

**COMMITTEE ON PAPERS LAID ON THE TABLE  
(2023-24)**

**SEVENTEENTH LOK SABHA**

**157**

**ONE HUNDRED AND FIFTY-SEVENTH REPORT**

**[Action taken by the Ministry of Agriculture & Farmers Welfare (Department of Agriculture & Farmers Welfare) on the Observations/ Recommendations made by the Committee in their Ninety-Ninth Report (Seventeenth Lok Sabha) regarding the delay in laying the Annual Reports and Audited Accounts of the Jammu and Kashmir Horticulture Produce Marketing and Processing Corporation Limited (JKHPMC), Srinagar]**

**(Presented to Lok Sabha on 18.12.2023)**



सत्यमेव जयते

**LOK SABHA SECRETARIAT  
NEW DELHI  
December 2023/ Agrahayana 1945 (Saka)**

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**COMPOSITION OF COMMITTEE ON PAPERS LAID ON THE TABLE**  
**LOK SABHA**  
**(2023-24)**

**Shri Girish Chandra - Chairperson**

**MEMBERS**

2. Shri Shafiqur Rahman Barq
3. Dr. A. Chellakumar
4. Shri Pallab Lochan Das
5. Shri Choudhury Mohan Jatua
6. Choudhary Mehboob Ali Kaiser
7. Dr. Amol Ramsing Kolhe
8. Shri Jamyang Tsering Namgyal
9. Smt. Aparupa Poddar
10. Shri T.N. Prathapan
11. Shri Sellaperumal Ramalingam
12. Shri Saptagiri Sankar Ulaka
13. Shri Devendrappa Y.
14. Shri Ashok Kumar Yadav
15. Vacant

**SECRETARIAT**

1. Shri Naval K. Verma - Director
2. Shri Rahul Singh - Deputy Secretary
3. Smt. Manjinder Pubbi - Under Secretary

## INTRODUCTION

I, the Chairperson of the Committee on Papers Laid on the Table (2023-24), having been authorized by the Committee to present the Report on their behalf, present this 157<sup>th</sup> Report on the action taken by the Ministry of Agriculture & Farmers Welfare (Department of Agriculture & Farmers Welfare) on the Observations/ Recommendations made by the Committee in their Ninety-Ninth Report (Seventeenth Lok Sabha) regarding the delay in laying the Annual Reports and Audited Accounts of the Jammu and Kashmir Horticulture Produce Marketing and Processing Corporation Limited (JKHPMC), Srinagar.

2. The Ninety-ninth Report (Seventeenth Lok Sabha) was presented to Lok Sabha on 21.12.2022. The Ministry of Agriculture & Farmers Welfare (Department of Agriculture & Farmers Welfare) has furnished their replies indicating the action taken on the Observations/ Recommendations contained in the Ninety-ninth Report. The Committee considered and adopted this Report at their sitting held on 07.12.2023.

3. The Committee place on record their appreciation of the valuable assistance rendered to them by the officials of the Lok Sabha Secretariat attached to the Committee.

4. The Observations/Recommendations of the Committee have been printed in bold letters at the end of the Report.

**New Delhi**  
**07<sup>th</sup> December, 2023**  
**Agrahayana 16, 1945 (Saka)**

**Girish Chandra**  
**Chairperson**  
**Committee on Papers Laid on the Table**  
**Lok Sabha**

**COMMITTEE ON PAPERS LAID ON THE TABLE (2023-24), LOK SABHA**  
**REPORT**

**Action taken by the Ministry of Agriculture & Farmers Welfare (Department of Agriculture & Farmers Welfare) on the Observations/ Recommendations made by the Committee in their Ninety-Ninth Report (Seventeenth Lok Sabha) regarding the delay in laying the Annual Reports and Audited Accounts of the Jammu and Kashmir Horticulture Produce Marketing and Processing Corporation Limited (JKHPMC), Srinagar.**

This Report of the Committee deals with the action-taken by the Government on the Observations/ Recommendations made by the Committee on Papers Laid on the Table (2023-24) in their Ninety-ninth Report (17<sup>th</sup> Lok Sabha) presented to the Lok Sabha on 21.12.2022, which dealt with the matter of the delay in laying the Annual Reports and Audited Accounts of the Jammu and Kashmir Horticulture Produce Marketing and Processing Corporation Limited (JKHPMC), Srinagar for the years 1997-98 to 2020-21, under the administrative control of the Ministry of Agriculture & Farmers Welfare (Department of Agriculture & Farmers Welfare).

2. The Committee had made six Observations/Recommendations in their Ninety-ninth Report (17<sup>th</sup> Lok Sabha). The Ministry of Agriculture & Farmers Welfare (Department of Agriculture & Farmers Welfare) *vide* their O.M. No. H-11017/1/2023-M.I (FTS-127306), dated 01<sup>st</sup> August, 2023 has furnished the action-taken replies in respect of all the six Observations/Recommendations made in the above-mentioned Report.

3. The recommendations of the Committee and the action taken by the Government thereon are given in the following paragraphs.

Observation/Recommendation No. 20

4. The Committee in their original Report had recommended as under:

“The Committee examined the matter of laying of the Annual Reports and Audited Accounts of the Jammu and Kashmir Horticulture Produce Marketing and Processing Corporation Limited (JKHPMC), Srinagar, incorporated during the year 1978, existing under the administrative control of the Department of Agriculture & Farmers Welfare (DoA&FW), Ministry of Agriculture & Farmers Welfare (MoA&FW), on a test check basis, for 1997-1998 to 2020-2021. The Committee is shocked to observe that the

requisite documents of the JKHPMC, Srinagar for the four years i.e., 1997-1998 to 2000-2001 were laid, together, before the House on 06.02.2018 with delays ranging from 16 years to 19 years. In addition, the requisite documents of the JKHPMC, Srinagar for the next ten years, i.e., 2001-2002 to 2010-2011 were also collectively laid before the House on 03.08.2021 with delays ranging from 9 years to 18 years. Further, the requisite documents of the JKHPMC, Srinagar for the last ten years i.e., 2011-2012 onwards have not been laid as yet.

The Committee take note of this transgression from the General Financial Rules, 2017 that is in force and also from the recommendations of this Committee, regarding timely submission of the Annual Report and Audited Accounts of an organization. Being critical of the way in which the Corporation has delayed the preparation of the Annual Report and finalization of the Audited Accounts, the Committee, therefore, recommend to the MoA&FW to clear its backlog and lay all the pending requisite documents of the JKHPMC since 2011-2012 before the House, as per the assurance given during the oral evidence and, also to lay the requisite documents from 2021-2022 onwards within the stipulated time.”

5. The Ministry in its Action Taken Reply has stated as under:-

“The Annual Reports and Audited Accounts of JKHPMC are laid by the Ministry on the Table of the Parliament as soon as the same is received from JKHPMC. JKHPMC submitted its Annual Reports and Audited Accounts, Statement of Reasons for delay and Performance Review for the Financial Years 2011-12 to 2014-15 to the Ministry on 14th October, 2022 and Annual Reports and Audited Accounts, Statement of Reasons for delay and Performance Review for the Financial Years 2015-16 & 2016-2017 to the Ministry on 1<sup>st</sup> February, 2023, respectively.

The Annual Reports and Audited Accounts, Statement of Reasons for delay and Performance Review by the Government after being authenticated by Minister of State for Agriculture & Farmers Welfare for the Financial Years 2011-2012 to 2016-2017 were laid on the Table of Parliament. Details are as under:-

Sr. No.	Year of Annual Report & Audit Accounts	Laid on Lok Sabha	Laid on Rajya Sabha
1.	2011-2012	20 <sup>th</sup> December 2022	23 <sup>rd</sup> December 2022
2.	2012-2013	20 <sup>th</sup> December 2022	23 <sup>rd</sup> December 2022
3.	2013-2014	20 <sup>th</sup> December 2022	23 <sup>rd</sup> December 2022
4.	2014-2015	20 <sup>th</sup> December 2022	23 <sup>rd</sup> December 2022
5.	2015-2016	14 <sup>th</sup> March 2023	17 <sup>th</sup> March 2023
6.	2016-2017	14 <sup>th</sup> March 2023	17 <sup>th</sup> March 2023

The JKHPMC has informed that the Independent Auditors released their Statutory Audit Reports and Certified Accounts for the financial years 2017-18 & 2018-19 of the Corporation on 14.07.2023 and said Accounts are under submission to Controller & Auditor General (C&AG) for Supplementary Audit. After completion of the Statutory Audit and Accounts of 2018-2019, the Accounts for the succeeding financial years 2019-20 to 2021-22 as already approved by the Board of Directors, shall be forwarded to Independent Auditors appointed by the C&AG for their Statutory Audit.”

The Department of Agriculture & Farmers Welfare (DoA&FW) vide its O.M. No. H-11017/1/2023-M.I (FTS-127306), dated 01<sup>st</sup> August, 2023 had submitted that:-

*“JKHPMC has also informed that owing to delay in finalization of accounts and non-audit status of account of preceding years and due to several other factors there was undue delay in finalization of accounts. JKHPMC has ensured that the Annual Reports & Audited Accounts for the Financial Years 2017-18 to 2018-19, 2019-20 to 2021-22 and 2022-23 of the Corporation will be submitted to this Ministry by November 2023, January 2024 and March 2024 respectively. Due to this, this Ministry will be able to lay these papers of JKHPMC on the Table of Parliament in Budget Session of Parliament for the year 2024.”*

6. **At first, the Committee expresses their displeasure to note that the Department of Agriculture & Farmers Welfare (DoA&FW) has furnished the abovementioned replies, which were required to be furnished within 03 months of presentation of Reports, after a delay of more than 04 months i.e., on 01<sup>st</sup> August 2023.**

**The Committee are not satisfied with the reply of the Ministry as over the years there was continuous delay in laying of documents in the Parliament. Even after presentation of the original report on 21.12.2022, the documents of years 2015-16 and 2016-17 were laid only on 14.03.2023. The Committee feel that accounting system of JKHPMC has gone haywire and created perennial delays in submission of documents in the Parliament. In its Action Taken reply, the Ministry has stated that the documents for the year 2017-18, 2018-19, 2019-20, 2020-21 2021-22 and 2022-23, would be placed on the Table of the House in Budget Session for the year 2024. Considering the delay in submitting the documents, the Committee in no uncertain terms recommend that a overhaul of the budget division of the JKHPMC should be carried out by the Ministry so that in future accounts could be laid in the Parliament as mentioned in General Financial Rule, 2017 and earlier recommendations of this Committee.**

Observation/Recommendation No.- 21

7. The Committee in their original Report had recommended as under:-

“ The Committee also note with disappointment that this was the third instance when this Committee had asked the DoA&FW (MoA&FW) and the JKHPMC Ltd. to appear before it, to tender oral evidence regarding the delay in laying the Annual Reports and Audited Accounts of the JKHPMC Ltd. The Committee had observed from its previous Reports that on earlier occasions the JKHPMC did not even use to lay its requisite documents before the Parliament. This Committee, during 1984, recommended to the JKHPMC to lay its requisite documents before the Parliament. The Committee also observes that thereafter, although the JKHPMC had started to lay the requisite documents before the Parliament, however, the same were being laid with extensive delays. Hence, it is evident that both the Ministry and the JKHPMC did not bother to honour the observations and recommendations made by this Committee in its last two Reports on the documents of the JKHPMC. The Committee expresses its displeasure over the role of the MoA&FW in this regard and once again recommends to the Ministry to pay due attention and look into the affairs of the Corporation seriously to ensure that the Corporation discharges its accountability to the Parliament every year within the laid down time frame.”



8. The Ministry in its Action Taken Reply has stated as under:-

*“Ministry has taken up the matter with the Government of Jammu & Kashmir and Managing Director, JKHPMC regularly. Despite repeated communications made at various level upto level of the Secretary, Department of Agriculture & Farmers Welfare (DA&FW) to Chief Secretary, Government of Jammu & Kashmir, JKHPMC has failed to comply with the provisions of the relevant rules regarding laying of Annual Reports and Audited Accounts on the Table of Parliament. ....”*

Observation/Recommendation No. 22

9. The Committee in their original Report had recommended as under:-

“The Committee note the numerous unacceptable reasons reported by the MoAF&FW, in its written reply, for the delay in laying of the requisite documents of the JKHPMC i.e., insurgency in the then State of J&K; perpetual lag in finalization of the accounts in the initial years of existence of the corporation; holding of fewer Board meetings than mandated in the Corporation's Article of Association; frequent changes in the administrative set up of the erstwhile State of J&K which resulted in changes in the composition of Board of Directors of the JKHPMC; appointment of non-local statutory auditors by the C&AG and translation of documents from English to Hindi and subsequent printing of bilingual accounts.

The Committee feel that it is the Ministry who is responsible for laying the reports of the organizations under its administrative control and hence, they are required to exercise greater vigilance and to devise suitable procedure to ensure that such reports and accounts are laid before the Parliament within the stipulated time. However, the Committee observes that in the present case, the MoA&FW has completely failed to address the numerous difficulties faced by the JKHPMC in laying the requisite documents and also in providing remedial steps thereto, which has resulted in the long delays in laying the documents. The Committee desires to know the reasons of this negligence on part of the Ministry and directs them to take corrective actions without any delay.”

10. The Ministry in its Action Taken Reply has stated as under:-

*“Ministry has taken up the matter with the Government of Jammu & Kashmir and Managing Director, JKHPMC regularly. Despite repeated communications made at various level upto level of the Secretary, Department of Agriculture & Farmers Welfare (DA&FW) to Chief Secretary, Government of Jammu & Kashmir, JKHPMC has failed to comply with the provisions of the relevant rules regarding laying of Annual Reports and Audited Accounts on the Table of Parliament.....”*

**11. The Committee take note of the submission made by the Ministry that despite repeated communications with the JKHPMC, in this regard, the Corporation has failed to comply with the provisions of the relevant rules regarding laying of Annual Reports and Audited Accounts on the Table of Parliament. In this regard, the Committee recommend that the Ministry should hold regular meetings with the officials of the JKHPMC and the State Government of Jammu and Kashmir to know about inherent problems in the system so that bottlenecks in the system can be removed. The Ministry should also apprise JKHPMC about the statutory obligation towards the Parliament regarding laying of Annual Reports and Audited Accounts before the Parliament. The Committee would like to be apprised of further actions taken by the Ministry in this regard within three months of presentation of report.**

Observation/Recommendation No. 23

12. The Committee in their original Report had recommended as under:-

“In its last Report also on the JKHPMC, the Committee had recommended to the MoA&FW to have a mechanism in the Ministry to monitor the progress regarding laying of the Annual Report and Audited Accounts of the Corporation. However, from the recurring delays over the years, it is clear that both the Ministry and the Corporation had not made any progress to rectify their errors in this regard. The Committee hence, once again, recommend to the Ministry to form a system and timeline to closely monitor the progress regarding the finalization of the requisite documents of JKHPMPC Limited.

Here, the Committee also recommend to the MoA&FW for the creation of a digital platform, where the timeline for completion of each stage involved in the process of laying of the requisite documents of all the organizations/bodies/institutes etc. under its administrative control, and generation of automated reminders thereto is made available. It is also suggested that the Ministry may fix responsibility and issue show cause notice to the erring officials including reprimanding the erring employees so that the delays in laying documents can be avoided.”

13. The Ministry in its Action Taken Reply has stated as under:-

*“As per recommendations of the Committee on Papers Laid on the Table of Parliament, a requisite digital platform/ dashboard ‘mysystem.dac.gov.in’ for monitoring of the submission of Annual Reports by the Organizations under Administrative control of the Ministry has been created. User ID and Password has been communicated to JKHPMC on 22.12.2022 for uploading status of the Annual Reports. JKHPMC has informed that they are regularly uploading detailed progress regarding finalization of the Accounts.”*

**14. The Committee are pleased to note that as per the recommendation made by this Committee, the MoA&FW has created a dashboard for monitoring the process of the submission of Annual Reports by the various organizations under its administrative control. The Committee expect that the Ministry will regularly monitor the process and take corrective measures whenever delay occurs at any stage.**

Observation/Recommendation No. 24

15. The Committee in their original Report had recommended as under:-

“The Committee note there is an Internal Auditing Mechanism (IAM) with the JKHPMC, but as per the reply received, the same is hampered by the lack of staff in its accounts section mainly due to retirement and the ban on fresh recruitment. The Committee recommend to the MoA&FW to guide and assist the JKHPMC in implementing its decision of outsourcing its IAM immediately in order to ensure that the accounting work at the Corporation is not hampered anymore.”

16. The Ministry in its Action Taken Reply has stated as under:-

*“Ministry has no role to deploy/ appoint personnel (regular/contractual) for the Corporation. The Government of Jammu and Kashmir and JKHPMC are Competent Authorities to appoint the manpower in Corporation. Ministry is only concerned with the work relating to laying of Annual Reports and Audit Accounts of JKHPMC, on the Table of Parliament.*

*JKHPMC has informed that it is fact that the entire technical Accounts & Finance Staff of JKHPMC retired from the Corporation on superannuation and in order to assist the management in dealing the accounting work, especially finalization of the Annual Accounts, the Board of Directors in its 61<sup>st</sup> meeting approved engagement of one Consultant Finance for the Corporation for a period of one year. The Consultant assisted the corporation in completing audit on back-log accounts of 06 years in 2022-23. Now as the term of the said consultant expired in 07/2023, Corporation is contemplating to outsource the accounting process and a proposal thereof shall be placed before the BoD in its ensuing meeting.”*

**17. In this regard, the Committee reiterate their recommendation *vide* which the Ministry has to hold meeting with the officials of the JKHPMC and the State government of Jammu and Kashmir and brief them about the statutory obligation towards the Parliament regarding laying of Annual Reports and Audited Accounts before the Parliament and also the matter of providing adequate personnel for managing the day-to-day operations of the JKHPMC**

Observation/Recommendation No. 25

18. The Committee in their original Report had recommended as under:-

*“The Committee expect that this was the final instance when the matter regarding delay in laying the requisite documents of the JKHPMC came before this committee and, that from 2021-2022 onwards, the requisite documents of JKHPMC, Srinagar would be laid before the Parliament within the stipulated time i.e. the 31 December. The Committee would also keep a vigil over the laying of the requisite documents of the JKHPMC.”*

19. The Ministry in its Action Taken Reply has stated as under:-

*“JKHPMC has prepared and furnished revised timeline for finalization of back log/pending Annual Reports and Audit on Accounts for the Financial Years 2017-18 to 2022-23 of the Corporation. Revised timeline for finalization of the Annual Reports and Audit on Accounts from 2017-18 to 2022-23 of the Corporation are as under:-*

*Revised timeline for finalization of Back Log Annual Reports and Audit on Accounts of JKHPMC from 2017-18 to 2022-23*

	<b>2017-18 &amp; 2018-19</b>	<b>2019-20 to 2021-22</b>	<b>2022-23</b>
<b>May 2023</b>	<i>Completion of Statutory Audit</i>		
<b>June 2023</b>	<i>CAG Supplementary Audit</i>	<i>Statutory Audit</i>	
<b>July 2023</b>	<i>Board Approval</i>		
<b>August 2023</b>	<i>AGM</i>	<i>CAG Supplementary Audit</i>	<i>Statutory Audit</i>
<b>September 2023</b>	<i>Translation &amp; Printing</i>	<i>Board Approval</i>	
<b>October 2023</b>		<i>AGM</i>	<i>CAG Supplementary Audit</i>
<b>November 2023</b>	<i>Submission AR &amp; AA to Ministry</i>	<i>Translation &amp; Printing</i>	
<b>December 2023</b>			<i>Board Approval</i>
<b>January 2024</b>		<i>Submission AR &amp; AA to Ministry</i>	<i>AGM</i>
<b>February 2024</b>			<i>Translation &amp; Printing</i>
<b>March 2024</b>			<i>Submission AR &amp; AA to Ministry</i>

*The Corporation has also furnished status of Audit on Accounts of JKHPMC from 2017-18 to 2022-23 as on 17.07.2023, which may please be seen as under:-*

<b>Sl. No</b>	<b>Financial Year</b>	<b>Status</b>	<b>Further Action to be taken</b>	<b>Reasons for delay</b>
1.	2017-18 and 2018-19	<i>Statutory Audit by Independent Auditors completed, Audit Report released on 14.07.2023.</i>	<i>i. Supplementary Audit by C&amp;AG ii. Adoption of Accounts by</i>	<i>Delay in Finalisation of Accounts of preceding years.</i>

		<i>Audited Accounts under submission to C&amp;AG for supplementary Audit.</i>	<i>AGM</i>	
2.	2019-20	<i>i. Draft accounts approved by BoD, ii. Accounts under submission to the Independent Auditors for conducting Statutory Audit. iii.</i>	<i>Submission of approved Accounts to Statutory Auditors after.</i>	<i>Non-Audit status of Accounts of preceding years.</i>
3.	2020-21 and 2021-22	<i>Draft accounts approved by BoD.</i>	<i>Submission of approved Accounts to Statutory Auditors after.</i>	<i>Non-Audit status of Accounts of preceding years.</i>
4.	2022-23	<i>i. Accounts under reconciliation, consolidation and preparation of final draft financial statements by the internal auditors. ii. Statutory Audit not yet appointed by C&amp;AG iii. IT &amp; GST Audit to be conducted after compilation of the final financial statements.</i>		

20. The Committee recommend the MoA&FW to prepare a date-wise time schedule for completion of various stages involved in preparation and presentation of Annual Reports and Audited Accounts of the JKHPMC and other organizations under its administrative control. The Committee further recommend the MoA&FW to put this time schedule on the digital platform/dashboard prepared by the Ministry alongwith the target dates set for each stage involved in order to strictly monitor the progress in this regard and to send automated reminders to the officials concerned. The Committee would like to be apprised of further action taken by the Ministry in this regard.

New Delhi  
07<sup>th</sup> December, 2023  
Agrahayana 16, 1945 (Saka)

Girish Chandra  
Chairperson  
Committee on Papers Laid on the Table  
Lok Sabha

**COMMITTEE ON PAPERS LAID ON THE TABLE (2023-24)**

**Extracts of the Minutes of the first sitting of the Committee on Papers Laid on the Table (2023-24) held on 07.12.2023**

The Committee sat on Thursday, 07<sup>th</sup> December, 2023 from 15:00 hours to 16:00 hours in Committee Room 'D', Parliament House Annexe, New Delhi.

***Present***

Shri Girish Chandra

- ***Chairperson***

***Members***

***(Lok Sabha)***

2. Dr. A. Chellakumar
3. Smt. Aparupa Poddar
4. Shri Sellaperumal Ramalingam
5. Shri Saptagiri Sankar Ulaka
6. Shri Devendrappa Y.

***Secretariat***

Shri Naval K. Verma

- Director

2. At the outset, the Chairperson welcomed the Members of the Committee to the sitting and apprised them of the agenda;

I- X X X X

II- To consider and adopt the four draft original/Action-taken Reports which were adopted by the previous Committee (2022-23) but could not be presented due to early adjournment of the House ;

III- To consider and adopt the four other draft original/Action-taken Reports; and

IV- X X X X

3-4. X X X X X

5. The Committee also then took up the following four draft Original/Action-taken Reports:-

(i) X X X X

(ii) X X X X

(iii) Action taken by the Ministry of Agriculture & Farmers Welfare (Department of Agriculture & Farmers Welfare) on the Observations/ Recommendations made by the Committee in their Ninety-Ninth Report (Seventeenth Lok Sabha) regarding the delay in laying the Annual Reports and Audited Accounts of the Jammu and Kashmir Horticulture Produce Marketing and Processing Corporation Limited (JKHPMC), Srinagar; and

(iv) X X X X

6. The Chairperson briefed the Members about the recommendation made in the Reports of the Committee.

7. The four draft Original/Action-taken Reports were considered and adopted unanimously.

8. The Chairperson was authorized by the Committee to finalize and present these Reports to the Lok Sabha.

9-11. X X X X X

The Meeting then adjourned.

*(A Copy of the verbatim proceedings of the sitting is kept.)*