

**COMMITTEE
ON
PAPERS LAID ON THE TABLE
(1992-93)**

(TENTH LOK SABHA)

EIGHTH REPORT

[Action Taken by Government on the recommendations/observations made by the Committee on Papers Laid on the Table in their Twenty Fourth Report (Eighth Lok Sabha), Second, Third and Fourth Reports (Ninth Lok Sabha) and First Report (Tenth Lok Sabha)]

Presented on 27 April, 1993



**LOK SABHA SECRETARIAT
NEW DELHI**

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TABLE OF LOK SABHA (1992-93)**

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2. Shri S.C. Gupta — *Joint Secretary*
3. Shri R.K. Chatterjee — *Deputy Secretary*
4. Shri Ram Autar Ram — *Under Secretary*

INTRODUCTION

1. the Chairman of the Committee on Papers Laid on the Table, having been authorised by the Committee to present the Report on their behalf, present this their Eighth Report on the Action Taken as proposed to be taken by Government on certain recommendations/observations of the Committee on Papers Laid on the Table made in their Twenty Fourth Report (Eighth Lok Sabha). Second, Third and Fourth Reports (Ninth Lok Sabha) and First Report (Tenth Lok Sabha).

2. The Committee considered and adopted this Report at their sitting held on 8 April, 1993.

NEW DELHI;
April 8, 1993

Chaitra 18, 1915 (Saka)

CHHEDI PASWAN,
Chairman,
Committee on Papers Laid on the Table.

REPORT

ACTION TAKEN BY GOVERNMENT ON THE RECOMMENDATIONS/OBSERVATIONS MADE BY THE COMMITTEE ON PAPERS LAID ON THE TABLE IN THEIR TWENTY FOURTH REPORT (EIGHTH LOK SABHA) SECOND, THIRD AND FOURTH REPORTS (NINTH LOK SABHA) & FIRST REPORT (TENTH LOK SABHA)

The recommendations/observations made in their Twenty Fourth Report (Eighth Lok Sabha) Second, Third, Fourth Reports (Ninth Lok Sabha) and First Report (Tenth Lok Sabha) of the Committee on Papers Laid on the Table, on which Government have taken action have been shown in a statement at Appendix.

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

NEW DELHI;
April 8, 1993

Chaitra 18, 1915 (Saka)

CHHEDI PASWAN,
*Chairman,
Committee on Papers Laid
on the Table of Lok Sabha.*

APPENDIX

[Vide paragraph 1 of the Report]

STATEMENT SHOWING ACTION TAKEN BY GOVERNMENT ON THE RECOMMENDATIONS/OBSERVATIONS OF THE COMMITTEE ON PAPERS LAID ON THE TABLE MADE IN THEIR TWENTY FOURTH REPORT (8TH LOK SABHA)

Recommendation

The Committee are concerned to note that the audited accounts and audit report of the National Federation of the Industrial Cooperatives Limited, New Delhi for the cooperative year 1982-83 were laid on the Table of Lok Sabha after a delay of about 44 months and the annual report of the Federation, which was required to be laid along with the audited accounts and audit report, was laid separately with a delay of about 7 months. The documents of the Federation for the Cooperative years 1983-84, 1984-85, 1985-86 and 1986-87 are yet to be finalised and laid on the Table of the House. The Committee are unhappy to note that there was delay almost at every stage of finalising the annual accounts and there has been delay in the matter, year after year. The Committee get an impression that the Ministry of Industry have not taken any positive steps to rectify the position and the Federation has been allowed to go in its own way in complete disregard of the guidelines laid down by the Committee from time to time.

[Para No. 1.6, Twenty Fourth Report (8th Lok Sabha)]

Reply of the Government

It is very much regretted that the delay occurred in submission of Audit Report and Annual Reports of the National Federation of Industrial Cooperatives Ltd. (NAFIC) for the year 1982-83. A statement explaining the reasons for delay in submitting the Audit Report for the year 1982-83 had already been submitted to the Parliament while laying the Report. The reasons for delay were further explained to the Lok Sabha Secretariat *vide* this Ministry's O.M. No. 11(30)/87-ICC dated 29th March, 1988. Similarly, while laying the Annual Report for the year 1982-83, in August 1984 a statement explaining the reason for delay had also been enclosed with the Report. In this connection it may also be mentioned that extension was granted by Rajya Sabha Secretariat *vide* their O.M. No. 25(3)/84-Coplot, dated 18-7-1984 till 31st July, 1984 to lay the Annual Report of NAFIC, for the year 1982-83.

The documents of the Federation for the year 1983-84 and 1984-85 have already been laid on the Table of both the Houses. The Annual Report of NAFIC for the year 1985-86 has also been already laid on the Table of

both the Houses. The Audit Report for the year 1985-86 will be placed on the Table of both the Houses of Parliament shortly. The Annual Report and Audited Accounts and Audit Report for the year 1986-87 will be laid on the Table of the House in due course. The statutory Auditors for the year 1986-87 have recently been appointed by the Central Registrar *vide* their Letter No. L-11017/4/89-L&M dated 16.5.1989. Ministry is taking every efforts to get the Reports expedited and placed before the Parliament in time.

[*Vide* Ministry of Industry O.M. No. 1(7)/89-ICC dated 31-7-1989]

Recommendation

The Committee regret to note that their earlier recommendations contained in para 2.16 of their 20th Report (7th Lok Sabha) do not seem to have been acted upon even though the Ministry had then assured that necessary remedial steps would be taken. The Committee reiterate their earlier recommendation and stress that all out efforts should be made to streamline the procedure followed in the Federation to ensure that the annual reports and audited accounts are placed together before Parliament within 9 months of the close of the accounting year, in future.

[Para No. 1.7, Twenty Fourth Report (8th Lok Sabha)]

Reply of the Government

Noted. Every effort would be made to streamline the procedure to ensure that the annual reports and audited accounts are placed together, before the Parliament within 9 months of the close of the year in future.

[*Vide* Ministry of Industry, (Deptt. of Industrial Development) O.M. No. 1(7)/89-ICC dated 31-7-1989]

Recommendations

The Committee also urge upon the Ministry to involve themselves in the affairs of the Federation and draw up a realistic time schedule for completion of each stage of finalisation of annual reports and audited accounts in respect of every year in arrears and monitor it at least at the level of Divisional Officer in the Ministry and see that the backlog is cleared without loss of further time.

[Para No. 1.8, Twenty Fourth Report (8th Lok Sabha)]

The Committee are unhappy to note that the audited accounts and audit report of the Federation for the year 1982-83 were laid on the Table of Lok Sabha without being considered and adopted by the Annual general Meeting of the Federation. The Committee feel that this was quite irregular and not in keeping with the norms and the established procedure. The Committee, therefore, suggest that the annual report and audited accounts of the Federation should invariably be got adopted by The

Annual General Meeting before placing on the Table of the House, in order to avoid criticism at a later stage.

[Para No. 1.9, Twenty Fourth Report (8th Lok Sabha)]

Reply of the Government

The Federation has been instructed to expedite the Annual Report, Audited Accounts and Audit Report and submit the same with the approval of Annual General Meeting within the prescribed time limit as given below:

	Annual Report	Audit Report
1986-87	Will be laid on the Table shortly.	October, 1989.
1987-88	November, 1989	November, 1989
1988-89	December, 1989	December, 1989

Every efforts will be taken to submit the above reports in the prescribed time limit shown above.

[Vide Ministry of Industry, O.M. No. 1(7)/89-ICC dated 31-7-1989]

Recommendation

The Committee are concerned to note that the Annual Report and Audited Accounts of the Engineering Export Promotion Council, Calcutta for the year 1985-86 were laid on the Table of Lok Sabha after a delay of about 11½ months. These documents for the subsequent year 1986-87 which were due for laying by 31 December, 1987, are yet to be laid. The position of the documents pertaining to the earlier years was no better as these were never laid on the Table of the House within the scheduled period of 9 months of the close of the accounting year.

[Para No. 2.5, Twenty Fourth Report (8th Lok Sabha)]

Reply of the Government

The reasons for the delay of 11½ months in laying of Annual Report and Audited Accounts of Engineering Export Promotion Council, Calcutta for the year 1985-86 on the Table of the Lok Sabha have already been communicated to the Lok Sabha Secretariat. The Annual Report and Audited Accounts of the Engineering Export Promotion Council for the year 1986-87 have been laid on the Table of the Lok Sabha on 13th December, 1988. The delay in laying of the above Report on the Table of the House occurred mainly because of the on-going delay in submission of Reports pertaining to earlier years. The Engineering Export Promotion Council has been cautioned to avoid such delays and strictly adhere to the prescribed time schedule to ensure timely submission of the Report to both the Houses of Parliament. The Council have since taken

corrective measures in this regard which resulted in submission of the Annual Report for the year 1987-88 within the stipulated period.

[Vide Ministry of Commerce, O.M. No. 21/39/86-EP (Engg. II)
dated 11-10-1989]

Recommendations

In the delay statement laid on the Table alongwith the Annual Report and Audited Accounts of the Council for the year 1985-86, Ministry have not given full details as to how the processing of accounts was delayed at different stages such as compilation of accounts, appointment of Statutory Auditors, Auditing of accounts, resolving of Audit queries, holding of Annual General Meeting of the Council, translation/printing of the Annual Report and Audited Accounts etc. In the absence of these details, it is not possible to identify the stages where the delay actually took place and where remedial measures need be taken.

The Committee, therefore, recommend that in the statement of reasons for delay Government should invariably incorporate full details about delay at different stages of finalisation of Annual Report and Accounts to enable the Committee to pin-point the areas of delay and suggest remedial measures.

[Para No. 2.6, Twenty Fourth Report (8th Lok Sabha)]

The Committee also find from the additional information furnished by the Ministry of Commerce that the panel of Statutory Auditors was approved and conveyed to EEPD on 30 January, 1986 but the appointment of the Statutory Auditors was actually made after obtaining ratification of the Annual General Meeting of the Council held on 30 October, 1986 i.e. after a lapse of 9 months. The annual accounts were compiled after appointment of auditors and these were handed over to Auditors only in December, 1986. There was thus avoidable delay in the appointment of auditors as also in compilation of accounts. The Committee, therefore, recommend that the Ministry of Commerce should take immediate steps to evolve some procedure in consultation with the Comptroller and Auditor General of India and the Engineering Export Promotion Council to ensure that the Statutory Auditors are appointed with utmost promptitude and compilation of annual accounts is not delayed.

[Para 2.7, Twenty Fourth Report (8th Lok Sabha)]

Reply of the Government

The recommendation of the Committee in para 2.6 has been noted. The Engineering Export Promotion Council has been cautioned to ensure that such delays do not occur in future. The Council have taken some corrective steps and, therefore, it has been made possible to present the Annual Report and Audited Accounts of the Council for the year 1987-88

within the stipulated period of time. While noting the above recommendations Government hope that such delays will not recur.

[Vide Ministry of Commerce O.M. No. 21(39)/86-EP (Engg.II) dated 11.10.1989]

Recommendation

The Committee further find from the information furnished by the Ministry of Commerce that the Council took about 11½ months in compilation of the accounts as against 3 months earlier prescribed by the Committee on Papers Laid for the purpose. Then the Statutory Auditors took about 3 months in auditing of these accounts. Therefore, another period of 7½ months was taken in placing the Annual Report and Audited Accounts before Annual General Meeting of the Council. The Committee are of the opinion that the Ministry of Commerce took no care to pursue the matter with the Council and allowed them to take their own time. The Committee have no doubt that had the Ministry followed up the matter with the Council, the things could have moved quickly and unnecessary delay avoided at many stages. The Committee desire that the Ministry of Commerce should nominate some senior officer in the Ministry to oversee this particular item of work in the Council with a view to ensure that in future the required documents are placed before Parliament within 9 months of the close of the accounting year.

[Para 2.8, Twenty Fourth Report (8th Lok Sabha)]

Reply of the Government

The observations of the Committee have been noted. Ministry of Commerce did pursue the matter with the Engineering Export Promotion Council. However, on accounts of the factors already communicated to the Lok Sabha Sectt., this work could not be completed within the stipulated time. A senior officer of this Ministry, who is incharge of the Division, has since been made responsible to oversee the timely submission of the Annual Report to both the Houses of Parliament. This has resulted in timely submission of the Annual Report of the Council for the year 1987-88.

[Vide Ministry of Commerce O.M. No. 21(39)/86-EP (Engg.II) dated 11.10.1989]

Recommendations

The Committee note that the delay of about 10½ months in laying the Annual Report and Audited Accounts of the University of Delhi for the year 1985-86 occurred mainly on account of long time taken by the University in compilation of accounts and getting the documents translated in Hindi. The Committee note with satisfaction that there was not much of

delay in laying in Parliament the Annual Report and Audited Accounts of the University for the year 1986-87.

[Para 3.6, Twenty Fourth Report (8th Lok Sabha)]

The Committee recommend that the Ministry of Human Resource Development (Department of Education) should in consultation with the University of Delhi draw up a time bound programme for completion of different stages of the Annual Reports and Audited Accounts. Senior officers in the Ministry and the University should be made responsible to ensure that the documents are completed in all respects and placed before Parliament within the stipulated period of 9 months from the close of the accounting year. The Committee would like to be apprised of the action taken in the matter.

[Para 3.7, Twenty Fourth Report (8th Lok Sabha)]

Replies of the Government

Concerted efforts would be made by this Ministry in consultation with the University of Delhi to ensure that in future the Annual Reports and the Audited Accounts of the University of Delhi are laid on the Table of the House simultaneously within the stipulated period of 9 months of the close of the accounting year. The University has arranged and streamlined a procedure to see that the Annual Reports are completed within the prescribed period. The University has also prepared the following time schedule for completion of the work of the audit of the annual accounts of the University:--

- | | |
|---|-------------------|
| 1. Making available the accounts to the Director of Audit, Central Revenues (DACR) party for audit. | by 30 June |
| 2. Completion of audit by DACR | by 31st August |
| 3. Issue of Draft Audit Report by DACR | by 30th September |
| 4. Submission of replies to the Draft Audit Report by the University. | by 30th October |
| 5. Issue of finalised Audit Report and Audit Certificate | by 30th November. |

[Vide Ministry of Human Resource Development (Department of Education) O.M.No.F. 4-36/88-Desk(U), dated 18.10.1989]

Recommendations

The Committee note that the Audited Accounts of the North-Eastern Hill University, Shillong for the year 1985-86 were laid on the Table of Lok Sabha after a delay of 11 months and these documents for the subsequent year 1986-87 are still to be laid. The Annual Report and 'Review' were also not laid alongwith the Annual Accounts for the year

1985-86. From the information furnished by the Ministry of Human Resource Development (Department of Education) the Committee find that the delay occurred at the stages of compilation of Accounts and their auditing. It has been further stated that Annual Report and 'Review' could not be laid alongwith the Annual Accounts as the University comprised of 5 different campuses located in the flung areas of three separate states of the region which resulted in delay in collecting returns from these Centres.

[Para 4.6, Twenty Fourth Report (8th Lok Sabha)]

The Committee recommend that the relevant documents should always be laid in time and in order to comply with the requirement of the Ministry concerned should draw up a time schedule for each stage i.e. compilation of Annual Accounts, their auditing, submission of audit report by Auditors, their auditing, submission of audit report by Auditors, convening of appropriate authority for adoption of the documents, translation, printing and laying of Annual reports and Audited Accounts of the University on the Table of the House. The Committee are also of the view that all the relevant documents i.e. Annual Report, Audited Accounts, 'Review' should invariably be laid together. The Committee also desire that the Ministry in consultation with the University should streamline the procedure and ensure that the documents are laid before Parliament in time in future.

[Para 4.7, Twenty Fourth Report (8th Lok Sabha)]

Replies of the Government

The recommendations of the Committee have been noted for compliance. The Audited Accounts for the year 1986-87 were laid before the Lok Sabha on 6.12.1988. In future concerted efforts would be made to ensure that the Annual Reports and the Review together with audited Annual Accounts are laid together on the Table of the House, within the stipulated period.

With a view to streamlining the procedure and to avoid delays, the Department of Education has advised North Eastern Hill University, to adopt the following schedule for compilation and submission of Annual Reports and audited Annual Accounts:—

1. The Annual Accounts be finalised before *15th May*, and submitted for audit;
2. The Audit Report be obtained before 31st July* (by pursuing the matter with Auditors concerned);
3. The Audit Report along with Annual Report be submitted to the Executive/Governing Body before *30th September*, for approval;
4. The Printing (both in Hindi and English) of the Statement of Accounts and *Audit Report* thereon, and the *Annual Report* should be completed by 31st October;

5. Documents be sent to the Ministry by *first week of November*; and
6. To minimise delays, the Hindi translation of every document, be done simultaneously with the preparation of the document.

[*Vide* Ministry of Human Resource Development (Department of Education) O.M.No. F. 8-19/89-Desk(U) dated August 6, 1990]

Recommendations

The Committee find that delay of about 14 months in laying the Annual Report of Banaras Hindu University for the year 1985-86 occurred mainly due to the fact that there was inordinate delay in compilation of documents and an period of 2 months was taken for placing the Annual Report before the Executive Council. The Committee also note that the annual report for the subsequent year 1986-87 was laid before Parliament with a delay of about 7½ months. However, the Annual Audited Accounts of the University for the year 1986-87 were further delayed and laid on the Table of Lok Sabha only on 21 April, 1988. The Committee have from time to time emphasized that both the Annual Report as also the audited accounts for the period should be laid on the Table simultaneously. All efforts should be made to ensure this.

[Para 5.6, Twenty Fourth Report (8th Lok Sabha)]

The Committee also desire that sincere efforts should be made to ensure that the requisite documents are laid together on the Table of the House within the stipulated period of nine months of the close of the accounting year.

[Para 5.7, Twenty Fourth Report (8th Lok Sabha)]

Reply of the Government

Concerted efforts would be made to ensure that in future the Annual Reports and the Audited Accounts of Banaras Hindu University are laid on the Table of the House simultaneously within the stipulated period of nine months of the close of the accounting year.

[*Vide* Ministry of Human Resource Development (Department of Education) O.M. No. F 1-36/89-Desk(U) dated 25-7-1989]

Recommendation

The Committee note that the annual report and audited Accounts of the National Seeds Corporation Limited, New Delhi for the year ended 31 May, 1987 were laid on the Table of Lok Sabha after a delay of 51 months. The Committee are unhappy to note that the auditing of accounts which commenced in the month of June/July, 1987 was completed in the month of February, 1988. In this way, a long period of 8 months was taken by the Auditors in completing the audit report. Thereafter, another period of about 2 months was taken by the office of the C&AG, in issuing comments on the final audit report of the Statutory Auditors. The Committee do not wish to apportion blame for delay in compilation

and auditing of accounts on different agencies but recommend that the entire time schedule for compilation and processing of accounts and audit report thereon should be carefully reviewed to plug the loopholes, if any. The Committee are interested only in seeing that the documents are placed in Parliament within the stipulated time.

[Para 6.6, Twenty Fourth Report (8th Lok Sabha)]

Reply of the Government

Prescribed time schedule for the preparation/submission of documents to Head Office and finalising the accounts was given to all concerned offices. Besides this, the statutory/branch auditors were also requested for expeditiously completing the audit and submit their reports. Even the Director of Audit (Food) was also requested to complete the audit and obtain the comments of the Comptroller & Auditor General of India at the earliest.

As a result of the above measures annual accounts for the year 1987-88 were finalised in time and the audited accounts were placed before the Board of Directors for adoption in their meeting held on 28th November, 1988. However, this year also due to delay in completion of audit by the Government auditors and issue of comments subsequently by the CAG (which were beyond NSC's control) the same were received and considered in the adjourned Annual General Meeting held on 28th March, 1989. The printed annual accounts for 1987-88 (both in English and Hindi versions) were submitted immediately to the Ministry on 30th March, 1989.

For the finalisation of accounts for the year 1988-89 and getting the same audited similar action has been taken and NSC expects to submit the documents to the Ministry for placement in the Parliament within the stipulated period.

[Vide Ministry of Agriculture O.M. No. 7-4-/89 SDI-I dated 26-6-1989]

Recommendation

The Committee are constrained to observe that the Ministry of Agriculture who are administratively responsible for the affairs of the Corporation were in possession of the required documents on 28 April, 1988, but they failed to lay them on the Table of the House in the Budget Session, 88, which commenced on 22 February and ended on 30 May, 1988. The Committee cannot help expressing their unhappiness over the casual manner in which the Ministry had handled this matter. The Committee trust that the Ministry would be watchful in future to avoid recurrence of such lapses.

[Para 6.7, Twenty Fourth Report (8th Lok Sabha)]

Reply of the Government

National Seeds Corporation had submitted its Annual Report on 28th April, 1988. But the delay statement was received only on 12th May, 1988. Before submitting the report to Parliament, review report and delay

statement were to be cyclostyled and translated to Hindi and authenticated by Minister of State (Agri.). As the time available was very short the Annual Report could not be laid on the Tables of Lok Sabha and Rajya Sabha during the Budget session which ended on 30th May, 1988.

The Annual Report of NSC for the year 1986-87 was therefore laid on the Tables of Lok Sabha & Rajya Sabha in the succeeding session on 18th August, 1988. In future, the Ministry will endeavour to place the Annual Reports in time.

[Vide Ministry of Agriculture O.M. No. 7-4/89-SD-I dated the 30th June, 1989]

Recommendation

The Committee regret to note that inspite of the close monitoring by the Department of the Public Enterprises, the Annual Reports and Audited Accounts of the Bharat Process and Mechanical Engineers Limited and Weighbird (India) Ltd., Calcutta for the year 1986-87 were laid on the Table of the House after a delay of more than 8 months and these documents for the subsequent year 1987-88 which ought to have been laid by 31 December, 1988 are yet to be laid. The Committee also note from the information furnished by the Department of Public Enterprises that the Weighbird (India) Limited took about 11 months in compiling their accounts for 1986-87 as against 3 months prescribed for the purpose. The Committee are not convinced with the justification given by the Department of Public Enterprises that the Company did not have any accountant as the earlier one had left the Company in early 1986 and the post could not be filled up. It is also not clear how 47 days strike resulted in delay of more than 8 months in finalising the Annual Reports and Audited Accounts.

[Para 7.6., Twenty Fourth Report (8th Lok Sabha)]

Reply of the Government

It is true that the finalisation of Audit and adoption of Accounts for the year 1986-87 had been delayed because of the reasons as explained to the Committee. The observation of the committee is noted for compliance. All out efforts will be made to finalise accounts and complete audit within the statutory date. The Annual Reports and Accounts of BBUNL (including reports of all its subsidiaries for the year 1987-88 were received in this Department on 31.12.1988 but could not be laid as Parliament was not in session at that time. So the Reports were laid in the Budget Session.

It is a fact that the WIL took about 11 months in compilation of their accounts for 1986-87 as against 3 months period because of the reasons explained to the Committee. The observation of the Committee is noted for compliance. WIL a subsidiary of BPMEL is a very small public sector

company and has been passing through a crisis situation right from the time of take over.

[Vide Ministry of Industry (Deptt. of Public Enterprises) O.M. No. 4/(17)/89/PE-III dated 30.8.1989]

Recommendation

The Committee are unhappy to observe that knowing well that the documents are required to be laid before Parliament within the prescribed time limit of 9 months timely steps were not taken by the Company to ensure that accounts were finalised well in time. The position of compilation of accounts of Bharat Process and Mechanical Engineers Limited for the year 1986-87 was not better as they also took about 6 months in compilation of their accounts. The Committee are constrained to observe that at no stage the companies and the Department of Public Enterprises seemed to have made serious efforts to get the Annual Reports and Audited Accounts finalised with expedition.

[Para 7.7, Twenty Fourth Report (8th Lok Sabha)]

Reply of the Government

With its out-dated technology, the Company in the last few years is limping along with poor order book position and low capacity utilisation. What has added to the gravity of the situation is the fact that there was complete lack of effective and steady management in the past few years. There was no Chief Executive for the 1st 10 months of the year, 1986 (from 12.1.1986 to 16.11.1986). The new incumbent joined WIL on 17.11.1986 retaining his lien with the parent Company. Under that situation the Accounts Department was gripped with complete in-action when the only qualified Accountant of the Company left on 16th March, 1986. The finalisation of accounts could not be effectively pursued by the company in the absence of both the Chief Executive and Accountant. Its holding company, BPMEEL also could not render any material help as it was also saddled mostly with similar problem. The newly formed Holding Company, BBUNL, of which BPMEEL and WIL became subsidiary Companies though came into existence by incorporation in September, 1986, started functioning with only CMD in position in end January, 1987. During the whole of 1987-88 the CMD was functioning with only the assistance of Director (Personnel) and one or two other key technical staff.

While the draft accounts were getting ready the problem relating to the Govt. approval of Interim Relief Payment began in September, 1987. BBUNL group of company including WIL along with other Public Sector Engineering Industries in West Bengal which are governed by tripartite wage settlement did not agree to pay the interim relief to the workers. This matter aggravated and finally led to strike of 47 days with effect from 14th December, 1987 to 28th January, 1988. Even though the strike officially lasted 47 days, its cumulative effect was little more than 3 months

commencing late/October as the workmen were involved in actions preparatory to the commencing of strike on the issue. In this period, therefore, there was virtually no progress towards handing over the final accounts for Audit. The progress of closing of accounting work from Statutory Audit stage onwards could begin only in March, 1988 after normalisation of activities when the strike was called off. All the above factors together caused delay in finalising the Annual Reports and Audited Accounts of BPMEL and WIL for the year 1986-87.

[Vide Ministry of Industry (Deptt. of Public Enterprises) O.M.No. 4/17/89/PE-III dated 30.8.1989]

Recommendation

The Committee, therefore, recommend that the Department of Public Enterprises should draw up a time schedule for completion of each stage viz. compilation of accounts their auditing, furnishing of audit report, holding of AGM translation, printing and sending the documents to the Department of Public Enterprises for laying on the Table of the House within the time prescribed by the Committee in para 4.16 of their 2nd Report (5th Lok Sabha).

[Para 7.8, Twenty Fourth Report (8th Lok Sabha)]

Reply of the Government

The arrear of Accounting work has since been made up and the progress relating to closing of Accounting work for the year 1988-89 is being closely monitored. It is expected Annual Report will be finalised within the prescribed time limit. The schedule for laying of Annual Reports and Accounts for the year 1988-89 on the Tables of Parliament in respect of BBUNL which would include the Reports in respect of BPMEL and WIL as well has been drawn up for laying the Reports on the Tables of Parliament within the prescribed time limit.

[Vide Ministry of Industry, (Deptt. of Public Enterprises) O.M. No. 4(17)/89/PE.III dated 30.8.89]

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

Recommendation

The Committee are concerned to note that the Annual Report and Audited Accounts of the Rashtriya Manav Sangrahalaya for the years 1985-86 and 1986-87 which, in terms of the recommendation of the Committee made in para 4.16 of their Second Report (Fifth Lok Sabha) ought to have been laid before Parliament by 31 December, 1986 and 31 December, 1987 respectively *i.e.* within 9 months of the close of the accounting year, were actually laid on 24 November, 1988 and 16 December, 1988 respectively. Thus there was delay of about 24 months and 11^{1/2} months respectively. The Committee also note with regret that the Annual Report and Audited Accounts for the subsequent year 1987-88 which were required to be laid by 31 December, 1989 are yet to be laid.

[Para 1.6 of Second Report (Ninth Lok Sabha)]

Reply of the Government

The Annual Report and Audited Accounts for the year 1987-88 alongwith a Review and a Delay Statement has since been laid on the Table of both the Houses of Parliament on 22.5.1990.

The reasons for delay in laying the Annual Reports and Audited Accounts for the year 1985-86 and 1986-87 on the Table of the Parliament are, mainly as under:—

- (1) The accounts for the year 1985-86 could not be compiled within the prescribed time limit due to non-availability of personnel in the Accounts Section of the Sangrahalaya. After obtaining the approval of the Executive Council of Rashtriya Manav Sangrahalaya Samiti, the compilation work was entrusted to a Chartered Accountant. Hence the delay in the compilation of the accounts.
- (2) Although the Accountant General was requested to audit the accounts immediately after the compilation of the Accounts for 1985-86 and 1986-87, the Auditors took about seven-eight months for auditing the accounts.
- (3) The Rashtriya Manav Sangrahalaya Samiti did not hold any meeting in 1985 and 1986 for various reasons and the approval of the Samiti to the Annual Report and Audited Accounts for 1985-86 could be obtained only on 25.7.1987 when the Rashtriya Manav Sangrahalaya Samiti met for the first time.

(4) Since the Accountant General, Madhya Pradesh did not issue audit certificate on the plea that he conducted audit under Section 14(1) of the C.A.G.(DPCS)'s Act, a considerable time has been spent in correspondence with the Accountant General, Madhya Pradesh. At last this Department sought the advice of the Ministry of Finance (Department of Economic Affairs) as to whether the Annual Report and Audited Accounts of the Sangrahalaya could be laid on the Table of both the Houses of Parliament without an audit certificate. The advice of Ministry of Finance was received on 16.9.1988 to the effect that the Accounts may be placed before the Parliament without the audit certificate, since Section 14(1) of the C.A.G.(DPCS)'s Act does not require an audit certificate.

[Vide Ministry of Human Resource Development, Department of Culture, File No. 4-15/86-CH. I dated 3 September, 1990]

Recommendation

The Committee find from the information received from the Ministry that the compilation of accounts took about 7^{1/2} months for the year 1985-86 as against 3 months recommended by the Committee. However, the accounts for the year 1986-87 were compiled on time. Had the Ministry and Sangrahalaya been conscious of the time limit prescribed by the Committee for lays the Reports and accounts on the Table of the House, the delay in compilation of accounts could have been minimised and delay for laying the documents avoided.

[Para 1.7 of Second Report (9th Lok Sabha)]

Reply of the Government

The inordinate delay in compilation of the accounts of the Sangrahalaya for the year 1985-86 occurred due to non-availability of personnel in the Accounts Section of the Sangrahalaya. However, after obtaining the approval of the Executive Committee of the Rashtriya Manav Sangrahalaya Samiti, the compilation work was entrusted to a Chartered Accountant.

[Vide Ministry of Human Resource Development, Department of Culture, File No. 4-15/86-CH. I dated 3 September, 1990]

Recommendation

The Committee also find that the auditors took about 7 months and 8^{1/2} months for auditing the accounts for the years 1985-86 and 1986-87 respectively. Neither the Ministry nor the Sangrahalaya appear to have impressed upon the auditors to complete auditing the accounts in shortest possible period so that next stages of finalisation of Annual Reports and Audited Accounts could be completed within the stipulated period.

[Para 1.8 of Second Report (9th Lok Sabha)]

Reply of the Government

While forwarding the compiled accounts of the Sangrahalaya to the Accountant General, Madhya Pradesh, he was specifically requested to audit the accounts immediately. The Accountant General, Madhya Pradesh has also been reminded by the Sangrahalaya in this regard from time to time.

In future, the Sangrahalaya will indicate the target date by which the Auditor would be required to submit its report alongwith an audit certificate, as the audit of the Sangrahalaya has, now been entrusted to Accountant General, Madhya Pradesh under Section 20 of the CAG (DPCS)'s Act.

[Vide Ministry of Human Resource Development, Department of Culture, File No. 4-15/86-CH. I dated 3 September, 1990]

Recommendation

The Committee further find that the Annual Report and Audited Accounts of the Sangrahalaya for the year 1985-86 were placed before the Executive Council on 27 October, 1987 and those for the year 1986-87 on 26 March, 1988 whereas final Audit Reports were available with the Sangrahalaya on 17 June, 1987 for the year 1985-96 and by 15 March, 1988 for the year 1986-87. There was also undue delay on the part of Ministry of Human Resource Development (Department of Culture) in laying the document on the Table of the House.

The Committee recommend that the Ministry should draw up a time schedule in consultation with Sangrahalaya for finalising the Annual Report and Audited Accounts to ensure that the required documents are placed before Parliament within the stipulated period of 9 months prescribed by the Committee.

[Para 1.9 of Second Report (9th Lok Sabha)]

Reply of the Government

Since the Executive Council of Rashtriya Manav Sangrahalaya Samiti did not meet between 17.6.1987 and 23.10.1987 due to some unavoidable circumstances, the Audit Inspection Report for the year 1985-86 could not be placed before the Executive Council earlier than 27.10.1987.

As regards Audit Inspection Report for the year 1986-87, there seems to be no delay on the part of the Sangrahalaya, as according to the Rules and Regulations of the Rashtriya Manav Sangrahalaya Samiti, a ten days' notice is required for convening a meeting of the Executive Council.

[Vide Ministry of Human Resource Development O.M. No. 4-15/86-CH. I dated 3 September, 1990]

Recommendation

The Committee are concerned to note that the Annual Report and Audited Accounts of the Kendriya Hindi Shikshan Mandal for the year 1984-85, 1985-86 and 1986-87 were laid on the Table of Lok Sabha as late as 7 December, 1988, *i.e.* after about a delay of 35 months, 23 months and 11 ¹/₂ months, respectively after the close of the accounting years to which they pertained. The Committee also note that these documents of the Mandal for the subsequent year 1987-88 were placed before Parliament with the delay of 4 ¹/₂ months.

[Para 2.8 of Second Report (9th Lok Sabha)]

Reply of the Government

The delay in laying Annual Report and Audited Accounts of the Mandal for the years 1984-85 to 1987-88 has been due to procedural delay in entrustment of Audit of the Kendriya Hindi Shikshan Mandal beyond 1983-84 to the Comptroller & Auditor General of India. Although, the proposal for entrustment of Audit of Accounts of the Mandal to CAG from 1984-85 onwards was initiated in May, 1985, it could be finally settled only in September 1987. The reasons for delay were beyond the control of the Mandal.

[Vide Ministry of Human Resource Development, O.M. No. 6—17/90-D.
II (L) dated 6 November, 1990.]

Recommendation

From the Audit Report of A.G., U.P. on the accounts of Mandal for the year 1986-87, the Committee note that the Audit of the Mandal has been entrusted under Section 20(i) of C&AG's (PPGS) Act, 1971 on "Super-imposed basis", which does not call for certification of accounts by A.G., U.P. It goes to suggest that under the provisions of this Act Mandal was required to engage Chartered Accountant as a Primary Auditor. The Mandal therefore, failed to comply with the provisions of the said Act and as such were solely responsible for such inordinate delays. The Audit Reports for the year 1984-85, 1985-86 and 1986-87 *inter alia* point out that (i) the Mandal did not maintain the Register of assets to enable A.G., U.P. to verify the position of assets created out of Government Grants; (ii) the authority competent to approve the annual accounts of the Mandal before their submission to Audit had not been specified in the

Memorandum of Association, Rules and Bye-laws of the Mandal; (iii) the Mandal did not furnish replies/comments on the draft Audit Report issued to them; (iv) Mandal did not invest Provident Fund Money as per the investment pattern prescribed by the Central Government in December, 1980; (iv) Payment of interim relief was made to the members of the technical faculty who were not entitled for it; (vi) By March, 1986, the Mandal made payment to the CPWD for the entire estimated cost Rs. 104.35 lakhs for the construction of 2 Warder quarters and on Director's residence by 7 March, 1985 and 2 Hostel Building by 7 February, 1986. But none of the buildings had been completed till July, 1986; and (vii) The Bank balance of the Mandal did not reconcile with the Cash Book balance. All these deficiencies noted by A.G., U.P. in the accounts of the Mandal are other contributory factors which led to delay in finalisation of the Annual Accounts and Audit Reports thereon.

[Para 2.9 of Second Report (9th Lok Sabha)]

Reply of the Government

The matter was examined in consultation with the Ministry of law in the light of the provision contained in C&AG (PPCS) Act, 1971 and the Rules of the Mandal. It was observed that Rule 20(ii) of the Rules of the K.H.S.M. contains the following provision:

The accounts of the Sansthan, *i.e.* Institute will be audited annually by the Comptroller and Auditor General of India or by any person authorised by him in this behalf and any expenditure incurred in connection with such audit shall be payable by the Mandal to the C&AG of India.

In view of above provision in the Rules of the Mandal, the Ministry of Law clarified that it is not obligatory to appoint the internal auditor. Accordingly, the Mandal has not appointed Chartered Accountant as a primary auditor. The matter has been reconsidered in consultation with the Ministry of Law and necessary action has been initiated for entrustment of audit of the KHSM to CAG on permanent basis.

The Mandal received draft audit reports on 17.9.86 and 27.8.87 from the office of the A.G., U.P. and replies thereto were furnished by the Mandal on 1.10.86 and 1.10.87 respectively. Therefore, there was no delay on the part of the Mandal in furnishing replies/comments on the draft Audit Report received them.

It has been informed by the Secretary, Kendriya Hindi Shikhsan Mandal that the Register of assets in the prescribed form is being maintained by

the Mandal and it was shown to the audit when the accounts were audited. However, Secretary, Kendriya Hindi Shikshan Mandal has been issued instructions to the effect that in future initials of the head of the audit party on important documents/registers presented to them/shown to them may be obtained in acknowledgement of the fact of the same being shown to the audit party so as to avoid any controversy later on.

The Mandal has been advised to make appropriate specific provision in the Rules of the Mandal to indicate the authority competent to approve the Annual Accounts of the Mandal before their submission to the Audit.

The Mandal has informed that they do invest Provident Fund money as per the investment pattern prescribed by the Central Government in December, 1987. The record in this connection, have already been shown to the Audit party. However, the Secretary, Kendriya Hindi Shikshan Mandal has been issued instructions to the effect that in future initials of the Head of the Audit Party on important documents/registers presented/shown to them may be obtained in acknowledgement of the fact of the same being shown to the audit party so as to avoid any controversy later on.

The payment of Interim Relief to the members of teaching faculty was made as per rule. The objection raised by the audit in this connection was examined in consultation with this Ministry and the audit objection has been settled.

The work of construction of Warder quarters and Director's residence was a deposit work. As per rules, the CPWD do not undertake the work of construction of buildings for autonomous bodies like KHSM without depositing the estimated cost of the building in advance. Therefore, the estimated cost of Rs. 104. lakhs had to be deposit with CPWD as per the demand of the CPWD with the approval of the Finance Committee and Governing Council and the Ministry. The delay in completion of the work was on the part of the CPWD authorities due to unavoidable circumstances and unforeseen reasons.

The Mandal has taken necessary steps to ensure that difference in the Bank balance of the Mandal and the balance in Cash Book do not occur in future. The Mandal receives every month, a statement from the bank indicating the amounts deposited and the amounts withdrawn and the account section of the Mandal prepares bank reconciliation statement.

[Vide Ministry of Human Resource Development, O.M. NO. 6—17/90-DII(L) dated 6 November, 1990.]

Recommendation

From the series of events noted above and non-compliance of the recommendations made by the Committee on Mandal in their Sixteenth Report (7th Lok Sabha) presented to Lok Sabha on (15 March, 1984) the Committee come to inescapable conclusion that the Ministry of Human

Resource Development (Department of Education) did not take the matter seriously and allowed the Mandal to function and finalise their accounts in a lackadaisical manner.

The Committee recommend that the Ministry of Human Resource Development (Department of Education) who are administratively concerned with the affairs of the Kendriya Hindi Shikshan Mandal should review the matter and take immediate action in consultation with the Audit authorities to liquidate these accumulated audit observations at their earliest opportunity, and find out suitable ways and means to minimise the scope for audit objections in future, so that the Annual Accounts of the Mandal are finalised and placed before parliament within the prescribed period of 9 months from the close of the relevant accounting year.

[Para 2.10 of Second Report (9th Lok Sabha)]

Reply of the Government

The matter has been examined in the light of the recommendations made by the Committee thoroughly and suitable instructions have been issued vide this Ministry letter No. F.6—17/90-D.II(L) dated 12.9.90 to the Director, K.H.S., Agra who is ex-officio Secretary of the Kendriya Hindi Shikshan Mandal. Moreover, the matter is being reviewed in consultation with the A.G., U.P. to fix the modalities and time schedule for settling the remaining outstanding objections and minimising the possibility of audit objection in future.

[Vide Ministry of Human Resource Development O.M. No. 6—17/90-DII(L) dated 6 November, 1990]

Recommendation

The Committee note that the delay of more than 11 months laying the annual report and audited accounts of the Carpet Export Promotion Council for the year 1986-87 was mainly on account of handing over the accounts to the Auditors: commencement of audit; furnishing of final Audit Report by the Auditors to the Council for being placed before the Annual General Body Meeting of the Council. The Committee also find that the annual reports and audited accounts of the Council for the subsequent year 1987-88 were also laid on the Table of the House on 9 August, 1989 with a delay of about 7 month.

[Para 3.6 of Second Report (9th Lok Sabha)]

Reply of the Government

Carpet Export Promotion Council has been advised to take note of para 3.6.

[Vide Ministry of Textiles, Office of the Development Commissioner (Handicrafts) O.M No. DC(H)/9(7)/85-Exp. 860 dated 17.5.1990]

Recommendation

The Committee recommend that the Ministry of Textiles should in consultation with the Council draw up a time bound programme for completion of different stages of the compilation of Annual Reports and Audited Accounts. Senior officers of the Ministry and the Council should be made responsible to ensure that the documents are completed in all respects and placed before parliament within the stipulated period of 9 months from the close of the accounting year. The Commit would like to be apprised of the action taken in the matter.

[Para 3.7 of Second Report (Ninth Lok Sabha)]

Reply of the Government

Carpet Export Promotion Council has been advised to follow the time table laid down by the Ministry of Commerce for stage by stage processing of matters ensuring timely submission of Annual Reports, etc. in future failing which the Council would be held responsible for delayed submission of these Reports.

[Vide Ministry of Textiles, Office of the Development Commissioner (Handicrafts) O.M. No. DC(H)/(7)/85-Ex dated 17-5-1990].

Recommendation

The Committee are concerned to note that the Annual Report and Audited Accounts of the Federation of Indian Export Organisations, New Delhi for the year 1986-87, which in terms of the recommendation of the Committee made in paragraph 3.5 of their First Report (Fifth Lok Sabha) ought to have been laid by 31 December, 1987, were actually laid on 3 March, 1989 with an inordinate delay of about 14 months. The Committee regret to observe that the Annual Reports and Audited Account of the Federation for the year 1987-88 which became due for laying on the Table of the House on or before 31 December, 1988 are yet to be laid.

[Para 4.5 of Second Report (Ninth Lok Sabha)]

Reply of the Government

The delay in laying the Annual Report and Audited Accounts for the years 1986-87 and 1987-88 in respect of Federation of Indian Export Organisations (FIEO) are deeply regretted.

A strict time-schedule has now been prescribed for completion of various stages prior to holding of AGM for considering the Annual Report and Audited Accounts for each year. FIEO have been advised to follow this time schedule scrupulously in future. An Officer of the level of Deputy Secretary/Director in this Ministry has also been assigned the responsibility

of ensuring that action is taken according to the schedule. It is now hoped that such delays in laying of the reports will not occur in future.

[Vide Ministry of Commerce O.M. No. 11/13/89-EAC dated 24-7-1990]

Recommendation

From the information furnished by the Ministry of Commerce (Department of Commerce), the Committee note that the Auditors for auditing the accounts for the year 1986-87 were appointed by the General Body of the Federation on 7 October, 1987 i.e. after more than 6 months of the close of the accounting year. Further the auditing of accounts by Auditors commenced on 15 January, 1988 i.e. after about 3 months of their appointment and the same was completed in 4 months i.e. on 17 May, 1988. The Annual Report, Audited Accounts and Audit Report thereon were considered and adopted by the General Body of the Federation at their meeting held on 2 December, 1988 i.e. after a lapse of 5-1/2 months of the receipt of final Audit Report from the Auditors. Similarly printing of annual reports and Audited Accounts was undertaken in April, 1988 and completed in June 1988 and completed in January, 1989 after the loss of 3 months. Likewise the translation in Hindi was taken up in November, 1988 and in January, 1989 after the loss of 3 months. From the chain of events, the Committee come to the conclusion that the various stages of finalisation of annual accounts were left to take their own time and neither the Ministry of Commerce nor the Federation attached any seriousness to expediate them. The Committee are, therefore, of the view that unless proper time schedule is drawn for each stage of finalisation of annual accounts right from compilation of accounts to their placing before Parliament, and some Senior Officers at least of the rank of Deputy Secretary is assigned with the job of exercising periodical checks to see that the time schedule so drawn is strictly adhered, the Federation will never become up-to-date. The Committee, therefore, recommend that a time bound programme to this effect may be chalked out by the Ministry in consultation with the Federation and the Audit authorities, so as to complete all formalities within 9 months of the close of the accounting year and watch its adherence to ensure that the required documents of the Federation are placed before Parliament without delay.

[Para 4.6 of Second Report (9th Lok Sabha)]

Reply of the Government

The delay in laying the Annual Report and Audited Accounts for the year 1986-87 and 1987-88 in respect of Federation of Indian Export Organisations (FIEO) are deeply regretted.

A strict time-schedule has now been prescribed for completion of various stages prior to holding of AGM for considering the Annual Report and Audited Accounts for each year. FIEO has been advised to follow this time schedule scrupulously in future. An Officer of the level of Deputy

Secretary/Director in this Ministry has also been assigned the responsibility of ensuring that action is taken according to the schedule. It is now hoped that such delays in laying of the reports will not occur in future.

[Vide Ministry of Commerce O.M. No. 11/13/89-EAC dated 24.7.1990]

Recommendation

The Committee further note that the Ministry of Commerce did not lay a statement explaining the reasons for delay while laying the Annual Report and Audited Accounts for the year 1986-87. The Committee take a serious note of it as it is in complete disregard to their aforesaid recommendation made in this behalf. The Committee reiterate that whenever the Annual Reports and Audited Accounts of an organisation are placed before Parliament after the prescribed period of nine months from the close of the accounting year, they should invariably be accompanied with a statement explaining the reasons for delay in a chronological order to enable the Committee to identify the particular stage where the delay took place and suggest corrective methods to obviate delay in future.

[Para 4.7 of Second Report (9th Lok Sabha)]

Reply of the Government

The delay statement was not placed before Parliament due to an inadvertent omission, which is, deeply regretted. The observations of the Committee have been noted for future guidance.

[Vide Ministry of Commerce O.M. No. 11/13/89-EAC dated 24.7.1990]

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

Recommendation:

The Committee are unhappy to note that the Annual Reports and Audited Accounts of the Regional Engineering College, Hamirpur for the years 1985-86 and 1986-87 which in terms of the recommendation of the Committee made from time to time, ought to have been laid before Parliament by 31 December, 1986 and 31 December, 1987, respectively *i.e.* within 9 months of the close of the accounting year, were actually laid on the Table of Lok Sabha on 6th and 20th April, 1989. Both the Annual Reports and Audited Accounts which were required to be laid together as per recommendations of the Committee were laid separately. Thus there was delay of about 27^{1/2} months and 15^{1/2} months in laying of the documents.

[*Vide* paragraph 1.6 of Third Report (Ninth Lok Sabha)]

Reply of the Government

The Regional Engineering College, Hamirpur was established during 1985-86 under Societies Registration Act, XXI of 1986 and started its academic activities during 1986-87. After completing necessary formalities the Audit of Accounts of the college for the year 1985-86 onwards was entrusted to the Comptroller and Auditor General of India by the Ministry of Finance *vide* their letter dated 20th October, 1987. The Office of the Accountant General (Audit) H.P. Simla conducted the Audit of the Accounts for the years 1985-86 and 1986-87 between 7.12.1987 to 24.12.87 and submitted the certified accounts for the said years to the college *vide* their letter dated 3rd June, 1988 after having satisfied with the replies furnished by the college. Printed copies of the Annual Reports and Audit Reports alongwith the Audited Statement of Accounts for the years 1985-86 and 1986-87, duly approved by the Board of Governor of College were received in the Ministry from the college *vide* their letter dated 10.12.88. The reports alongwith review were got authenticated by the Minister on 31st March, 1989. As such these documents could not be laid before the House within the prescribed period due to time taken in completing the formalities of appointment of Statutory Auditor for the first time as the college was established during 1985-86.

[*Vide* M/o Human Resource Development O.M. No. 15-12/90-TD. III
dated 11.3.1991.]

Recommendation

The Committee find from the information furnished by the Ministry of Human Resource Development that the completion of accounts took about 15 months for the year 1985-86 and 9 months for the year 1986-87 as against 3 months recommended by the Committee. The Committee are further concerned to note that the Accounts for the subsequent year 1987-88 were also laid on the Table of the House with a delay of about 4¹/₂ months and 'Review' was laid after a delay of 7 months.

[Vide paragraph 1.7 of Third Report (Ninth Lok Sabha)]

Reply of the Government

The accounts for the years 1985-86 and 1986-87 could not be laid before the House within the prescribed period *i.e.* by 31st December, 1986 and 31st December, 1987 respectively due to initial time taken in the appointment of Statutory Auditors as explained under the reply to Recommendation No. 1. The accounts for the subsequent years 1987-88 were made available to the Accountant General, Himachal Pradesh, Shimla, on 30.6.88 within the prescribed limit of 3 months who conducted the audit from 16.8.1988 and made available copies of certified accounts to the college *vide* letter dated 9.3.1989. After getting them translated into Hindi and printed, these along with annual report for 1987-88 were made available by the college to the Ministry on 20.4.1989. Thus, the delay of about 4¹/₂ months in laying the accounts for the year 1987-88 was due to late receipt of certified accounts from the Accountant General, H.P. Shimla. Fair copies of review and annual report for the year 1987-88 signed by the Minister were sent to the Rajya Sabha Secretariat on 15.5.89 for laying on the Table of the House which could not be done that day being the last day of Budget Session. Therefore, the Reviews alongwith the copies of Annual Reports could be laid only in the subsequent session of the House in July, 1989 and hence there was a further delay of 2¹/₂ months in laying the review on the Table of the House.

[Vide Ministry of Human Resource Development O.M. 15-12/90-TD.
III]

Recommendation

The Committee also find that delay of 5 months was also caused in handing over of the accounts to the Auditor who took another 6 months in auditing the accounts of the College. The audited accounts were placed before the Board of Governors after 2 months. Hence, the delay in laying documents of the Institute was mainly due to the aforesaid reasons. The Committee regret to observe that neither the Ministry nor the College Authorities cared to ask the auditor to complete auditing of Accounts in shortest possible period. The Committee are of the opinion that the Ministry concerned and the college authorities have not taken the matter seriously and have allowed the Institute to compile its accounts in a leisurely manner.

[Vide paragraph 1.8 of Third Report (Ninth Lok Sabha)]

Reply of the Government

After appointment of Statutory Auditors by the Ministry of Finance in October, 1987, the accounts for the years 1985-86 and 1986-87 were handed over to the Accountant General, H.P., Shimla on receipt of their telegram on 24.11.1987, intimating the date of the audit. The audit was completed on 24.12.87. Thereafter certain queries raised by the audit in their letter dated 18.2.1988 and 7.5.1988 were replied by the college on 3.3.88 and 10.5.1988 respectively. The final certified accounts were received by the college from the auditors vide their letter date 3.6.1988. Thus, the delay was on account of the various factors mentioned above. However, we assure the Committee that all possible steps will be taken to avoid recurrence of such a situation in future.

[Vide Ministry of Human Resource Development O.M. 15-12/90-TD-III dated 11-3-1991]

Recommendation

The Committee recommend that the Ministry of Human Resource Development should draw up a realistic time schedule in consultation with senior level officers of the College to ensure that the Annual Reports and Audited Accounts of the institution are placed before Parliament within the stipulated period of 9 months of the close of the accounting year as prescribed by the Committee.

[Vide paragraph 1.9 of Third Report (Ninth Lok Sabha)]

Reply of the Government

The recommendations of the Committee have been noted for compliance.

[Vide Ministry of Human Resource Development O.M. 15-12/90-TD-III dated 11.3.1991]

Recommendation

The Committee regret to find that the Annual Report and Audited Accounts of the Asiatic Society, Calcutta for the year 1985-86 which were required to be laid on the Table on the House by 31 December, 1986, were actually laid on the Table of the House on 15 May, 1989 after an inordinate delay of about 28 1/2 months. The Committee also find that the aforesaid documents for the subsequent year 1986-87 were laid on the Table of the House on 16 August, 1989 with a delay of about 7 1/2 months and these documents for the years 1987-88 and 1988-89 which were required to be laid by 31 December, 1988 and 31 December, 1989 respectively are yet to be laid on the Table of the House.

[Vide paragraph 2.5 of Third Report (Ninth Lok Sabha)]

Recommendation

The Committee note from the delay statement laid on the Table of the House and subsequent information furnished by the Ministry of Human Resource Development that the delay occurred mainly at the stages of

auditing of accounts and printing of Annual Report and Accounts of the Society.

[*Vide* paragraph 2.6 of Third Report (Ninth Lok Sabha)]

Recommendation

The Committee would like the Ministry of Human Resource Development (Department of Culture) to go into the matter in detail and draw up a realistic time schedule to ensure that the Annual Reports and Accounts of the Society for the years 1987-88 and 1988-89 are compiled and laid on the Table of the House without further loss of time. The Committee would also like the Ministry to ensure that the Annual Report and statement of accounts of the Society are henceforth laid on the Table of the House within the prescribed time limit *i.e.* within 9 months of the close of the accounting year, in future.

[*Vide* paragraph 2.7 of Third Report (Ninth Lok Sabha)]

Reply of the Government

The observations of the Committee have been noted and the Asiatic Society has been asked to observe a time-bound programme for submission of Annual Report and Audited Statement of Accounts/Report/Certificate within the prescribed period. The Accountant General, West Bengal, has also been apprised of the Committee's observations with a view to ensuring timely audit of accounts and issue of final report. The report for 1987-88 has been laid on the Tables of Lok Sabha and Rajya Sabha on 30.5.90 and 31.5.90 respectively. The report for 1988-89 is at final stages of preparation and will be laid on the tables of the Houses very shortly.

[*Vide* Ministry of Human Resource Development (Department of Culture) O.M. No. F.8-21/90-CH.Desk (P&A) dated 22.2.1991]

Recommendation

The Committee are unhappy to note that the Annual Reports and Audited Accounts of the Vayudoot Limited, New Delhi for the years 1981-82, 1982-83, 1983-84, 1984-85 and 1985-86 were laid for the first time before Parliament on 11 May, 1989 after delays ranging from 6 years 4 months to 2 years 4 months. The Committee are sorry to say that the Vayudoot Limited being joint venture of the Air India and Indian Airlines fell very much under the Companies Act, 1956 but the provisions of the Act were not correctly interpreted by the Ministry of Law, Justice and Company Affairs and the Bureau of Public Enterprises and the Annual Reports and Accounts of the Company were not laid on the Table of the House.

The Committee cannot but hold the Ministry of Law, Justice and Company Affairs and the Department of Public Enterprises mainly responsible for the inordinate delays in laying the documents and consequently for depriving the Members of Parliament of their right to have first hand knowledge about the working and financial health of the Company, in time. The Committee are constrained to observe that the Ministry of Tourism and Civil Aviation also did not take seriously the recommenda-

tions of the Committee on Papers laid on the Table of Lok Sabha about companies floated under the Companies Act, 1956.

[Vide paragraph 3.5 of Third Report (Ninth Lok Sabha)]

Reply of the Government

The observations of the Committee are noted for guidance.

[Vide Ministry of Civil Aviation O.M. No. H. 11016/85/90-AC(VL)
dated 8.11.90]

Recommendation

The Committee, therefore, reiterate their recommendation made in para 4.16 of their Second Report (Fifth Lok Sabha) which reads as follows:

4.16. The Committee, therefore, recommend that as in the case of the Reports of the Autonomous Organisation, Reports of Government Companies should also be laid within 9 months of the close of the accounting year. The Committee further recommend that where it is not possible for the Government to lay the Report of any Company within that period they should lay on the Table a statement explaining the reasons for not laying the Reports within 30 days from the expiry of the period of nine months.

[Vide paragraph 3.6 of Third Report (Ninth Lok Sabha)]

Reply of the Government

The observations of the Committee are noted for guidance. The Annual Report and Audited Accounts of Vayudoot Limited for the year 1986-87 have already been laid on the Table of the House on 22nd May, 1990. A statement explaining the reasons for not laying the Reports for 1987-88 and 1988-89 would be laid on the Table during the next session.

[Vide Ministry of Civil Aviation O.M. No. H. 11016/85/90-AC(VL)
dated 8.11.90]

Recommendation

The Committee find from the information furnished by the Ministry of Civil Aviation and Tourism that the Annual Reports and Audited Accounts of the Company for the subsequent years 1986-87, 1987-88 and 1988-89 which were due for laying on the Table of the House by 31 December, 1989 have not so far been laid. The Committee are constrained to observe that the aforesaid delays could have been avoided if the Ministry of Civil Aviation and Tourism, who are administratively responsible for the affairs of the Vayudoot Limited, had taken tangible steps and pursued the matter with the Indian Airlines and Air India.

[Vide paragraph 3.7 of Third Report (Ninth Lok Sabha)]

Reply of the Government

The Annual Reports and Audited Accounts of Vayudoot Limited for the year 1986-87 have already been laid on the Table of the House on 22nd May, 1990 and a statement explaining the reasons for not laying these documents for the years 1987-88 and 1988-89 would be laid on the Table during the next session. The delay in laying of the Accounts has mainly

been due to delayed appointment of the statutory auditors by the Comptroller and Auditor General of India and corresponding delay in the finalisation and adoption of the audited accounts in the Annual General Body Meeting. The Accounts of the Company for the year 1987-88 are pending approval of the Board. At present the Company is without a Board and its reconstitution is under active consideration of the Government. In the meantime, the Principal Director of Commercial Audit and Ex-Officio Member, Audit Board has been requested to explore the possibility of getting the accounts audited provisionally, pending reconstitution of the Board of the Company.

[Vide Ministry of Civil Aviation O.M. No. H. 11016/85/90-AC(VL)
dated 8.11.90]

Recommendation

The Committee take serious view of the lapse and recommend that immediate action may be taken by the Government and Air India and Indian Airlines to draw up a time bound programme to clear the backlog of the Annual Reports and Accounts of the Vayudoot Limited. The Government may also devise a suitable mechanism to ensure that the Annual Reports and Audited Accounts of the Company are placed before Parliament within nine months of the close of the accounting year in future.

[Vide paragraph 3.8 of Third Report (Ninth Lok Sabha)]

Reply of the Government

Reconstitution of the Board of Directors of Vayudoot Limited is under active consideration of the Government and the accounts for 1987-88 would be presented to the Board immediately after its reconstitution. In the meantime, efforts are on to get the Accounts of the Company audited provisionally, pending approval of the Board. The Annual Reports and Audited Accounts of the Company for the years 1987-88 and 1988-89 are likely to be laid on the Table of the House by 31st March, 1991 and 30th September, 1991 respectively and those for the year 1989-90 thereafter.

[Vide Ministry of Civil Aviation O.M. No. H. 11016/85/90-AC(VL)
dated 8.11.90]

Recommendation

The Committee are concerned to note that the Annual Report and Audited Accounts of the Central Council of Indian Medicine, New Delhi for the year 1986-87 were laid on the Table of Lok Sabha on 19th April, 1989 after a delay of about 15-1/2 months. These documents for the subsequent year 1987-88 which were required to be laid on the Table of Lok Sabha by 31 December, 1988 were laid by the Ministry on 26th July, 1989 with a delay of about 7 months. The aforesaid documents for the year 1988-89 which were due for laying before the House by 31st December, 1989 are yet to be laid.

[Vide paragraph 4.6 of Third Report (Ninth Lok Sabha)]

Reply of the Government

Since Audit Report for 1986-87 was received from Comptroller & Auditor General of India on 29th March, 1988, after a delay of 6 months, the Hindi translation work of Audit Report and Accounts was taken in hand and completed in May, 1988. The first meeting of the Executive Committee, after the receipt of Audit Report for 1986-87 was held on 6.7.88 in which the same was accepted. The minutes of the Executive Committee meeting held on 6.7.88 were confirmed by the Committee at its meeting held on 18.11.88 and thereafter the Audited Accounts were circulated to all the members of the Central Council for adoption. Thereafter the other formalities for printing were completed. The Annual Report and Audit Report for the year 1988-89 has already been laid on the Table of Lok Sabha on 31.5.90.

[Vide Ministry of Health and Family Welfare O.M. No. V. 26019/3/87-AE dated 19th November, 1990]

Recommendation

The Committee also find that about a year was taken for completing translation work and printing of documents for which the Ministry have not come forward with any explanation. No sincere efforts appears to have been made to get the work of translation and printing of material, completed in time so that the documents could be laid on the Table of the House within 9 months from the close of the accounting year, as prescribed by the Committee. They hope that the Ministry would be more watchful in this regard and ensure that such delays are obviated in future.

[Vide paragraph 4.9 of Third Report (Ninth Lok Sabha)]

Reply of the Government

The Ministry has instructed to Central Council of Indian Medicine to submit the documents in time for laying down on the Table of Lok Sabha in future. Now they have ensured that they will submit the documents timely. They have also stated that the quotation for printing of Annual Report for 1989-90 have been invited and printing job is being entrusted to competent press. All possible efforts shall be made to lay the documents relating to the year 1989-90 within stipulated time.

[Vide Ministry of Health and Family Welfare O.M. No. 26019/3/87-AE dated 19th November, 1990]

Recommendation

The Committee are distressed to note that the Annual Report and Audited Accounts of the Indian Association for Cultivation of Science, Calcutta for the year 1987-88 were laid on the Table of Lok Sabha as late as on 31 July, 1989 i.e. after a delay of 7 months and these documents for the subsequent year 1988-89 which were due for laying by 31 December, 1989 were laid on the Table with a delay of 3 months. The Committee note that one of the reasons for delay in laying the Annual Report and Accounts for the year 1987-88 was that the entire administration was geared to celebrate the birth centenary of Sir. C.V. Raman during November, 1988 as a National celebration and as such the required

documents could not be sent to the Ministry of Science and Technology within the stipulated period for placing before Parliament. The Committee are not convinced with the reason adduced by the Ministry in this regard. The Association should have spared the accounts staff to finalise the Annual Reports and Audited Accounts within the prescribed time limit. The Committee urge upon the Ministry of Science and Technology to impress upon the Association to avoid such delays and ensure timely finalisation of its Annual Administrative Reports and Accounts.

[Vide paragraph 5.4 of Third Report (Ninth Lok Sabha)]

Reply of the Government

The Ministry have already taken up the matter with the Association and have advised them to finalise the Annual Report and Accounts in time to avoid delays in future.

The Ministry ensures that the notice to all autonomous Research Institutions for furnishing Annual Report and Audited statement of accounts are issued in July/August every year and followed up closely to ensure laying of the documents in both Houses of Parliament by the stipulated period.

[Vide Ministry of Science and Technology O.M. No. SP/LA/013/88 dated 22.1.1991]

Recommendation

The Committee note with regret that while laying on the Table of the House the Annual Report and Audited Accounts for the year 1987-88, the Ministry of Science and Technology did not lay the statement explaining the reasons for delay in laying those documents. The Ministry knew fully well the recommendation of the Committee made in paragraph 3.5 of their First Report (Fifth Lok Sabha) that if for any reason, the Annual Report, Audited Accounts and the Audit Report, thereon could not be laid within the stipulated period of nine months, the Ministry should lay within 30 days of expiry of prescribed period or as soon as the House meets, whichever is later, a statement explaining the reason why the reports and accounts could not be laid within the stipulated period. The Committee are constrained to observe that unless the Ministry itself keeps a close watch and ensures compliance with recommendation of the Committee, the concerned organisations may not take the matter seriously. The Committee, therefore, urge upon the Ministry to ensure that the Annual Reports and Accounts as well as the Audited Report and 'Review' are laid together on the Table of the House within nine months of the close of the accounting year in future.

[Vide paragraph 5.5 of Third Report (Ninth Lok Sabha)]

Reply of the Government

The Ministry initiates action in the months of July/August every year by way of 1st call notice to Heads of all autonomous institutions under the Ministry for furnishing of Annual Reports and Accounts to ensure the laying of documents within 9 months of close of the accounting year.

In respect of Annual Report and Audited Accounts for the year 1989-90 the first call notice was issued on 30.07.1990 and has been followed up periodically. As a result, English version of the Annual Report and Audited Accounts of the Indian Institute for the Cultivation of Science, Calcutta for the year 1989-90 were received in October, 1990. Copies of Hindi version of the same has been received on 10th January, 1991. Needful is being done for laying of these documents in the ensuing session of the Parliament.

[Vide Ministry of Science and Technology, O.M. No. SP/LA/013/88 dated 22nd January, 1991]

Recommendation

The Committee are distressed to note that Annual Reports and Audited Accounts of the Karnataka Dairy Development Corporation (KDDC) for the years 1984-85 and 1985-86 were laid on the Table of the House as late as on 13 May, 1988 *i.e.* with a delay of 25-1/2 and 13-1/2 months respectively. Further, the compilation of accounts for the years 1984-85 and 1985-86 took about 18 months and 16-1/2 months respectively, in spite of the fact that the Statutory Auditors for auditing the accounts for these years were appointed by C&AG much earlier. The auditing of accounts for 1984-85 by Statutory Auditors took another 8 months. The Annual Report and Audited Accounts for 1984-85 were placed before the Annual General Meeting of the Corporation after about 4 months of the receipt of revised Audit Report from the Statutory Auditors. The Committee are not satisfied with the justification advanced by the Ministry of Agriculture (Department of Agriculture and Cooperation) that transfer of developmental activities of KDDC to the Karnataka Milk Federation (KMF) in May, 1984 involved cumbersome procedure and transfer of manpower from KDDC to KMF led to dislocation of work resulting in delay in finalisation of the accounts for the year 1983-84. This delay again contributed the delay in finalising the accounts of subsequent years. During evidence, the Secretary, Ministry of Agriculture also expressed his dissatisfaction in the matter and he was frank enough to admit that if this had been the real reason, the accounts of the years earlier to 1983-84 would have been finalised in time. But that also was not done.

[Vide paragraph 6.13 of Third Report (Ninth Lok Sabha)]

Recommendation

The Committee regret to observe that their earlier recommendation contained in the First Report (8th Lok Sabha) presented to Lok Sabha on 19 August, 1985 was not taken seriously by the Ministry of Agriculture and the KDDC and as such the matter was allowed to linger indefinitely. Apart from corresponding with the KDDC in a routine manner the Ministry do not appear to have taken any specific steps to ensure that the Annual Reports and Accounts of the Corporation were laid within the prescribed period. The Committee trust that the Ministry of Agriculture would now keep the promise made during evidence and clear the backlog of Annual Reports and Accounts upto 1989-90 by March, 1991 and thereafter place before Parliament the required documents within the prescribed time limit of nine months from the close of the accounting year.

[*Vide* paragraph 6.14 of Third Report (Ninth Lok Sabha)]

Reply of the Government

This recommendation of the Committee on Papers Laid on the Table of Lok Sabha has been noted. It may be submitted that this Ministry have so far laid the Annual Report and Audited Accounts of the KDDC upto the period 1986-87. The observations of the Committee contained in para 6.13 and 6.14 of the Third Report of the Committee on Papers Laid on the Table of Lok Sabha regarding delay in laying the Annual Reports and Audited Accounts of the KDDC for the years 1984-85 and 1985-86 were brought to the notice of KDDC and the State Government. They were advised to take remedial steps by drawing up a time-bound programme the preparation of outstanding Annual Reports and Audited Accounts so that further delay is avoided and the Accounts of the Corporation made upto date.

A meeting was held on 5th September, 1990 under the Chairmanship of the Special Secretary in this Ministry with the Managing Director of KDDC alongwith representatives of the C&AG and the Department of Company Affairs. A time-bound schedule for appointment of auditors and finalisation of accounts was fixed at the meeting.

The Reports of the KDDC for the year 1987-88 have since been finalised and received in this Ministry and the same are expected to be laid on the Table of both Houses of Parliament during the next session of Parliament.

The Report of KDDC for the year 1988-89 have been adopted by the Annual General Meeting of the Corporation held on 16th November, 1990 and the final report are expected to be received in this Department shortly. The same will also be laid on the Table of the Houses during the next Session. The AGM of the KDDC to adopt the Annual Reports and Audited Accounts for the year 1989-90 has been tentatively fixed for 30th November, 1990 and the final reports are expected to be received in this Department shortly thereafter. These Accounts are expected to be laid on the Table of the House, as stated during the evidence.

Thus, this Ministry hopes to fulfil the promise made during the submission of evidence and clear the backlog of Annual Reports and Audited Accounts upto 1989-90 by March, 1991.

[Vide Ministry of Agriculture, U.O. No. 2-33/90-LD-1 dated 26.11.1990]

Recommendation

The Committee note that the Annual Report and Audited Accounts of the Coal India Limited, Calcutta for the year 1987-88 were laid on the Table of the House after a delay of about 3 months. In respect of the earlier years 1983-84, 1984-85, 1985-86, 1986-87 also, there had been delays ranging between two to four months. The Committee are not convinced with the argument advanced by the witness that these delays were due to delay on the part of the Company Law Board in the appointment of the Statutory Auditors for auditing the accounts of the seven Companies under the Ministry of Energy. The Committee feel that the delay could have been avoided had the Minister taken up the matter with the Company Law Board sufficiently in advance through personal contacts or formal meetings, if necessary, so as to impress upon them the urgency of the matter and getting the accounts audited by the Statutory Auditors, well in time.

[Vide paragraph 7.8 of Third Report (Ninth Lok Sabha)]

Reply of the Government

Coal India Limited has already been advised to strictly adhere to the time schedule for laying Annual Reports and Audited Accounts of Coal India Limited, Calcutta on the Table of the House, in future.

[Vide Deptt. of Coal, O.M. No. 54012/1/90-CA dated 22.11.1990]

Recommendation

The Committee note with satisfaction that the Annual Reports and Audited Accounts of the Company for the year 1988-89 were laid on the Table of the House well within the time limit prescribed by the Committee. The Committee trust the Ministry of Energy would keep up its promise and continue placing before Parliament the required documents of the Company within nine months of the close of the accounting year in future also.

[Vide paragraph 7.9 of Third Report (Ninth Lok Sabha)]

Reply of the Government

Every effort will be made to place the Annual Reports and Audited Accounts of Coal India Limited, Calcutta on the Table of the House within time schedule in future.

[Vide Department of Coal, O.M. No. 54012/1/90-CA dated 22.11.1990]

STATEMENT SHOWING ACTION TAKEN BY GOVERNMENT ON THE RECOMMENDATIONS/OBSERVATIONS OF THE COMMITTEE ON PAPERS LAID ON THE TABLE MADE IN THEIR FOURTH REPORT (9TH LOK SABHA)

Recommendation

The Committee are unhappy to note that the Annual Report of the National Federation of Industrial Cooperatives Limited, New Delhi for the year 1985-86 was placed before Parliament on 24 March, 1987 and the Audited Accounts and Audit Report thereon together with 'Review' in respect of this year were laid on the Table of the House separately on 1 August, 1989 after a delay of 28 months. In accordance with the recommendations of the Committee on Papers Laid contained in para 3.5 of their First Report (Fifth Lok Sabha) presented to Lok Sabha on 8 March, 1976, the Annual Report and Audited Accounts of the Federation should have been presented to Parliament together to enable the House to have a complete picture of the working of that body.

[Para 1.5, Fourth Report (9th Lok Sabha)]

Reply of the Government

It is very much regretted that the Audit Report and Annual Report of the National Federation of Industrial Cooperatives Limited (NAFIC) for the year 1985-86 could not be placed on the Table of the House simultaneously. The Annual Report for the year 1985-86 was placed on the Table of the House within the prescribed time limit. As the Audit Report for the year 1985-86 could not be completed in time as explained in the statement explaining reasons for delay both Annual report and Audit Report for the year 1985-86 could not be placed simultaneously on the Table of the House. The Annual Report/Audit Report for the year 1986-87 have already been placed on the Table of the House. The annual Report and Audit Report for the year 1987-88 have been laid on the Table of the House simultaneously on 10.1.1991. Efforts will be made to place the Annual Reports and Audit Reports for 1988-89 and subsequent years on the Table of the House in time and simultaneously.

[Vide Ministry of Industry, O.M. No. 1(2)/91-ICC dated 18.3.1991]

Recommendation

The Committee find from the information furnished by the Ministry of Industry (Department of Industrial Development) that a period of about 16 months was taken in compilation of accounts and another 6 months

were taken by Auditors in auditing the accounts of the Federation for the year 1985-86. The reason adduced by the Ministry of Industry that the Auditors had pointed out some mistakes in the Annual Accounts and the revised Annual Accounts were handed over to Statutory Auditors in the first week of January, 1989, is hardly convincing. The Committee feel that the Federation have not made any serious efforts to compile their accounts correctly within a reasonable time and get them audited from the Statutory Auditors expeditiously. The Committee expect that the Federation and the Ministry of Industry would ensure that in future the accounts of all their branches are compiled within 3 months of the close of the accounting year and their auditing, approval by General Body and printing etc. is completed within the next six months as recommended by the Committee in para 3.5 of their First Report (Fifth Lok Sabha). The Committee desire that in order to ensure compliance with the aforesaid recommendation of the Committee, a detailed time schedule should be drawn up for compilation of annual accounts and completion of the other necessary stages under close supervision and watch of the Ministry of Industry.

[Para 1.6, Fourth Report (9th Lok Sabha)]

Reply of the Government

Efforts are being made to complete the Audit Report/Annual Report within the prescribed time limit as recommended by the Committee in para 3.5 of their First Report (Fifth Lok Sabha). The Annual Report/Audit Report for the years 1986-87 and 1987-88 have already been placed on the Table of the House. The Annual/Audit Reports for the year 1988-89 is pending for consideration of Board of Directors and the Annual General Meeting of National Federation of Industrial Cooperatives Limited.

The time schedule of various stages of Audit Report for the years 1989-90 and 1990-91 is as follows:

	1989-90	1990-91
(i) Reconciliation of accounts of the branch office and to prepare trial balance	30.4.1991	4.9.1991
(ii) Checking of trial balance of the Head Office/Branches by Statutory Auditors	12.6.1991	15.10.1991
(iii) Preparation of final schedules and annual accounts of Head Office/Branches	26.6.1991	31.10.1991
(iv) Checking of Annual statement of accounts and final schedules by Statutory Auditors	4.7.1991	11.11.1991

(v) Typing, comparison etc. of the Audit Report	15.7.1991	26.11.1991
(vi) Submission of Audit Report by the Statutory Auditors	19.7.1991	2.12.1991
(vii) Submission of Audit Report to the Ministry after preparing required number of copies	10.8.1991	16.12.1991
(viii) Placement of Audit Report for consideration of Board in their next immediate meeting	30.8.1991	20.12.1991

[Vide Ministry of Industry, O.M. No. 1(2)/91-ICC dated 18.3.91]

Recommendation

The Committee are distressed to note that the Federation is in heavy arrears as its accounts for the subsequent years 1986-87, 1987-88 and 1988-89 have not so far been finalised and laid before Parliament. The Committee recommend that a time bound programme might be chalked out by the Ministry of Industry in consultation with the Federation and audit authorities to clear the arrears of the Annual Reports and Accounts.

[Para 1.7, Fourth Report (9th Lok Sabha)]

Reply of the Government

The Annual Report for the year 1986-87 was laid on the Table of the House on 14.8.1989. The Audit Report for the year 1986-87 has been laid on the Table of the House on 10.1.1991.

Both Annual Report and Audit Report for the year 1987-88 have been Laid on the Table of the House simultaneously on 10.1.1991.

Both Annual Reports and Audit Reports for the years 1988-89 and 1989-90 are likely to be laid simultaneously on the Table of the House during May, 1991 and September, 1991.

Efforts will be made to place the Annual Report/Audit Report for 1990-91 on the Table of the House within the prescribed time limit.

[Vide Ministry of Industry, O.M. No. 1(2)/91-ICC dated 18.3.1991]

Recommendation

The Committee are unhappy to note that the laying of Annual Report and Audited Accounts of the Council of Scientific and Industrial Research, New delhi for the year 1986-87 was delayed for as long as 19 months. These documents were required to be laid on the Table of the House by 31 December, 1987 i.e. within 9 months after the close of the relevant accounting year but were actually laid on 7 August, 1989 only. The accounts of the Council for the subsequent years i.e. 1987-88 and 1988-89

which were due for laying before Parliament by 31 December, 1988 and 31 December, 1989 respectively, are yet to be laid.

[Para 2.5, Fourth Report (9th Lok Sabha)]

Reply of the Government

This Department is in complete agreement with the concern of the Committee about considerable delay in laying the annual report and audited accounts of the CSIR for the year 1986-87. Adequate remedial measures have been taken to avoid recurrence of such delays. All CSIR Laboratories/Institutes have been directed to strictly adhere to the time schedule and submit the annual accounts and balance sheet on due dates. Necessary instructions have also been given to the concerned Branch Officers at the CSIR headquarters to submit the consolidated balance sheet on due dates positively. Besides the Principal Director of Audit, Scientific Departments have been requested to undertake the audit as per the prescribed schedule *i.e.* from 1st of July to 31st of August and to submit the draft audit report to CSIR by 30th September and the final audit report by 20th November every year positively. It has been emphasised on the Directors of the all CSIR Laboratories/Institutes to deal with communications relating to the audit report on top priority as in other cases of the Parliament matters. The annual report, audited accounts and audit report thereon for the years 1987-88 and 1988-89 have been laid on the Table of the Lok Sabha on 7.1.1991.

[*Vide* Ministry of Science and Technology, O.M. No. 5/32/88-PU-II dated 29.4.1991]

Recommendation

The Committee regret to note that the compilation of the accounts of the Council for the year 1986-87 was delayed by 6 months after the close of the accounting year. The accounts of the Council were handed over to the Director of Audit on 1st July, 1987 and the final Audit Report was made available on 4th February, 1988. Thus, the Auditors took 7 months to audit the accounts of the Council. A period of 3 months was taken in printing and translating the documents of the Council. The Committee feel that the delay which was caused at various stages could have been avoided if a careful watch had been kept both at Council level as also in the Ministry of Science and Technology.

[Para 2.6, Fourth Report (9th Lok Sabha)]

Reply of the Government

While reviewing the prescribed schedule/time frame for preparation of annual accounts, the delay have been identified at the following stages:—

1. Consolidation of Accounts by the CSIR Headquarter;
2. Conducting of Audit by the Principal Director of Audit;

3. Submission of Draft Audit Report by the Principal Director of Audit;
4. Submission of the replies by the CSIR to the Principal Director of Audit due to late receipt of replies from the various Laboratories/Institutes; and
- 5 Receipt of the final Audit Report (SAR) from the Principal Director of Audit.

Necessary remedial measures have since been taken to avoid delay at all these stages.

[Vide Ministry of Science and Technology, O.M. No. 5/32/88-PU-II dated 29.4.1991]

Recommendation

The Committee recommend that a time bound programme should be drawn up by the Ministry of Science and Technology in consultation with the Council of Scientific and Industrial Research, New Delhi to ensure that in future the documents are completed in all respects and placed before Parliament within the stipulated period of 9 months of the close of the accounting year.

[Para 2.7, Fourth Report (9th Lok Sabha)]

Reply of the Government

As recommended by the Committee, a time bound schedule has been prescribed with a view to completing all the formalities for preparation of the annual accounts and audit report for presentation to the Parliament within the stipulated period of 9 months of the close of the accounting year. As a result of this, it has been possible to complete the annual report, audited accounts and audit reports for the year 1989-90, which are likely to be placed in the coming Parliament Session.

[Vide Ministry of Science and Technology, O.M. No. 5/32/88-PU-II dated 29.4.1992]

Recommendation

The Committee are unhappy to note that the Annual Report and Audited Accounts together with delay statement and 'Review' of the Sangeet Natak Akademi, Delhi for the year 1987-88 were laid on the Table of Lok Sabha on 10th August, 1989 after a delay of 7 months. In accordance with the recommendation of the Committee on Papers laid on the Table made in paragraph 3.5 of the First Report (Fifth Lok Sabha), these documents were required to be laid within 9 months of the close of the accounting year *i.e.* 31 December, 1988.

[Para 3.6, Fourth Report (9th Lok Sabha)]

Reply of the Government

This Deptt. regrets the delay in laying the Annual Report and Audited Accounts together with delay statement and 'Review' of the SNA, New Delhi for the year 1987-88. The reasons for delay in laying these papers were due to technical difficulties. The Report of the SNA was received in the Deptt. on 17.1.1989. By the time MOS (HRD) approved the review statement, etc., the budget session of Lok Sabha was over. In between, charge of the Deptt. of Culture was given to a new Minister. Therefore, the file was re-submitted to the then Minister for her approval in July, 1989. MOS (HRD) approved the statement and authenticated them and they were laid on the Table of the House within 3 days of her approval.

[Vide Ministry of Human Resource Development O.M. No. 21-15/88-Desk(PA) dated 27.2.1991]

Recommendation

The Committee observed that the delay had occurred mainly at the stages of auditing of accounts and placing of documents on the Table of the House. The Annual Report and Audited Accounts of the Akademi were received by the Ministry of Human Resource Development (Department of Culture) from the Akademi on 16.1.1989 for laying on the Table of the House but these documents were actually laid by the Ministry on 10.8.1989. Hence there was undue delay in laying of the documents by Ministry. The Committee do not find any justification for such a lapse. The Committee feel that had the Ministry taken the matter seriously, the documents could have been laid on the Table of the House much earlier.

[Para 3.7, Fourth Report (9th Lok Sabha)]

Reply of the Government

The Deptt. earnestly tried to place the Audited Accounts together with the delay statement and the Review of the working of the SNA in time. The file was submitted to the then MOS (HRD) on 15.3.1989, however, the approval of the Minister was obtained only on 15.5.1989. The budget session of Lok Sabha ended on 10.5.1989. In the meanwhile, the charge of the Deptt. of Culture was given to a new Minister. The file was again submitted to the new MOS (Culture) for her approval on 27.7.1989. The approval was conveyed on 7.8.1989 and the Report was placed on the Table of the House on 10.8.1989.

[Vide Ministry of Human Resource Development O.M. No. 21-15/88-Desk(PA) dated 27.2.1991]

Recommendation

The Committee recommend that the Ministry of Human Resource Development (Department of Culture) must ensure that the documents are

laid by them on the Table of the House well in time and there should not be any delay on their part in future.

[Para 3.8, Fourth Report (9th Lok Sabha)]

Reply of the Government

The recommendations of the Committee have been noted for future guidance. The Department will do its best to avoid any delay in laying the papers in both the Houses of Parliament.

[*Vide* Ministry of Human Resource Development O.M. No. 21—15/88—Desk(PA) dated 27.2.1991]

Recommendation

The Committee feel concerned to note that the Annual Report and Audited Accounts of the Sree Chitra Tirunal Institute for Medical Sciences and Technology, Trivandrum for the year 1987-88 which, in accordance with recommendations of the Committee made from time to time ought to have been laid before Parliament by 31 December, 1988 *i.e.* within 9 months of the close of the accounting year, were actually laid on 31 July, 1989. Thus, there was a delay of more than 7 months. The Committee also observe that the documents of the Institute for the subsequent year 1988-89 which were due for laying on the Table of the House by 31 December, 1989 were laid on 28 May, 1990 *i.e.* after a delay of about 5 months. What is more regrettable is, that Government did not lay even the statement giving reasons for delay while laying these documents.

[Para 4.5, Fourth Report (9th Lok Sabha)]

Reply of the Government

The Ministry have already, taken up the matter with the Institute and have advised them to finalise the Annual Report and Audited Statement of Accounts in time to avoid delays in future. The Ministry ensures that notice to all Autonomous Research Institutions for furnishing Annual Report and Audited Statement of Accounts are issued in July/August every year and followed up closely to ensure laying of documents in both Houses of Parliament by the stipulated period.

The requirement of laying of the statement of reasons for delay, where necessary, has been noted for future.

[*Vide* Ministry of Science and Technology O.M. No. SP/LA/014/88 dated 4/10 April, 1991]

Recommendation

The Committee find from the information furnished by the Ministry of Science and Technology that the delay took place in auditing of accounts and furnishing of Audit Report by Auditors to the Institute. The Committee note that as a corrective measure, for future, the Ministry have asked all the Institutions under them to furnish their Annual Reports and

Audited Accounts to them within the stipulated time frame to enable them to place the documents before Parliament without any delay. They have also regretted the omission in not laying the Statement giving reasons for delay.

[Para 4.6, Fourth Report (9th Lok Sabha)]

Reply of the Government

In respect of Annual Report and Audited Accounts for the year 1989-90, the First Call Notice was issued on 30.07.1990 and has been followed up periodically. The Committee's observations have been communicated to the Institute and the Institute requested to furnish the documents to the Ministry well in time to enable their laying on the Table of both the Houses of Parliament within the stipulated period.

[Vide Ministry of Science and Technology O.M. No. SP/LA/014/88 dated 4/10 April, 1991]

Recommendation

The Committee recommend that the Ministry should ensure that in future, the Annual Reports and Audited Accounts of the Institution are laid on the Table of the House within the time prescribed by the Committee.

[Para 4.7, Fourth Report (9th Lok Sabha)]

Reply of the Government

In respect of Annual Report and Audited Accounts for the year 1989-90, action was initiated with the First Call Notice on 30.07.1990 and the matter has been followed up periodically. As a result, copies of the Annual Report (English and Hindi version) were received in September, 1990. Audited Accounts are yet to be received for which the matter is being vigorously pursued with the Institute.

[Vide Ministry of Science and Technology O.M. No. SP/LA/014/88 dated 4/10 April, 1991]

Recommendation

The Committee note that the Annual Report and Audited Accounts of the Constitutional and Parliamentary Studies, New Delhi for the year 1987-88 were laid on the Table of the House after a delay of more than 7 months. The Committee further observe that the said documents of the Institute for the subsequent year 1988-89 which were required to be laid by 31 December, 1989 have not yet been laid. The delay in laying of the documents for the year 1987-88 on the Table of the House occurred at the level of the Ministry of Law and Justice which took inordinately long time of about 6½ months in laying the documents after their receipt from the Institute. The Committee are also unhappy to find that these documents of the Institute were laid on the Table of Lok Sabha without being considered and adopted by the Annual General Body of the Institute. The Committee

are of the view that this was quite irregular and not in keeping with the norms of the established procedure. It is a serious lapse on the part of the Institute and such lapses should not be allowed to recur in future.

[Para 5.6, Fourth Report (9th Lok Sabha)]

Recommendation

The Committee recommend that in future, the Ministry of Law and Justice should ensure that there is no undue delay in laying the documents on the Table of the House after these are received by them from the Institute. The Committee also recommend that the Annual Report and Audited Accounts of the Institute should invariably be got adopted by the Annual General Body Meeting of the Institute before placing them on the Table of the House.

[Para 5.7, Fourth Report (9th Lok Sabha)]

Reply of the Government

The recommendation of the Committee that the Ministry of Law and Justice should ensure that there is no undue delay in laying the Annual Reports and Audited Accounts on the Table of Parliament have been noted for strict compliance in future. Also, instructions have been issued to all grantee institutions that they should so arrange their affairs that their Annual Reports and Audited Accounts, duly adopted by their Governing Council/Annual General Body, should be forwarded to Government within six months from the close of the financial year of the Institution in order to enable Government to review their performance before processing them for laying before Parliament.

As regards the observation that Annual Report and Audited Accounts of the Institute of Constitutional and Parliamentary Studies, for the year 1988-89 have not yet been laid before Parliament, it is submitted that the relevant papers were received from the Instituted only in January, 1990. On a review of the report, it was found that the Executive Council of the Institute had not approved certain issues raised by the Auditors in their report and therefore the Institute was advised to get them approved by the Executive Council before the Report and Accounts are laid before Parliament. The Institute was also requested to clarify certain discrepancies in the Accounts. While the Institute furnished the clarifications in respect of the discrepancies in the Accounts on 22.2.90, they failed to obtain the approval of the Executive Council for the various items mentioned by Auditors. In spite of specific assurance to the Department that this will be done shortly, the Institute could not do this for a period of more than two months and therefore the papers were processed by the Department for laying before Parliament in order to avoid further delay. The relevant

papers have been sent to the Lok Sabha Secretariat on 23rd May, 1990. Also, instructions were issued to the Institute on 3.5.1990:

- a) to exercise proper care in the compilation of the Annual Reports and to avoid unnecessary delay in their submission; and
- b) to get the approval of the Executive Council for the various items raised by Auditors in their Report.

As regards the observation that the Annual Report and Audited Accounts of the Institute for the year 1987-88 have been laid before Parliament without being considered and adopted by the Annual General Body, the Institute has clarified that due to the resignation of the then Senior Vice-President of the Institute in December, 1989 and due to the ceasing of the then Speaker, Lok Sabha, to be the President of the Institute on ceasing to be Speaker, Lok Sabha following General Elections in November, 1989, the Institute was left with no President or Vice-President for some time. The Hon'ble new Speaker, Lok Sabha, has taken over as President of the Institute only in December, 1990. As there was no President or Senior Vice-President in position during the relevant time, the Annual General Body of the Institute could not meet in February, 1990, as scheduled. The Institute have stated that the recommendations of the Committee in this regard have been noted for strict compliance in future.

As the Annual General Body of the Institute did not meet for a long time, even after the constitution of Ninth Lok Sabha, and since the Annual Accounts of the Institute for a number of years had not been approved by the General Body in spite of repeated instructions from Government, the Institute was advised on 21.2.1991 that no further grants will be released to the Institute till such time as the Institute complies with the instructions of the Government in this regard.

Subsequently, an emergent Annual Meeting of the General Body of the Institute was held on 26.3.91 wherein the performance-cum-achievement reports, Audited Accounts of the Institute for the years 1985-86, 1986-87, 1987-88, 1988-89 and 1989-90 were considered and approved unanimously. The third and fourth instalments of the annual grant-in-aid to the Institute for the year 1990-91 were released to the Institute only after this.

[Vide Ministry of Law and Justice (Department of Legal Affairs)
OM.No.G.25014/1/91-Adm.III(LA) dated 13.5.1991]

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

Recommendation

The Committee are unhappy to note that the Annual Report and Audited Accounts of the Regional Centre for Cancer Research and Treatment Society, Cuttack for the year 1987-88 were laid on the Table of Lok Sabha after a delay of about 12 months. The Annual Report and Audited Accounts for the subsequent year 1988-89 were also laid after a delay of about 5 months. On scrutiny of the information furnished by the Ministry of Health and Family Welfare, it is revealed that the (i) Auditors were appointed as late as on 31 August, 1988 by the Government of Orissa; (ii) accounts were handed over to the Auditors on 12.10.1988 *i.e.* after the lapse of 1½ months of the appointment of Auditors; and (iii) Annual General Meeting of the Society was held after 8½ months of the submission of Audit Report by Auditors. It is regrettable that neither the Ministry nor the Society made any serious efforts to finalise the Annual reports and Accounts within the prescribed period of nine months of the close of the accounting year recommended by the Committee.

[*Vide* para 1.7 of First Report (Tenth Lok Sabha)]

Reply of the Government

The observations of the Committee regarding delay in appointment of Auditors, handing over of the accounts to the Auditors and holding of Annual General Meeting for approval of accounts have been brought to the notice of the Director, Regional Centre for Cancer Research and Treatment Society, Cuttack *vide* this Ministry's letter No. V.22012/2/92-R dated 9th June, 1992. The Director of the Institute has been requested to accord utmost importance and priority to the work relating to the preparation of Annual Report and Audited Accounts and their submission to the Ministry for being laid on the Table of Lok Sabha. The Ministry on its part will lay the documents on the Table of Lok Sabha as soon as the same are received from the organisation.

[*Vide* Ministry of Health & Family Welfare O.M.No. V.22012/2/92-R
Dt. 15.10.92]

Recommendation

The Committee desire that in order to comply with the aforesaid recommendation of the Committee on Papers Laid on the Table, a realistic time schedule should be drawn up for appointment of Auditors, Compilation of accounts, their auditing, approval by the Annual General Meeting, translation, printing and submission of Annual Reports and Audited Accounts to the Ministry for placing before Parliament. The adherence of the time schedule so drawn should be monitored at sufficiently high level in the Society and the Ministry.

[*Vide* para 1.8 of First Report (Tenth Lok Sabha)]

Reply of the Government

The matter has been taken up with the Director, Regional Centre for Cancer Research and Treatment Society, Cuttack. The Director of the Centre has been requested to submit Annual Reports and Audited Accounts both in English and in Hindi to this Ministry by 30th November, i.e. within a period of 8 months of the close of the financial year so that the documents could be laid on the table of Lok Sabha within the prescribed period of 9 months. The time schedule for the purpose has also been communicated to the Director of the Centre and he has been requested to monitor adherence of the time schedule at the highest level in the Centre. The work will be monitored in the Ministry to ensure laying of the documents on the Table of the Lok Sabha within the prescribed period of 9 months.

[*Vide* Ministry of Health and Family Welfare O.M. No. V22012/2/90-RDT dated 15.10.92]

Recommendation

The Committee note with displeasure that the Annual Report and Audited Accounts of the Gujarat Cancer and Research Institute, Ahmedabad for the year 1988-89 were laid on the Table of Lok Sabha after a delay of about 7 months. The Committee also note that these documents for the following year 1989-90 were laid again after a delay of about 8½ months.

[*Vide* paragraph 2.7 of First Report (Tenth Lok Sabha)]

Reply of the Government

The matter has been taken up with the Director, Gujarat Cancer and Research Institute, Ahmedabad. He has stated *vide* letter No. GCRI/Acctt/4415 dt. 17th June, 1992 that the Institute will submit the documents before the end of December every year for being laid on the table of the Sabha. The Ministry on its part will in future lay the documents on the table of the Sabha as soon as the same are received from the Institute.

[*Vide* Ministry of Health & Family Welfare O.M.No. V 22014/3/92-R dated 28.9.1992]

Recommendation

The Committee find from the delay statement laid and subsequent information furnished by the Ministry of Health and Family Welfare in respect of the Report for the year 1988-89 that the Institute took 5 months in compiling the accounts as against 3 months recommended by the Committee for this purpose. Thereafter the Ministry took a long period of about 7 months in laying the Annual Report and Audited Accounts on the Table of the House after their receipt from the Institute. The Committee regret to note from the delay statement laid on the Table of the House along with the Annual Report that the Ministry had explained the delay merely by stating that the required documents were received in the Ministry in January, 1990 instead of explaining in detail the reasons for the inordinate delay of about 7 months on their part in laying the documents on the Table of the House after receiving them from the Institute. What is worse is that in the delay statement laid along with the Report of the Institute for the subsequent year 1989-90 also the Ministry had advanced the same reason for the delay in respect of the requisite documents from Institute which were stated to have been furnished by 31 December, 1990 instead of explaining the further delay of about 8 months on their part in laying them on the Table of the House. The Committee cannot help concluding that the Ministry have treated laying of the delay statement as mere a formality. The Committee reiterate their earlier recommendation contained in para 1.20 of the 10th Report (6th Lok Sabha) presented to Lok Sabha on 23 November, 1978 that whenever there is delay in laying the documents on the Table of the House the Ministry should invariably lay the delay statement explaining fully the reasons for delay.

[Vide para 2.8 of First Report (Tenth Lok Sabha)]

Reply of the Government

The Director of the Institute has been advised that compilation of the accounts for a particular year should be completed within a period of 3 months of the close of the accounting year. As regards delay in laying the documents for the year 1988-89, the compilation of the accounts of the Institute was completed in August, 1989 and the same were handed over to the Auditors on 8th September, 1989. The documents both in English and in Hindi were received from the Institute in January, 1990. The Government Review and Delay Statement were prepared in the Ministry both in English and in Hindi. There was some delay in this. However, in the meantime, the then Health & Family Welfare Minister had demitted the office. Sh. Rasheed Masood took over as Minister of State for Health and Family Welfare in place of Sh. Neelamani Routray. Government Review and Delay Statement both in English and in Hindi under the signatures of the new Minister had to be prepared again. The documents were then submitted for necessary authentication by the Minister. In the circumstances, the documents could be laid in the Monsoon Session, 1990 of the

Sabha. In regard to the documents for the year 1989-90, the same were received in January, 1991. Government Review and Delay Statement were prepared by the Ministry both in English and in Hindi. However, the documents could not be laid on the Table of the Sabha due to closure of the Session of the Sabha in mid-March, 1991 due to the circumstances then prevailing/taking over by the new Minister in the Ministry of Health & Family Welfare. The Government Review and Delay Statement under the signatures of the new Minister were prepared again both in English and in Hindi and the documents could only be laid in the Monsoon Session of the Sabha.

[Vide Ministry of Health & Family Welfare O.M.NO. V22014/3/92-R
Dt. dated 28.9.92]

Recommendation

The Committee also recommend that the Ministry should pursue the matter with the Institute and ensure that in future the required documents are furnished to them in time and laid on the Table of the House by them within nine months of the close of relevant accounting year.

[Vide para 2.9 of First Report (Tenth Lok Sabha)]

Reply of the Government

The Director, Gujarat Cancer and Research Institute, Ahmedabad has been addressed demi-officially in the matter. He has been requested to submit copies of the Annual Report and Audited Accounts both in English and in Hindi in future to this Ministry well in time so that the same may be laid on the table of the Sabha within the period of nine months of the close of the accounting year. The matter will be pursued and monitored in the Ministry at a sufficiently high level to ensure laying of the documents on the table of the Sabha within the prescribed period of nine months.

(Vide Ministry of Health & Family Welfare O.M. No. 22014/3/92-R
Dt. 28-9-92).

Recommendation

The Committee are concerned to note that the Annual Report and Audited Accounts of the Dental Council of India for the year 1987-88 were laid on the Table of Lok Sabha after a delay of about 17 months. These documents for the subsequent years 1988-89 and 1989-90 were laid in the Lok Sabha on 5th September, 1990 and 12 August, 1991 after a delay of about 8 months and 7½ months respectively.

From the delay statement laid on the Table of the House and the information subsequently furnished by the Ministry of Health and Family Welfare in respect of the documents for the year 1987-88, the Committee find that the delay has taken place in (i) appointment of statutory auditors (ii) getting the Annual Report and Audited Accounts approved from the Annual General Body Meeting of the Council. The Committee note that

the Council submitted the required documents to the Ministry on 29.6.1989 after a delay of about 6 months. Further the Ministry took another 6 months to seek clarifications and get the revised Annual Report submitted by the Council on 12.12.1989. Thereafter the Ministry took another 5 months to forward these revised documents to Lok Sabha Secretariat for being laid in the House.

From the delay statement laid along with Annual Reports and Audited Accounts of the Council in respect of the year 1988-89 and 1989-90, the Committee are surprised to find that the delay has again taken place at the same stages of (i) appointment of statutory auditors, (ii) getting the Audited Accounts approved from the Executive Council (iii) seeking clarification on the documents submitted by the Council and forwarding the finalised Annual Reports and Audited Accounts to the Secretariat for being laid in the Lok Sabha.

[Vide paras 3.8 to 3.10 of First Report (Tenth Lok Sabha)]

Reply of the Government

No comments given by the Ministry of Health and Family Welfare (Department of Health).

Recommendation

The Committee regret to note that neither the Ministry nor the Council appear to have made serious efforts to finalise the documents expeditiously and to lay them in the House within the prescribed period of nine months from the close of the accounting year. It is distressing to find that both the Council and the Ministry instead of taking timely corrective measures have allowed the laying of the documents to be delayed for the same reasons year after year.

[Vide para 3.11 of First Report (Tenth Lok Sabha)]

Reply of the Government

The Secretary and the President of the Dental Council of India were asked to take effective steps for the preparation and submission of the annual report and audited accounts for the year 1989-90 to the Ministry for laying them before the Parliament by the stipulated date. The Ministry remained in touch with the Council for early submission of these reports. In spite of the assurance earlier given by the Council, they submitted these reports to the Ministry on 18.2.91. The reports could be authenticated by the then Deputy Minister for Health and Family Welfare on 12.3.91. Thereafter the Lok Sabha was adjourned *sine-die*. In spite of the sincere efforts made by the Ministry, these reports could not be laid in the Budget Session of the Parliament. However, the Ministry of Health and Family

Welfare expresses its regret for the delay in laying these reports on the Table of the Lok Sabha.

[Vide M/o Health and Family Welfare (Deptt. of Health) O.M. No. H. 11019/3/92—PMS dated 22/24-7-1992]

Recommendation

The Committee recommend that the Ministry in consultation with the Council should draw up a time schedule for each stage of finalisation of the report and accounts and to the responsibility for monitoring the same to a Senior Officer both in the Ministry and the Council so as to avoid the recurrence of such delays in future.

[Vide para 3.12 of First Report (Tenth Lok Sabha)]

Reply of the Government

The Council was requested to frame an action plan for the preparation and submission of annual report and audited accounts for the year 1990-91 and onwards for laying them before the Lok Sabha by the stipulated date vide this Ministry's D.O. letter dated 18.5.92. The Ministry have been reminding the Council from the end of June each year and constantly putting pressure on the Council for timely preparation of annual report, submission of accounts to Audit, approval of these reports by the competent authority of the Council and submission to the Government by the due date so as to avoid delay in laying these reports before the Parliament. The Council has now prepared following plan of action so that these reports could be laid before the Lok Sabha by the due date:

- (a) Finalisation of annual accounts and submission of the same to audit by 30th June.
- (b) Finalisation of the annual report by 30th July.
- (c) Hindi translation of the Annual Report by 30th August.
- (d) Approval of the annual report and audited accounts by the Council by 30th September.
- (e) Printing and binding of the annual reports and audited accounts by 31st October.
- (f) Submission of the annual report and audited accounts to the Ministry for laying before both the Houses of Parliament by 10th November.

[Vide Ministry of Health and Family Welfare O.M. No. H. 11019/3/92—PMS dated 22/24 July, 1992]

Recommendation

The Committee are distressed to note that the English and Hindi versions of the Annual Report and Audited Accounts of the Animal Welfare Board of India for the year 1987-88 which were required to be laid by 31 December, 1988, were received in the Ministry of Agriculture (Department of Agriculture and Cooperation) on 17 March and 31 August,

1989 respectively, but were laid on the Table of Lok Sabha together on 28 December, 1989. The Committee find that the documents were delayed by 8 months at the level of the Board and thereafter, the Ministry delayed them by another 4 months. It is regretted that these documents for the subsequent years 1988-89 and 1989-90 which were due for laying by 31 December, 1989 and 31 December, 1990 have not so far been laid. From the facts placed before the Committee, the Committee find that the accounts of the Board for the year 1987-88 were handed over to the Auditors on 26 June, 1988 but the final Audit report were made available to the Board only on 27 October, 1988. Hence Auditors took about 4 months in auditing of the accounts. Thereafter, the Board took about 4 months in placing the Audited Accounts and Audit Report thereon before their Annual General Body Meeting. English version of the Annual Report and Audited Accounts were furnished to the Ministry of Agriculture on 17 March and 31 August, 1989 i.e. after the lapse of 17 days and 6 months respectively after approval of the Annual General Body Meeting of the Board. The Committee have come to the inescapable conclusion that the Ministry of Agriculture did not attach the importance to the recommendation of the Committee it deserved. Now with the transfer of the subject to the Ministry of Environment and Forests, the Committee hope that with a view to eliminate recurring delays, the whole procedure of finalisation of the Annual Report and Accounts should be planned in such a way that there is no bottleneck at any stage right from compilation of accounts and placing before Parliament the Annual Report and Audited Accounts of the Board and to achieve this end, the Ministry of Environment and Forests should draw up time schedules for finalisation of the Report and Accounts at various levels and keep a close watch on its adherence.

[Vide para 4.9 of First Report (Tenth Lok Sabha)]

Reply of the Government

The Ministry of Environment and Forests has noted the direction of the Committee regarding drawing up a time schedule for finalisation of the report and accounts at various levels and keeping a close watch. Accordingly, Animal Welfare Board of India has been given a time frame for sending the report.

[Vide M/o Environment and Forests O.M. No. 26-175/90—AW Vol.II dated 15 October, 1992]

Recommendation

The Committee note that the Ministry of Environment and Forests have promised to take timely action to lay their reports on the Table of the House in time. The Committee trust that the Ministry of Environment and Forests would keep this promise. The Committee also hope that the

required documents of the Board will henceforth be placed before Parliament within 9 months of the close of the accounting year.

[Vide para 4.10 of First Report (Tenth Lok Sabha)]

Reply of the Government

The direction of the Committee regarding timely submission of the Report for laying on the Table of the House within the stipulated time is noted.

[Vide M/o Environment and Forests O.M.No. 26-175/90-AW Vol.II]

Recommendation

The Committee are unhappy to note that the Annual Report and Audited Accounts of the Andaman and Nicobar Islands Forests and Plantation Development Corporation Limited, Port Blair for the year 1988-89 were laid on the Table of the House on 26th March, 1990 after a delay of about 3 months. Further, the Ministry of Environment and Forests did not lay a delay statement explaining the reasons for delay in laying the Annual Report and Audited Accounts. These documents for the year 1990-91 were laid again with a delay of about 2 months without laying a statement explaining the reasons for delay.

[Vide paragraph 5.4 of First Report (Tenth Lok Sabha)]

The Committee take a serious view of the repeated failure on the part of the Ministry to comply with their earlier recommendation contained in para 4.16 of their Second Report (5th Lok Sabha) which stipulates that in case of delay in laying the Annual Report and Audited Accounts of the Company, a statement explaining the reasons for delay should invariably be laid on the Table of the House. The Committee hope that the Ministry would remain more watchful in the matter hereafter.

[Vide paragraph 5.5 of First Report (Tenth Lok Sabha)]

Reply of the Government

The Andaman and Nicobar Forest Plantation and Development Corporation was set up under Company's Act and the Clause 619 A(1) of the Company Act, 1956 states that the annual report of the Government Companies where the Central Government is member of the company, the Central Government shall cause the annual report to be prepared within 3 months of its Annual General Meeting and as soon as may be after such preparation, laid before the Parliament together with the copy of the audited report.

As stated earlier, Andaman and Nicobar Forest Plantation and Development Corporation was set up under Company Act, 1956 and therefore, matter pertaining to laying of Annual Report in the Parliament in respect of the said corporation will be governed by the clause 619 A(1) of the Company Act.

The Annual Report and audited account of Andaman and Nicobar Forest Plantation Development Corporation Ltd. for the year 1988-89 were laid on the table of the House on 26th March, 1990 and the documents for the year 1990-91 were laid on 3rd March, 1992. In respect of 1988-89 annual report and audited accounts were adopted in the annual general meeting held on 14.12.1989 and the annual report and the audited account were received in the Ministry on 20.12.1989. However, the annual report and the audited accounts for the year 1988-89 could not be laid on the table of the House during the Winter Session of 1989 due to certain unavoidable reasons. Consequently it could be laid on the table of the House on 26th March, 1990 soon after the the resumption of the next session. The delay in the matter is regretted.

Similarly, the 1991 audited account was adopted in the Annual General Meeting on 16.12.1991 and the annual report and audited reports were received in this Ministry on 24.12.91. The report could not be placed on the table of the House as the Parliament was dissolved on 18.12.91. Consequently, the Annual Report was laid on the Table of the House on 3rd March, 1992. All efforts will be made in future to submit the report in time.

[*Vide* Ministry of Environment and Forests O.M.No. 2-14/91-50 dated 20 November, 1992]

NEW DELHI;
April 8, 1993

CHHEDI PASWAN,
Chairman,

Chaitra 18, 1915(*Saka*)

Committee on Papers Laid on the Table.