

**COMMITTEE
ON
PAPERS LAID ON THE TABLE
(1977-78)**

(SIXTH LOK SABHA)

SEVENTH REPORT

[Action taken by Government on the Recommendations/Observations of the Committee on Papers laid on the Table made in the first and second Reports (Fifth Lok Sabha)]

(Presented on the 12th May, 1978)



**LOK SABHA SECRETARIAT
NEW DELHI**

*May, 1978/Vaisakha, 1900 (Saka)
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COMPOSITION OF THE COMMITTEE ON PAPERS
LAID ON THE TABLE

(1977-78)

Shri Kanwar Lal Gupta—*Chairman.*

MEMBERS

2. Shri S. R. A. S. Appalanaidu
3. Shrimati Chandravati
4. Shri Sudhir Ghosal
5. Shri L. L. Kapoor
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- *15. Shri Faquir Ali Ansari

SECRETARIAT

Shri K. K. Saxena—*Chief Examiner of Bills and Resolutions.*

Shri N. N. Mehra—*Senior Table Officer.*

*Nominated w.e.f. 20-2-1978 vice Shri Zulfiquarulla resigned from the Committee.

INTRODUCTION

I, the Chairman of the Committee on Papers laid on the Table having been authorised by the Committee to present the Report on their behalf, present this their Seventh Report on the action taken or proposed to be taken by Government on certain recommendations/observations of the Committee on Papers laid on the Table made in the First and Second Reports (Fifth Lok Sabha).

2. The matters covered by this Report were considered by the Committee at their sitting held on 20th April, 1978.

3. The Committee considered and adopted this Report at their sitting held on 9th May, 1978.

4. A statement giving summary of recommendations/observations of the Committee is appended to the Report (Appendix II).

NEW DELHI;

May 10, 1978

Vaisakha 20, 1900 (Saka)

KANWAR LAL GUPTA,

Chairman,

Committee on Papers laid on the Table.

CHAPTER I

IMPLEMENTATION OF RECOMMENDATIONS MADE IN PARAS 3.7—3.11 OF SECOND REPORT (FIFTH LOK SABHA) OF THE COMMITTEE ON PAPERS LAID ON THE TABLE

The Committee on Papers Laid on the Table in paras 3.7 to 3.11 of their Second Report (Fifth Lok Sabha) made the following recommendations:

- “3.7. The Committee are concerned to note that the Annual Reports of the ICAR for 1971-72 and 1972-73 were laid on the Table of Lok Sabha as late as on 28-7-1975 and 5-4-1976, respectively even when the Report for 1971-72 had become ready in October, 1973 when the audited accounts of the Society had also been received. The Committee further note that despite the fact that the Ministry of Agriculture and Irrigation had informed on 7-11-1975 that no undue delay would take place in future in placing Annual Reports of the ICAR before Lok Sabha, the Reports for 1973-74 and 1974-75 have not so far been laid.
- 3.8. The Committee feel that ICAR being an autonomous organisation receiving grant-in-aid from the Government, Parliament should be apprised of its activities after the close of each accounting year at the earliest opportunity.
- 3.9. While fixing norms as regards laying of Reports and accounts of autonomous organisation before Parliament the Committee have already recommended in para 1.16 of their First Report that the Annual Reports and audited accounts of every autonomous organisation should be laid before Parliament within nine months after the close of the accounting year or if for any reason the Report and audited accounts cannot be laid within the stipulated period, the concerned Ministry should lay within 30 days of the expiry of the prescribed period or as soon as the House meets, whichever is later, a statement explaining the reasons why the Report and accounts could not be laid within the stipulated period.

3.10. The Committee are concerned to note that the Ministry of Agriculture and Irrigation have neither laid the Reports for 1973-74 and 1974-75 nor any statement explaining the reasons as to why the Reports and accounts for these years could not be laid.

3.11. The Committee trust that the Ministry of Agriculture and Irrigation will implement the above recommendation of the Committee in its letter and spirit and lay the Annual Reports and accounts of the ICAR for 1973-74 and 1974-75 without further delay. If for any valid reason these Reports are not likely to be laid during the current session (i.e. Budget Session 1976), Ministry should lay on the Table before termination of the session a statement giving reasons as to why these reports cannot be so laid."

1.2. In their communication dated 11-6-1976 regarding action taken on the above recommendations, the Ministry of Agriculture and Irrigation have stated:

"The Annual Reports of the ICAR for the years 1973-74 and 1974-75 (Part I Technical) have since been laid on the table of both Houses of Parliament with the statement that Part II of the Report (Accounts & Administration part) will be laid on the Table of the House after the receipt of the audit certificates from the AGCW&M.

As regards delay in submitting the report for the year 1971-72, it may be stated that it has already been made clear in the delay statement submitted along with the report for the year 1971-72, that though the report for that year was ready in October 1973, its editing etc. took some time. Its printing was assigned to an out station press after inviting quotations on all-India basis and therefore despatch and return of proof and papers etc. took more time than usually required. The bulk copies of Hindi and English versions of the Report were received in April, 1975 and the Report was laid on the tables of the Houses of Parliament in July, 1975. However, the observations made in the report referred to above have been noted for future guidance and steps have been taken to ensure timely compilation, editing and publication of the Reports.

In order to obviate delay in presenting the ICAR's Annual Reports to the Houses of Parliament the Governing Body of the ICAR has since decided that the Annual Reports of the ICAR will henceforth be prepared in the two parts—Part I (Technical) and Part II accounts and audit report etc. It will then be possible to lay Part I (Technical) of the Report relating to the preceding year on the Tables of Houses of Parliament either in the Budget Session or the Monsoon Session of Parliament in the next year without waiting for the audit report. Part II of the report containing accounts and audit report etc. will be laid on the tables of the Houses of Parliament as and when audit report is received from the AGCW&M who are being requested to speed up submission of the audited accounts of the Council and after its approval by the ICAR Society. Part I of the ICAR Annual Report for 1975-76 is likely to be laid on the Tables of the Houses of Parliament during the Monsoon Session."

1.3. The Annual Report of Indian Council of Agricultural Research, New Delhi for the year 1973-74 together with Audited Accounts and the Annual Report of the Council for 1974-75 Part I (Technical) were laid on the Table of Lok Sabha on 24-5-1976 and 27-5-1976 respectively.

1.4. When asked about the position of the Report for the year 1974-75 Part II, the Indian Council of Agricultural Research in their communication dated 29-12-1977 intimated that the copies of the Annual Report (Part II) for the year 1974-75 are under printing..."

1.5. The Committee regret to note that in spite of the steps taken by the Ministry of Agriculture and Irrigation to divide the Annual Reports of the Indian Council of Agricultural Research into two parts, the Annual Report for 1974-75 Part II which relates to Accounts and Administration of the Council has not been laid before Lok Sabha even after a lapse of about 2 years of laying of Part I thereof on 27-5-1976.

1.6. The Committee do not agree with the views of the Ministry of Agriculture and Irrigation that the Annual Report Part-I (Technical) would, in future, be laid during the Budget session or Monsoon session of Parliament in the next year (i.e. after 11 to 16 months of the close of the financial year) and Part-II (Accounts and Administration) would be laid as and when audit report is received from the Audit authorities. The Committee are unhappy to

note that the Ministry have not taken any positive steps to implement their recommendations in their letter and spirit. Unless some time schedule is drawn in consultation with the Audit authorities the situation would not improve. The Committee hope that necessary steps would be taken to ensure that the Annual Reports of ICAR are laid before Parliament within 9 months of the close of the accounting year.

1.7. The Committee desire that both the parts (Part-I and Part-II) of the Annual Report of the Council should be laid before Parliament simultaneously so that complete picture of the activities and performance of the Council during the year to which the Report pertains, is available to Parliament at a time. However, in exceptional cases, where it is not possible to lay both the parts simultaneously, the Ministry may lay one part of the Report along with a statement explaining the reasons why the other part could not be laid simultaneously. The other part may be laid either in the same session or at the most by the end of the next session but the overall time limit for laying both the parts should, in no case, exceed 9 months after the close of the accounting year to which the Report pertains.

CHAPTER II

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

2.1. The recommendations/observations made in the First and Second Reports (Fifth 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-I. The other recommendations/observations which have not been included in Chapter-I and Appendix-I were narrative in character.

2.2. The Committee note with satisfaction the action taken by Government on their recommendations/observations made in their First and Second Reports (Fifth Lok Sabha) as indicated in Appendix-I.

NEW DELHI;
May, 10, 1978

KANWAR LAL GUPTA,
Chairman,

Vaisakha 20, 1900 (Saka). Committee on Papers laid on the Table.

APPENDIX I

(Vide para 2.1 of Chapter II)

Statements showing action taken by Government on the Recommendations/Observations of the Committee on Papers Laid on the Table made in their First and Second Reports (Fifth Lok Sabha)

Sl. No.	Reference to Para Nos. of the Report	Summary of recommendations/observations	Gist of Government's reply/action taken
1	2	3	4
1.	First Report (5th L.S.) 1.15	<p>The Committee recommend that administrative Ministries who are responsible for laying before Parliament reports of autonomous bodies under their control should exercise greater vigilance and devise suitable procedures to ensure that such reports and accounts are laid before Parliament without any avoidable delay. On no account, approval of Annual Reports and accounts should be delayed by not holding meetings of the Board of Trustees or Management Board in time.</p>	<p>D.P.A. have circulated the recommendation to all Ministries and Deppts. for guidance and compliance D.P.A. have not received any communication from the Ministries pointing out any difficulty in its implementation (<i>vide</i> O.M. No. F-28(4)/76-Leg. dt. 26-5-76 and 2-1-1978).</p>
2.	First Report (5th L.S.) 1.16	<p>With a view to avoid delays in laying of reports and accounts of autonomous organisations and in order to achieve some uniformity in this regard, the Committee recommended that after the close of the accounting year every autonomous organisation should complete its accounts within a period of three months and make them available for auditing. Auditing of the accounts and furnishing replies to audit objections, if any, and also translation and printing of reports should be completed</p>	Do.

within the next six months so that the reports and audited accounts are laid before Parliament within nine months after the close of the accounting year unless otherwise stipulated in the relevant Act etc. under which the body has been set up. If for any reason the report and audited accounts cannot be laid within the stipulated period of nine months, the concerned Ministry should lay within 30 days of the expiry of the prescribed period or as soon as the House meets, whichever is later, a statement explaining the reasons why the report and accounts could not be laid within the stipulated period.

3. First Report (5th L.S.) 1:17 The Committee further recommend that autonomous organisations which lay only their Annual Reports, should not take unduly long time in laying them after the close of the Accounting year. In such cases, the administrative Ministries should ensure that the Annual Reports are invariably laid before Parliament within six months after the close of the accounting year.
- D.P.A. have circulated the recommendation to all Ministries and Depts. for guidance and compliance, D.P.A. have not received any communication from the Ministries pointing out any difficulty in its implementation (*vide* their O.M. No. F.28(4)/76-Leg. dt. 26-5-76 and 2-1-1978).

4. First Report (5th L.S.) 1:18

The Committee trust that Government will issue necessary instructions in this regard in order to implement these recommendations in their letter and spirit

Do.

5. First Report (5th L.S.) 1:20

While going through the reports of Indian Museum, Calcutta. The Committee noted that the dates on which the concerned officers had signed were missing in these reports. The Committee would like to point out that such documents cannot be considered to be complete reports. The Committee would like to emphasise that before placing such reports before the House the administrative Ministry should ensure that all the formalities had been gone into in compiling the report and that it is complete in all respect.

D.P.A. have intimated that none of Ministries/Departments have brought to their notice any difficulty in implementing the recommendation. (*Vide* O.M. No. F.28(4)/76-Leg. dated 2-1-78).

Note :—The Annual Report of the Indian Museum, Calcutta for the year 1976-77 was laid on the Table of Lok Sabha on 12-12-1977 i.e. within the stipulated period of 9 months of close of accounting year.

6. First Report (5th L.S.) 2.14

The Committee note that the Hindi version of the documents mentioned in para 2.3 were laid on the Table after a lapse of 1 to 2 years after their English version had been laid on the Table of Lok Sabha. The Committee also note that the reasons given for delay in laying the Hindi version of the Reports for 1971-72 and 1972-73 of Indian Institute of Management, Ahmedabad are not at all convincing in as much as the expression "unforeseen circumstances" does not convey the precise reasons for delay. Likewise, the reasons given in the delay statement relating to the Reports of Indian Institute of Technology, Kanpur, that the delay in laying the Hindi version of Reports had occurred due to unstable conditions prevailing at the Institute" cannot be accepted by the Committee to be convincing. The Committee also feel surprised that while laying the Hindi version of the Finance Accounts (1971-72) after a lapse of 2 years Government did not lay any statement giving reasons for the delay although instructions were issued by the Lok Sabha Secretariat to all Ministries/Departments of the Government of India as early as in 1962 and repeated from time to time that where there is undue delay in laying a document (including the statutory rules etc.) on the Table of the House, the concerned Ministry should also arrange to lay on the Table, along with such document, a statement giving reasons for the delay.

Ministry of Finance have noted the recommendation for compliance in future (vide OM No. F.8(2)-B(RA)/76 dated the 8-6-76.

7. First Report (5th L.S.) 2.15

The Committee recommend that it should be impressed upon all Ministries/Departments that ordinarily both English and Hindi versions of Reports/Documents should be laid on the Table simultaneously. However, in exceptional cases, where it is not possible to lay both the versions simultaneously Ministry/Department while laying one version should invariably lay a statement explaining the reasons for not laying the other version. In such cases the other version should be laid on the Table either in the same session or at the most by the end of the next session.

D.P.A. have circulated the recommendation to all Ministries and Dep'tts. for guidance and compliance. D.P.A. have not received any communication from the Ministries pointing out any difficulty in its implementation (vide their O.M. No. F. 28(4)/76-Leg.. dt. 26-5-76 and 2-1-1978).

3. First Report (5th L.S.) 2.16

The Committee note that the delay in laying the Hindi version of the Finance Accounts (1971-72) has been attributed to the long time taken by the printers. It has also been stated that translation of the voluminous statements in the Finance Accounts takes quite sometime. While the difficulties mentioned by Government in fixing any time limit for laying the Hindi version of Finance Accounts on the Table are not without foundation yet the Committee would like Government to examine the feasibility of preparing the Hindi version of the material to be incorporated in the Finance Accounts side by side with the preparation of the English version.

Ministry of Finance have intimated "The office of C&AG, have taken steps to strengthen their translation wing and they have mentioned that their endeavour would be to submit the Finance Accounts in English and Hindi simultaneously. After the departmentalisation of Accounts the responsibility for preparation of Finance Accounts will devolve upon Government. When this work is taken over the feasibility of preparation of English and Hindi versions of Finance Accounts simultaneously will also be considered. (O.M. No. F.8(2)-B(RA)/76 dated 7-6-76.)

9. First Report (5th L.S.) 2.17

The Committee further recommend that Ministries/Department should issue instructions to autonomous bodies/organisations under their control to the effect that as far as practicable the Hindi version of Reports and Accounts should be prepared concurrently with the English version thereof in order that both the versions can be laid on the Table simultaneously.

D. P.A. have circulated the recommendation to all Ministries and Depts. for guidance and compliance. D.P.A. have not received any communication from the Ministries pointing out any difficulty in its implementation (*vide* their O. M. No. F.-28 (4)/76-Leg., dt. 26-5-76 and 2-1-1978).

10. First Report (5th L.S.) 2.18

The Committee agree with the views expressed by the representative of the Ministry of Home Affairs that instead of creation of a Central Agency for translating all reports and documents, each body/organisation may be made responsible for making its own arrangements for translation of papers into Hindi and their printing. In order to expedite the printing of Hindi version of papers the only practical solution lies in preparing the Hindi version simultaneously with the English version. Steps should also be taken by the Ministries/Departments to impress upon the organisations that action should be taken in advance to settle the rates with the printing presses for the job requirements and no time should be lost in negotiations with the printing presses at the eleventh hour.

D.P.A. have intimated that none of Ministries/Departments have brought to their notice any difficulty in implementing the recommendation (*Vide* O.M. No. F. 28 (4)/76-Leg., dated 2-1-1978).

11. First Report (5th L.S.) 3.5

The Committee are of the opinion that normally the Annual Report and audited accounts of autonomous organisations should be presented to Parliament together to enable the House to have a complete picture of the working of that body. This decision should not be taken to imply that laying of reports and accounts could be delayed to any length of time. The Committee recommend that the Annual Report together with the audited accounts and audit report thereon for a particular year should be laid on the Table within 9 months of the close of the accounting year unless otherwise stipulated in the Act or Rules under which the organisation has been set up. To comply with this requirement proper time schedule should be laid down for compilation of Annual Report and accounts and their auditing. The Committee feel that normally a period of 3 months would be sufficient for compilation of accounts and their submission to audit; the next 6 months might be given for auditing of accounts; for printing of the report and sending it to Government for laying. If for any reason the report, audited accounts and audit report cannot be laid within the stipulated period of nine months, the Ministry should lay within 30 days of expiry of the prescribed period or as soon as the House meets, whichever is later, a statement explaining the reasons why the report and accounts could not be laid within the stipulated period.

12. First Report (5th L.S.) 3.6

The Committee need hardly stress that to avoid delay in laying the Hindi version, the compilation of report and accounts and their translation should be simultaneous.

D.P.A. have intimated that none of Ministries/Departments have brought to their notice any difficulty in implementing the recommendation (vide O.M. No. F. 28(4)/76-Leg. dated 2-1-78).

13. First Report (5th L.S.) 4.5

The Committee regret that in spite of a clear procedure laid down by the Committee on Subordinate Legislation for laying of Notifications of a State under President's Rule, out of 10 Notifications issued by the Government of Nagaland during the period April to November, 1975 which are required to be laid on the Table only 3 Notifications were laid on the Table of Lok Sabha during the

Fifteenth Session. The remaining seven Notifications have not yet been laid before Parliament even though attention of Government had been drawn in December, 1975 to the fact that these Notifications were required to be laid on the Table. The Committee need hardly stress that it is the duty of the administrative Ministries of the Central Government to fulfil the constitutional and statutory requirement of laying the Notifications in respect of a State under President's rule to keep Parliament informed about the functioning of the State Government.

14. **First Report (5th L.S.) 4.6** The Committee trust that the administrative Ministries will be more vigilant in future to lay such Notifications before Parliament in time.
15. **Second Report (5th L.S.) 1.7** The Committee note that the Annual Report and Accounts of all the 14 nationalised banks for the year ended on 31st December, 1974 were laid as late as on 5-1-1976 whereas in the past reports of all the nationalised Banks used to be laid together in the July-August Session of Lok Sabha. The Committee also note that sub-section (8) of section 10 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 makes it incumbent upon the Central Government to cause every auditor's report and report on the working and activities each of corresponding new bank to be laid for not less than thirty days before each House of Parliament as soon as may be after each such report is received by the Central Government. The Committee further note that Government had received reports of five Banks on or after 21st July, 1975 and report (English version) of one Bank even prior to that. The Committee feel that laying of the Reports which were ready during the July-August session was unnecessarily delayed.
16. **Second Report (5th L.S.) 1.8** The Committee are not able to appreciate the logic behind the explanation given by the Ministry that since all the 14 banks were nationalised together by a single statute with effect from the same date, they had been laying Reports of all the nationalised banks together. The Committee also do not find any justification in laying of all the Reports being delayed merely because Hindi version of one of the Reports had not been received. Since there is no statutory provision which requires Government to lay reports of all the nationalised Banks together the Committee feel

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Ministry of Finance (Deptt. of Revenue and Banking) have issued instructions to all nationalised banks for compliance of the recommendation of the Committee (vide their O.M. No. 2(5)/76-Accts. dated 19-7-1976.

*See Appendix III of Eighth Report (Sixth Lok Sabha).

that the practice followed by the Government is not a healthy one because it leads to unnecessary delay in laying Reports of the nationalised banks before Parliament.

17. Second Report (5th L.S.) 1.9

The Committee recommend that Reports of the nationalised banks should be laid before Parliament as and when they are received individually or collectively, and Ministry of Finance must ensure that laying of any Report is not delayed merely because some other Report(s) has not been received. The Committee need hardly stress that in view of the fact that Government are already laying a consolidated report on the working of all the public sector Banks before Parliament every year, which gives a complete picture about the working of all the Banks, there is absolutely no special advantage in laying Reports of all the Nationalised Banks together and in that process delaying the laying of Reports of Banks which are already received by Government by awaiting the receipt of the Reports of some other banks.

Ministry of Finance (Deptt. of Revenue and Banking) have issued instructions to all nationalised banks for compliance. (Vide their OM No. 2(5)/76-Accts. dated 19-7-1976).

18. Second Report (5th L.S.) 1.10

With a view to avoid delays in the laying of Reports of the nationalised banks and in order to achieve some uniformity in this regard, the Committee recommend that after the close of the accounting year every nationalised bank should complete its accounts within a period of 3 months and make them available for auditing. Auditing of the accounts and furnishing replies to audit objections, if any, and also translation and printing of reports should be completed within the next six months so that all the Reports are laid before Parliament latest within nine months after the close of the accounting year. If for any reason the Report of any Bank cannot be laid within the stipulated period of nine months, the Ministry of Finance should lay within 30 days of the expiry of the prescribed period or as soon as the House meets, whichever is later, a statement explaining the reasons why the report(s) of the Banks concerned could not be laid within the stipulated period.

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Ministry of Finance (Deptt. of Revenue and Banking) have issued instructions to all nationalised banks for compliance (*Vide* their OM No. 2(5)/76-Accs. dated 19-7-76).

The Committee further recommend that ordinarily both the English and Hindi versions of the Reports should be laid on the Table simultaneously. However, in exceptional cases, where it is not possible to lay both the versions simultaneously, the Ministry of Finance should lay the version which is ready without waiting for the other version and while laying only one version they should invariably lay a statement explaining the reasons for not laying the other version. In such cases the other version should be laid on the Table either in the same session or at the most by the end of the next session.

19. Second Report (5th L.S.) 1.11

The Ministry of Industry have circulated to all officers/sections for guidance and compliance (*Vide* Ministry of Industry O.M. No. 5(97)/76-Parl. dated the 19th May, 1976).

The Committee note that the Annual Reports of the Delhi Small Industries Development Corporation Ltd., New Delhi for the years 1971-72, 1972-73 and 1973-74 were laid on the Table of Lok Sabha on 7-1-1976 and the Ministry of Industry and Civil Supplies have attributed the delay in laying these Reports to a doubt having arisen whether these Reports were required to be laid before Parliament or the Metropolitan Council in view of the fact that the shares of the Corporation were held in the name of the Lt. Governor of Delhi and not in the name of the President. The Committee further note that on receipt of the Report for 1972-73 on 10-7-1974, the Ministry moved in the matter and addressed the Ministry of Law on 19-7-1974 seeking their advice whether the Report of the Delhi Small Industries Development Corporation Limited should be laid before Parliament or the Metropolitan Council. The Committee note that the Ministry of Law had furnished their advice on 9th May, 1975. The Corporation apart from delaying the report for 1972-73, did not take proper care to send the report for 1971-72 to the Ministry and it was sent only when the Ministry called for it.

20. Second Report (5th L.S.) 2.12

The Department of Parliamentary Affairs have brought to the notice of all Ministries/Departments to be borne in mind as and when copies of Reports and Accounts of Government Companies are placed on the Table. D.P.A. have also not received any communication from the Min-

The Committee need hardly stress that the administrative Ministry must devise suitable procedure whereby the receipt of Reports and Accounts of the Organisations under their control is carefully watched to avoid delays in the laying of Reports and Accounts before Parliament.

21. Second Report (5th L.S.) 2.13

22. Second Report (5th L.S.) 2.14

The Committee are unhappy to note that the comments of the Comptroller and Auditor General of India in the Report for 1971-72 had not been incorporated in the Report in spite of a statutory provision in this regard contained in Section 619A of the Companies Act, that these comments should be laid on the Table. The explanation given by the Ministry that these comments were not laid because they were received late and hence could not be printed in the Annual Report are not convincing and cannot be accepted to be of any substance. The Committee have no doubt in their mind that in withholding the comments of the Comptroller and Auditor General on the Report for 1971-72 from the House, the Ministry have failed to comply with the provisions of Section 619A of the Companies Act and the Ministry should lay those comments now at the earliest opportunity.

23. Second Report (5th L.S.) 2.15

The Committee feel that the practice of incorporating the reasons for delay in the 'Review' prepared by the Government on the Report is not correct and the reasons for delay should invariably be laid separately so that attention of the House is drawn to that fact specifically.

24. Second Report (5th L.S.) 4.13

The Committee note that there is considerable delay at present in the laying of Reports and Accounts of Government Companies before Parliament as is evident from the date given in para 4.2. The Ministry of Finance in their note cited in para 4.12 have also pointed out that it has been noticed that some companies have not placed their accounts before Parliament for a number of years.

istries pointing out any difficulty in its implementation (Vide their O.M. No. F. 28(5)/76-Leg. dated 29-6-76 and 2-1-78)

(i) Ministry of Industry have circulated to all officers/sections for guidance & compliance. (Vide their OM. No. 5(27)/76-Parl. dated 19-5-76.

(ii) Comments of C. & A.G. on the Annual Report of DSICD for 1971-72 were laid on the Table of Lok Sabha on 18-1-1976.

D.P.A. have circulated the recommendation to all Ministries/Departments for guidance and compliance D.P.A. have not received any communication from the Ministries pointing out any difficulty in its implementation (Vide their O.M. No. F28(5)/76-Leg. dated 29-6-76 and 2-1-78).

Circulated to all Ministries/Departments by Ministry of Finance (Bureau of Public Enterprises) (Vide their O.M. No. BPE/C.L.O. 20/76/Fin/14(1) Adv. (F)/76 dated the 8th June, 1976).

The Committee further note that during evidence the representative of the Ministry of Finance could not suggest any definite time limit for laying the Reports and Accounts of Government Companies and he suggested that this question should be further examined in consultation with the Comptroller and Auditor-General. After examining the matter the Ministry of Finance in consultation with the C&AG have furnished a written note to the Committee which points out that the delay in laying the Reports of the Government Companies arose mainly due to delay in the finalisation of the Accounts, of earlier years, getting them certified by Auditors and having them considered at the Annual General Meeting. Further such delays were on account of Delay in compiling the accounts the inability of the companies to make available all records and furnish timely and complete explanation to the queries raised by the Statutory Auditors.

25. Second Report (5th L.S.) 4:14

The Committee further note that the Ministry of Finance are of the view that to begin with the time limit for laying Reports and Accounts of Government Companies should be somewhat liberal so that Companies which have genuine difficulties and the Administrative Ministries are not suddenly called upon to explain their lapses. As such Ministry of Finance have expressed the opinion that "to start with there should be a time limit from 12-18 months from the date of the close of the financial year of the Company in question i.e. not later than 6-9 months from the date of the holding of the Annual general meeting in which the Report relates".

Circulated to all Ministries/Departments by
Ministry of Finance (Bureau of Public/
Enterprises) (Vide their O.M. No. BPE/
GLO:20/76/Fin/14(i) Adv (F) 76 dated
the 8th June, 1976.

26. Second Report (5th L.S.) 4:15

The Committee feel that the period of 12-18 months for laying of Annual Reports and Accounts of Government Companies suggested by the Ministry of Finance is on the High side in view of the following factors :—(i) There is a Government nominee on the Board of Directors of every Government Company and he is also a signatory to the Report. Therefore, in a way Government is already aware of the activities of the Company and when the Report of the Company is available to the Government nominee, there cannot be any difficulty in making available more copies thereof to the Government for being laid on the Table of the House.

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(ii) When the Government nominee is already aware of the activities of the company, the administrative Ministry should not take much time in preparing a Review on the working of the company for being laid on the Table of the House.

(iii) Members of Parliament get an opportunity of raising matters pertaining to the functioning of Government Companies usually during the Budget discussions in the Budget Session of Parliament. Therefore, if Reports of the Government Companies pertaining to the previous years are not available to Members before discussion on the Demands for Grants of the Ministries concerned is taken up, Members would lose the opportunity of bringing any matter pertaining to the functioning of the Company to the notice of the House. If they have to refer only to Reports which are 3 or 4 years old, any such reference would look to be out of date and serve no useful purpose.

27 Second Report (5th L.S.) 4.16

The Committee therefore, recommend that as in the case of the Reports of the Autonomous Organisations, 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 and if the House is not in Session, at that time, the statement should be laid on the Table within seven days of re-assembly of the House. However, to give some more time to the Government to lay the Reports of the Government Companies pertaining to the periods upto the end of 1974-75 which were in arrears, the Committee recommend that these Reports along with the delay Statements should be laid on the Table by 31st December, 1976. Reports for the year 1975-76 and subsequent years should be laid on the Table within 9 months of the close of the accounting year.

28 Second Report (5th L.S.) 4.17

The Committee agree with the suggestion of the Ministry of Finance that the concerned administrative Ministry under whose charge

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a Government Company functions should be administratively responsible for laying annual Reports before Parliament in time.

29 Second Report (5th L.S.) 4:18 The Committee note that while laying the Report of a Government Company before Parliament the concerned administrative Ministry also lays alongwith the Report a Review on the working of that Company. However, in certain cases no such Review is laid on the Table. The Committee are of the view that even in cases where Government are in agreement with the information given in the Report of the Company and they have nothing to add, Government should lay on the Table along with the Report a Statement saying that they are in agreement with the Report and hence no Review is being laid.

30 Second Report (5th L.S.) 4:19 In paras 2.14 to 2.18 of their First Report the Committee have made recommendations regarding the laying of Hindi version of Annual Reports and other documents. The Committee would like to reiterate that while laying the Annual Reports of Government Companies ordinarily both the English and Hindi Versions of the Reports and Accounts should be laid on the Table simultaneously. However, in exceptional cases, where it is not possible to lay both the versions simultaneously the Ministry/Department while laying one version should invariably lay a statement explaining the reasons for not laying the other version. In such cases the other version should be laid on the Table either in the same Session or at the most by the end of the next Session.

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31 Second Report (5th L.S.) 4:20 The Committee trust that the Administrative Ministries will take necessary steps to implement the above recommendations of the Committee in their letter and spirit.

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APPENDIX II

Summary of Recommendations/Observations contained in the Report.

S. No.	Reference to Para No. of the Report	Summary of Recommendations/Observations
(1)	(2)	(3)
1.	1.5	The Committee regret to note that inspite of the steps taken by the Ministry of Agriculture and Irrigation to divide the Annual Reports of the Indian Council of Agricultural Research, into two parts, the Annual Report for 1974-75 Part II which relates to Accounts and Administration of the Council has not been laid before Lok Sabha even after a lapse of about 2 years of laying of Part-I thereof on 27-5-1976.
2.	1.6	The Committee do not agree with the views of the Ministry of Agriculture and Irrigation that the Annual Report Part-I, (Technical) would, in future, be laid during the Budget session or Monsoon session of Parliament in the next year (i.e. after 11 to 16 months of the close of the financial year) and Part -II (Accounts and Administration) would be laid as and when audit report is received from the Audit authorities. The Committee are unhappy to note that the Ministry have not taken any positive steps to implement their recommendations in their letter and spirit. Unless some time schedule is drawn in consultation with the Audit authorities the situation would not improve. The Committee hope that necessary steps would be taken to ensure that the annual Reports of ICAR are laid before Parliament within 9 months of the close of the accounting year.
3.	1.7	The Committee desire that both the parts (Part-I and Part -II) of the Annual Report of the Council should be laid before Parliament simultaneously so that complete picture of the activities and performance of the Council during the year to which the Report pertains, is available to Parliament at a time. However, in exceptional cases, where it is not possible, to lay both the parts simultaneously, the Ministry may lay one part of the Report alongwith a statement explaining the reasons why the other part could not be laid simultaneously. The other part may be laid either in the same session or at the most by the end of the next session but the overall time limit for laying both the parts should, in no case, exceed 9 months after the close of the accounting year to which the Report pertains.
4.	2.2	The Committee note with satisfaction the action taken by Government on their recommendations/observations made in their First and Second Reports (Fifth Lok Sabha) as indicated in Appendix—I.

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