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**COMMITTEE**  
**ON**  
**PAPERS LAID ON THE TABLE**  
**(1983-84)**  
**(SEVENTH LOK SABHA)**

**SIXTEENTH REPORT**

*(Presented on 15 March, 1984)*



**LOK SABHA SECRETARIAT**  
**NEW DELHI**

*March, 1984/Phalguna, 1905 (Saka)*

*Price : Re. 2.90*

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# CORRIGENDA

TO

## SIXTEENTH REPORT (SEVENTH LOK SABHA) OF THE COMMITTEE ON PAPERS LAID ON THE TABLE

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32	6.8	2	sin	since
37	7.9	4	Auditor- General, UP	Accountant General, U.P.
39	8.2	8	was all involved	was involved
41	8.4	1	date submission	date of submission
56	4.12	5	as late and	as late as
59	5.14	3	paragraph 3	paragraph 3.5
62	7.9	6	Auditor General, U.P.	Accountant- General, U.P.

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PERSONNEL OF THE COMMITTEE ON PAPERS LAID ON THE  
TABLE (1983-84)

1. Shrimati Krishna Sahi—*Chairman*
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11. Shri Motilal Singh
- \*12. Prof. Saif-ud-Din Soz
13. Swami Indervesh
14. Shrimati Usha Verma
- \*\*15. Shri R.P. Yadav

SECRETARIAT

Shri D.C. Pande—*Joint Secretary.*

Shri S.P. Gupta—*Chief Personnel and Executive Officer.*

Shri R.S. Mani —*Senior Legislative Committee Officer.*

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\*Nominated w. e. f. 31-8-1983.

\*\*Nominated w. e. f. 21.6-1983.

## 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 Sixteenth Report.

2. On examination of certain papers laid on the Table of Lok Sabha during the Seventh Session (Sixth Lok Sabha) and First, Second, Fourth, Fifth, Seventh, Eighth, Ninth, Eleventh, Twelfth and Fourteenth Sessions (Seventh Lok Sabha) the Committee have come to certain conclusions in regard to delay in laying of (i) the Annual Report and Audit Report of the Nehru Memorial Museum and Library Society; (ii) Annual Reports of the Central Council for Research in Unani Medicine; (iii) Annual Reports and Audit Reports on the accounts of Rashtriya Sanskrit Sansthan; (iv) Annual Reports and Audited Accounts of International Airports Authority; (v) Annual Reports and Audited Accounts of the National Cooperative Dairy Federation of India; (vi) Annual Reports and Audited Accounts of the National Council of Science Museums, Calcutta; (vii) Annual Reports and Audit Reports on the accounts of the Kendriya Hindi Shikshan Mandal, Agra; and (viii) Audit Reports of Delhi Financial Corporation. The conclusions of the Committee are embodied in the Report.

3. On 24 January, 1983, the Committee took oral evidence of the representatives of the Ministry of Finance on the delay in laying before Parliament Audit Reports of Delhi Financial Corporation. On 25 January, 1983, the Committee took evidence of the representatives of the Ministry of Education and Culture on the question of delay in laying Annual Reports and Audit Reports on the accounts of Rashtriya Sanskrit Sansthan. On 30 November, 1983, the Committee took evidence of the representatives of the Ministry of Tourism and Civil Aviation on the question of delay in laying Annual Reports and Audited Accounts of the International Airports Authority.

4. The Committee wish to express their thanks to the Officers of the Ministries of Finance, Education and Culture and Tourism and Civil Aviation for furnishing information desired by the Committee.

5. The Committee considered and adopted this Report at their sitting held on 8 March, 1984.

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

NEW DELHI ;

*12 March, 1984*

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*22 Phalguna, 1905 (S).*

KRISHNA SAHI,

*Chairman.*

*Committee on Papers laid on the Table.*

## **CHAPTER 1**

### **DELAY IN LAYING THE ANNUAL REPORT AND AUDIT REPORT OF THE NEHRU MEMORIAL MUSEUM AND LIBRARY SOCIETY FOR THE YEAR 1981-82**

The 16th Annual Report of the Nehru Memorial Museum and Library Society for the year 1981-82 was laid on the Table of Lok Sabha on 28 July, 1983 along with a delay statement and 'Review'. In terms of the recommendation of the Committee on Papers laid on the Table made in paragraph 3.5 of their First Report (Fifth Lok Sabha), presented to Lok Sabha on 8 March, 1976 the Annual Report ought to have been laid on the Table by 31 December 1982 i.e. within 9 months of the close of the accounting year. Thus there was a delay of about 7 months in presenting the Report.

1.2 In the statement laid on the Table on 28 July, 1983, the delay in laying the Annual Report had been explained as under :

"The Nehru Memorial Museum and Library Society finalised and furnished to Audit its Annual Accounts for the year 1981-82 on 28th June, 1982. The audit was conducted by the Audit Party from 15th July, 1982 to 27th July, 1982. The Inspection Report was discussed with Audit Party on 27th July, 1982. The Director of Audit sent the draft audit report to the Society on 8th September, 1982, for confirmation of facts and comments. After examining the draft audit report, the Society sent their comments to the Director of Audit on 23rd September, 1982. The English version of the audit report was sent by audit on 17th November, 1982 and the Hindi version on 28th December, 1982. On receipt of the audit report, the same was adopted by the Executive Council of the Nehru Memorial Museum and Library Society and the Society itself in their meetings held on 28th January, 1983 and 17th March, 1983, respectively. Copies of the Annual Report together with Audit Report were received from the Society on 5th April, 1983."

1.3 Clarifying the position, the Ministry of Education and Culture (Department of Culture) informed that in spite of repeated requests made by the Nehru Memorial Museum and Library Society to the Director of Audit on 23 October, 9 November and 13 December, 1982 to send the



final Audit Report on the accounts of the Society for the year 1981-82, the Audit Report in English and Hindi version were received only on 17 November and 28 December, 1982 respectively.

1.4 Asked to give reasons for not laying the Annual and Audit Reports of the Society for the year 1981-82, which had been received by the Ministry on 5.4.1983, during the Budget Session of Lok Sabha which lasted till 10.5.1983, the Ministry stated that :

“Soon after the receipt of the Annual Report together with Audit Report from the Society on 5.4.1983, a ‘Delay Statement’ showing the reasons for delay in laying the Report on the Table of the Houses of Parliament, was prepared and forwarded to the Office of the C. & A. G. for vetting. The vetted ‘Delay Statement’ was received back in this Department on 10th May, 1983 the last day of the Budget Session. As such, the Annual Report together with Audit Report of the Nehru Memorial Museum and Library Society for the year 1981-82, could not be laid in the Budget Session held from 19.2.1983 to 10.5.1983 ”

1.5 The Committee on Papers laid on the Table considered the matter at their sitting held on 6 January, 1984.

1.6 The Committee note that the 16th Annual Report of the Nehru Memorial Museum and Library Society for the year 1981-82 which in terms of the recommendation made by the Committee on Papers laid on the Table (Fifth Lok Sabha) in paragraph 3.5 of their First Report should have been laid on the Table of the House by 31 December, 1982, was actually laid on the Table of Lok Sabha on 28 July, 1983. The said Report, thus, involved a delay of 7 months which can neither be construed as reasonable nor can it be justified.

1.7 From the information furnished by the Ministry of Education and Culture (Department of Culture), the Committee find that delay was caused mainly at the stage of finalising the Audit Report. The Committee regret to observe that their recommendation contained in paragraph 3.5 of their First Report (Fifth Lok Sabha) was not adhered to in letter and spirit. The Committee need hardly emphasise that in order to ensure laying of the Annual Reports and Audited Accounts of the Society within the time limit of 9 months laid down by the Committee in their aforementioned recommendation, a time schedule is imperative for completion of actions in time at various stages of the Reports and Accounts. The Committee therefore, recommend that the Ministry of Education and Culture (Department of Culture) should, in consultation with the Nehru Memorial Museum and

**Library Society, draw up a time schedule for finalisation of the accounts, their auditing, compilation of Annual Reports, translation, printing, adoption and submission to the Ministry for laying in the House, within 9 months of the close of the accounting year.**

**1.8. The Committee also note that the Annual Report together with the Audit Report of the Society for the year 1981-82 received by the Ministry on 5.4.83 could not be laid on the Table during the Budget Session of Lok Sabha held from 18.2.83 to 10.5.83 since the 'Delay Statement' showing the reasons for delay could not be prepared and got vetted by C & A.G. in time and was received only on 10.5.1983 which was the last day of the Budget Session of Lok Sabha. The Committee is constrained to observe that the Ministry took more than a month for the preparation of a simple delay statement. The Committee feel that no serious and concerted efforts appear to have been made either by the Society or by the Ministry to finalise the Annual Report and Audit Report and lay them on the Table of the House within the stipulated time. The Committee hope that the Ministry would be more careful in this regard, in future.**

## CHAPTER II

### DELAY IN LAYING THE ANNUAL REPORTS OF THE CENTRAL COUNCIL FOR RESEARCH IN UNANI MEDICINE FOR THE YEARS 1980-81 AND 1981-82

The Annual Report of the Central Council for Research in Unani Medicine for the years 1980-81 was laid on the Table of Lok Sabha on 5 August, 1982 alongwith a statement explaining the reasons for delay of 7 months. In terms of recommendation of the Committee on Papers laid on the Table, made in paragraph 3.5 of their First Report (Fifth Lok Sabha), the Report was required to be laid on the Table within 9 months of the close of the year, *i.e.* by 31.12.1981.

2.2. In the statement laid on the Table on 5 August, 1982, the reasons for delay in laying the Annual Report for 1980-81 have been explained as under :

“The Annual Report of the Council for the year 1980-81, could not be laid on the Table of the Parliament within 9 months from the close of the financial year. The Annual Report of the Council was approved by the Governing Body this Council in December, 1981. The Annual Report also includes the Report of the audit of the Council's account from the Directorate of Audit. The audit of the Council's accounts was conducted by a party of A.G.C.R. in December, 1981 and the certified accounts of the Council were provided by Director of Audit on 11th February, 1982. Printed copies of the Annual Report were made available by the Council in the month of March, 1982 but the Hindi version of the report could only be made available by the Council in the month of March, 1982 but the Hindi version of the report could only be made available in the month of May, 1982. The complete set of Annual Report/Annual Accounts in Hindi and English are now being laid on the table of the House.”

2.3. On an enquiry made in October, 1982, the Ministry of Health and Family Welfare (Department of Health) informed that the accounts of the Council for the year 1980-81 were compiled on 13.10.1981, and submitted to Audit for auditing on 29.10.1981. Auditing of these accounts were taken up by DACR on 6-11-81, the audit finalised on 18-12-1981 and

the Report was approved by the Governing Body of the Council on 19.12.1981. The Ministry also informed that the council did not draw any time bound programme in consultation with the Director of Audit, as no such delay was anticipated at that time. That would now be done to avoid such delays in future. The Ministry further informed that the relevant rules of the Council had been amended to provide for submission of the Annual Report and audited statements of accounts to the Ministry in time to lay them on the Table within the prescribed period.

2.4. The Annual Report of the Central Council for Research in Unani Medicine for the year 1981-82 was laid on the Table of Lok Sabha on 9 May, 1983 alongwith a statement explaining the reasons for delay of 4 months.

2.5. In the statement laid on the Table on 9 May, 1982, the reasons for delay in laying the Annual Report for 1981-82 have been explained as under :

“The Annual Report of the Council for the year 1981-82 could not be laid on the Table of the Parliament within 9 months from the close of the financial year. The Annual Report of the Council was approved by the Governing Body of the Council on 8th December, 1982. The Annual Report also includes the Report of the Council's Accounts, from the Director of Audit, Central Revenues. The Audit of the Council's Accounts was conducted by the Director of Audit, Central Revenues in September, 1982 and the Audit Report on the accounts of the Council was received from the Director of Audit, Central Revenues on 20th December, 1982. The printing of the Report was taken up on top priority basis and English version of the printed report was made available by the Council on 31st December, 1982. Translation of the report and printing in Hindi took some more time and Hindi reports were made available to this Ministry in the last week of February, 1983. Hence the Annual Report and the audited statement of accounts of the Council for the year 1981-82 are now being laid on the Table of the House.”

2.6. The Committee on Papers laid on the Table considered the matter at their sitting held on 7 January, 1984.

2.7. The Committee note that the Annual Reports of the Council for the years 1980-81 and 1981-82 were laid on the Table of Lok Sabha on 5 August, 1982 and 9 May, 1983 after a delay of 7 months and 4 months respectively. The Committee also note that the delay in laying the Annual

Reports occurred due to the fact that the Council did not draw any time bound programme for compiling the accounts, their submission to Audit for auditing, translation, printing and submission of the Report to the Ministry for laying on the Table of the House. The Committee are of the opinion that serious efforts were not made either by the Council or the Ministry to adhere to the time schedule laid down by the Committee in paragraph 3.5 of their First Report (Fifth Lok Sabha).

2.8. The Committee trust that a time bound programme will be drawn up by the Ministry in consultation with the Council and the Director of Audit, Central Revenues to ensure strict observance of the norms prescribed by the Committee for laying the Annual Reports and Audited Accounts of the Council before Parliament in future.

## CHAPTER III

### DELAY IN LAYING ANNUAL REPORTS AND AUDIT REPORTS ON THE ACCOUNTS OF THE RASHTRIYA SANSKRIT SANSTHAN BEFORE PARLIAMENT

The Annual Report of the Rashtriya Sanskrit Sansthan, Delhi, an autonomous body under the Ministry of Education and Culture for the year 1977-78 was laid on the Table of Lok Sabha on 28-1-1980, alongwith a statement explaining the reasons for delay in laying the Audit Report Annual Report.

3.2. The Minister of Education and Culture in the statement explaining the reasons for delay has stated as under :—

“Rashtriya Sanskrit, Sansthan, Delhi, is an autonomous body of the Ministry of Education & Culture. The Sansthan has five constituent Kendriya Sanskrit Vidyapeethas at Jammu, Delhi, Allahabad, Puri and Tirupati under its direct administrative control. The audit of accounts of the Sansthan and its five Vidya-peethas is conducted by the Accountants General of respective States on consent basis.

According to the existing procedure, the audited accounts of the Rashtriya Sanskrit Sansthan including its constituent Units, after their adoption by the Shasi Parishad (Governing Council) and the General Body, have to be consolidated and submitted to Accountant General, Central Revenues for certification.

The draft audit report on the consolidated accounts of the Rashtriya Sanskrit Sansthan for the year 1975-76 was received from the office of the Director of Audit, Central Revenues in July, 1979 and the comments of the Sansthan on the draft audit report were sent to the Director of Audit on 1st September, 1979. The final audit report on the consolidated accounts of the Sansthan for the year 1975-76 is still awaited from the office of the Director of Audit, Central Revenues.

The draft audit report on the consolidated accounts of the Sansthan for the year 1976-77 has been received and is under scrutiny in that office.

The work of consolidation of the annual accounts of the Rashtriya Sanskrit Sansthan for the year 1977-78 is in hand and is expected to be completed shortly. The annual accounts for the year 1977-78 after being consolidated will be sent to Director of Audit, Central Revenues for Audit and the audit report of these accounts will be available only after these are audited. The Ministry will be able to lay the audit reports of the Sansthan for the years 1975-76, 1976-77 and 1977-78 before the Parliament as soon as the Audit of the reports and the audited accounts are received from the Director of Audit, Central Revenues.

The Annual Report of the Sansthan based on the reports received from its various Vidyapeethas, for the year 1977-78 was adopted by the Shasi Parishad in its meeting held on 27th October, 1978, and by the General Body of the Sansthan on 31st March, 1979."

3.3. In a statement laid on the Table on 2.2. 1980 alongwith the Annual Report for 1978-79, the delay in laying the annual accounts of the Sansthan for this year was explained, *Inter-alia*, as under :

"The work of consolidation of the annual accounts of the Rashtriya Sanskrit Sansthan for the year 1978-79 is in hand and is expected to be completed shortly. The annual accounts for the year 1978-79 after being consolidated will be sent to Director of Audit, Central Revenues for Audit and the audit report of these accounts will be available only after these are audited. The Ministry will be able to lay the Audit Report of the Sansthan for the year 1978-79 before the Parliament as soon as the Audit report and the audited accounts are received from the Director of Audit, Central Revenues."

3.4. On being enquired about the dates of finalisation of the accounts of the Sansthan for the year 1975-76, 1976-77, 1977-78 and 1978-79 and their submission to the concerned Accountant General for audit, the Ministry of Education & Culture (Department of Education) informed on 6 June, 1980 as under :

"The consolidated accounts of Rashtriya Sanskrit Sansthan for the years 1975-76 and 1976-77 were finalised and sent to AGCR

for auditing in May, 1978 and March 1979 respectively. The annual accounts of the Sansthan along with all the constituent Vidyapeethas for 1977-78 and 1978-79 (except Delhi Vidyapeetha) have been audited by the respective Accountants General. The consolidation of Annual Accounts for these two years will be completed shortly and consolidated accounts will be sent to the Director of Audit, Central Revenues after some time."

3.5. As regards certification of the accounts by the Accountant General, Central Revenues and receipt of the Audit Reports in the Sansthan, that Ministry informed :

"The consolidated accounts of the Sansthan for the year 1975-76 were audited by the Director of Audit, Central Revenues in October, 1978. The draft Audit Report was received in June, 1979 and the Sansthan's comments thereon were furnished in September, 1979. The final audit report (English version) was received in March, 1980 and the Hindi version in April, 1980. Consolidated Annual Accounts of the Sansthan for 1976-77 were audited by the Director of Audit in May, 1979 and the draft audit report was received in September, 1979. The comments of the Sansthan were sent in January, 1980 and the final report for the year 1976-77 is still awaited."

3.6. As regards the action taken by the Ministry to ensure timely laying of the Report and accounts of the Sansthan before Parliament, the Ministry stated that suitable instructions had been issued to all concerned to ensure timely laying of the reports and accounts.

3.7. The Audit Reports on the accounts of the Sansthan for the years 1975-76 and 1976-77 were laid on the Table on 22-12-1980. In the statement laid alongwith the Audit Reports, the Ministry explained the delay as under :

"The delay in laying the Audit Report on the accounts of the Rashtriya Sanskrit Sansthan for the year 1975-76 is due to the fact that the proforma for consolidated accounts of the Sansthan was finally approved only in July, 1976 and consolidated accounts were sent to the Director of Audit, Central Revenues for audit in May, 1978. The draft Audit Report was received in June, 1979 and the final audit report in March, 1980. The Hindi version was received in April, 1980. Since the Report for 1976-77 was also being get ready by this time, it was decided to place both these



reports together. The delay for finalisation of the accounts of the Rashtriya Sanskrit Sansthan for 1976-77 was due to the fact that the Central Audit finalised their Report only in July, 1980."

3.8. In the delay statement laid alongwith the Audit Reports for 1977-78 and 1978-79 on 24-12-1981 the Ministry stated :

"The delay in laying the Audit Reports on the accounts of Rashtriya Sanskrit Sansthan for the years 1977-78 and 1978-79 is due to the fact that the consolidation of accounts was delayed because of delay in compiling the accounts of the individual Vidyapeethas and the time taken in reconciling various discrepancies noticed in these accounts. The consolidation was therefore possible to be made between 1-9-1980 and 26-11-1980 and the accounts were submitted to the Director of Audit, Central Revenues on 27-11-1980. The Audit was conducted between 1-12-1980 to 22-12-1980 and the draft audit report was received from the Director of Audit for confirmation of the facts/comments on 16-4-1981. The comments had to be referred to the individual Vidyapeethas for verification of facts because of which Sansthan was able to send their reply to the draft audit report on 22-8-1981. The final audit report (English) was forwarded by the Director of Audit on 26-9-1981, and Hindi version of the Audit Report was forwarded by the Director of Audit on 29-10-1981."

3.9. The Audit Reports for the years 1979-80 and 1980-81 which were required to be laid before Lok Sabha by 31-12-1980 and 31-12-1981, respectively, were not laid till then. However a statement was laid on the Table of Lok Sabha on 24-12-1981 in which the reasons for not laying the Audit Reports for the above two years were explained as under :

#### **"1979-80**

There had been delay in the finalisation of the accounts of Rashtriya Sanskrit Sansthan for the previous years 1977-78 and 1978-79 which in turn delayed the compilation of accounts for the year 1979-80. The accounts of the individual Vidyapeethas also could not be compiled in time for various reasons e.g. non-availability of accounts knowing Office Superintendent, delay in bank reconciliation etc. The accounts were submitted to Director of Audit, Central Revenues on 30-9-1981. The audit has been conducted from 26-10-1981 to 16-11-1981. The audit report when finalised will be placed before the Parliament.

**1980-81**

The consolidated accounts for 1980-81 are due for submission by 31-12-1981. Four of the seven individual accounts have already been audited, the 5th is under audit. After the accounts of the remaining two units are compiled and audited their consolidation will be taken in hand so that these are also submitted to Director of Audit, Central Revenues for audit."

3.10. On 29.7.1982 the Deputy Minister in the Ministry of Education and Culture<sup>4</sup> laid on the Table of Lok Sabha, the Audit Report on the accounts of the Sansthan for the year 1979-80, alongwith a statement (Appendix I) explaining the reasons for delay in laying the Audit Report.

3.11. In implementation of the recommendation of Committee on Papers laid on the Table, made in paragraph 1.14 of their Second Report (Sixth Lok Sabha), the Rashtriya Sanskrit Sansthan has amended the relevant Rules as under :

*Rule 24 (b)*

"Sansthan shall submit annually within 9 Months of the close of previous accounting year, an Annual Report (both in English and Hindi version) on the working of the Sansthan together with the audited statements of accounts showing income and expenditure for the previous year and budget estimates for the ensuing year to the Government of India, Ministry of Education and Social Welfare."

*Rule 26 (iv)*

"The results of the audit shall be communicated by the Auditor to the Sansthan who shall submit a copy of the Audit Report (both in English and Hindi version) alongwith its observations to Government of India Ministry of Education and Social Welfare who shall cause the same to be laid before both Houses of Parliament within 9 months of the close of the previous accounting year. The Auditor shall also forward a copy of the Report direct to the Government of India Ministry of Education and Social Welfare."

3.12. A statement showing the dates of laying of the Annual Reports and Audit Reports of the Rashtriya Sanskrit Sansthan and the extent of delay in each case for the last seven years is at *Appendix II*,

3.13. At their sitting held on 24 August, 1982, the Committee on Papers laid on the Table considered the reasons given by the Ministry of Education and Culture in regard to delay in laying the Annual Reports of the Rashtriya Sanskrit Sansthan and decided that the representatives of that Ministry might be called to appear before them to explain the delays.

3.14. At the sitting of the Committee held on 25 January 1983 the representatives of the Ministry of Education and Culture appeared before Committee to give evidence on the subject.

3.15. On an enquiry, the representative of the Ministry of Education stated that the Ministry were aware of the recommendation made in paragraph 3.5 of their First Report (Fifth Lok Sabha) of the Committee on Papers laid on the Table and the guidelines laid down by the Committee had also been communicated to the Sansthan. Explaining the circumstances which led to delay in laying the Audit Reports of the Sansthan for the years 1975-76 to 1979-80 the witness stated that the following were the main reasons which contributed towards the delay :

- (i) The proforma in which the accounts of the Sansthan for the year 1975-76 were to be prepared was finalised in 1976 and this delayed preparation of accounts of the subsequent years ;
- (ii) there was shortage of trained staff in accounting ;
- (iii) the accounts of all the six Vidyapethas under the Sansthan were to be received and consolidated and that took time.

3.16. The Committee expressing their concern over the long delay in furnishing the accounts of the Sansthan for the years 1975-76 to 1979-80 to the Director of Audit, Central Revenues and the receipt of final audit reports from Director of Audit Central Revenues in the Sansthan, enquired whether the Ministry had taken up the matter with the Sansthan. In reply, the representative of the Ministry stated that provisions already existed in the Rules of the Sansthan for laying its Annual Reports and Accounts on the Table of the House within 9 months of the close of the accounting year. In case the Annual Accounts were not finalised and the Annual Report was not forthcoming, the Ministry reminded the Sansthan from time to time.

3.17. Conceding the fact the delay in finalisation of the accounts of the previous years affected the finalisation of accounts of the subsequent years, the witness stated that in order to overcome the difficulty in

preparation of accounts, the Sansthan had given training to its non-professional accounts in accounting. He added that an attempt had also been made to amend the Recruitment Rules because under the Rules, the Superintendent (Accounts) was appointed on deputation.

3.18 When asked whether there was any authority in the Ministry to keep a watch over the working of the Sansthan, the witness stated that since there were representatives of the Ministry, in the Governing Body and the Finance Committee of the Sansthan, the Ministry continued to receive information about the working of the Sansthan from time to time and on the basis of the information so received, directions were issued to the Sansthan.

3.19. On being asked whether any time bound programme had been drawn up in consultation with the Audit Authorities for finalisation of accounts, their auditing and laying them on the Table of the House within 9 months of close of the accounting year, the witness stated that the Sansthan had consulted the Ministry but not the Audit in that regard. The Ministry had issued directions to the Sansthan for preparation of a time schedule for completion of all stages of finalisation of accounts.

3.20. On being pointed out that the Annual Reports and Audited Accounts of the Sansthan had not been laid together on the Table of the House, the witness stated that it happened because of the accumulation of arrears of accounts in respect of the previous years. The witness assured that the Committee's guidelines for laying of Annual Reports and Accounts on the Table of the House together within 9 months of close of the accounting year would be followed in future.

3.21. The Committee then invited the attention of the witness to the following table and enquired whether the delays had occurred at the level of the Sansthan or the Audit :

Year	Submission of consolidated accounts to Director of Audit, Central Revenues.	Accounts audited by DACR on	Draft Audit Report received on	Comments on draft audit Report sent on	Final Audit Report received on	Date of laying Report
1975-76	May, 1978	October, 1978	June, 1979	Sept., 1979	March, 1980	22.12. 1980

1976-77	March, 1979	May, 1979	Sept., 1979	January, 1980	July, 1980	22.12. 1980
1977-78 } 1978-79 }	27 Nov. 1980	1-12-1980 to 22.12.1980	16 April, 1981	22 Aug. 1981	26 Sept. 1981	24.12. 1981
1979-80	30-9-1981	26-10-1981 to 16-11-1981	12.2.1982	12-3-1982 (amended accounts submitted on 20-4- 1982	29-4-1982	29-7- 1982

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1980-81 } No information. The Audit Reports were required to be  
 1981-82 } —laid by 31-12-81 and 31-12-82, respectively, but are still in  
 arrears.

The witness stated that the delay had occurred partly at the level of the Sansthan and partly at the level of Audit. He further added that there was need for tightening up the procedure and some steps had been taken in consultation with the Audit in this regard.

3.22. Regarding the present position of the accounts of the Sansthan for the years 1980-81 and 1981-82, which were in arrears, the witness informed that audit reports on the accounts of all the Vidyapeethas for 1980-81 had already been received and the audit of accounts of the Head Office was still to be completed. He further informed that the audit of accounts of the Vidyapeethas for 1981-82 had been completed and Audit Reports in respect of Vidyapeethas had been received. The statement of accounts of the Head Office for 1981-82 had also been submitted to Audit. He hoped that the Audit Reports of the Sansthan for the years 1980-81 and 1981-82 would be laid on the Table during the Budget Session of 1983. The witness promised that in future the time limit recommended by the Committee would be adhered to.

3.23. The Committee note that the Annual Audit Reports on the accounts of the Sansthan for the years 1975-76, 1976-77, 1977-78, 1978-79 and 1979-80 were laid on the Table of Lok Sabha on 22.12.1980, 22.12.1980, 24.12.1981, 24.12.1981 and 29.7.1982 respectively after a delay ranging between 2 to 4 years. The Committee also note from the evidence given by the representative of the Ministry of Education and Culture that the main reason which contributed towards the delay were (i) the proforma in which the

accounts of the Sansthan for the year 1975-76 were to be prepared, was not finalised till 1976 thereby delaying preparation of the accounts of the subsequent years; (ii) shortage of trained staff in accounting; and (iii) time taken for consolidating the accounts of all the six vidyapithas under the Sansthan. The Committee further note that inordinate delays were caused in furnishing the accounts for the years 1975-76 to 1979-80 by the Sansthan to the Director of Audit, Central Revenues and the receipt of final Audit Report in the Sansthan from the Director of Audit, Central Revenues. Thus the delay occurred partly at the level of the Sansthan and partly at the level of the Audit. The Committee feel that no time bound programme had been drawn by the Ministry in consultation with the Sansthan and the Audit Authorities for finalisation of accounts.

3.24. The Committee are constrained to observe that no serious and concerted efforts seem to have been made either by the Ministry or by the Sansthan to have the accounts finalised without delay. The Committee need hardly point out that such delays deprive Members of Parliament of timely information about the working of the Sansthan.

3.25. The Committee are not convinced with the stereotyped reasons advanced by the Ministry that the delay in preparation of proforma for preparing the accounts of 1975-76 caused delay in preparation of the accounts for the subsequent years. The Committee also do not agree with the argument advanced by the Ministry that shortage of trained staff and delay in the receipt of accounts of all the six Vidyapithas of the Sansthan caused delay in finalisation of the accounts. The Committee feel that much of the delay could have been avoided if the Ministry had exercised due caution and shown promptness in making adequate arrangements for the preparation of proforma for accounts and imparting necessary training to the untrained accounts staff for submission of accounts to the Sansthan by its six Vidyapithas. The Committee feel that these abnormal delays could have been avoided by timely steps to make necessary arrangements in this behalf so as to ensure laying of Audited Accounts on the Table of the House well in time.

3.26. The Committee recommend that the Ministry of Education and Culture in consultation with the Rashtriya Sanskrit Sansthan and the Audit Authorities should draw up a time bound programme for finalisation of accounts, their auditing and laying them on the Table of the House within the period of 9 months from the close of the accounting year and follow it realistically so that there is no scope for any delay in laying the Audit Reports in future.

3.27. The Committee note that the Annual Reports and Audited Accounts thereon of the Sansthan are not laid on the Table of the House together. The Committee are not satisfied with the argument that the delay occurred because of the accumulation of arrears of accounts in respect of the previous years. The Committee need hardly stress that unless the Annual Report and Audited Accounts are laid together in the House, a complete picture of the working of the Sansthan does not emerge and as such the very purpose of laying these papers is defeated because the Members will not be able to assess the performance of the Sansthan in its true perspective and express their views thereon at the time of voting on Demands for Grants of the Ministry of Education and Culture. The Committee therefore, recommend that the Annual Report, Audited Accounts and Audit Report in respect of each year of the Sansthan should be laid on the Table of the House together within the period prescribed by the Committee.

3.28. The Committee find that the assurance given by the witness on 25 January, 1983 for laying the Audited Accounts of the Sansthan for the year 1980-81 and 1981-82, which were in arrears, on the Table of the House during the Budget Session of Lok Sabha was not adhered to and these were laid only on 22 December, 1983. This negligence on the part of the Ministry could have been avoided had they been more vigilant to see that the accounts of the Sansthan did not fall into arrears but finalised by the stipulated time.

3.29. The Committee trust that an earnest effort would be made to ensure that the Audited Accounts of the Sansthan for the year 1982-83 which are still in arrears, are laid on the Table of the House without any further delay, along with a statement explaining the reasons for delay and in future the Annual Report, Audited Accounts and Audit Report of the Sansthan would be laid together before Parliament within the stipulated period.

## CHAPTER IV

### DELAY IN LAYING THE ANNUAL REPORT AND AUDITED ACCOUNTS OF INTERNATIONAL AIRPORTS AUTHORITY OF INDIA

The Annual Report, audited accounts and Audit Report thereon of the International Airports Authority of India for the year 1980-81 were laid on the Table of Lok Sabha on 13 August, 1982, alongwith a statement explaining the reasons for delay and 'Review'. In terms of the recommendation of the Committee on Papers laid on the Table, made in paragraph 3.5 of their First Report (Fifth Lok Sabha), these papers were required to be laid on the Table within 9 months of the close of the year, *i.e.* by 31-12-1981. The period of delay involved in laying the Annual Report for 1980-81, therefore, comes to 7½ months.

4.2. In the statement laid on the Table on 13 August, 1982 the reasons for delay in laying the Annual Report for 1980-81 have been explained as under :

“The finalised accounts of the IAAI were required to be forwarded to the Comptroller & Auditor General within six months of the date of closing of the financial year *i.e.* by 30 September, 1981. Consolidated accounts of the Authority were approved by the Authority on 31-8-1981 and thereafter authenticated copies were submitted to the Member Audit Board & Ex-officio Director of Commercial Audit on 3-9-81. Clarifications to the points raised by the Director of Commercial Audit were answered by IAAI and the draft audit report was sent to the C & A.G.'s office by the IAAI in March, 1982. The audit report was received from the Member, Audit Board and Ex-officio Director of Commercial Audit on 12th May, 1982 : therefore it was not possible to lay these reports before both the Houses of Parliament even during the budget session of the Parliament.

Printed copies of the Accounts and Annual Report are now being laid before both the Houses of Parliament together with this statement explaining the reasons for the delay. A copy of



the review by Government on the performance of the IAAI is also being laid before both the Houses of Parliament.”

4.3. On being asked in October, 1982, the Ministry of Tourism and Civil Aviation informed that no time schedule has been laid down in the International Airports Authority Act, 1971 for the submission of the accounts to the C & A.G. However, under the Rules framed by the Government notified *vide* S.O. 776 (E) dated 18th November, 1977 it has been laid down that the accounts duly passed by the Authority had to be submitted to the C & A.G. not later than 30th of September. The Ministry also informed that IAAI submitted the authenticated copies of the accounts for the year 1980-81 to the Member, Audit Board and Ex-officio Director (Commercial Audit) on 3-9-81 and clarification to the points raised by the Director of Commercial Audit were given by the Authority on 30th January, 1982. The draft Audit Report was received by the IAAI on 1st March, 1982 and the same after verification was returned to the C & A.G. on 22 March, 1982.

4.4. As regards the action taken by the International Airports Authority of India in pursuance of the recommendation of the Committee on Papers laid, contained in paragraph 3.5 of their First Report (Fifth Lok Sabha), the Ministry stated that even though the copies of the accounts were submitted to the C & A.G. on 3rd September, 1981, the Government Audit team took up the audit *w.e.f.* 17th November, 1981 and the audit was completed on 5th January, 1982.

4.5. The Annual Report, audited accounts and Audit Report of the International Airports Authority of India for 1981-82 were laid on the Table of Lok Sabha on 26 August, 1983, after a delay of 8 months. In the delay statement laid alongwith the Report, the reasons for delay have been explained as follows :

“The chronological events leading to the finalisation of the Annual Accounts and the Annual Report for the year 1981-82 are noted below :

(i) Finalization and adoption of the Accounts by the IAAI	23.9.82
(ii) Submission of the Accounts to Audit (C & A.G. of India)	29.9.82
(iii) Receipt of Audit Comments	12.11.82
(iv) Date of submission of replies to Audit	27.12.82

(v) Date of submission of final replies to Audit after discussion with them on different occasions during January, 1983	9.2.83
(vi) Receipt of draft Audit Report	18.3.83
(vii) Final discussions on the Audit Report and its confirmation by IAAI	24.3.83
(viii) Receipt of final Audit Report	22.4.83
(ix) Receipt of printed Annual Report	
English—	2.5.83
Hindi—	2.6.83
(x) Date of submission of Report to the Ministry by IAAI	13.7.83

Laying before Parliament of the Annual Report (including the Annual Accounts and Audit Report) alongwith Review of the performances of the IAAI for the year 1981-82 has been delayed as considerable information which is incorporated in the Annual Accounts had to be collected from eight projects under execution overseas. This proved to be time consuming on account of poor communications between India and the countries where the projects are under execution. Adequate measures have been taken to ensure a quicker flow of information in the future. The delay which has occurred is regretted.

Printed copies of the Annual Report (including the Annual Accounts and Audit Report) for 1981-82 alongwith review of performance by the Government are now being laid before Parliament together with this statement explaining the reasons for the delay."

4.6. At their sitting held on 31 October, 1983, the committee on Papers laid on the Table considered the question of delay in laying the Annual Report of the International Airports Authority of India for the years 1980-81 and 1981-82 and decided that the representatives of the Ministry of Tourism and Civil Aviation might be called to place their view points in the matter before the Committee.

4.7. At the sitting of the Committee held on 30 November, 1983, the representatives of the Ministry of Tourism and Civil Aviation appeared before the Committee to give oral evidence on the subject,

4.8. During the evidence, on being asked why there was an institutionalised delay in laying the Annual Reports and Audited Accounts of the International Airports Authority of India, the representatives of the Ministry of Tourism and Civil Aviation drew attention of the Committee to Rule 3 (1) and (2) of the Rules, 1 of the Authority, which read as under :

**“3. PREPARATION AND SUBMISSION OF ANNUAL STATEMENT OF ACCOUNTS—**

(1) The Authority shall prepare its Statement of Accounts (hereinafter referred to as the Annual Accounts) showing the financial results and submit the same, authenticated by the common seal of, and duly passed by, the Authority to the Comptroller and Auditor General not later than the 30th September ;

Provided that the Central Government may for reasons to be recorded in writing and with the concurrence of the Comptroller and Auditor General, extend the date of submission of the Annual Accounts by such period as it may consider fit.

(2) After certification of the Annual Accounts by the Comptroller and Auditor General or any person authorised by him in this behalf, the Annual Accounts together with the audit report thereon shall be forwarded annually to the Central Government within a period of three months from the date of submission of the Annual Accounts to the Comptroller and Auditor General.”

4.9. The witness stated that the Authority compiled their accounts within the prescribed period of 6 months from the close of the accounting year. He, however, informed that the delay had occurred at the stage of auditing the accounts of the Authority by Statutory Auditors.

4.10. The Committee desired to know why the Authority had prescribed 6 months time for compiling the accounts and 3 months for auditing and submission of the Audited Accounts to the Government. The witness stated that they had their two units abroad and it took time for the Headquarters to collect information from them and thereafter compile them. The witness explained that the delay occurred because the Audit concentrated more on the accounts of the overseas projects and various clarifications asked for and queries raised by Audit regarding foreign projects, had to be referred back to those projects and detailed information/explanations obtained before replying to the Audit. He informed that

after sending four telex messages, five phonograms and thirteen letters to their projects located at Riyan and seven telex messages and two letters to the project located at Libya, the Headquarter office could be able to get information from them that too in part.

4.11. The Annual Report, Audited Accounts and Audit Report thereon of the Authority for the year 1982-83 were laid on the Table of Lok Sabha on 24 February, 1984, alongwith a statement explaining the reasons for delay and Review.'

4.12. The Committee are concerned to note that the Annual Reports and the Audited Accounts and Audit Reports thereon of the International Airports Authority of India for the years 1978-79, 1979-80, 1980-81 and 1981-82 were laid on the Table of Lok Sabha as late as 27 July, 1980, 29 April, 1981, 13 August, 1982 and 26 August, 1983 respectively *i.e.* 6 months, 4 months, 7½ months and 8 months after the close of the relevant accounting year.

4.13. The Committee regret to observe that there had been persistent delay in laying the documents on the Table of the House and the Authority did not follow even their own rules in regard to the submission of Annual Reports and Accounts to the Government within the period of 9 months.

4.14. The Committee also note that the Authority have prescribed a period of 6 months in their Rule 3(1) and (2) of the Rules, 1977 for compilation of accounts and the balance 3 months for completing the other formalities whereas the Committee on Papers laid on the Table in paragraph 3.5 of their First Report (Fifth Lok Sabha) presented to Lok Sabha on 8 March, 1976, had already prescribed a period of 3 months for compilation of accounts and their submission to the Audit and the next 6 months for auditing of accounts ; printing of the report and sending it to Government for laying on the Table of the House.

4.15. The Committee are unhappy to observe that inspite of their aforementioned recommendation being clearly worded, the Ministry had not cared to have the rules of the Authority suitably amended to be in accord with the recommendations and to see that the documents of the Authority are laid on the Table of the House positively within 9 months time from the close of the accounting year. Had the Ministry got the relevant rules of the Authority amended, there would not have been any delay in laying the documents on the Table of the House, in time.

4.16. The Committee are surprised to note that one of the reasons advanced for keeping 6 months for compilation of accounts was that the IAAI have their two units abroad and it takes time for the Headquarters Office located at New Delhi to collect information from them and thereafter, compile them. The Committee feel that the reason given is not satisfactory especially in the present age of advanced technology where adequate facilities are available for fast communication.

4.17. The Committee trust that the Ministry would have the rules of the Authority amended in conformity with the aforementioned recommendation of the Committee to ensure timely finalisation of the Annual Reports and Audited Accounts and its laying on the Table of the House.

## CHAPTER V

### DELAY IN LAYING ANNUAL REPORTS AND AUDITED ACCOUNTS OF THE NATIONAL CO-OPERATIVE DAIRY FEDERATION OF INDIA, NEW DELHI FOR THE YEARS 1976-77, 1977-78, 1978-79, 1979-80, 1980-81 AND 1981-82.

The Annual Report and Audited Accounts of the National Co-operative Dairy Federation of India, New Delhi for the years 1976-77 and 1977-78 were laid on the Table of Lok Sabha on 27 March, 1980 but without a 'Review' and a statement for delay. The accounts of the National Co-operative Dairy Federation of India ends on 30 June every year. In terms of the recommendation of the Committee on Papers laid on the Table, made in paragraph 3.5 of their First Report (Fifth Lok Sabha), these papers were required to be laid on the Table within 9 months of the close of the accounting year, *i.e.* by 31.3.1978 and 31.3.1979 respectively. The period of delay involved in laying the Annual Reports for 1976-77 and 1977-78, therefore, comes to 24 months and 12 months respectively.

5.2. On being enquired in April, 1980, about (i) the reasons for delay in laying the Annual Reports (ii) reasons for not laying the 'Review' as per recommendations made by the Committee in Paragraph 1.16 of their First Report (Fifth Lok Sabha), the Ministry of Agriculture and Co-operation (Department of Cooperation) furnished the following information :

"Erstwhile Department of Civil Supplies and Co-operation advised all concerned in February, 1979 to implement the recommendations contained in paras 2.4 and 2.5 of the Ninth Report of Committee on Papers laid on the Table (Sixth Lok Sabha) regarding laying of Annual Reports and Audit Reports of Co-operative Societies before Parliament. Thereafter the various National Cooperative Institutions including the National Cooperative Dairy Federation of India Ltd. were addressed for furnishing the copies of Annual and Audit Reports for the years 1976-77 and 1977-78 for laying them on the Table of both the Houses of Parliament. The Annual Report and Audited Accounts for the year 1976-77 of

the National Cooperative Dairy Federation of India were adopted by its Annual General Body Meeting held on 14th March, 1978. These were, however, not sent for laying on the Tables of Parliament as the Federation had not received any assistance in the form of share capital or grants from Government during 1976-77 and as these Reports had never been laid before the Parliament in the past. The Annual Report for 1977-78 alongwith audited accounts were adopted by the General Body of the Federation only at its meeting held on September 5, 1979. The report of the Auditors appointed by the Central Registrar of Cooperative Societies for the year 1977-78 was received only in September, 1979 and hence a General Body Meeting could not be convened earlier to consider the accounts and auditors report."

5.3. As regards reasons for not laying the Annual Report for 1978-79 and the probable time when it was expected to be laid on the Table of the House, the Ministry stated as under :

"The Annual Report of the Federation is ready but the report of the auditors on the accounts for the year 1978-79 has not been received so far. The annual report has to be placed before the General Body alongwith audited accounts for the year 1978-79 for consideration in the first instance. The annual report for the year 1978-79 will, therefore, be sent immediately after the report of the auditors is received and the Annual Report and accounts are adopted by the General Body. The auditors are being requested to expedite their Report."

5.4. The Annual Report and Audit Report for 1978-79 of the National Co-operative Dairy Federation of India were laid on the Table of Lok Sabha on 6 April, 1981 after a delay of 12 months.

5.5. In the statement laid on the Table on 6 April, 1981, the reasons for delay in laying the Annual Report for 1978-79, have been explained as under :

"The Statutory Auditors for 1978-79 appointed in December, 1979 completed audit on 5.8.80. Audited Accounts, as adopted by the Board of Directors on 29.9.80, were approved by the Members in the adjourned Annual General Meeting held on 25.11.80. Translation of the audited statements of accounts into Hindi was reported to be over on 18.12.80 and the copies of

English and Hindi versions of the Report were received in the Department of Agriculture & Cooperation on 19.12.80. Hence, the delay in laying the audited statements of accounts of the Federation for 1978-79 before 31.3.80."

5.6. The Annual Report and Audit Report of the National Co-operative Dairy Federation of India for 1979-80 were laid on the Table of Lok Sabha on 8 May, 1981, after a delay of 1 month. In the delay statement laid along with the Report, the reasons for delay have been explained as under :—

"The accounts of Co-operative Societies are closed on 30th June every year. The Statutory Auditors, on appointment, submitted their report to the Federation on 11.12.1980. The audited accounts, as adopted by the Board of Directors in the meeting held on 9.1.1981 were approved by the General Body in the adjourned meeting held on 23.3.1981. The translation of the audited accounts into Hindi was completed on 21.4.1981 and the copies of English and Hindi versions of the Report were received by the Department of Agriculture and Cooperation on 22.4.1981."

5.7. The Annual Report and Audit Report of the National Cooperative Dairy Federation of India for 1980-81 alongwith a 'Review' thereon were laid on the Table of Lok Sabha on 9 August, 1982, after a delay of 4 months. In the delay statement laid along with the Report, the reasons for delay have been explained as under :

"The accounts of the cooperative Societies are closed on 30th June every year. To audit the accounts of the National Cooperative Dairy Federation of India the Auditors were appointed by the Central Registrar on 21.8.1981 and the Auditor's Report and audited accounts were received on 15.12.81 by the Federation. The Annual Report alongwith the audited accounts was considered and approved in the meeting of the Board of Directors and Annual General Body on 8.2.82 and 28.3.82 respectively. The translation of the Reports was completed on 5.7.82 and the Federation submitted them to the Government on the same day. Hence the delay.

5.8. The Annual Report and Audit Report of the National Co-operative Dairy Federation of India for 1981-82 were laid on the Table of Lok Sabha on 22 August, 1983, after a delay of about 5 months,



In the delay statement laid alongwith the Report, the reasons for delay have been explained as under :

“The accounts of Cooperative Societies are closed on 30th June every year. To conduct the audit of National Cooperative Dairy Federation for the year 1981-82, the Auditors were appointed by the Central Registrar on 30.10.82. The Audit Report was submitted by the Auditors to the Federation on 7.12.82. It was, however, approved by the Board of Directors on 8.4. 1983, and the General Body on 10.6.1983. Copies of the Report were submitted to the Government on 21.6.1983 alongwith their Hindi translation. Hence the delay”.

**5.9. The Committee note that the Annual Reports and Audit Reports of the Dairy Federation for the years 1976-77, 1977-78, 1978-79, 1979-80, 1980-81 and 1981-82 were laid on the Table of Lok Sabha on 27.3.1980, 6.4.1981, 8.5.1981, 9.8.1982 and 22.8.1980 after a delay of 24 months, 12 months, 1 month, 4 months and 5 months respectively.**

**5.10. From the information furnished by the Ministry of Agriculture and Co-operation (Department of Co-operation), the Committee find that the Annual Report and Audited Accounts for the year 1976-77 were already adopted by its Annual General Body Meeting held on 14 March, 1978 but were, however, not sent for laying on the Table of the House as the Federation had no received any assistance in the form of share capital or grants from Government during 1976-77. Since the Federation did not receive any funds from the Government during 1976-77, the Committee do not insist upon the laying of their Annual Report, Audited Accounts and Audit Report on the Table of the House for this year. The Committee, however, are distressed to note that the Annual Reports, Audited Accounts and Audit Reports for the subsequent years during which the Federation got financial assistance from Government were never laid in time on the Table of the House i.e. within 9 months of the close of the accounting year.**

**5.11. The Committee find that the delay had occurred almost at every stage of the Annual Reports and Accounts of the Federation for the years under report except in the case of Annual Report and Audit Report for the year 1979-80 when the delay occurred only in the approval of the Audited Accounts by the General Body and their translation in Hindi.**

**5.12. In order to complete all the stages within the maximum prescribed period of 9 months, the Committee feel that a time schedule**

is all the more necessary. The Committee, therefore, urge upon the Ministry to draw up a time schedule in consultation with the Federation and the Central Registrar of Cooperative Societies in such a manner that all the formalities are completed well in time and the Annual Reports, Audited Accounts and Audit Reports are laid on the Table of the House within nine months of the close of the accounting year as recommended by the Committee on Papers laid on the Table in paragraph 1.16 of their First Report (Fifth Lok Sabha).

5.13. The Committee note that the Annual Reports and Audit Reports of the Federation were laid on the Table of Lok Sabha without 'Review' on the working of the Federation. The Committee would like to reiterate the recommendations contained in paragraphs 3.6, 3.7 and 3.8 of their Second Report (Sixth Lok Sabha) and urge upon the Government that while laying the Annual Reports of any Federation/Organisation before Parliament, the concerned Ministry should also lay along with the Report a 'Review' on the working of the Organisation.

5.14 It is disconcerting to note that the Ministry knowing fully well the recommendation of the Committee made in paragraph 3 of their First Report (Fifth Lok Sabha) that 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, did not follow the recommendation as it failed to lay the requisite statement in the case of the accounts of the Federation for any of the years from 1976-77 to 1981-82. If the Ministry itself shows an apathetic and indifferent attitude to the recommendations of the Committee, no better results can be expected from the Organisations and bodies which look forward to the Ministry for guidance.

5.15. The Committee, therefore, urge upon the Ministry to follow the aforementioned recommendations of the Committee in letter and spirit and ensure that the Annual Reports, Audited Accounts and Audit Report together with the 'Review' are laid within the prescribed period for the purpose.

## **CHAPTER VI**

### **DELAY IN LAYING ANNUAL REPORTS AND AUDITED ACCOUNTS OF THE NATIONAL COUNCIL OF SCIENCE MUSEUMS, CALCUTTA FOR THE YEARS 1980-81 AND 1981-82**

In paragraph 3.5 of their First Report (Fifth Lok Sabha), which was presented to Lok Sabha on 8 March, 1976, the Committee on Papers laid on the Table recommended as under :

“.....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.”

6.2. In terms of the above recommendation, the Annual Report and Audited Accounts of the National Council of Science Museums,

Calcutta for the year 1980-81 were required to be laid on the Table of Lok Sabha by 31 December, 1981. Since the Ministry of Education and Culture could not lay the said Report and Accounts within the stipulated period, that Ministry laid on the Table of Lok Sabha on 15 April, 1982 a statement explaining the reasons therefor, in compliance with the above recommendation of the Committee. The statement reads as follow :

“The Department of Culture in the Ministry of Education & Culture is concerned with the autonomous organisation, National Council of Science Museums, with headquarters at Calcutta. The Council was registered on April 4, 1978, under the West Bengal Societies Registration Act, 1961, to administer the following three science museums taken over by the Department of Culture, on transfer from the Council of Scientific and Industrial Research :

- (i) Birla Industrial and Technological Museum, Calcutta.
- (ii) Visvesvaraya Industrial & Technological Museum, Bangalore.
- (iii) Nehru Science Centre, Bombay.

The Annual Report, Audit Report and Audited Statement of Accounts for 1980-81 in respect of the Council were to be laid in Parliament by December 31, 1981. The Annual Report and Accounts of the Council as a whole were completed and sent to the Director of Audit (Central), Calcutta, on 11-5-1981, to take up the Audit for the year 1980-81.

The audit was carried on the dates given below :

Name of Unit	Dates of Audit	
	Commencement	Conclusion
NCSM Headquarters	1-6-1981	14-7-1981
BITM Calcutta	1-6-1981	14-7-1981
VITM Bangalore	18-5-1981	12-6-1981
NSC Bombay	16-6-1981	27-6-1981

The draft audit report was received on 17.12.1981 and on its receipt, the Council revised its accounts and furnished revised accounts

on 11-1-1982. The audit report with reference to the revised accounts is awaited. Hindi version of the Annual Report for 1980-81 is in press and its printing is in progress.

As per the rules of the Council the Audit Report and the Audited Statement of Accounts required to be placed, along with the Annual Report, before the Society of the Council for being laid in Parliament. As soon as it is finalised and approved at the meeting of the Society, these are to be placed in either House.

The statement has been shown to the office of the Comptroller and Auditor General of India”.

6.3. The Annual Report and Audited Accounts for 1980-81 of the Council were then laid on the Table of Lok Sabha on 30.3.1983 alongwith ‘Review’ and a statement explaining reasons for the delay. The statement of reasons for delay reads, *inter alia* as follows :

“The draft audit report was received on 17.12.1981 and on its receipt, the Council revised its accounts and furnished revised accounts on 11-1-1982. Final audit report was received by the Council in March, 1982. The Hindi version of the report was received in May, 1982.

As required under the rules of the Council the audit report and the statement of audited accounts, together with the annual report were placed before and adopted by the Society of the Council in its meeting held on 6.2.1983.”

6.4. Rule 69 of the Rules of the National Council of Science Museums provides as follows :

“The annual report of the proceedings of the Society and of the work undertaken during the year shall be prepared by the Governing Body for the information of the Government and the Society. The report and the audited accounts of the Society along with the auditor’s report thereon shall be placed before the Society at the Annual General Meeting. The annual report and the auditor’s report of the Society will be made available to the Government to enable them to place it before the Parliament within nine months of the close of the accounting year.”

6.5. The Ministry of Education and Culture, on being asked, enquired from the Director of Audit. Central, Calcutta the reasons for taking seven months (From 11.5.1981 to 17.12.1981) in furnishing the draft

audit report on the accounts of the Council for the year 1980-81. The reply sent by the Director of Audit Central Calcutta is as follows :

“.....though the accounts of the Council were made available for audit on 11.5.1981, audit of the said accounts could not actually be commenced before 1.6.81, due to non-availability of field party at the relevant time to take up the audit. Further audits of the accounts of Birla Industrial & Technological Museum and National Council of Science Museum (Headquarter) at Calcutta were closed on 18.7.81. But, the inspection Reports/ Materials for Audit Report, Certified Accounts etc. of the Council's two units at Bombay and Bangalore which were required for processing the consolidated Audit Report, were received from our sister audit office on 2.9.81 and 6.10.81, respectively. After receipt of the materials for Audit Report of the said two units, consolidated Audit Report of the Council was prepared by this office and draft report finally issued to the organisation on 14.12.81 and the period was also intervened by Puja Holidays.

“It will be seen from above that there was some delay in issuing the draft Audit report, due to circumstances beyond control of this office. However, all efforts are being made by this office to minimise the time taken for preparation of the Audit report and thus to avoid such delay in future”.

6.6. As regards the steps taken by the Council to ensure expeditious audit of the accounts for 1980-81, the Ministry have stated that “the Council have been making repeated requests through letters and telex message to Audit Authority at different stages for completion and submission of final Audit Report. Such reminders were sent by the Council to the authorities between the period of 15.9.1981 and 6.3.1982”.

6.7. Regarding the date-wise position of the Annual Report of the Council for 1980-81, the Ministry of Education and Culture intimated as follows :

- |   |          |
|---|----------|
| (i) Date on which the Annual Report for 1980-81 was compiled. | 8-6-1981 |
| (ii) Date on which the Annual Report was translated.          | 7-8-1981 |
| (iii) Date on which the Annual Report was sent for printing.  | 7-8-1981 |

- (iv) Date on which printed copies of the Annual Report and Accounts for 1980-81 were submitted to the Ministry. 9-2-1983.

6.8. On being asked to explain the reasons for delay of about 8 month sin adoption of the Report after the Hindi and English versions were ready, the Ministry have stated :

“The Society of the Council generally meets once in a year. However, it could not meet and adopt the Annual Report etc., during 1982 on account of pre-occupation of its President (Minister of State for Education and Culture).”

6.9. Rule 30 of the Rules of the National Council of Science Museums provides as follows :

“The President shall preside at all meetings of the Society. In case the President is unable to attend a particular meeting, the Vice-President will preside over that meeting. If both are not present the members present shall choose one of the members present to be the President of the particular meeting.”

6.10. The Annual Report and Audited Accounts of the National Council of Science Museums, Calcutta for the year 1981-82 was laid on the Table of Lok Sabha on 10 May, 1983 alongwith ‘Review’ and a statement of reasons for delay. The statement of reasons for delay reads *inter-alia* as follows :

“The Annual accounts of the National Council of Science Museum (H. Qrs.) and of Units were made available to the Director of Audit, Central, Calcutta by the Council on dates mentioned below :

	Date on which accounts were made available for audit
(i) National Council of Science Museum (H.Qrs.)	15-5-1982
(ii) Birla Industrial & Techno- logical Museum, Calcutta.	17-5-1982

- (iii) Visvesvaraya Industrial & Technological Museum, Bangalore 4-6-1982
- (iv) Nehru Science Centre, Bombay. 4-6-1982

Consolidated annual accounts of the NCSM which had to be amended at the instance of audit were made available by the Council to the Director of Audit, Central, Calcutta on 7-9-1982.

The Audit was carried on the dates given below :

Name of Unit	Date of Audit	
	Commencement	Conclusion
NCSM Headquarters	2-7-1982	19-8-1982
BITM Calcutta	2-7-1982	17-8-1982
VITM Bangalore	3-5-1982	22-5-1982
NSC Bombay.	16-6-1982	18-6-1982

The draft audit report issued by the Director of Audit on 12.11.1982 was received on 23.11.1982 and the Council replied to the draft Audit Report on 6-12-1982. Final audit report was received by the Council on 4-2-1983. The Hindi version of the report issued by the Director of Audit on 9.3.1983 was received on 23.3.1983.

As required under the rules of the Council the audit report and the statement of audited accounts, together with the annual report, were placed before and adopted by the Society of the Council in its meeting held on 6.2.1983.

6.11. The Committee on Papers laid on the Table considered the matter at their sitting held on 31 October, 1983.

6.12. The Committee note that the Annual Reports and Audited Accounts of the National Council of Science Museums, Calcutta for the years 1980-81 and 1981-82 were laid on the Table of Lok Sabha on 30 March, 1983 and 10 May 1983, respectively i.e. after a delay of 15 months and 4½ months, respectively.

6.13. From the information furnished by the Ministry of Education and Culture, the Committee find that in the case of Annual Report and Audited Accounts of the Council for 1980-81, the Audit took 7 months



in auditing the accounts and the Council took 8 months in getting those accounts approved by its Society. The Committee feel that adequate vigilance was not exercised by the Ministry to ensure expeditious auditing of the accounts and their early adoption by the Society of the Council. The argument advanced by the Ministry that the Annual Report and Audited Accounts could not be adopted earlier because the Society of the Council could not meet during 1982 on account of pre-occupation of its President i.e. the Minister of State for Education and Culture, is hardly convincing. In this connection, the Committee would like to refer to the provisions of Rule 30 of the Rules of the National Council of Science Museums which read as under :

“The President shall preside at all meetings of the Society. In case the President is unable to attend a particular meeting, the Vice-President will preside over that meeting. If both are not present, the Members present shall choose one of the members present to be the President of the particular meeting.”

The Committee feel that had the Council and the Ministry been vigilant and had followed the provisions of the above rule, the delay in holding the meeting of the Society could have been minimised to a great extent. The Committee hope that, in future, the Ministry would be more careful in this regard.

6.14. Although the Committee note with satisfaction that the delay has been reduced from 15 months in the case of Annual Report and Audited Accounts for 1980-81 to  $4\frac{1}{4}$  months in the case of Annual Report and Audited Accounts of the Council for 1981-82 yet they feel that there is still need for making concerted efforts to eliminate the delay completely. The Committee would like the Ministry of Education and Culture to draw up a time schedule for being strictly followed by the Council at various stages of the Annual Report and Audited Accounts so that all the formalities are completed and the Annual Report and Audited Accounts laid on the Table of the House within the period of 9 months of the close of the accounting year as prescribed in paragraph 3.5 of First Report (Fifth Lok Sabha) of the Committee. The Committee trust that the Ministry would take necessary steps in the matter.

## **CHAPTER VII**

### **DELAY IN LAYING THE ANNUAL REPORTS AND AUDIT REPORTS ON THE ACCOUNTS OF THE KENDRIYA HINDI SHIKSHAN MANDAL, AGRA FOR THE YEARS 1980-81 AND 1981-82**

The Annual Reports and Audit Reports on the accounts of the Kendriya Hindi Shikshan Mandal, Agra for the years 1980-81 and 1981-82 were laid on the Table of Lok Sabha on 5 August, 1982 and 10 May, 1983 respectively along with delay statement only in respect of the year 1980-81 explaining the reasons for delay. In terms of the recommendation of the Committee on Papers laid on the Table, made in paragraph 3.5 of their First Report (Fifth Lok Sabha), the Annual Reports and Audit Reports for the years 1980-81 and 1981-82 were required to be laid on the Table of Lok Sabha within 9 months of the close of the year, i.e. by 31.12.1981 and 31.12.1982 respectively. But the papers were laid with a delay of 7 months and about 4½ months respectively.

7.2. The Ministry laid a statement on 5 August, 1982 indicating the reasons for delay in laying the Annual Report and Audit Report for 1980-81 but did not lay the statement explaining delay in laying the Annual Report and Audit Report and for the year 1981-82. The statement showing reasons for delay for 1980-81 reads as under :

“The accounts of Mandal could be compiled by the Director of Sansthan only on 20th July, 1981 and sent to AG (UP) on the same day. The delay in compiling the accounts was due to disturbances in Assam region and the accounts of Gauhati Centre of Sansthan could not be compiled and received at the Head-Quarters (Agra) of Sansthan. The Accountant General (UP) had proposed to conduct audit of the accounts from 5th September, 1981 but due to pre-occupation of Director of Sansthan in connection with meetings of Finance Committee/ Governing Council and Mandal, he requested AG (UP) to postpone the audit by four to five days. The audit could be conducted only from 15th October to 23rd October, 1981 and the draft

audit report was received by the Director on 26th December, 1981. The final audit report and audited statement of accounts was received from AG (UP) by the Sansthan on 2nd, March, 1982. After printing the certified accounts on 18th March, 1982, the documents were placed in the meeting of the Finance Committee/Governing Council and Mandal on 2nd and 3rd July, 1982 for adoption/approval. The Annual Report of Mandal was placed in the meeting of Mandal held on 8th September, 1981 and it was desired that this should be submitted alongwith the report of the academic review Committee in the next meeting for approval. The next meeting of Mandal was held on 3rd July, 1982 and Annual Report for the year 1980-81 adopted/approved by the Mandal."

7.3. On an enquiry made in October, 1982, the Ministry of Education and Culture (Department of Education) intimated that the Office of the Accountant General, U.P. took more than two months for furnishing the draft Audit Report i.e. on 26 December, 1981 and the final Audit Report on 2 March, 1982 and during this period no enquiry was made by the Sansthan from the Accountant General, U.P. in this regard because according to the normal practice followed, as soon as, the audit report is prepared it is despatched to the concerned organisation.

7.4. The Accountant General, U.P., while furnishing the Audit Report of the Mandal for 1980-81 had observed that the Audit Report could not be finalised earlier because the accounts for that year were submitted to his office late by more than two months i.e. on 10.8.1981. The same had further to be revised as these were full of mistakes in figures and narration and had to be resubmitted by the Mandal to his office after necessary corrections on 4.12.1981. The Ministry gave the following explanation in this regard :

"When the Audit party audited the Accounts of Sansthan for the year 1980-81 in October, 81, the format of the accounts was revised according to their suggestions and the same were typed out and compared by the Audit Party and the members of Sansthan. Whatever errors were noticed at the time of comparison were carried out and the Accounts given to the Audit Party after completion of Audit for 1980-81. In December, 1981, Accountant General, Uttar Pradesh sent a Section Officer of their office to the Sansthan with a letter stating that some

typographical errors had to be corrected. The Accounts were revised according to suggestions made by audit and were handed over to the Section Officer of the Accountant General, Uttar Pradesh on 4.12.81 duly typed and compared."

7.5. In reply to another question, whether any serious attention was paid by the Mandal at the time of compilation of the annual Accounts and their submission to the Accountant General, U.P. to ensure accuracy, the Ministry replied that the accounts were correctly compiled but a number of changes had to be made on the suggestions made by the Audit Party. It was also intimated by the Director, Kendriya Hindi Shikshan Mandal that the Audit Party had made repeated suggestions for slight changes in the format for presentation of accounts which was not unusual.

7.6. The Audited Accounts (Hindi and English versions) for the year 1982-83 were laid on the Table of Lok Sabha on 22 December, 1983 without any delay.

7.7. The matter was considered by the Committee on Papers laid on the Table at their sitting held on 7 January, 1984.

7.8. The Committee note that the Annual Report and Audit Report on the accounts of the Kendriya Hindi Shikshan Mandal for the year 1980-81 were laid on the Table of Lok Sabha on 5 August, 1982 *i.e.* after a delay of 7 months. The Committee do not appreciate the reason advanced by the Ministry that the delay in compiling the accounts occurred due to the disturbances in Assam region. The Committee are constrained to observe that the Ministry could have compiled at least the accounts of the other centres and should have laid on the Table of the House a delay statement in respect of the Gauhati centre of the Mandal with a view to avoid the delay.

7.9. The Committee note with regret that the Mandal submitted the accounts to the Accountant General, U.P. after a delay of more than 2 months *i.e.* on 10.8.1981 and that too with errors in figures and narration resulting in resubmission of the whole accounts to Auditor General, U.P. after making necessary corrections on 4.12.1981. The explanation given by the Ministry that the delay was due to revision of the format of the accounts, correction of typographical errors etc. does not appear to be tenable.

7.10. The Committee feel surprised to note that the A.G. U.P. took more than two months to furnish the draft Audit Report *i. e.* on 26 Decem.

ber, 1981 and the final Audit Report on 2 March, 1982 and during this interval no enquiry was made by the Mandal. This is an ample example of slackness on the part of the Mandal and the Ministry. Had the Mandal and the Ministry been more serious in adhering to the time schedule prescribed by the Committee in paragraph 3.5 of their First Report (Fifth Lok Sabha), there would have not been any delay.

7.11. The Committee find that apart from the Audit being responsible for taking a long time in furnishing the draft and final Audit Report thereon to the Mandal, the Mandal was also equally responsible for contributing towards the delay in as much as they did not complete the accounts with due care for submission to Audit within a period of 3 months of the close of the accounting year. The Committee are of the opinion that had the accounts been maintained properly and compiled accurately, there would have been no reason for the Audit to take a long time in auditing the accounts and furnishing the draft and final Audit Report thereon. In order to obviate such delays, the Committee would like to suggest that the Mandal might prepare an agreed format for presentation of accounts in consultation with the Accountant General, U.P. and compile the accounts with utmost care.

7.12. The Committee are concerned to note that while laying on the Table of the House the Annual Report and Audit Report of the Kendriya Hindi Shikshan Mandal, Agra for the year 1981-82, the Ministry did not care to lay the statement explaining the reasons for delay. The Committee cannot but express their displeasure over this lapse on the part of the Ministry. The Committee hope that the Ministry would be more careful in future in this regard.

## **CHAPTER VIII**

### **DELAY IN LAYING BEFORE PARLIAMENT AUDIT REPORTS OF DELHI FINANCIAL CORPORATION**

The Annual Reports and Audit Reports of the Delhi Financial Corporation are laid on the Table of the House under the provisions of Section 38 (3), and Section 37 (7) of the State Financial Corporations Act, 1951 reproduced below :

#### **Sub-section (3) of Section 38**

“The Financial Corporation shall furnish to the State Government, the Development Bank and the Reserve Bank within four months of the close of each financial year a statement in the prescribed form of its assets and liabilities as at the close of that year, together with a profit and loss account for the year, the auditors’ report and a report of the working of the Financial Corporation during the year and copies of the said statement, account and reports shall be published in the Official Gazette and shall also be laid before the legislature of the State.”

#### **Sub-section (7) of Section 37**

“Every audit report under sub-section (6) shall be forwarded to the State Government and the Government shall cause the same to be laid before the Legislature of the State.”

8.2. The Audit Reports by the Comptroller and Auditor General of India on the Delhi Financial Corporation for the years 1971-72 to 1975-76 were laid on the Table of Lok Sabha on 11 April, 1979 along with a statement given by the Delhi Administration explaining reasons for delay which were as under :

“The lapse which had occurred in the non-submission of these reports earlier was due to misunderstanding and through oversight. No *malafide* intention was all involved and we sincerely express our regrets to the Government of India for not sending these reports at the proper time. The concerned department has

been cautioned and told to avoid recurrence of such lapses in future. They have also been warned that the statutory requirements of the Act/Rules should be complied with in their letter and spirit and any body found wanting in such matters will be dealt with according to the disciplinary rules. It is hoped that with the steps already taken, such a situation would not arise in future."

8.3. On being asked about the dates of completion of the accounts of the Corporation for the years 1971-72 to 1976-77, the Ministry of Finance (Department of Economic Affairs) stated :

"Under section 36 (1) of the State Financial Corporations Act, 1951, the Annual Accounts of the Delhi Financial Corporation are to be closed on 31st March every year and placed before the Annual General Meeting of the share-holders of the Corporation within three months from the date on which the Annual Accounts of the Corporation are closed. Before placing the accounts of the Corporation at the Annual General Meeting, these are to be audited by the Statutory Auditors duly appointed by the Delhi Administration in consultation with the C & A.G. as laid down in Section 37 (1) of the Act. As per the provisions of Section 37 (5) of the SFCs Act, a copy of every report of the auditors is also sent to the C & AG at least one month before it is placed before the shareholders in the Annual General Meeting. The dates of completion of the accounts of the Delhi Financial Corporation duly audited by its Statutory auditors and approved by its Board for the years 1971-72 to 1976-77 are given below :—

Year	Date of completion of the Accounts
1971-72	20.5.1972
1972-73	16.6.1973
1973-74	31.5.1974
1974-75	31.5.1975
1975-76	20.5.1976
1976-77	21.5.1977"

8.4. As regards the dates submission of the accounts for the years 1971-72 to 1976-77 by the Delhi Administration to the C & A.G. and receipt of audited accounts from him, the Ministry stated as under :

Year	Date of submission of the audited accounts by Delhi Administration to C & A.G.	Date of receipt of audited accounts from C & A.G.
1971-72	20-5-1972	3-11-1973) Duplicates
1972-73	16-6-1973	5-6-1974) copies obtained on
1973-74	12-6-1974	6-1-1976 18-2-1978 as these
1974-75	31-5-1975	2-8-1976 were not traceable.
1975-76	22-5-1976	24-4-1977
1976-77	22-5-1977	14-9-1978

8.5. On being enquired about the reasons for not laying any statement alongwith the Audit Report for 1976-77 explaining the circumstances leading to delay, the Ministry stated :

“In terms of the State Financial Corporations Act, 1951 the Annual Accounts of the State Financial Corporations are to be laid before the State Legislature. In accordance with the directions of the Committee on Papers laid on the Table of the House these reports are to be placed before the Legislature within nine months of the closure of accounts. However, the Committee has not indicated any specific time limit for laying the Audit Report of the Comptroller and Auditor General of India before the legislature. In so far as the Audit Report in respect of the Delhi Financial Corporation for the year 1976-77 conducted by the C & AG in concerned, the Report was finalised by the C & A.G. in September, 1978 only. Thereafter Delhi Administration had to translate the same into Hindi and also arrange for the requisite number of additional copies to enable the Central Government to lay the same before the Parliament. These reports were, therefore, placed before Parliament at the earliest opportunity viz. on 20th April, 1979 in Lok Sabha. Since the Report was placed within 9 months of its finalisation, it was considered that there has been no delay in placing the report, As such, no statement of delay was placed alongwith the report.”



8.6. In reply to a question whether the Ministry of Finance had ever taken up the matter regarding delay in submission of the Audit Report with the Delhi Administration, the Ministry stated, *inter alia*, as under :

“.....audit by the C. & A.G. is optional. Since Delhi Financial Corporation is under the Administrative control of the Delhi Administration, Ministry of Finance had no knowledge about their audit having been conducted by the C. & A.G. It was only when the Delhi Administration sent the audit reports for the years 1971-72 to 1975-76 in May, 1978, that Ministry of Finance for the first time came to know about the existence of these reports. Immediately Delhi Administration was asked to indicate the reasons for the delay in forwarding these Reports. Delhi Administration has already regretted the delay and has also cautioned the Department to avoid such delays in future.”

8.7. As regards the checks being exercised by the Ministry of Finance to watch timely submission of annual reports, audited accounts and Audit Report of the Corporation by the Delhi Administration for laying before Parliament, the Ministry stated :

“The Delhi Administration have reported that a strict watch for timely submission of Annual Reports & Accounts of Delhi Financial Corporation by the Delhi Administration to the Ministry of Finance is being kept for placing the same before Parliament in time. In case the Delhi Financial Corporation's Annual Reports are not received within 4-5 months after the closing of the accounts of the Corporation, the Delhi Administration is asked to furnish the reports for laying before Parliament so that the Committee's recommendations may be adhered to. They are constantly reminded till the reports are received from them. In so far as delay in laying of the C. & A.G.'s audit reports on Delhi Financial Corporation is concerned, the Delhi Administration have intimated that concerned staff have been suitably advised/warned to be careful in future. Delhi Administration have also stated that no such delay will be allowed to occur in future.”

8.8. As regards the time bound programme laid down for completion of various stages of the Annual Report and accounts of the Corporation, the Ministry stated the Delhi Administration had been asked to draw up a time bound programme so that both the Annual Reports and Account as well as C. & A.G. Audit Reports were placed before Parliament within the time schedule prescribed,

8.9. At their sitting held on 24 August, 1982, the Committee on Papers Laid on the Table considered the reasons given by the Ministry of Finance (Department of Economic Affairs) in regard to delay in laying the Audit Reports of the Delhi Financial Corporation and decided that the representatives of the Ministry of Finance might be called to appear before them to explain the delays.

8.10. The Committee took evidence of the representatives of the Ministry of Finance on 24 January, 1983 on the question of delay in laying before Parliament audit reports of the Delhi Financial Corporation.

8.11. On being asked whether the Ministry of Finance were aware of the recommendation of the Committee on Papers Laid on the Table, made in paragraph 3.5 of their First Report (Fifth Lok Sabha), which was presented to Lok Sabha on 8 March, 1976, and whether the said recommendation had been communicated to the Delhi Financial Corporation. The Joint Secretary, Ministry of Finance replied in the affirmative and stated that the recommendation was communicated to the Corporation on 21 July, 1976.

8.12. As regards the delay in laying the Audit Reports of the Delhi Financial Corporation, the representative of the Ministry invited the attention of Committee to the provisions of sub-sections (6) and (7) of section 37 and sub-section (3) of section 38 of the State Financial Corporations Act, 1951 which read as follows :

“37 (6) Notwithstanding anything contained in the preceding sub-sections, the Comptroller and Auditor-General of India, may, either of his own motion or on a request received in this behalf from a State Government, undertake such audit and at such times as he may consider necessary :

Provided that where the State Government is required to make any payment on account of the guarantee given by it under section 6 or section 7 or section 8, as the case may be, such audit shall be undertaken by the Comptroller and Auditor General of India.

(7) Every audit report under sub-section (6) shall be forwarded to the State Government and the Government shall cause the same to be laid before the Legislature of the State.

38 (3) The Financial Corporation shall furnish to the State Government, the Development Bank and the Reserve Bank within four months of the close of each financial year a statement in the

prescribed form of its assets and liabilities as at the close of that year, together with a profit and loss account for the year, the auditors' report and a report of the working of the Financial Corporation during the year and copies of the said statement, account and report shall be published in the Official Gazette and shall also be laid before Legislature of the State."

He then submitted that there were two types of statements or reports—one under section 37 (7) and the other under section 38 (3) of the State Financial Corporation Act, 1951, which were required to be laid on the Table of the House. In terms of section 37 (6) of the Act, the audit of accounts of the Corporation by C. & A.G. was optional and therefore, it was upto him to decide whether to audit or examine or scrutinise the accounts or not. In view of that the Ministry formed an impression in 1976 that the time schedule recommended by the Committee in paragraph 3.5 of their First Report (Fifth Lok Sabha), applied only to the accounts audited by statutory auditors and not to the audit report given by C. & A.G. The audit done by statutory auditors was compulsory under the Act. According to the representative of the Ministry, Annual Reports and Auditors' Reports in respect of only four years (out of the Reports of six years from 1975-76 to 1980-81) involved delay ranging from 2 to 3 months only.

8.13. On being enquired why the audit reports given by C. & A.G. were not being laid within the period prescribed by the Committee the Chief Secretary, Delhi Administration explained :

"I speak on behalf of the Financial Corporation. As we see it—because it is we who are supposed to operate this Act—the distinction is somewhat subtle but the distinction is there. First of all section 38 of the Act lays down a mandatory provision—a statutory, mandatory and compulsory provision and that provision is that the annual report shall be prepared in the form of assets and liabilities, shall be gone into the profit and loss account shall be prepared and the report of the statutory, compulsory and mandatory audit shall also be incorporated. This is what is called by the Act itself as Auditor's report. This is the mandatory and statutory audit which has to be done every year.

The second report is the C. & A.G.'s Report. The C. & A.G.'s report is under another section of the Act, and that is optional. It is optional. The word used is 'may', This is called audit report

under section 37 whereas the representative of the Ministry of Finance has been referring to is the statutory audit report under section 38. One is mandatory and the other is optional. Let me also inform the Committee that as far as the Delhi Financial Corporation is concerned, every year the C. & A.G. has been examining the accounts and submitting the report.

Further, the Act itself does not lay down any time limit for laying these papers on the Table of the House. It only says that the report shall be laid on the Table of the House. In 1976 a time table was laid down. This time-table prescribes a time-limit of nine months. I would like to submit that the difficulty which has been explained by the representative of the Ministry of Finance is very genuine. The report refers to what ? Does it refer to the audited report of the C & AG under section 37 or does it refer to the annual report and the statutory compulsory audit report of the statutory auditors under section 38 ? We may have been wrong in understanding but the Committee has to decide what its intention is. The Ministry of Finance's interpretation and our interpretation has been that the Committee's reference is to the compulsory mandatory statutory audit report prescribed under section 38 which has been regularly furnished to the Parliament with some marginal delay. As regards the other report we have been at fault and submit our apology if the Committee feels that it is that report which is intended to be referred to by the Committee's recommendations.

We are saying that either because of misunderstanding on our part or because of some confusion, there has been some delay and we will try to comply with the instructions of the Committee in future. But it is also our duty to point out some operational difficulties. If the Committee's intention is that the audited report of the C & AG should be placed on the Table of the House within 9 months of the close of the year then the Committee should also appreciate some of our problems. The compulsory auditor's report is to be placed before the Annual General Meeting. The Annual General Meeting takes place within three months of the close of the year. A month in advance of this meeting the compulsory auditor's report should be sent to the C & AG. C & AG may or may not examine it and take his own time. Supposing he

takes five months to examine it then he sends to us a draft report. On that draft report we send our comments. On receiving our comments he finalises the report. Then it is sent to Delhi Administration. Then Delhi Administration would send it to the Administrative Ministry which is Ministry of Finance and then the Ministry of Finance will lay it on the Table of the House."

8.14. When pointed out that such difficulties were also faced by other organisations, the witness stated :

"That problem may not be there in industrial organisations but this is our difficulty. 1978-79 draft report from the CAG was received in November, 1979. We took about a month and a half—I don't consider that to be too long. On 2nd January, 1980 we submitted our comments to C & A.G. He finalised his report in May, 1980. He sent the report to us by May, 1980. We have by then become guilty in your court."

8.15. On being pointed out that the report under section 38 (3) as well as the audit report of C. & A.G. under section 37 (7) of the State Financial Corporations Act 1951 should be laid on the Table of the House within 9 months of close of the accounting year, the witness promised to follow the Committee's guidelines in future. He further stated that in case of delay, the Ministry would, in future, approach the Committee for seeking extension of time for laying the report.

8.16. When asked whether any time bound programme had been drawn by the Delhi Administration for compilation, finalisation and auditing of the accounts of the Corporation, the Chief Secretary, Delhi Administration replied that they would do so.

8.17. When enquired whether there was any cell in the Ministry of Finance to keep a watch over timely laying of Annual and Audit Reports of the Corporation, the representative of the Ministry stated that there was an Accounts cell in the Ministry headed by a Joint Secretary which looked after that job also.

8.18. Explaining the steps to be taken to avoid delay in future, the Chief Secretary, Delhi Administration stated :

"We will request them to ensure that the final Audit Reports of the C. & A.G. come to us in time so that we can send them to the Ministry of Finance for laying them on the Table of the House."

8.19. As regards the position of the audit report of the C & A.G. on the accounts of the Corporation for the year 1981-82, the witness stated that the draft of the report was received on 24 December, 1982 and that would be returned to C & A.G. within one month.

8.20. The Committee note that the Annual Reports of the Delhi Financial Corporation have been laid on the Table well in time but in the case of Audit Reports there has been a considerable delay. The Committee feel that though the delay in laying the Audit Reports has come down from 3 years in the case of Audit Reports for the years 1971-72 to 1974-75 to 7 months in the case of Audit Report for 1980-81, yet the delay needs to be totally eliminated so as to enable the Members of Parliament to have timely information about the liabilities and assets of the Corporation.

8.21. The Committee trust that a time bound programme will be drawn up by the Ministry of Finance in consultation with the C & A.G. and the Delhi Financial Corporation, to ensure strict compliance in future of the norms prescribed by the Committee for laying the Audit Reports and Audited Accounts of the Corporation before Parliament within 9 months of the close of the accounting years.

8.22. The Committee feel surprised over the statement made by the Ministry of Finance that the Committee has not indicated any specific time limit for laying the Audit Report of the Comptroller and Auditor General of India before the House. The argument advanced by the Ministry is not tenable because in paragraph 3.5 of their First Report (Fifth Lok Sabha), the Committee have clearly recommended that the Annual Report, 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. The Committee hope that the Ministry would adhere to the above mentioned recommendation and see that the Audit Report and Audited Accounts of the Delhi Financial Corporation are laid on the Table of the House together with the Annual Reports within 9 months of the close of the accounting year *i.e.* by 31 December every year.

8.23. The Committee are concerned to note that despite the assurance given by the Ministry of Finance that strict watch for timely submission of Annual Reports and Accounts by the Delhi Administration is kept and delay would not be allowed to occur in future, the Audit Report for 1980-81 was laid on the Table on 6 August, 1982 *i.e.* with the delay of 7 months. The Committee take a serious note of this and feel that no

care was taken by the Ministry to implement the assurance given by them. The Committee desire that such lapses on the part of the Ministry should be avoided in future.

8.24. The Committee also note that the Ministry of Finance have not laid on the Table of the House their 'Review' along with the Annual Reports of the Corporation, despite the Committee's recommendation made in paragraph 3.6 of their Second Report (Sixth Lok Sabha) in this regard. The Committee would therefore, like to reiterate the said recommendation as under :

"The Committee are of the view that laying of 'Review' along with the Annual Report of the organisation need not be confined only to Companies incorporated under the Companies Act, 1956. Even in the case of autonomous bodies, Government should examine the reports submitted by such bodies and prepare a 'Review' giving salient points of achievements, total expenditure incurred by the Government on the Undertaking, how far the autonomous body has achieved the objects for which it was set up and what are the salient features of its future programme. Where the Report or the Audit Report mentioned any serious irregularity or any other matter of importance which needed corrective action or further enquiry, it was expected that Government made a mention, in the Review of the Action being taken in that direction. However, where information on all the aforesaid matters is already available in the report and Government have nothing to add thereto, Government should, in accordance with the recommendations made by the Committee in para 4.18 of their Second Report (Fifth Lok Sabha), lay a statement saying that they are in agreement with the report and hence no 'Review' is being laid."

NEW DELHI

8 March, 1984

18 Phalguna, 1905 (S.)

KRISHNA SAHI

Chairman

Committee on Papers laid on the Table.

## **APPENDIX I**

*(Vide para 3.10 of Chapter No. III)*

### **MINISTRY OF EDUCATION & CULTURE (DEPARTMENT OF EDUCATION)**

#### **STATEMENT EXPLAINING THE REASONS FOR DELAY IN LAYING THE ANNUAL ACCOUNTS WITH AUDIT REPORT THEREON FOR THE YEAR '1979-80' IN RESPECT OF RASHTRIYA SANSKRIT SANSTHAN ON THE TABLE OF BOTH HOUSES OF PARLIAMENT**

The delay in laying the Annual Accounts together with Audit Report thereon in respect of Rashtriya Sanskrit Sansthan for the year 1979-80 is due to the fact that there had been delay in the finalisation of the accounts of the Rashtriya Sanskrit Sansthan for the previous year 1977s-78 & 1978-79 which in turn delayed the compilation of accounts for the years 1979-80. The accounts of the individual Vidyapithas also could not be completed in time for various reasons *i.e.* non-availability of accounts. Knowing office superintendent, delay in the Bank reconciliation etc. The accounts were submitted to Director of Audit Central Revenues on 30.9.81 which were received by the Director of Audit on 3.10.81. The audit has been conducted from 26.10.81 to 16.11.81 and the discussion on the Inspection Report held on 16.11.81, The Draft audit report for comments/confirmation of facts was received from the Director of Audit Central Revenues, New Delhi on 12.2.82 and the reply was sent by Rashtriya Sanskrit Sansthan on 12.3.82 which was received by the Director of Audit on 22 March, 1982. The accounts were again amended and submitted by the Rashtriya Sanskrit Sansthan on 20th April, 1982 to the Director of Audit. The final audit report (English version) was forwarded by the Director of Audit on 29th April, 1982 and Hindi version of the Audit Report was received in the Ministry on 17.5.82. The annual accounts together with audit report thereon in respect of Rashtriya Sanskrit Sansthan for the year 19 79-80 after being cyclostyled is ready to be placed before the two Houses of Parliament.



The Annual Accounts together with Audit Report thereon in respect of Rashtriya Sanskrit Sansthan for the year 1979-80 is being placed on the Table of both the Houses of Parliament.

NEW DELHI  
DATED THE : 19.7.82

SD/-(P.K. THUNGON) DEPUTY  
MINISTER IN THE MINISTRIES  
OF EDUCATION & CULTURE &  
SOCIAL WELFARE

## APPENDIX II

(Vide para 3.12 of Chapter No. III)

### STATEMENT SHOWING DATES OF LAYING OF THE ANNUAL REPORTS AND AUDIT REPORTS OF THE RASHTRIYA SANSKRIT SANSTHAN, DELHI, AND THE EXTENT OF DELAY INVOLVED IN EACH CASE.

S. No.	Year	Annual Report laid on	Delay	Audit Report laid on	Delay
1.	1975-76	—	—	22.12.1980	4 years
2.	1976-77	21.12.1978	1 year	22.12.1980	3 years
3.	1977-78	28.1.1980	13 months	24.12.1981	3 years
4.	1978-79	2.2.1980	1 month	24.12.1981	2 years
5.	1979-80	22.12.1980	No delay	29.7.1982	1 year and 7 months
6.	1980-81	24.12.1981	No delay	22.12.1983	2 years
7.	1981-82	5.5.1983	4 months	22.12.1983	1 year

### APPENDIX III

#### *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	1.6	The Committee note that the 16th Annual Report of the Nehru Memorial Museum and Library Society for the year 1981-82 which in terms of the recommendation made by the Committee on Papers laid on the Table (Fifth Lok Sabha) in paragraph 3.5 of their First Report should have been laid on the Table of the House by 31 December, 1982, was actually laid on the Table of Lok Sabha on 28 July, 1983. The said Report, thus, involved a delay of 7 months which can neither be construed as reasonable nor can it be justified.
2.	1.7	From the information furnished by the Ministry of Education and Culture (Department of Culture), the Committee find that delay was caused mainly at the stage of finalising the Audit Report. The Committee regret to observe that their recommendation contained in paragraph 3.5 of their First Report (Fifth Lok Sabha) was not adhered to in letter and spirit. The Committee need hardly emphasise that in order to ensure laying of the Annual Reports and Audited Accounts of the Society within the time limit of 9 months laid down by the Committee in their aforementioned recommendation, a time schedule is imperative for completion of actions in time at various stages of the Reports and Accounts. The Committee therefore, recommend that the Ministry of Education and Culture (Department of Culture) should, in consultation with the Nehru Memorial Museum and

Library Society, draw up a time schedule for finalisation of the accounts, their auditing, compilation of Annual Reports, translation, printing, adoption and submission to the Ministry for laying in the House, within 9 months of the close of the accounting year.

3. 1.8      The Committee also note that the Annual Report together with the Audit Report of the Society for the year 1981-82 received by the Ministry on 5.4.83 could not be laid on the Table during the Budget Session of Lok Sabha held from 18.2.83 to 10.5.83 since the 'Delay Statement' showing the reasons for delay could not be prepared and got vetted by C & A.G. in time and was received only on 10.5.1983 which was the last day of the Budget Session of Lok Sabha. The Committee is constrained to observe that the Ministry took more than a month for the preparation of a simple delay statement. The Committee feel that no serious and concerted efforts appear to have been made either by the Society or by the Ministry to finalise the Annual Report and Audit Report and lay them on the Table of the House within the stipulated time. The Committee hope that the Ministry would be more careful in this regard, in future.
4. 2.7      The Committee note that the Annual Reports of the Council for the years 1980-81 and 1981-82 were laid on the Table of Lok Sabha on 5 August 1982 and 9 May, 1983 after a delay of 7 months and 4 months respectively. The Committee also note that the delay in laying the Annual Reports occurred due to the fact that the Council did not draw any time bound programme for compiling the accounts, their submission to Audit for auditing, translation, printing and submission of the Report to the Ministry for laying on the Table of the House. The Committee are of the opinion that serious efforts were not made either by the Council or the Ministry to adhere to the time schedule laid down by the Committee in paragraph 3.5 of their First Report (Fifth Lok Sabha).
5. 2.8      The Committee trust that a time bound programme will be drawn up by the Ministry in consultation with the Council and the Director of Audit, Central Revenues

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to ensure strict observance of the norms prescribed by the Committee for laying the Annual Reports and Audited Accounts of the Council before Parliament, in future.

6. 3.23

The Committee note that the Annual Audit Reports on the accounts of the Sansthan for the years 1975-76, 1976-77, 1977-78, 1978-79 and 1979-80 were laid on the Table of Lok Sabha on 22.12.1980, 22.12.1980, 24.12.1981, 24.12.1981 and 29.7.1982 respectively after a delay ranging between 2 to 4 years. The Committee also note from the evidence given by the representative of the Ministry of Education and Culture that the main reasons which contributed towards the delay were (i) the proforma in which the accounts of the Sansthan for the year 1975-76 were to be prepared, was not finalised till 1976 thereby delaying preparation of the accounts of the subsequent years ; (ii) shortage of trained staff in accounting ; and (iii) time taken for consolidating the accounts of all the six Vidyapithas under the Sansthan. The Committee further note that inordinate delays were caused in furnishing the accounts for the years 1975-76 to 1979-80 by the Sansthan to the Director of Audit, Central Revenues and the receipt of final Audit Report in the Sansthan from the Director of Audit, Central Revenues. Thus the delay occurred partly at the level of the Sansthan and partly at the level of the Audit. The Committee feel that no time bound programme had been drawn by the Ministry in consultation with the Sansthan and the Audit Authorities for finalisation of accounts.

7. 3.24

The Committee are constrained to observe that no serious and concerted efforts seem to have been made either by the Ministry or by the Sansthan to have the accounts finalised without delay. The Committee need hardly point out that such delays deprive Members of Parliament of timely information about the working of the Sansthan.

8. 3.25

The Committee are not convinced with the stereotyped reasons advanced by the Ministry that the delay in

preparation of proforma for preparing the accounts of 1975-76 caused delay in preparation of the accounts for the subsequent years. The Committee also do not agree with the argument advanced by the Ministry that shortage of trained staff and delay in the receipt of accounts of all the six Vidyapithas of the Sansthan caused delay in finalisation of the accounts. The Committee feel that much of the delay could have been avoided if the Ministry had exercised due caution and shown promptness in making adequate arrangements for the preparation of proforma for accounts and imparting necessary training to the untrained accounts staff for submission of accounts to the Sansthan by its six Vidyapithas. The Committee feel that these abnormal delays could have been avoided by timely steps to make necessary arrangements in this behalf so as to ensure laying of Audited Accounts on the Table of the House well in time.

9. 3.26 The Committee recommend that the Ministry of Education and Culture in consultation with the Rashtriya Sanskrit Sansthan and the Audit Authorities should draw up a time bound programme for finalisation of accounts, their auditing and laying them on the Table of the House within the period of 9 months from the close of the accounting year and follow it realistically so that there is no scope for any delay in laying the Audit Reports in future.

10. 3.27 The Committee note that the Annual Reports and Audited Accounts thereon of the Sansthan are not laid on the Table of the House together. The Committee are not satisfied with the argument that the delay occurred because of the accumulation of arrears of accounts in respect of the previous years. The Committee need hardly stress that unless the Annual Report and Audited Accounts are laid together in the House, a complete picture of the working of the Sansthan does not emerge and as such the very purpose of laying these papers is defeated because the Members will not be able to assess the performance of the Sansthan in its true perspective and express their views thereon at the time of voting on Demands for Grants of the Ministry of Education and

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Culture. The Committee therefore, recommend that the Annual Report, Audited Accounts and Audit Report in respect of each year of the Sansthan should be laid on the Table of the House together within the period prescribed by the Committee.

11. 3.28        The Committee find that the assurance given by the witness on 25 January, 1983 for laying the Audited Accounts of the Sansthan for the year 1980-81 and 1981-82, which were in arrears, on the Table of the House during the Budget Session of Lok Sabha was not adhered to and these were laid only on 22 December, 1983. This negligence on the part of the Ministry could have been avoided had they been more vigilant to see that the accounts of the Sansthan did not fall into arrears but finalised by the stipulated time.
12. 3.29.        The Committee trust that an earnest effort would be made to ensure that the Audited Accounts of the Sansthan for the year 1982-83 which are still in arrears, are laid on the Table of the House without any further delay, along with a statement explaining the reasons for delay and in future the Annual Report, Audited Accounts and Audit Report of the Sansthan would be laid together before Parliament within the stipulated period.
13. 4.12        The Committee are concerned to note that the Annual Reports and the Audited Accounts and Audit Reports thereon of the International Airports Authorities of India for the years 1978-79, 1979-80, 1980-81 as 1981-82 were laid on the Table of Lok Sabha as late and 27 July, 1980, 29 April, 1981, 13 August, 1982 and 26 August, 1983 respectively i.e. 6 months, 4 months, 7½ months and 8 months after the close of the relevant accounting year.
14. 4.13.        The Committee regret to observe that there had been persistent delay in laying the documents on the Table of the House and the Authority did not follow even their own rules in regard to the submission of Annual Reports

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and Accounts to the Government within the period of 9 months.

- 15     4.14.     The Committee also note that the Authority have prescribed a period of 6 months in their Rule 3 (1) and (2) of the Rules, 1977 for compilation of accounts and the balance 3 months for completing the other formalities whereas the Committee on Papers laid on the Table in paragraph 3.5 of their First Report (Fifth Lok Sabha) presented to Lok Sabha on 8 March, 1976, had already prescribed a period of 3 months for compilation of accounts and their submission to the Audit and the next 6 months for auditing of accounts; printing of the report and sending it to Government for laying on the Table of the House.
16.     4.15     The Committee are unhappy to observe that inspite of their aforementioned recommendation being clearly worded, the Ministry had not cared to have the rules of the Authority suitably amended to be in accord with the recommendations and to see that the documents of the Authority are laid on the House positively within 9 months time from the close of the accounting year. Had the Ministry got the relevant rules of the Authority amended, there would not have been any delay in laying the documents on the Table of the House, in time.
17.     4.16.     The Committee are surprised to note that one of the reasons advanced for keeping 6 months for compliation of accounts was that the IAAI have their two units abroad and it takes time for the Headquarters Office located at New Delhi to collect information from them and thereafter, compile them. The Committee feel that the reason given is not satisfactory especially in the present age of advanced technology where adequate facilities are available for fast communication.
18.     4.17.     The Committee trust that the Ministry would have the rules of the Authority amended in conformity with the aforementioned recommendation of the Committee



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to ensure timely finalisation of the Annual Reports and Audited Accounts and its laying on the Table of the House.

19. 5.9. The Committee note that the Annual Reports and Audit Reports of the Dairy Federation for the years 1976-77, 1977-78, 1978-79, 1979-80, 1980-81 and 1981-82 were laid on the Table of Lok Sabha on 27.3.1980. 27.3.1980, 6.4.1981, 8.5.1981, 9.8.1982 and 22.8.1983 after a delay of 24 months, 12 months, 12 months, 1 month, 4 months and 5 months respectively.
20. 5.10. From the information furnished by the Ministry of Agriculture and Co-operation (Department of Co-operation), the Committee find that the Annual Report and Audited Accounts for the year 1976-77 were already adopted by its Annual General Body Meeting held on 14 March, 1978 but were, however, not sent for laying on the table of the House as the Federation had not received any assistance in the form of share capital or grants from Government during 1976-77. Since the Federation did not receive any funds from the Government during 1976-77, the Committee do not insist upon the laying of their Annual Report, Audited Accounts and Audit Report on the Table of the House for this year. The Committee, however, are distressed to note that the Annual Reports, Audited Accounts and Audit Reports for the subsequent years during which the Federation got financial assistance from Government were never laid in time on the Table of the House *i.e.* within 9 months of the close of the accounting year.
21. 5.11. The Committee find that the delay had occurred almost at every stage of the Annual Reports and Accounts of the Federation for the years under report except in the case of Annual Report and Audit Report for the year 1979-80 when the delay occurred only in the approval of the Audited Accounts by the General Body and their translation in Hindi.
22. 5.12. In order to complete all the stages within the maximum prescribed period of 9 months, the Committee, feel

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that a time schedule is all the more necessary. The Committee therefore, urge upon the Ministry to draw up a time schedule in consultation with the Federation and the Central Registrar of Cooperative Societies in such a manner that all the formalities are completed well in time and the Annual Reports, Audited Accounts and Audit Reports are laid on the Table of the House within nine months of the close the accounting year as recommended by the Committee on Papers laid on the Table in paragraph 1.16 of their First Report (Fifth Lok Sabha).

23. 5.13. The Committee note that the Annual Reports and Audit Reports of the Federation were laid on the Table of Lok Sabha without 'Review' on the working of the Federation. The Committee would like to reiterate the recommendations contained in paragraphs 3.6, 3.7 and 3.8 of their Second Report (Sixth Lok Sabha) and urge upon the Government that while laying the Annual Reports of any Federation/Organisation before Parliament, the concerned Ministry should also lay along with the Report a 'Review' on the working of the Organisation.

24. 5.14. It is disconcerting to note that the Ministry knowing fully well the recommendation of the Committee made in paragraph 3 of their First Report (Fifth Lok Sabha) that 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, did not follow the recommendation as it failed to lay the requisite statement in the case of the accounts of the Federation for any of the years from 1976-77 to 1981-82. If the Ministry itself shows an apathetic and indifferent attitude to the recommendations of the Committee, no better results can be expected from the Organisations and bodies which look forward to the Ministry for guidance.

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| 25. | 5.15. | The Committee, therefore, urge upon the Ministry to follow the aforementioned recommendations of the Committee in letter and spirit and ensure that the Annual Reports, Audited Accounts and Audit Report together with the 'Review' are laid within the prescribed period for the purpose.   |
| 26. | 6.12. | The Committee note that the Annual Reports and Audited Accounts of the National Council of Science Museums, Calcutta for the years 1980-81 and 1981-82 were laid on the Table of Lok Sabha on 30 March, 1983 and 10 May 1983, respectively <i>i.e.</i> after a delay of 15 months and 4½ months, respectively.  |
| 27. | 6.13. | From the information furnished by Ministry of Education and Culture, the Committee find that in the case of Annual Report and Audited Accounts of the Council for 1980-81, the Audit took 7 months in auditing the accounts and the Council took 8 months in getting those accounts approved by its Society. The Committee feel that adequate vigilance was not exercised by the Ministry to ensure expeditious auditing of the accounts and their early adoption by the Society of the Council. The argument advanced by the Ministry that the Annual Report and Audited Accounts could not be adopted earlier because the Society of the Council could not meet during 1982 on account of pre-occupation of its President <i>i.e.</i> the Minister of State for Education and Culture, is hardly convincing. In this connection, the Committee would like to refer to the provisions of Rule 30 of the Rules of the National Council of Science Museums which read as under : |

"The President shall preside at all meetings of the Society. In case the President is unable to attend a particular meeting, the Vice-President will preside over that meeting. If both are not present, the Members present shall choose one of the members present to be the President of the particular meeting."

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The Committee feel that had the Council and the Ministry been vigilant and had followed the provisions of the above rule, the delay in holding the meeting of the Society could have been minimised to a great extent. The Committee hope that, in future, the Ministry would be more careful in this regard.

28. 6.14. Although the Committee note with satisfaction that the delay has been reduced from 15 months in the case of Annual Report and Audited Accounts for 1980-81 to 4½ months in the case of Annual Report and Audited Accounts of the Council for 1981-82 yet they feel that there is still need for making concerted efforts to eliminate the delay completely. The Committee would like the Ministry of Education and Culture to draw up a time schedule for being strictly followed by the Council at various stages of the Annual Report and Audited Accounts so that all the formalities are completed and the Annual Report and Audited Accounts laid on the Table of the House within the period of 9 months of the close of the accounting year as prescribed in paragraph 3.5 of First Report (Fifth Lok Sabha) of the Committee. The Committee trust that the Ministry would take necessary steps in the matter.
29. 7.8. The Committee note that the Annual Report and Audit Report on the accounts of the Kendriya Hindi Shikshan Mandal for the year 1980-81 were laid on the Table of Lok Sabha on 5 August, 1982 i.e. after a delay of 7 months. The Committee do not appreciate the reason advanced by the Ministry that the delay in compiling the accounts occurred due to the disturbances in Assam region. The Committee are constrained to observe that the Ministry could have compiled at least the accounts of the other centres and should have laid on the Table of the House a delay statement in respect of the Gauhati centre of the Mandal with a view to avoid the delay.
30. 7.9. The Committee note with regret that the Mandal submitted the accounts to the Accountant

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General, U.P. after a delay of more than 2 months i.e. on 10.8.1981 and that too with errors in figures and narration resulting in re-submission of the whole accounts to Auditor General, U.P. after making necessary corrections on 4.12.1981. The explanation given by the Ministry that the delay was due to revision of the format of the accounts, correction of typographical errors etc. does not appear to be tenable.

31. 7.10. The Committee feel surprised to note that the A.G. U.P. took more than two months to furnish the draft Audit Report i.e. on 26 December, 1981 and the final Audit Report on 2 March, 1982 and during this interval no enquiry was made by the Mandal. This is an ample example of slackness on the part of the Mandal and the Ministry. Had the Mandal and the Ministry been more serious in adhering to the time schedule prescribed by the Committee in paragraph 3.5 of their First Report (Fifth Lok Sabha), there would have not been any delay.
32. 7.11. The Committee find that apart from the Audit being responsible for taking a long time in furnishing the draft and final Audit Report thereon to the Mandal, the Mandal was also equally responsible for contributing towards the delay inasmuch as they did not complete the accounts with due care for submission to Audit within a period of 3 months of the close of the accounting year. The Committee are of the opinion that had the accounts been maintained properly and compiled accurately, there would have been no reason for the Audit to take a long time in auditing the accounts and furnishing the draft and final Audit Report thereon. In order to obviate such delays, the Committee would like to suggest that the Mandal might prepare an agreed format for presentation of accounts in consultation with the Accountant General, U.P. and compile the accounts with utmost care.
33. 7.12. The Committee are concerned to note that while laying on the Table of the House the Annual Report

and Audit Report of the Kendriya Hindi Shikshan Mandal, Agra for the year 1981-82, the Ministry did not care to lay the statement explaining the reasons for delay. The Committee cannot but express their displeasure over this lapse on the part of the Ministry. The Committee hope that the Ministry would be more careful in future in this regard.

34. 8.20. The Committee note that the Annual Reports of the Delhi Financial Corporation have been laid on the Table well in time but in the case of Audit Reports there has been a considerable delay. The Committee feel that though the delay in laying the Audit Reports has come down from 3 years in the case of Audit Reports for the years 1971-72 to 1974-75 to 7 months in the case of Audit Report for 1980-81, yet the delay needs to be totally eliminated so as to enable the Members of Parliament to have timely information about the liabilities and assets of the Corporation.
35. 8.21. The Committee trust that a time bound programme will be drawn up by the Ministry of Finance in consultation with the C & A.G. and the Delhi Financial Corporation, to ensure strict compliance in future of the norms prescribed by the Committee for laying the Audit Reports and Audited Accounts of the Corporation before Parliament within 9 months of the close of the accounting year.
36. 8.22. The Committee feel surprised over the statement made by the Ministry of Finance that the Committee has not indicated any specific time limit for laying the Audit Report of the Comptroller and Auditor General of India before the House. The argument advanced by the Ministry is not tenable because in paragraph 3.5 of their First Report (Fifth Lok Sabha), the Committee have clearly recommended that the Annual Report, 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. The Committee hope that the Ministry

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would adhere to the above mentioned recommendation and see that the Audit Report and Audited Accounts of the Delhi Financial Corporation are laid on the Table of the House together with the Annual Reports within 9 months of the close of the accounting year *i.e.* by 31 December every year.

37. 8.23. The Committee are concerned to note that despite the assurance given by the Ministry of Finance that strict watch for timely submission of Annual Reports and Accounts by the Delhi Administration is kept and delay would not be allowed to occur in future, the Audit Report for 1980-81 was laid on the Table on 6 August, 1982 *i.e.* with the delay of 7 months. The Committee take a serious note of this and feel that no care was taken by the Ministry to implement the assurance given by them. The Committee desire that such lapses on the part of the Ministry should be avoided in future,

38. 8.24. The Committee also note that the Ministry of Finance have not laid on the Table of the House their 'Review' along with the Annual Reports of the Corporation, despite the Committee's recommendation made in paragraph 3.6 of their Second Report (Sixth Lok Sabha) in this regard. The Committee would, therefore, like to reiterate the said recommendation as under :—

"The Committee are of the view that laying of 'Review' along with the Annual Report of the organisation need not be confined only to Companies incorporated under the Companies Act, 1956. Even in the case of autonomous bodies, Government should examine the reports submitted by such bodies and prepare a 'Review' giving salient points of achievements, total expenditure incurred by the Government on the Undertaking, how far the autonomous body has achieved the objects for which it was set up and what are the salient features of its future programme. Where the Report or the Audit Report mentioned any serious

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irregularity or any other matter of importance which needed corrective action or further enquiry, it was expected that Government made a mention, in the Review of the Action being taken in that direction. However, where information on all the aforesaid matters is already available in the report and Government have nothing to add thereto, Government should, in accordance with the recommendations made by the Committee in para 4.18 of their Second Report (Fifth Lok Sabha), lay a statement saying that they are in agreement with the report and hence no 'Review' is being laid."



**LIST OF AUTHORISED AGENTS FOR THE SALE OF LOK SABHA  
SECRETARIAT PUBLICATIONS**

S No.	Name of Agent	S. No.	Name of Agent
<b>BIHAR</b>		<b>TAMIL NADU</b>	
1.	M/s Crown Book Depot, Upper Bazar, Ranchi (Bihar).	10.	The Manager, M.M. Sub- scription Agencies, No. 2, 1st Lay Out Sivananda Colony, Coimbatore-641012
<b>GUJARAT</b>		<b>UTTAR PRADESH</b>	
2.	The New Order Book Company, Ellis Bridge, Ahmedabad-6	11.	Law Publishers, Sardar Patel Marg, P. B. No. 77, Allahabad, U.P.
<b>MADHYA PRADESH</b>		<b>WEST BENGAL</b>	
3.	Modern Book House, Shiv Vilas Palace, Indore City.	12.	Mrs. Manimala, Buys and Sells, 128, Bow Bazar Street, Calcutta-12
<b>MAHARASHTRA</b>		<b>DELHI</b>	
4.	M/s. Sunderdas Gian Chand, 601, Girgaum Road, Near Princess Street, Bombay-2	13.	Jain Book Agency, Connaught Place, New Delhi
5.	The International Book Service, Decan Gymkhana, Poonia-4	14.	J.M. Jain & Brother, Mori Gate Delhi.
6.	The Current Book House, Maruti Lane, Raghunath Dadaji Street, Bombay-1	15.	Oxford Book & Stationery Co. Scindia House, Connaught Place, New Delhi-1
7.	M/s. Usha Book Depot, Law Book Seller and Publishers' Agents [Govt. Publications, 585, Chira Bazar, Khan House, Bombay-2.	16.	Bookwell 4, Sant Nirankari Colony, Kingsway Camp, Delhi-9
8.	M & J Services, Publishers, Representative Accounts & Law Book Seller, Mohan Kunj, Ground Floor, 68, Jyotiba Fuele Road, Nalgaum-Dadar, Bombay-14	17.	The Central News Agency, 23/90, Connaught Place, New Delhi
9.	Subscribers Subscription Services India, 21, Raghunath Dadaji St, 2nd Floor, Bombay-1.	18.	M/s Rajendra Book Agency, IV-D/59, IV-D/50, Lajpat Nagar, Old Double Storey, Delhi-110024.
		19.	M/s. Ashoka Book Agency, BH-82, Poorvi Shalimar Bagh, Delhi-110033
		20.	Venus Enterprises, B-2/85, Phase-II, Ashok Vihar, Delhi.

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