accounts for the year 1994-95 explained the reasons for delay as under:—

“The Annual Report/Audited Report alongwith Audited Statement of accounts in respect of Regional Engineering College, Calicut for the year 1994-95 were received after 31st December, 1995. A statement showing the reasons for delay in chronological order is as under:—

AUDIT REPORT

1. Date of finalisation of Accounts by the College	26.05.1995
2. Date of submission of Accounts to AG	30.06.1995
3. Commencement of Inspection of Accounts by AG	30.06.1995
4. Completion of Inspection of Accounts by AG	24.07.1995
5. Date of approval of Accounts by the Inspecting Officer	11.12.1995
6. Date of Despatch of Audited Accounts by AG English Hindi	11.12.1995
7. Date of approval of BOG/FC of the College	07.12.1995
8. Date of Despatch of Audit Report and Audited Accounts by the College. English Hindi	13.03.1996

ANNUAL REPORT

1. Date of Approval by BOG	24.10.1995
2. Date of Despatch to the Ministry English Hindi	20.02.1996 13.03.1996."

4.5 The Ministry of Human Resource Development (Department of Education), who were asked to furnish clarifications on certain points in this connection, furnished the same as under:—

POINTS	REPLIES
1	2
I. The dates when:—	
(a) The action for appointment of auditors for auditing the accounts of Regional Engineering College, Calicut for the year 1994-95 was initiated by the REC, Calicut;	8.6.1995
(b) The Annual Report was finalised.	30.9.1995

1	2								
(c) The Annual Report and audited accounts were taken up for translation and printing and the time taken in it;	40 days								
(d) The Delay Statement and Review were prepared by the Ministry;	17.7.1996								
(e) the Annual Report and audited accounts alongwith Review and Delay Statement were got authenticated from the Minister; and	20.11.1996								
(f) The Annual Reports and audited accounts of REC, Calicut for the last three years i.e., 1991-92, 1992-93 and 1993-94 were laid in Parliament.	<table border="0"> <thead> <tr> <th style="text-align: left;">Annual Reports</th> <th style="text-align: left;">Audit Accounts</th> </tr> </thead> <tbody> <tr> <td>1991-92 :</td> <td>3.8.1993</td> </tr> <tr> <td>1992-93 :</td> <td>2.8.1994</td> </tr> <tr> <td>1993-94 :</td> <td>28.3.1995</td> </tr> </tbody> </table>	Annual Reports	Audit Accounts	1991-92 :	3.8.1993	1992-93 :	2.8.1994	1993-94 :	28.3.1995
Annual Reports	Audit Accounts								
1991-92 :	3.8.1993								
1992-93 :	2.8.1994								
1993-94 :	28.3.1995								
II. The latest position regarding finalisation of the Annual Report and audited accounts for the subsequent year 1995-96. When these are expected to be laid on the Table of Lok Sabha?	The College has stated that the Annual Report and Audited Accounts for 1995-96* is being sent to the Ministry in March, 1997.								
III. The remedial measures taken or proposed to be taken both in the Ministry and the REC. Calicut to ensure timely laying of the Annual Report and audited accounts within the prescribed period of nine months from the close of the accounting year, in future.	<p>In order to ensure timely laying of Annual and Audited Accounts of REC, Calicut in future, the following guidelines have been issued to the College at the beginning of each financial year:—</p> <p>(i) Accounts will be finalised on 31st May.</p> <p>(ii) Date of commencement of audit in the first week of June.</p> <p>(iii) Date of finalisation of audit around second week of July.</p>								

(iv) Translation and Printing work of Audit Report will be finalised by the end of September.

REC, Calicut has stated that all the information for Annual Report for 1996-97 will be collected by 31.3.1997. Draft Annual Report and Annual Accounts will be ready by 31.5.97. The accounts will be got audited and audit report obtained by Sept., 1997. The English and Hindi version of the reports will be despatched to Ministry by 1.11.97 (subject to receipt of audit report in time.)

4.6 The matter was considered by the Committee at their sitting held on 18 January, 1999.

4.7 The Committee note that the Annual Report and Audited Accounts of the Regional Engineering College, Calicut for the year 1994-95 were laid on the Table on 3.12.1996, i.e., after a delay of about 11 months.

4.8 The Committee regret to find from the Delay Statement laid on the Table and subsequently information furnished by the Ministry of Human Resource Development (Department of Education) that the action for appointment of auditors was initiated after 2 months of the close of the accounting year and further 5-1/2 months were taken by the auditors in auditing the accounts. The Committee feel that had the College initiated an advance action for appointment of auditors much of the delay could have been obviated. The Committee also feel that once the accounts are handed over to auditors for auditing they must be pursued vigorously for early completion of the audit. The Committee hope that the College and the Ministry of the Human Resource Development (Department of Education) would be more watchful in this regard and would not allow to recur the delay on this account in future.

4.9 The Committee are surprised to note that after finalisation of the documents, the College took more than 3 months in translation and printing and sending the documents to the Ministry for being laid on the Table of the House. The Committee do not understand why the College took such a long time in translation and printing.

The Committee are bound to feel that the College have not taken it with seriousness. The Committee hope that such avoidable delay would be taken care of in future.

4.10 The Committee also note with concern that after having received of the documents in the Ministry, the Ministry took 8 months in preparing the "Review" and "Delay Statements" and in getting the documents authenticated from their Minister. The Committee are bound to presume that the College and the Ministry are equally responsible for delay in laying the documents on the Table since they did not pay the adequate attention, it deserved. The Committee feel if the Administrative Ministry is working in such a lackadaisical approach how it can encourage the College to submit the documents in time. The Committee, therefore, feel that this type of go slow approach in laying the documents on the Table should be eliminated in future.

4.11 The Committee further note that the Annual Report and Audited Accounts of the College for the year 1995-96 have been laid on the Table on 13.7.1998 i.e., after a delay of 18-1/2 months and these documents for the year 1996-97 & 1997-98 which were due for laying by 31.12.1997 and 31.12.1998 respectively have not so far been laid on the Table of the House in spite of the remedial measures stated to have been taken by the Ministry of Human Resource Development (Department of Education) for timely laying of the documents in future. The Committee feel that mere issuing guidelines to College have not improved the situation. The Committee therefore, strongly recommend that henceforth a time bound programme for all the stages involved in finalisation of the documents should be worked out by the Ministry in consultation with the College, and the programme so framed should practically be adhered to in letter and spirit and some senior officers both in the Ministry of Human Development (Department of Education) and the College should be entrusted with the job to oversee the progress made at each stage and ensure that the documents are laid on the Table within the prescribed period of nine months of the close of the accounting year in future.

CHAPTER V

Delay in Laying Annual Report and Audited Accounts of Motilal Nehru Regional Engineering College (MNREC), Allahabad for the Year 1994-95

Motilal Nehru Regional Engineering College, Allahabad established in the year 1961 as a joint enterprise of the Government of India and Government of Uttar Pradesh, is one of the seventeen Regional Engineering Colleges started under the scheme of establishment of Regional Engineering College. The Central Government is meeting entire expenditure on post-graduate programmes and Non-recurring development activities and 50% of the recurring expenditure on undergraduate and MCA Courses, the remaining 50% of the recurring expenditure being borne by the State Government. Its management in the matters of Finance and Administration is vested in the Board of Governors set up for the purpose by Government of Uttar Pradesh. The College is registered under Society Registration Act of 1860.

5.2 The Annual Report and Audited Accounts of Motilal Nehru Regional Engineering College (MNREC), Allahabad were laid on the Table of the House on 3.12.1996. In terms of recommendation of the Committee contained in para 3.5 of their First Report (Fifth Lok Sabha), the Annual Report and Audited Accounts of the MNREC for the said year should have been laid on the Table of the House by 31 December, 1995 *i.e.* within 9 months of the close of the accounting year. Thus, the delay in laying the Annual Report and Audited Accounts of MNREC for the year 1994-95 came to 11 months.

5.3 In the statement laid alongwith the documents, the reasons for delay have been explained as under:—

“The Annual Reports/Audited Reports alongwith Audited Statement of accounts in respect of Motilal Nehru Regional Engineering College, Allahabad for the year 1994-95 were received after 31st December, 1995. A statement showing the reasons for delay in chronological order is given below. As such, these could not be laid before the House within the prescribed period. The same are being laid now.

I. AUDIT REPORT

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|----|-------------------------------------------------------------------------------|------------|
| 1. | Date of finalisation of Accounts by the College | 10.06.1995 |
| 2. | Date of submission of Accounts to A.G. | 11.07.1995 |
| 3. | Commencement of Inspection of Accounts by A.G. | 11.07.1995 |
| 4. | Completion of Inspection of Accounts by A.G. | 11.08.1995 |
| 5. | Date of Approval of Accounts by the inspecting Officer. | 10.01.1996 |
| 6. | Date of Despatch of Audited Accounts by A.G. (both English and Hindi version) | |
| | (i) English | 11.01.1996 |
| | (ii) Hindi | 24.04.1996 |
| 7. | Date of approval of BOG/FC of the College. | 19.08.1996 |
| 8. | Date of Despatch of Audit Report and Audited Accounts by the College. | 25.12.1995 |
| | (i) English | 26.09.1996 |
| | (ii) Hindi | |

II. ANNUAL REPORT

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|----|-------------------------------|------------|
| 1. | Date of approval by BOG. | 19.08.1996 |
| 2. | Date Despatch to the Ministry | |
| | i. English | 26.09.1996 |
| | ii. Hindi | |

All efforts are being made to ensure that there is no delay in laying these documents before the House in future”.

5.4 The Ministry of Human Resource Development (Department of Education), who were requested to furnish information on some more points, have furnished the same as under:—

POINTS	REPLIES
I. The dates when:—	
(a) The action for appointment of auditors for auditing the accounts of Motilal Nehru Regional Engineering College, Allahabad for the year 1994-95 was initiated by Motilal Nehru Regional Engineering College, Allahabad;	June, 1995
(b) the Annual Report was finalised;	June, 1995
(c) the Annual Report and audited accounts were taken up for translation and printing and the time taken in it;	December, 1995
(d) the Delay Statement and Review were prepared by the Ministry;	28.10.1996
(e) The Annual Report and audited accounts alongwith Review and Delay Statement were got authenticated from the Minister; and	20.11.1996
(f) The Annual Report and Audited Accounts of MNREC-Allahabad for the last three years <i>i.e.</i> 1991-92, 1992-93 and 1993-94 were laid in Parliament.	

ANNUAL REPORT	1991-92	1992-93	1993-94
AUDIT ACCOUNTS	24.08.1993	20.12.1994	13.12.1995

POINTS	REPLIES
<p>II. The latest position regarding finalisation of the Annual Report and Audited Accounts for the subsequent year 1995-96, when these are expected to be laid on the Table of Lok Sabha?</p>	<p>Audit of Accounts for the year 1995-96* was conducted by A.G.U.P. Allahabad from 8.7.96 to 3.8.96. Draft Audit Report have been received from A.G.U.P. on which comment of the College have already been sent. It is expected that Audit Report alongwith certified Account will be received during March, 1997. Soon after the same is received, College will get it printed and sent it by April, 1997.</p>
<p>III. The Remedial measures taken or proposed to be taken both in the Ministry and the M.N.R.E.C., Allahabad to ensure timely laying of the Annual Report and Audited Accounts within the prescribed period of nine months from the close of the accounting year, in future.</p>	<p>In order to ensure timely laying of annual and audited accounts of MNREC, Allahabad in future, the following programme has been chalked out:</p> <p>(i) Accounts will be finalised on 31st May.</p> <p>(ii) Date of commencement of audit in the first week of June.</p> <p>(iii) Date of finalisation of audit around last week of July.</p> <p>(iv) Translation and Printing work of Audit Report will be finalised by the end of September.</p> <p>Annual Report 1995-96 has already been sent to press for printing by the College. A time schedule both for institution and Audit agency is being framed to ensure timely laying of Audit Report as stated by the College.</p>

5.5 The Matter was considered by the Committee at their sitting held on 18th January, 1999.

5.6 The Committee regret to note that the Annual Report and Audited Accounts of the Motilal Nehru Regional Engineering College, Allahabad for the year 1994-95 were laid on the Table of Lok Sabha after a delay of about 11 months over and above the permitted period of 9 months allowed after the close of the accounting year.

5.7 The Committee find from the information furnished by the Ministry of Human Resource Development (Department of Education) that the delay took place mainly in (i) auditing of accounts; (ii) getting approval of the documents from the Board of Governors; (iii) preparing "Review" & "Delay Statement" by the Ministry of Human Resource Development (Department of Education) thereafter in getting the documents authenticated from their Minister.

5.8 The Committee express their dissatisfaction over the unduly long period of 14 months & 4 months respectively taken by the College in getting approval of Board of Governors/Finance Committee on the documents.

5.9 The Committee are unhappy to note that the Ministry, knowing fully well that the documents have already become over due for laying on the Table of the House, took 2 months in preparing the "Review" & "Delay Statement" & getting the documents authenticated from their Minister.

5.10 The Committee are distressed to note that the documents for the subsequent year *i.e.* 1995-96 & 1996-97 which were due for laying by 31.12.1996 & 31.12.1997 have been laid on the Table of the House on 13.7.1998 & 7.12.1998 *i.e.* after a delay of about 18 months & 11 months respectively and these documents for the year 1997-98 which were due for laying latest by 31.12.1998 have not so far been laid.

5.11 The Committee are, however, satisfied to note that in order to ensure timely finalisation of the documents, the MNREC & the Ministry of Human Resource Development (Department of Education) have chalked out a detailed programme for timely finalisation and placing of the documents before Parliament. The Committee suggest that some senior officers both in the Ministry of Human Resource Development (Department of Education) and MNREC, Allahabad, should also be made responsible to monitor the progress made at each & every stage involved in finalisation of the documents and see that all out efforts are made to ensure that the Annual Reports & Audited Accounts of the College are laid on the Table of the House well within the prescribed period of nine months from close of the accounting year, in future.

CHAPTER VI

Delay in Laying Annual Report and Audited Accounts of Maulana Azad College of Technology, Bhopal for the year 1994-95.

Maulana Azad College of Technology, Bhopal established in 1960, is one of seventeen Regional Engineering Colleges started under the scheme of Establishment of Regional Engineering Colleges in the Country. It is a joint venture of Government of India and the Government of Madhya Pradesh. The Government of India meets the entire non-recurring expenditure and 50% of the recurring expenditure Under Graduate Courses. The remaining 50% of the recurring expenditure is borne by the State Government. The entire non-recurring and recurring expenditure on Post Graduate Courses is met by the Government of India. The management of the college in the matters of administration and finance is vested in the Board of Governors. The College enjoys considerable autonomy in academic matters.

6.2 The College offers six Under Graduate Courses, Masters Courses in Computer Applications and six full-time Industry Oriented Post Graduate courses in Engineering leading to M.Tech Degrees. In collaboration with the Bharat Heavy Electrical Limited, and other Industrial Organisations of repute these Post Graduate Courses were introduced under UNESCO Special Funds Assistance programme. In addition, the College offers six part-time Post Graduate Courses for the benefit of Engineers employed in the design and manufacturing Organisations of Heavy Electrical Equipment and Foundation Construction.

6.3 The Annual Report and Audited Accounts of the Maulana Azad College of Technology, Bhopal for the year 1994-95 were laid alongwith Review and Delay Statement on the Table of Lok Sabha on 3 December, 1996. As per recommendation of the Committee contained in para 3.5 of their First Report (Fifth Lok Sabha), the aforementioned documents should have been laid by 31 December, 1995 i.e. within 9 months of the close of the accounting year. Thus, the delay in laying the Annual Report and Audited Accounts on the Table of Lok Sabha came to about 11 months.

6.4 In the statement laid alongwith Annual Report and Audited Accounts of the College for the year 1994-95, the reasons for delay have been explained as under:—

I. AUDIT REPORT

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|-------------------------------------------------------|------------|
| 1. Date of finalisation of Accounts
by the College | 24.06.1995 |
|-------------------------------------------------------|------------|

2.	Date of submission of Accounts to A.G.	27.06.1995
3.	Commencement of Inspection of Accounts by A.G.	17.07.1995
4.	Completion of Inspection of Accounts by A.G.	29.07.1995
5.	Date of Approval of Accounts by the Inspecting Officer.	29.07.1995
6.	Date of Despatch of Audited Accounts by A.G.	
	English	02.03.1996
	Hindi	11.03.1996
7.	Date of approval by BOG/FC by the College.	19.06.1996
8.	Date of Despatch of Audit Report and Audited Accounts by the College.	
i.	English	06.07.1996
ii.	Hindi	

II. ANNUAL REPORT

1.	Date of approval by BOG.	19.06.1996
2.	Date of Despatch to the Ministry	
i.	English	06.07.1996
ii.	Hindi	

6.5 The Ministry of Human Resource Development (Deptt. of Education) who were asked to furnish clarification on certain points in this connection, furnished the same as under:—

POINTS	REPLIES
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I.	
(a) The action for appointment of auditors for auditing the accounts of MACT, Bhopal for the year 1994-95 was initiated by the College.	Ministry of Finance entrusted audit of accounts of MACT, Bhopal to C & AG for a period of five years with effect from 1993-94 vide its letter dated 14.12.1994. The same was conveyed by Ministry of Human Resource Development on 22.12.1994 to the College.
(b) The Annual Report was finalised.	18.3.1996
(c) The Annual Report and audited accounts were taken up for translation and printing and the time taken in it;	The translation into Hindi of Annual/Audit report (English version) was completed between August, 1995 & October, 1995. As the audit report and its Hindi versions were received from AG's office on 2.3.96 and 11.3.96 respectively, the printing and binding work (both English and Hindi version) was completed on 18.3.1996.
(d) the Delay Statement and Review were prepared by the Ministry;	As the Reports were received in the Ministry on 20.3.1996 without getting it approved from BOGs, College was asked to do the needful. In the meantime the draft review statement was got approved.
(e) the Annual Report and audited accounts alongwith Review and Delay Statement were got authenticated from the Minister; and	20.11.1996
(f) the Annual Report and audited accounts of MACT, Bhopal for the last three years i.e., 1991-92, 1992-93 and 1993-94 were laid in Parliament.	Annual Reports Audit Accounts 1991-92 : 14.5.1993 1992-93 : 16.8.1994 1993-94 : 13.12.1995

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<p>II. The latest position regarding finalisation of the Annual Report and audited accounts for the subsequent year *1995-96. When these are expected to be laid on the Table of Lok Sabha?</p>	<p>The English version of the Annual Report with Audited Accounts and Audited Report is ready. Only the Hindi version of the Audited Report is left which is yet to be received from AGMP, Gwalior. The matter is being pursued with the AGMP, Gwalior and as soon as Hindi version of the Audit Report is received, the Hindi Annual Report shall be got completed and both versions of the Annual Report for the year 1995-96 will be despatched to the Ministry.</p>
<p>III. The remedial measures taken or proposed to be taken both in the Ministry and the MACT, Bhopal to ensure timely laying of the Annual Report and audited accounts within the prescribed period of nine months from the close of the accounting year, in future.</p>	<p>In order to ensure timely laying of Annual and Audited Accounts of MACT, Bhopal in future, the following programme have been chalked out:—</p> <ul style="list-style-type: none"> (i) Accounts to be finalised on 31st May. (ii) Commencement of audit to start in the first week of June. (iii) Finalisation of accounts for audit by second week of July. (iv) Translation and Printing work of Audit Report to be finalised by the end of September.

6.6. The matter was considered by the Committee on Papers Laid on the Table at their sitting held on 18.1.1999.

6.7 The Committee are unhappy to note that Annual Report and Audited Accounts of the Maulana Azad College of Technology, Bhopal for the year 1994-95 were laid on the Table after a delay of about 11 months. These documents for the subsequent years 1995-96 & 1996-97 were laid on

* Laid on the Table on 8.6.1998. The documents for the year 1996-97 were laid on the Table on 13.7.98

the Table of the House after a delay of about 17 months & 6½ months respectively and these documents for the year 1997-98 which were due for laying by 3.12.1998 have not so far been laid.

6.8 From the "Delay Statement" and the information furnished by the Ministry of Human Resource Development (Department of Education), the Committee find that after close of the accounting year, the College took about 11½ months in finalising their Annual Report. The Committee fail to understand the long time taken by the College in finalisation of the Annual Report where no outside agency was involved in the process. The Committee suggest that this type of lethargic approach should be avoided in future.

6.9 The Committee also find that the College submitted their accounts to the Accountant-General, Madhya Pradesh for auditing on 27.6.1995. These were received back by them duly audited on 2.3.1996 i.e. after about 8 months and further more than 3 months were taken by the College in getting approval of the documents from the Board of Governors/Finance Committee. The Committee feel that the college did not make sincere efforts for timely receipt of the accounts from the Accountant-General. The Committee, therefore, advise that once the documents are submitted for auditing, the Auditors should be persued vigorously for early auditing of the accounts. The Committee also advise that when the documents are ready, the College should take prompt action in getting approval of the documents from the B.O.G./Finance Committee and further sending it to the Ministry for being placed on the Table of the House.

6.10 The Committee further note that after receipt of the documents from the College, the Ministry took 4½ months in authentication of the documents from their Minister and subsequently placing it on the Table of the House.

6.11 The Committee take a serious note of the fact that the Annual Reports and Audited Accounts of the College are being laid on the Table with delay continuously for the last many years.

6.12 The Committee, however, note the remedial steps stated to have been taken by the College to ensure timely finalisation of the documents in future. The Committee feel that the time bound programme so framed should be followed in letter and spirit and some senior officers both in the Ministry of Human Resource Development (Department of Education) and the College should be made responsible to oversee the progress made at each stage of finalisation of the documents and ensure that the Annual Reports and Audited Accounts are laid on the Table within the stipulated period of nine months from the close of the accounting year, in future.

NEW DELHI;
29 November, 2000
8 Agrahayana, 1922 (Saka)

PRABHAT SAMANTRAY,
Chairman,
Committee on Papers Laid on the Table.

APPENDIX

SUMMARY OF RECOMMENDATIONS/OBSERVATIONS CONTAINED IN THE REPORT

Sl. No.	Reference to para No. of the Report.	Summary of Recommendations/Observations
1	2	3
1.4.		The Committee are unhappy to note that the Annual Reports and Audited Accounts of Lakshadweep Development Corporation Limited, Agatti for the years 1987-88 to 1992-93 were laid on the Table of the House after a delay ranging from 3 years & 7 months to 8 years & 7 months.
1.5		The Committee are distressed to note that the Corporation initiated action for appointment of auditors for auditing of their accounts only after the close of the accounting years. Not only this, a long time was also taken in processing the appointment of auditors for each of the accounting years. The Committee are unhappy on the action taken with delay by the Corporation and the way in which the appointment of auditors was made for all these years. The Committee feel that had the Corporation initiated timely action for appointment of auditors before the close of the accounting years and seriously pursued the matter with the Minister for early appointment of auditors, much of the delay could have been avoided. The Committee hope that such lapses would not be allowed by the Corporation to recur in future.
1.6		The Committee also find from the subsequent information furnished by the Ministry of Agriculture (Department of Agriculture and Cooperation) that the Corporation took about 22 to 45 months in compilation of their accounts for all

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these years. The Committee did not see any reason for taking so much time by the Corporation in compilation of their accounts. The Corporation should have introduced concurrent audit system so as to eliminate avoidable delay in compilation of their accounts and discrepancies, if any.

- 1.7 The Committee are also unhappy to note that one month to 18 months were taken by the auditors in auditing the accounts of the Corporation. The matter of early completion of auditing of accounts have been pursued by the Corporation and whatever the audit authorities needed might have been made available to them without delay. The Committee also feel that if the Corporation had anticipated any delay in auditing of accounts, they should have informed the Ministry so as to take suitable measures on the part of the Ministry to cut short the delay or to lay the delay statement on the Table on the House explaining the reasons for delay.

- 1.8 The Committee regret to note that the Corporation as against the recommendation of the Committee given in para 1.17 of their First Report (Fifth Lok Sabha) that the Annual Reports should be finalised within six months after close of the financial year, took 37 to 58 months. The Committee feel that since no outside agency is involved in finalisation of the Annual Reports. The Corporation should not have taken so much time. The Committee have the impression that the Corporation did not pay adequate attention towards the early finalisation of their Annual Reports. The Committee hope that the Corporation will take care of this in future.

- 1.9 The Committee further regret to note that after approval of the Annual Reports for the years 1987-88 to 1991-92, the Corporation did not take prompt action for their translation and printing
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2.5	<p>The Committee regret to note that the Annual Reports and Audited Accounts of the five Regional Rural Banks namely (i) Palamau Kshetriya Gramin Bank, Daltonganj (Bihar); (ii) Surat Bharuch Gramin Bank, Bharuch (Gujarat); (iii) Bardhaman Gramin Bank, Burdwan (W.B.); (iv) Sri Saraswathi Grameena Bank, Adilabad (A.P.); and (v) Varada Grameena Bank, Kumta (Karnataka) for the year 1993-94 which were required to be laid on the Table of the House by 31 December, 1994 were actually laid on the Table of the House on 27.7.1996, i.e. after a delay of about 19 months over and above the prescribed period of nine months after close of the accounting year.</p>	
2.6	<p>The Committee are unhappy to note that the "Delay Statement" and the "Review" on the working of these five banks have not been laid alongwith Annual Reports and Audited Accounts. These were required to be laid alongwith the Annual Reports and Audited Accounts as per recommendations of the Committee made in paras 1.20 of Tenth Report (6th Lok Sabha) and 3.8 on Second Report (6th Lok Sabha). The above recommendations of the Committee are reproduced hereunder for information and future compliance of the Ministry of Finance:—</p>	
	<p>"1.20 From the statements of reasons for delay the Committee find that full details of the dates of finalisation of accounts and their auditing etc. as also of the finalisation, consideration and approval of the annual reports at the annual general meetings of the Council are not given. The Committee recommend that in the 'Statements of reasons for delay' Government should invariably indicate in chronological order the dates of finalisation of reports and accounts, their submission to audit, issue of Inspection Reports, replies given on points raised in the reports and finally the receipt of the audit report from the Audit authorities so that the House may identify the stage and extent of delay and suggest remedial measures therefor."</p>	

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		<p>“3.8 The Committee hope that the administrative Ministries will critically examine Annual Reports/ Audited statements of accounts of the autonomous organisations under their control and invariably lay alongwith the Report/Audited Statement of accounts their own assessment before Parliament in the form of ‘Review.’”</p>												
2.7		<p>The Committee find from the subsequent information furnished by the Ministry of Finance that the Annual Reports and Audited Accounts of these banks were got approved from their respective Executive Body/ Finance Committee and also got translated and printed by the month of August, 1994 but these were sent to the Ministry of Finance as follows:—</p> <table border="1"> <thead> <tr> <th data-bbox="321 604 756 638">Name of the Regional Rural Bank</th> <th data-bbox="756 604 963 756">Date of sending Annual Report and Audited Accounts to the M/o Finance</th> </tr> </thead> <tbody> <tr> <td data-bbox="321 772 683 798">Palamau Kshetriya Gramin Bank</td> <td data-bbox="756 772 890 798">—10.6.1996</td> </tr> <tr> <td data-bbox="321 798 631 823">Surat Bharuch Gramin Bank</td> <td data-bbox="756 798 890 823">—20.3.1996</td> </tr> <tr> <td data-bbox="321 823 600 848">Bardhaman Gramin Bank</td> <td data-bbox="756 823 890 848">—17.6.1996</td> </tr> <tr> <td data-bbox="321 848 663 873">Sri Saraswathi Grameena Bank</td> <td data-bbox="756 848 901 873">—30.12.1995</td> </tr> <tr> <td data-bbox="321 873 569 898">Varda Grameena Bank</td> <td data-bbox="756 873 890 898">—25.1.1996</td> </tr> </tbody> </table>	Name of the Regional Rural Bank	Date of sending Annual Report and Audited Accounts to the M/o Finance	Palamau Kshetriya Gramin Bank	—10.6.1996	Surat Bharuch Gramin Bank	—20.3.1996	Bardhaman Gramin Bank	—17.6.1996	Sri Saraswathi Grameena Bank	—30.12.1995	Varda Grameena Bank	—25.1.1996
Name of the Regional Rural Bank	Date of sending Annual Report and Audited Accounts to the M/o Finance													
Palamau Kshetriya Gramin Bank	—10.6.1996													
Surat Bharuch Gramin Bank	—20.3.1996													
Bardhaman Gramin Bank	—17.6.1996													
Sri Saraswathi Grameena Bank	—30.12.1995													
Varda Grameena Bank	—25.1.1996													
2.8		<p>The Committee find it difficult to understand as to why the printed copies of the Annual Reports and Audited Accounts of these Banks were kept within the banks itself for the period ranging from 16 months to 21 months. The Committee feel that the Banks took it leisurely and did not give due importance to the work relating to the placing of the documents before Parliament. The Ministry of Finance also did not remind the banks to forward copies of their finalised annual Reports and Audited Accouts for laying them on the Table of the House within the prescribed period of 9 months from the close of the accounting years. The Committee are, therefore, bound to presume that there is total lack of watch in the Ministry of Finance on the Regional Rural Banks. The Committee would like to emphasise that the delay in laying the documents of the Banks deprived the members of Parliament of the opportunity to have an access to these documents in time to evaluate the performance and activities of the Banks, appropriation of funds provided to them and suggest the remedial measure in case of shortcomings, if any. The Committee would like to know the reasons</p>												

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from the Ministry of Finance why the copies of the finalised Annual Reports and Audited Accounts were kept by the Banks with themselves for such a long period and what action has been taken or proposed to be taken to avoid such lapse in future.

2.9 The Committee, however, note with satisfaction that the Annual Reports and Audited Accounts of the aforesaid Banks for the years 1994-95 and 1995-96 have been laid on the Table of the House within the stipulated period *i.e.* on 22.12.1995 and 13.12.1996 respectively. But these documents for the year 1996-97 have again been laid after a delay of 6½ months *i.e.* on 17.7.1998 which is not a happy situation.

2.10 The Committee hope that the Ministry of Finance as well as the Regional Rural Banks would make all out efforts to see that delays are eliminated completely and the documents are laid on the Table of the House within the prescribed period of nine months from the close of the accounting year in future.

3.6 The Committee note that the Annual Report and Audited Accounts of the Regional Engineering College, Tiruchirapalli for the year 1994-95 were laid after a delay of about 11½ months over and above the maximum permitted period of nine months after close of the accounting year.

3.7 The Committee are distressed to note that the College took 7 months in compilation of their accounts and further 1½ months in handing over the documents to the auditors. The Committee also note that after submission of the accounts to auditors on 14.12.1995, the Audited Accounts in English and Hindi versions were despatched by the Accountant General after a long period of 5½ months, *i.e.*, on 31.5.1996. The Committee are constrained to observe that no efforts appear to have been made either by the Ministry of Human Resource Development or the authorities of the Regional Engineering College, Tiruchirapalli to persuade the Accountant General, Tamil Nadu to have the Audited Accounts together with the audit certificate returned despatched without any loss of time.

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- 3.8 The Committee further note that the Annual Report, which contained administrative matters only should have been finalised within 6 months from the close of the accounting year. It was actually finalised and approved by the Board of Governors of the College after about 12 months, *i.e.*, on 29.3.1996. The Committee also note that the printed copies in Hindi version of the Annual Report were received after 8 months of their approval from the Board of Governors, *i.e.*, on 5.12.1996. The Committee deplore the manner in which the finalisation and printing of Annual Report have been dealt with. The Committee feel that the whole matter had been treated with laxity and no serious attention had been paid to expedite process of finalising the documents at each stage thereof.
- 3.9 Keeping in view the above factors which contributed towards delay, the Committee strongly recommend that the College must pay serious attention to the work of finalising of documents and subsequently sending it to the Ministry for placing them on the Table of the House. The Committee reiterate that a period of 3 months after close of the accounting year as recommended by the Committee earlier would be sufficient for compilation of accounts and their submission to audit and next 6 months should be given for auditing of accounts, for printing of reports in English and Hindi versions and sending it to Government for laying on the Table of the House.
- 3.10 To achieve the desired result the Ministry of Human Resource Development (Department of Education) in consultation with the Regional Engineering College, Tiruchirapalli must draw a time-bound programme for the stages involved in finalisation of these documents and monitor the progress made at each stage.
- 3.11 The Committee are, however, happy to note that the documents for the year 1997-98 which were due for laying on the Table of the House by 31.12.1997 have been laid on 23.12.1998, *i.e.*, within the prescribed period of nine months after close of the accounting year. The Committee hope that this trend may be sustained by the College and Ministry of Human Resource Development (Department; of Education).

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4.7	<p>The Committee note that the Annual Report and Audited Accounts of the Regional Engineering College, Calicut for the year 1994-95 were laid on the Table on 3.12.1996, <i>i.e.</i>, after a delay of about 11 months.</p>	
4.8		<p>The Committee regret to find from the Delay Statement laid on the Table and subsequently information furnished by the Ministry of Human Resource Development (Department of Education) that the action for appointment of auditors was initiated after 2 months of the close of the accounting year and further 5-1/2 months were taken by the auditors in auditing the accounts. The Committee feel that had the College initiated an advance action for appointment of auditors much of the delay could have been obviated. The Committee also feel that once the accounts are handed over auditors for auditing they must be pursued vigorously for early completion of the audit. The Committee hope that the College and the Ministry of the Human Resource Development (Department of Education) would be more watchful in this regard and would not allow to recur the delay on this account in future.</p>
4.9	<p>The Committee are surprised to note that after finalisation of the documents, the College took more than 3 months in translation and printing and sending the documents to the Ministry for being laid on the Table of the House. The Committee or not understand why the College took such a long time in translation and printing. The Committee are bound to feel that the College have not taken it with seriousness, The Committee hope that such avoidable delay would be taken care of in future.</p>	
4.10		<p>The Committe also note with concern that after having received of the documents in the Ministry, the Ministry took 8 months in preparing the "Review" and "Delay Statements" and in getting the documents authenticated from their Minister. The Committee are bound to presume</p>

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that the College and the Ministry are equally responsible for delay in laying the documents on the Table since they did not pay the adequate attention, it deserved. The Committee feel if the Administrative Ministry is working in such a lackadaisical approach how it can encourage the College to submit the documents in time. The Committee, therefore, feel that this type of go slow approach in laying the documents on the Table should be eliminated in future.

4.11

The Committee further note that the Annual Report and Audited Accounts of the College for the year 1995-96 have been laid on the Table on 13.7.1998, i.e., after a delay of 18-1/2 months and these documents for the years 1996-97 & 1997-98 which were due for laying by 31.12.1997 & 31.12.1998 respectively have not so far been laid on the Table of the House in spite of the remedial measures stated to have been taken by the Ministry of Human Resource Development (Department of Education) for timely laying of the documents in future. The Committee feel that mere issuing guidelines to College have not improved the situation. The Committee therefore, strongly recommend that henceforth a time-bound programme for all the stages involved in finalisation of the documents should be worked out by the Ministry in consultation with the College, and the programme so framed should practically be adhered to in letter & spirit and some senior officers both in the Ministry of Human resource Development (Department of Education) and the College should be entrusted with the job to oversee the progress made at each stage and ensure that the documents are laid on the Table within the prescribed period of nine months of the close of the accounting year in future.

5.6

The Committee regret to note that the Annual Report and Audited Accounts of the Motilal Nehru Regional Engineering College, Allahabad for the year 1994-95 were laid on the Table of Lok Sabha after a delay of about 11 months over and above the permitted period of 9 months allowed after the close of the accounting year.

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5.7		The Committee find from the information furnished by the Ministry of Human Resource Development (Department of Education) that the delay took place mainly in (i) auditing of accounts; (ii) getting approval of the documents from the Board of Governors; (iii) preparing "Review" & "Delay Statement" by the Ministry of Human Resource Development (Department of Education) thereafter in getting the documents authenticated from their Minister.
5.8		The Committee express their dissatisfaction over the unduly long period of 14 months & 4 months respectively taken by the College in getting approval of Board of Governors/Finance Committee on the documents.
5.9		The Committee are unhappy to note that the Ministry, knowing fully well that the documents have already become over due for laying on the Table of the House, took 2 months in preparing the "Review" & "Delay Statement" & getting the documents authenticated from their Minister.
5.10		The Committee are distressed to note that the documents for the subsequent years <i>i.e.</i> 1995-96 & 1996-97 which were due for laying by 31.12.1996 & 31.12.1997 have been laid on the Table of the House on 13.7.1998 & 7.12.1998 <i>i.e.</i> after a delay of about 18 1/2 months & 11 months respectively and these documents for the year 1997-98 which were due for laying latest by 31.12.1998 have not so far been laid.
5.11		The Committee are, however, satisfied to note that in order to ensure timely finalisation of the documents, the MNREC & the Ministry of Human Resource Development (Department of Education) have chalked out a detailed programme for timely finalisation and placing of the documents before Parliament. The Committee suggest that some senior officers both in the Ministry of Human Resource Development (Department of Education) and MNREC, Allahabad, should also be made responsible to monitor the progress made at each & every stage involved in finalisation of the documents

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		and see that all out efforts are made to ensure that the Annual Reports & Audited Accounts of the College are laid on the Table of the House well within the prescribed period of nine months from close of the accounting year, in future.
6.7		The Committee are unhappy to note that Annual Report and Audited Accounts of the Maulana Azad College of Technology, Bhopal for the year 1994-95 were laid on the Table after a delay of about 11 months. These documents for the subsequent years 1995-96 & 1996-97 were laid on the Table of the House after a delay of about 17 months & 6 1/2 months respectively and these documents for the year 1997-98 which were due for laying by 31.12.1998 have not so far been laid.
6.8		From the "Delay Statement" and the information furnished by the Ministry of Human Resource Development (Department of Education), the Committee find that after close of the accounting year, the College took about 11 1/2 months in finalising their Annual Report. The Committee fail to understand the long time taken by the College in finalisation of the Annual Report where no outside agency was involved in the process. The Committee suggest that this type of lethargic approach should be avoided in future.
6.9		The Committee also find that the College submitted their accounts to the Accountant-General, Madhya Pradesh for auditing on 27.6.1995. These were received back by them duly audited on 2.3.1996 i.e. after about 8 months and further more than 3 months were taken by the College in getting approval of the documents from the Board of Governors/ Finance Committee. The Committee feel that the College did not make sincere efforts for timely receipt of the accounts from the Accountant-General. The Committee, therefore, advise that once the documents are submitted for auditing, the Auditors should be pursued vigorously for early auditing of

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the accounts. The Committee also advise that when the documents are ready, the College should take prompt action in getting approval of the documents from the B.O.G./Finance Committee and further sending it to the Ministry for being placed on the Table of the House.

The Committee further note that after receipt of the documents from the College, the Ministry took 4½ months in authentication of the documents from their Minister and subsequently placing it on the Table of the House.

The Committee take a serious note of the fact that the Annual Reports and Audited Accounts of the College are being laid on the Table with delay continuously for the last many years.

The Committee, however, note the remedial steps stated to have been taken by the College to ensure timely finalisation of the documents in future. The Committee feel that the time-bound programme so framed should be followed in letter and spirit and some senior officers both in the Ministry of Human Resource Development (Department of Education) and the College should be made responsible to oversee the progress made at each stage of finalisation of the documents and ensure that the Annual Reports and Audited Accounts are laid on the Table within the stipulated period of nine months from the close of the accounting year, in future.
