

**COMMITTEE  
ON  
PAPERS LAID ON THE TABLE  
(1982-83)**

(SEVENTH LOK SABHA)

**TWELFTH REPORT**

*(Presented on 22nd February, 1983)*



**LOK SABHA SECRETARIAT  
NEW DELHI**

*February, 1983/Magha, 1904 (Saka)*

*Price Rs. 1.75*

4  
1

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

### ANDHRA PRADESH

1. Andhra University General Co-operative Stores Ltd., Waltair (Visakhapatnam).

### BIHAR

2. M/s. Crown Book Depot, Upper Bazar, Ranchi (Bihar).

### GUJARAT

3. Vijay Stores, Station Road, Anard.

### MADHYA PRADESH

4. Modern Book House, Shiv Volas Palace, Indore City.

### MAHARASHTRA

5. M/s. Sunderdas Gianchand, 601, Girgaum Road, near Princess Street, Bombay-2.

6. The International Book House Pvt., 9, Ash Lane, Mahatma Gandhi Road, Bombay-1.

7. The International Book Service, Deccan Gymkhana, Poona-4.

8. The Current Book House, Maruti Lane, Raghunath Dadaji Street, Bombay-1.

9. M/s. Usha Book Depot, 585/A, Chira Bazar Khan House, Girgaum Road, Bombay-2.

10. M & J Services, Publishers, Representatives Accounts & Law Book Sellers, Bahri Road, Bombay-15.

11. Popular Book Depot, Dr. Bhadkamkar Road, Bombay-400001.

### mysore

12. M/s. Peoples Book House, Opp. Jagannmohan Palace, Mysore-1.

### UTTAR PRADESH

13. Law Book Company, Sardar Patel Marg, Allahabad-1.

14. Law Publishers, Sardar Patel Marg, P.B. No. 77, Allahabad—U.P.

### WEST BENGAL

15. Granthaloka, 5/1, Ambica Mukherjee Road, Belgharia, 24-Parganas.

16. W. Newman & Company Ltd., 3, Old Court House Street, Calcutta.

17. Mrs. Manimala, Buys & Sells, 128, Bow Bazar Street, Calcutta-12.

### DELHI

18. Jain Book Agency, Connaught Place, New Delhi.

19. M/s. Sat Narain & Sons, 3141, Mohd. Ali Bazar, Mori Gate, Delhi.

CORRIGENDA

TO

TWELFTH REPORT OF COMMITTEE ON PAPERS  
LAID ON THE TABLE (1982-83).

<u>Page</u>	<u>Para</u>	<u>Line</u>	<u>For</u>	<u>Read</u>
1	1.3	1	lown	down
3	1.6	(ii)3	A.C.,Kerala	A.G.,Kerala
10	-	4	to thereto	to add thereto
	2.8	6	achievement	achievements
	2.10	8	therebefore	there before
14.	3.2	3-4	on Table	on the Table
		10	Company's Act	Companies Act
		17	conection	connection
		28	Science	Sciences
15	3.3	30	Punblic	Public
		35	Audit Report	Audit Reports
16	-	1	therefore	therefor
17	3.7	14	for the compliance	for compliance
	3.8	17	Howver	However
		19	hereto	thereto
18	-	2	assessmēn	assessment
	3.9	4	recommendaions	recommendations
	8 to 10		The Annual Academy of Medical Sciences, which is a Registered Society Report/ Audit statement of accounts of the National	The Annual Report/ Audited statement of Accounts of the National Academy of Medical Sciences, which is a Registered Society,

<u>Page</u>	<u>Para</u>	<u>Line</u>	<u>For</u>	<u>Read</u>
20	3.15	8	not	no
21	4.3	6	(Sixth Lok Sabha)	(Sixth Lok Sabha)
22	Footnote 1		ac counts	accounts
23	-	4-5	proceeding	preceding
		7	is quite large and would entail cumbersome work if the	is released. The experience, however, has been that a number
	4.8	13	grant-in-aid	grants-in-aid
24	4.9	2	Recreating clubs	Recreation Clubs
	4.10	figures shown under 1980-81	1,28	1,28*
	Footnote	1	Association	Associations
28	2.3	2	Kenrda	Kendra
		4	difference	defference
29	-	3	Liabilitiese	Liabilities
	2.6	8	ractification	rectification
31	-	(ii)1	Grants-inedaid	Grants-in-aid
		(iii)4	control	controfs
		(vi)3	lying	laying
38	-	6	as evident	as is evident
42	4.14	bottom	0.07 0,07	0,07 0,07 0,06

## CONTENTS

	PAGES
PERSONNEL OF THE COMMITTEE ON PAPERS LAID ON THE TABLE (1982-83)	(iii)
INTRODUCTION	(v)
CHAPTER I—Delay in laying before Parliament Annual Reports and Audited Accounts of the Rubber Board, Kottayam	1
CHAPTER II—Delay in laying before Parliament Annual Reports and Audited Accounts of the Central Silk Board, Bombay	7
CHAPTER III—Delay in laying Annual Reports for 1979 and 1980 and Audited Accounts for 1978-79 and 1979-80 of the National Academy of Medical Sciences, New Delhi	14
CHAPTER IV—Request for waiving the requirement of laying of Audited Accounts of certain organisations whom grants-in-aid are given by the Department of Personnel and Administrative Reforms	21
<b>APPENDICES</b>	
I. Note from the Department of Personnel and Administrative Reforms	27
II. Summary of recommendations/observations contained in the Report	32

PERSONNEL OF THE COMMITTEE ON PAPERS LAID ON THE  
TABLE  
(1982-83)

- \*1. Shrimati Krishna Sahi—*Chairman*
- 2. Shri G. B. Gohil
- 3. Shri A. Senapathi Gounder
- 4. Shri Krishna Chandra Halder
- 5. Shri Z. M. Kahandole
- 6. Shri Nityananda Misra
- 7. Shri Rajesh Pilot
- 8. Shri Ram Swarup Ram
- \*\*9. Dr. R. Rothuama
- 10. Shri S. B. Sidnal
- 11. Shri Motilal Singh
- 12. Shrimati Usha Verma
- 13. Shri Chhotey Singh Yadav
- 14. Shri R. P. Yadav

SECRETARIAT

- 1. Shri H. G. Paranjpe—*Joint Secretary.*
- 2. Shri S. D. Kaura—*Chief Legislative Committee Officer.*
- 3. Shri T. E. Jagannathan—*Senior Legislative Committee Officer.*

---

\*Nominated w.e.f. 14-10-1982 vice Shrimati Mohsina Kidwai resigned.

\*\*Nominated w.e.f. 12-7-1982.

## 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 Twelfth Report.

2. On examination of, certain papers laid on the Table of Lok Sabha during the Seventh Session (Sixth Lok Sabha) and Second, Third, Fourth, Fifth, Eighth and Ninth Sessions (Seventh Lok Sabha), the Committee have come to certain conclusions in regard to delay in laying before Parliament (i) Annual Reports and Audited Accounts of the Rubber Board, Kottayam; (ii) Annual Reports and Audited Accounts of the Central Silk Board, Bombay and (iii) Annual Reports and Audited Accounts of the National Academy of Medical Sciences, New Delhi. The Committee also considered a reference from the Department of Personnel and Administrative Reforms seeking clarification regarding laying of Audited Accounts of certain organisations getting grants-in-aid from them and have made certain recommendations. The conclusions of the Committee are reflected in the Report.

3. The Committee considered and adopted this Report at their sitting held on 11 February, 1983.

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

NEW DELHI;  
17th February, 1983.  
27th Magha, 1904 (Saka)

KRISHNA SAHI,  
Chairman,  
Committee on Papers laid on the Table.

## CHAPTER I

### DELAY IN LAYING BEFORE PARLIAMENT ANNUAL REPORTS AND AUDITED ACCOUNTS OF THE RUBBER BOARD, KOTTAYAM

The Annual Report of the Rubber Board, Kottayam for the year 1978-79 was laid on the Table of Lok Sabha on 21 November, 1980 alongwith 'Review' of Government thereon. The above Annual Report involved delay of about 10-1/2 months but the Minister concerned while laying that Report did not lay any statement showing reasons for delay.

1.2 In paragraph 18 of their Eighteenth Report (1958-59), the Public Accounts Committee recommended as follows:

"In the Committee's opinion, Parliament is not fully informed of the working of these autonomous Boards. Since large sums of money are voted by Parliament for payment to these Boards as grants-in-aid it is only proper that Parliament and the Public Accounts Committee should be apprised of their activities. The Committee desire that the Annual Reports on the working of the autonomous Boards viz., Silk Board, etc. should be placed before Parliament. They also recommend that the C&AG who is responsible for their audit should in addition to the normal expenditure audit, undertake an achievement audit of these organisations indicating *inter alia* their original targets and achievements."

1.3 The Public Accounts Committee did not lay down any time limit for laying Annual Reports and Audited Accounts of the autonomous Boards. However, the Committee on Papers laid on the Table (Fifth Lok Sabha), in paragraph 3.5 of their First Report, recommended as follows:

".....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."

1.4 Since the statement of reasons for delay had not been laid along-with Annual Report for 1978-79, the Ministry of Commerce were asked to explain the reasons for the delay in laying that Annual Report and the reasons for not laying the requisite statement. The Ministry then explained as under:

"On receipt of copies of the Annual Report for 1978-79 from the Rubber Board in March, 1980, the review on the activities of the Board for 1978-79 was made. Therefore, copies of the Hindi version of the Review were made in the Ministry. After authentication by the Commerce Minister copies of the Annual Report and Review thereon (both in Hindi and English) were sent to the Lok Sabha Secretariat on the 12th August, 1980 for being laid on the Table of the House. However, the copies were returned back advising us to send the same at the commencement of the subsequent Parliament Session since obviously the Lok Sabha had just adjourned by then. Accordingly the copies were sent again to the Lok Sabha Secretariat on the 17th November, 1980 for being laid on the Table of the House.

Inadvertently statement showing reasons for delay in laying the Report on the Table of Lok Sabha was not sent."

1.5 The Audited Accounts of the Rubber Board for 1979-80 were laid on the Table of Lok Sabha on 27 February, 1981 alongwith a statement showing reasons for delay which reads as under:

"The certified Audit Report on the accounts of the Rubber Board for the year 1979-80 was received from the Officer of the Accountant General, Kerala in February, 1980. The Rubber Board was requested to send copies of the Audit Report (both in English and Hindi) in March, 1980. The Hindi version of the Report was the one prepared by the Board's Hindi Officer. The Office of the Accountant General, Kerala had in the meantime advised that Hindi version as prepared by them alone is to

be placed on the Table of the House. Accordingly, copies of the Hindi version, as prepared by the Accountant General had to be made for placing on the Table of the House."

1.6 On being asked to intimate the datewise position of Annual Report and Accounts of the Board for 1978-79, the Ministry of Commerce furnished the following information:

---

(i) (a) Date when Annual Report for 1978-79 was compiled:	6-8-1979.
(b) Date when draft Annual Report was approved by the Rubber Board:	Only half yearly Reports are usually placed before the Rubber Board, <i>vide</i> section 8(g) (c) of Rubber Act, 1947. Annual Reports are compiled/consolidated from half yearly reports. This has been the practice followed by the Board.
(c) Date when the Report was got translated :	March, 1980.
(d) Date when copies of both the English and Hindi versions of the Report were got prepared for being laid before Parliament :	14-1-1980 (English) 23-5-1980 (Hindi)
(ii) (a) Date when the annual accounts of the Board for 1978-79 were compiled:	Audit of the Accounts of the Board for 1978-79 was conducted by the A.C., Kerala at Board's office during the period from 16-7-1979 to 20-9-1979. Annual accounts of the Board for 1978-79 were compiled and given to audit during the above period.
(b) Date when the accounts were submitted to Audit:	
(c) Date when the draft Audit Report was received by the Board:	26-10-1979
(d) Date when the draft Audit Report was replied by Board:	13-11-1979
(e) Date when the English and Hindi versions of the Audit Report were received by the Board.	26-3-1980.

---

1.7 The Ministry of Commerce also informed that the recommendation contained in paragraph 3.5 of the Committee's First Report (Fifth Lok Sabha), presented to Lok Sabha on 8 March, 1976, was communicated to the Rubber Board in February, 1979.

1.8. The Annual Report and Audited Accounts of the Rubber Board, Kottayam for 1979-80 were laid on the Table of Lok Sabha on 24 April, 1981 alongwith 'Review' of Government thereon. The requisite statement of reasons for delay was not laid.

1.9. The Annual Report and Audited Accounts for 1980-81 which should have been laid on the Table of the House by 31 December, 1981, were laid on the Table of Lok Sabha separately on 26 February, 1982 and 30 April, 1982, respectively. Again, the Ministry did not lay any statement of reasons for delay in either case.

1.10 The Committee regret to note that, in spite of their recommendation made in paragraph 3.5 of their First Report (Fifth Lok Sabha), presented to Lok Sabha on 8 March, 1976, that the Annual Reports and Accounts of autonomous organisations should be laid on the Table of the House within 9 months of the close of the accounting year, the Annual Report and Audited Accounts of the Rubber Board, Kottayam for 1978-79 were laid on the Table of Lok Sabha after a delay of 10-1/2 months and 14 months, respectively.

1.11. The Committee find that the Ministry of Commerce did not lay any statement of reasons for delay alongwith the Annual Report of the Rubber Board for 1978-79 although such a statement was laid with the Audited Accounts for that year. The Committee further find that even in the case of subsequent Annual Reports and Audited Accounts for 1979-80 and 1980-81 which also involved delay ranging from 4 to 2 months, the Ministry of Commerce did not lay any statement of reasons for the delay. The Committee regret to observe that the Ministry had not taken seriously and with due regard the Committee's recommendations while laying the Annual Reports and Audited Accounts on the Table of the House. They also did not care to comply with the following instructions issued as early as 1962 which are contained in paragraph 4.16 of the brochure entitled 'Procedure to be followed by Ministries in connection with Parliamentary work'—

"whenever there is undue delay in laying a document (including the statutory rules etc.) on the Table of the House, the concerned Minister should also arrange to lay on the Table, alongwith such document, a statement giving reasons for the delay."

The lapse on the part of the Ministry in not laying the statement of reasons for the delay leads the Committee to the inescapable conclusion that the papers meant for being laid before Parliament are not checked and processed properly in the Ministry. . .

1.12. The Committee, therefore, recommend that all papers meant for being laid before Parliament should, in future, be carefully checked by a senior officer not below the rank of Deputy Secretary in the Ministry so

as to ensure that these are complete in every respect. The Committee hope that in future while laying on the Table of the House the Annual Reports and Audited Accounts of the organisations under their administrative control, the Ministry would be extra vigilant and would not allow any such lapse to recur.

1.13. The Committee are distressed to find that although the English version of the Annual Report for 1978-79 was ready on 14 January, 1980 and Hindi version on 23 May, 1980, yet the Ministry did not make any effort to lay the English version during the session held from 21 January to 2 February 1980 and Hindi version during the session held from 9 June to 12 August, 1980. Instead, they laid these documents on the Table of the House on 21 November, 1980. Similarly, the Audited Accounts of the Board for 1978-79 were ready in March, 1980 but these were laid neither during the session held from 9 June to 12 August, 1980 nor during the session held from 17 November to 23 December, 1980. These were laid on the Table of Lok Sabha only on 27 February, 1981. Apart from this, both the Annual Report and Audited Accounts of the Board for the year 1978-79 were ready in May, 1980. These could well be laid together on the Table of the House but these were laid on different dates. The Committee on Papers laid on the Table (Fifth Lok Sabha) have recommended in paragraph 3.5 of their First Report that the Annual Report and Audited Accounts of Organisations should normally be laid together but the Ministry of Commerce did not follow that recommendation.

1.14 The Committee, therefore, reiterate their earlier recommendation contained in paragraph 3.5 of their First Report (Fifth Lok Sabha) that:

“.....normally the Annual Report and audited accounts of autonomous organisations should be presented to Parliament together to enable the House to have a complete picture of the working of that body. This decision should not be taken to imply that laying of reports and accounts could be delayed to any length of time. The Committee recommend that the Annual Report together with the audited accounts and audit report thereon for a particular year should be laid on the Table within 9 months of the close of the accounting year unless otherwise stipulated in the Act or Rules under which the organisation has been set up. To comply with this requirement proper time schedule should be laid down for compilation of Annual Report and accounts and their auditing. The Committee feel that normally a period of 3 months would be sufficient for compilation of accounts and their submission to audit; the next 6 months might be given for auditing of ac-

counts; 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."

.. . . . .

The Committee trust that the Ministry will follow it in letter and spirit and would ensure that both the Annual Report and Audited Accounts of Organisations are laid together within the stipulated period of nine months after close of the accounting year.

1.15. The Committee regret to note that the Ministry of Commerce took as long as 3 years in communicating the recommendation made in paragraph 3.5 of their First Report (Fifth Lok Sabha) to the Rubber Board, Kottayam. The Committee cannot help concluding that their recommendations have been taken very lightly by the Ministry. Had they been vigilant and circulated the recommendations immediately after receiving copy of the First Report, much of the delay could have been avoided, if not totally eliminated. The Committee would, therefore, impress upon the Ministry to be very careful in future and to take prompt action to circulate the recommendations which the Committee might make, to all concerned departments and organisations under their control for guidance and compliance.

1.16. The Committee find that neither the Rubber Board Act, nor the Rules made thereunder provide for laying of Annual Reports and Audited Accounts of the Rubber Board on the Table of the House. The Committee, therefore, recommend that early steps be taken to make provisions in the Act or Rules made thereunder, enjoining upon the Ministry to lay on the Table of Lok Sabha within 9 months of close of accounting year the Annual Reports and Audited Accounts of the Rubber Board, Kottayam. The Committee hope that urgent steps would be taken by the Ministry in this direction.

## CHAPTER II

### DELAY IN LAYING BEFORE PARLIAMENT ANNUAL REPORTS AND AUDITED ACCOUNTS OF THE CENTRAL SILK BOARD, BOMBAY

2.1. The Audited Accounts (Hindi and English versions) of the Central Silk Board, Bombay for the year 1977-78\* were laid on the Table of Lok Sabha on 12 March, 1980 without any statement showing reasons for delay in laying them.

2.2. Sub-section (4) of Section 12 of the Central Silk Board Act, 1948 provides:

“The accounts of the Board as certified by the Comptroller and Auditor-General of India or any persons appointed by him in this behalf together with the audit report thereon shall be forwarded annually to the Central Government and that Government shall cause a copy of the same to be laid before each House of Parliament.”

2.3. Rule 37(1), (2) and (3) of the Central Silk Board Rules, 1955 provides as under:—

“Audit of Accounts :— (1) Accounts shall be made up for each financial year. These accounts shall be audited by such auditors as the Central Government may appoint under section 12(2) of the Act. The audited statement of the receipts and expenditure together with the auditors report thereon shall be submitted to the Central Government not later than the 31st of July following.

- (2) An abstract statement of receipts and expenditure shall be published in the Gazette of India.
- (3) The annual accounts shall be set out and produced by the Secretary before the auditors for scrutiny on or before the 31st of May each year following the close of the financial year to which they relate.”

---

\*Annual Report for 1977-78 was laid on the Table of Lok Sabha on 28 February, 1979 without Review of Government thereon.

2.4. The Committee on Papers laid on the Table (Fifth Lok Sabha) have recommended in paragraph 3.5 of their First Report 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 other-wise 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.”

2.5 In terms of the aforementioned recommendation of the Committee, the Audited Accounts for 1977-78 should have been laid on the Table of Lok Sabha by 31 December, 1978. Since there was delay in laying the above accounts on the Table of the House and the requisite statement explaining the reasons for delay was not laid, the Ministry of Industry (Department of Industrial Development) were asked to intimate the reasons therefor. That Ministry, in their communication dated 17 March, 1980, explained the reasons as under:

“It appears that there has been delay in the submission of the report, caused due to the following reasons:—

- (1) The Minister of Industry Shri George Fernandes who authenticated the accounts on 13-7-1979 resigned immediately thereafter and in the absence of a Minister the authenticated reports could not be forwarded. Later on the Government also resigned.

(2) The new Government worked for a few months without a regular session of Parliament from July '79 to January '80 when these reports again could not be forwarded.

(3) First session of the present Lok Sabha was only for 10 days when too only most important matters were taken up, and as such the copies of audited report have been forwarded on 6-3-80.

However in future care will be taken that copies to be laid on the table of House are sent well in time."

2.6. As regards the datewise position of the accounts for 1977-78 at various stages, the Ministry of Commerce, Civil Supplies and Cooperation (Department of Commerce) in their communication dated 6 May, 1980, furnished the following information:—

---

(i) Date on which accounts for 1977-78 were compiled and submitted to Audit . . . . .	3-7-1978
(ii) Date on which draft audit report was received by the Board . . . . .	1-12-1978
(iii) Date on which Audit queries were cleared . . . . .	12-3-1979
(iv) Date on which Accounts as certified by Audit were received by the Ministry . . . . .	5-5-1979

---

2.7. The Annual Report of the Central Silk Board for 1978-79 was laid on the Table of Lok Sabha on 19 March, 1980 without 'Review' on the working of the Board. The Committee on Papers laid on the Table (Sixth Lok Sabha) in paragraphs 3.6 and 3.8 of their Second Report, which was presented to Lok Sabha on 22 December, 1977, recommended as under:—

3.6. The Committee are of the view that laying of 'Review' alongwith 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 body, 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 thereto, Government should, in accordance with the recommendation made by Committee in para 4.18 of their Second Report (Fifth Lok Sabha), lay on the Table alongwith report a statement saying that they are in agreement with the report and hence no 'Review' is being laid.

\* \* \* \*

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

2.8 The Ministry of Commerce (Department of Textiles), who were asked to state the reasons for not laying the 'Review' alongwith the Annual Report, intimated, *inter alia*, as under:

"Review alongwith the Annual Report for 1978-79 could not be forwarded since its necessity was not felt. However, as its necessity has now been pointed out, the salient achievement of the Silk Industry during 1978-79, are briefly indicated."

2.9 The Audited Accounts (Hindi and English versions) of the Central Silk Board for the year 1978-79 were laid on the Table of Lok Sabha on 20 June, 1980 without any statement showing reasons for delay.

2.10. On being asked, the Ministry of Commerce (Department of Textiles) intimated the following reasons for the delay in laying the Annual Accounts of the Board for 1978-79:

"The Annual Accounts, duly certified, by the Director of Audit, CW & M, New Delhi, were received by the Ministry on 29-1-80. Corrected copies thereof alongwith Hindi version were available in the Ministry only during last week of March '80, when no session was theretofore whom it could be laid.

Copies of the Audited Accounts have since been forwarded for being laid on the Table of each House of Parliament, on 17th June, 1980".

The Ministry of Commerce (Department of Textiles) also informed that the accounts of the Central Silk Board for 1978-79 were submitted to Auditors on 25 July, 1979.

2.11. As for the steps taken to ensure timely laying of Annual Reports and Accounts of the Board before Parliament, the Ministry of Commerce (Department of Textiles) intimated as follows:

"Instructions have been issued by the Ministry to the Central Silk Board to ensure that in future its Annual Reports and Accounts be forwarded latest by 15th December of the following financial year to enable the Ministry to lay these on the Table of each House of Parliament, in time."

2.12. The Annual Report of the Board for 1979-80 was laid on the Table of Lok Sabha on 20 February, 1981 without 'Review' of Government thereon. The Audited Accounts of the Board for 1979-80 together with Audit Report thereon were laid on the Table on 27 February, 1981.

2.13. The Annual Report and the Audited Accounts of the Central Silk Board for 1980-81 were laid on the Table of Lok Sabha separately on 19 March and 30 April, 1982, respectively. Again, the requisite 'Review' of Government was not laid on the Table of the House.

2.14. The Committee note that the Audited Accounts of the Central Silk Board, Bombay for the years 1977-78, 1978-79, 1979-80 and 1980-81 were laid on the Table of Lok Sabha on 12 March, 1980, 20 June, 1980, 27 February, 1981 and 30 April, 1982, respectively. In terms of the recommendation contained in paragraph 3.5 of First Report (Fifth Lok Sabha) of the Committee on Papers laid on the Table, the above accounts involved delay of 14½ months, 6 months, 2 months and 4 months, respectively, but the Ministry did not lay any statement showing reasons for the delay along with any of the above accounts.

2.15. It is regrettable to observe that despite the Committee's oft-repeated recommendation as also the instructions issued by Lok Sabha Secretariat as early as 1962 which are contained in the brochure entitled 'Procedure to be followed by Ministries in connection with Parliamentary Work' on the requirement of laying on the Table of the House statement showing reasons for delay alongwith documents involving delay, the Ministry of Commerce did not follow the prescribed procedure. Even when the attention of the Ministry was drawn to the lapse on their part in the case of Audited Accounts for 1977-78, they did not care to lay the statement with the subsequent Annual Reports and Audited Accounts. The Committee are constrained to observe that their recommendations have not received the due respect that they deserve from the Ministry. The Committee need hardly stress that in cases involving delay, it is imperative that the statement explaining reasons for delay is laid on the Table of the House so that Members of Parliament may know the stage where the delay occurred and

suggest remedial measures, if necessary, for future guidance. The Committee trust that the Ministry will be vigilant in future and will follow strictly the procedure prescribed for their guidance.

2.16. The Committee note that despite their recommendation made in paragraph 3.5 of their First Report (Fifth Lok Sabha) that both the Annual Report and Audited Accounts of an organisation for a particular year should normally be laid together so that the House may have a complete picture of the working of organisation, there has never been an occasion since 1977-78 when both the Annual Report and Accounts of the Central Silk Board, Bombay were laid together on the Table of the House. The Ministry did not follow the recommendation even in those cases where they could easily have followed it. For example, the Annual Report and Audited Accounts for 1979-80 were laid on the Table of the Lok Sabha on 20 February and 27 February, 1981, respectively. These could well be laid together. Similarly, the Annual Report and audited accounts for 1980-81 which were laid on 19 March and 30 April, 1982, respectively, could also be laid together. The Committee would like to impress upon the Ministry to keep a watch over the finalisation of Annual Reports and Accounts of the Board so as to ensure that both the Annual Report and Audited Accounts of the Board are laid on the Table of the House together within the prescribed period.

2.17. The Committee are distressed to find that the Central Silk Board, Bombay did not follow even its own time schedule laid down in Rule 37 of the Central Silk Board Rules, 1955 which requires the Board to submit its accounts to auditors for auditing by 31 May (i.e. within 2 months of close of the accounting year) and then to submit the audited accounts to Government by 31 July (i.e. within 4 months of the close of the accounting year) as is evident from the fact that the Board submitted its Annual Accounts for 1977-78 to Auditors on 3 July, 1978 (i.e. 3 months after close of accounting year) and then submitted the audited accounts to Government on 5 May, 1979 (i.e. 13 months after close of accounting year). The Committee need hardly point out that it is of no use laying down a time schedule without observing it. The Committee also find that the time schedule prescribed under Rule 37 of the Central Silk Board Rules, 1955 is not in consonance with the recommendation contained in paragraph 3.5 of the First Report (Fifth Lok Sabha) of the Committee on Papers laid on the Table.

2.18. The Committee, therefore, recommend that the Ministry of Commerce should initiate action to amend the Central Silk Board Rules, 1955 so as to bring the time schedule prescribed therein in conformity

with the time schedule recommended by the Committee on Papers laid on the Table in paragraph 3.5 of their First Report (Fifth Lok Sabha).

2.19. The Committee regret to note that in spite of their recommendations made in paragraphs 3.6 and 3.8 of their Second Report (Sixth Lok Sabha), the Ministry of Commerce did not lay along with Annual Report and Audited Accounts of any of the years 1977-78 to 1980-81 their own 'Review' on the working of the Board. When, in the case of Annual Report for 1978-79 their attention was drawn to the requirement of laying of 'Review', the Ministry of Commerce realised the necessity of laying the 'Review' and briefly indicated the salient achievements of the Silk Industry separately. However, in the case of subsequent Annual Reports for 1979-80 and 1980-81 the Ministry again failed to lay a separate Review on the Table along with the Reports. The Committee cannot but express their displeasure not only over the lapse on the part of the Ministry but also over the lackadaisical manner in which the recommendations of the Committee were taken by them. The Committee now hope and trust that the Ministry of Commerce would be very careful in future and will invariably lay their own 'Review' along with Annual Reports and Audited Accounts of the Board on the lines already suggested by the Committee in paragraphs 3.6 and 3.8 of their Second Report (Sixth Lok Sabha).

### CHAPTER III

#### DELAY IN LAYING ANNUAL REPORTS FOR 1979 AND 1980 AND AUDITED ACCOUNTS FOR 1978-79 AND 1979-80 OF THE NATIONAL ACADEMY OF MEDICAL SCIENCES, NEW DELHI.

3.1. The Annual Report for 1979 and Audited Accounts for 1978-79 of the National Academy of Medical Sciences, New Delhi were laid on Table of Lok Sabha on 4 March, 1982 along with a statement explaining the reasons for delay. The Ministry of Health and Family Welfare did not lay their own 'Review' on the working of the Academy.

3.2. The statement of reasons for delay in laying the said Annual Report and Audited Accounts reads as under:

"Based on the recommendations of the Committee on Papers laid on Table (6th Lok Sabha) that all statutory/Autonomous Organisations, Public Undertakings, Corporations, Societies etc. which are financed out of the funds drawn from the Consolidated Fund of India, should lay their Annual Reports and Audited Accounts (both English and Hindi) before both Houses of Parliament, irrespective of the fact whether they are registered under the Company's Act, 1956 or not, the Ministry of Finance had amended the General Financial Rules to the extent that it has been made obligatory on the part of all bodies/institutions/organisations to which grants are made by the Government to lay their Annual Reports and Audited Accounts on the Table of the House within 9 months of closing of the financial year of the grantee institutions.

In connection with implementation of the recommendations a doubt had arisen whether for this purpose it was necessary to require the grantee institution to amend suitably the Statute or Memorandum of Association or Bye-laws. The Department of Legal Affairs advised in January, 1981, that such an amendment was not necessary and that the Government, while giving grants, may direct that Annual Reports/Accounts of such institutions would be laid on the Table of the House. Accordingly, the National Academy of Medical Sciences were requested to furnish this Ministry with the Audited Accounts for the year 1978-79 (both English and Hindi versions). The National Academy of Medical Science could not submit the

audited Annual Accounts for the year 1978-79 in time owing to difficulties in getting their Annual Report etc. translated into Hindi. The Academy could complete the translated work only in December 1981. Hence, the Audited Accounts of the Academy for the year 1978-79 are now being placed on the Table of the House."

3.3. The Committee on Papers laid on the Table have recommended in paragraphs 3.5 of their First Report (Fifth Lok Sabha), 1.12 and 1.14 of their Second Report (Sixth Lok Sabha) as follows:

"..... 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."

[1R (CPL-5LS), paragraph 3.5]

"..... all statutory/Autonomous Organisations, Public Undertakings, Corporations, Joint Ventures, Societies etc., which are financed out of funds drawn from the Consolidated Fund of India, after being voted by the Parliament, in the form of shares, subsidies, grants-in-aid etc., either wholly or partly should lay their Annual Reports/Audit Report (both English and Hindi versions) before both Houses of Parliament irrespective of the fact whether the Statutes, Rules or Regulations

of such organisations provide therefore or not and whether they are registered under the Companies Act, 1956 or not."

[2R(CPL-6LS), paragraph 1.12]

".....Government might consider the feasibility of amending, where necessary, the relevant Statutes/Rules/Regulations of such organisations, to make it obligatory on the part of the administrative Ministry concerned to lay the Annual Reports/ Audit Reports of such organisations under their administrative control before Parliament within nine months of the close of the accounting year so that the Parliament is apprised of their activities."

[2R (CPL-6LS), paragraph 1.14]

3.4. Since the Annual Report for 1979 and Audited Accounts for 1978-79 of the Academy were laid after 26 months and 35 months of close of the relevant calendar/financial year, the Ministry, on being asked, intimated that the Annual Report and Audited Accounts of the Academy were laid on the Table of the House for the first time and that the English version of the Annual Report for 1979 and Audited Accounts for 1978-79 of the Academy was received in the Ministry on 10 April, 1981. Regarding the permanent arrangement made by the Ministry and the Academy for translation of Report and accounts of the Academy, the Ministry informed that so far no permanent arrangements had been made by the Academy. The Academy has been advised to make regular arrangement for the purpose.

3.5. Explaining the steps taken or proposed to be taken to ensure timely laying of Annual Reports and Accounts on the Table of the House in future, the Ministry stated that they had time and again stressed the need for furnishing the required documents timely so that these might be placed on the Table of Lok Sabha within the stipulated period. These directions would be further pursued to ensure compliance.

3.6. The Annual Reports of the National Academy of Medical Sciences are prepared on calendar year basis whereas its accounts are compiled on financial year basis. The Committee on Papers laid on the Table, while examining a similar case in respect of the Sahitya Academy, had recommended in para 2.12 of their Third Report (Seventh Lok Sabha), which was presented to the House on 26 February, 1981, as under:

".....the Annual Report of the Sahitya Academy should also be compiled on the basis of financial year as is being done in the case of its statement of accounts so that both of them may be laid on the Table of the House together and the House has complete picture of the activities and accounts of the Akademi at the same point of time." ..

3.7. On their attention being drawn to the above recommendation, the Ministry have intimated:

“So far the procedure has been to prepare the accounts on financial year basis and the Annual Report for the calendar year. The Academy has pointed out certain difficulties in regard to the preparation of the Annual Report for the financial year. However, the Academy has again been advised to compile the Annual Report on the basis of the financial year, as is being done in the case of Annual Statement of Accounts, so that both of them are laid on the Table of the House together. The recommendations/observations contained in paragraphs 2.10 to 2.13 of the Third Report (Seventh Lok Sabha) of the Committee on Paper laid on the Table have been brought to their notice for the compliance.”

3.8. In paragraphs 3.6 and 3.8 of their Second Report (Sixth Lok Sabha), the Committee on Papers laid on the Table recommended as follows:

“3.6 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 body, how far the autonomous body has achieved the object 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 hereto, Government should, in accordance with the recommendation made by the Committee in para 4.18 of their Second Report (Fifth Lok Sabha) lay, on the Table alongwith report a statement saying that they are in agreement with the report and hence no ‘Review’ is being laid.”

3.8 The Committee hope that the administrative Ministries will critically examine Annual Reports/audited statements of accounts of the autonomous organisations under their control

and invariably lay along with the Report/audited statement of accounts their own assessment before Parliament in the form of 'Review'."

3.9. The Ministry of Health and Family Welfare did not lay their own 'Review' along with any of the Annual Report and Accounts of the Academy. On being asked the Ministry explained:

"According to the recommendations contained in paragraphs 3.6 and 3.8 of Second Report (Sixth Lok Sabha) of the Committee on Papers, 'Review' alongwith the Annual Report/Audited Statement of Accounts of the autonomous organisations is required to be placed before Parliament. The Annual Academy of Medical Sciences, which is a Registered Society, Report/Audit statement of accounts of the National have been placed before the House for the first time in accordance with the recommendations of the Committee on Papers laid on the Table (Sixth Lok Sabha) in its Ninth Report, according to which Annual Report/Audit Report/Annual Accounts of Bodies/ Institutions to which grants are given by Government are required to be laid on the Table of the House. The National Academy of Medical Sciences is not an autonomous Body under the Ministry of Health. As such no 'Review' is, perhaps required to be laid on the Table of the House. This understanding may kindly be confirmed."

3.10. The Annual Report for 1980 and Audited Accounts for 1979-80 of the National Academy of Medical Sciences, New Delhi were laid on the Table of the House on 22 April, 1982 alongwith a statement showing reasons for delay which *inter alia* reads as under:

"The National Academy of Medical Sciences could not submit the audited Annual accounts for the year 1979-80 in time owing to difficulties in getting their Report etc. translated into Hindi. The Academy could complete the translation work only in December, 1981. Hence, the Audited Accounts of the Academy for the year 1979-80 are now being placed on the Table of the House."

3.11. The Annual Report for 1981 alongwith Audited accounts for 1980-81 of the Academy were laid on the Table of Lok Sabha on 22 July, 1982 with a statement showing reasons for delay which *inter alia* reads as follows:—

"Presently, the National Academy of Medical Sciences prepare their Annual Report for the calendar year and the Annual Accounts for the financial year. The Annual Report is placed before the Annual General Body Meeting of the Academy held

normally in the second or third week of March every year. The Audited statements of accounts together with the Audited Reports of the previous year are also presented to the Annual General Body at the meeting in March, for approval. The Audited accounts for 1980-81 formed part of the Annual Report and were placed before the Annual General Body at its meeting held in March, 1982. This explains the delay in laying the 1980-81 Audited Annual Accounts before Parliament. The Academy has been advised to prepare the Annual Reports for the financial year instead of for the calendar year. The Academy could submit the Annual Report 1981, containing the Auditor's Report and Audited Accounts for 1980-81 in English and Hindi version only in June, 1982. Hence the Audited Accounts etc. of the Academy for the year 1980-81 are now being placed on the Table of the Sabha."

3.12. The Committee note that Annual Reports of the National Academy of Medical Sciences, New Delhi for 1979 and 1980 were laid on the Table of Lok Sabha with a delay of 17 months and 6 3/4 months respectively. The Committee further note that the Annual Report of the Academy for 1981 which was laid on the Table of Lok Sabha on 22 July, 1982 did not involve any delay. As regards the Audited Accounts of the Academy for 1978-79, 1979-80 and 1980-81, these involved delay of 26 months, 15 3/4 months and 6 3/4 months respectively. The Committee note with satisfaction that the delay has been eliminated in the case of Annual Reports of the Academy. The Committee hope that the delay, which has already been reduced from 26 months to 6 3/4 months in laying the Audited Accounts will be eliminated altogether in future.

3.13. The Committee note that Annual Report of the National Academy of Medical Sciences, New Delhi is prepared on calendar year basis whereas its accounts are compiled on financial year basis. The Committee do not approve of this practice being followed by the Academy inasmuch as the grants are given for undertaking certain activities or projects during a financial year and it is but imperative that the Annual Report is prepared also on the basis of financial year so that the House may judge the achievements made and projects completed during the financial year for which grants were sanctioned.

3.14. The Committee, therefore, recommend that in future the Annual Report of the National Academy of Medical Sciences, New Delhi should be prepared for the financial year instead of Calendar year. The Ministry of Health and Family Welfare and the Academy should also take necessary action to amend the relevant rules and regulations of the Academy to

**provide for preparation of Annual Report of the Academy for financial year.**

**3.15.** The Committee are surprised to note that 'Review' on the working of the Academy was not laid alongwith any of the Annual Reports for 1979, 1980 and 1981 on the ground that the National Academy of Medical Sciences, New Delhi is a Registered Society and not an autonomous organisation in terms of recommendations contained in paragraph 3.6 of the Second Report (Sixth Lok Sabha) of the Committee on Papers laid on the Table. The Committee feel that the Ministry have coined an excuse to justify their lapse. The Committee have not doubt that the Institutions registered under the Societies Registration Act, 1860 enjoy considerable degree of autonomy though these are termed as 'Registered Societies'. Moreover, the recommendations made by the Committee in paragraphs 3.6 and 3.8 tend to cover all the institutions/bodies which receive funds out of the Consolidated Fund of India and whose Annual Reports and Accounts are laid on the Table of the House. Thus, the above recommendations equally apply to the case of National Academy of Medical Sciences, New Delhi. The Committee therefore, recommend that the Ministry should invariably prepare a 'Review' on the lines already suggested in paragraph 3.6 of the Second Report (Sixth Lok Sabha) of the Committee on Papers laid on the Table, and lay the same on the Table of the House for information of Members of Parliament.

## CHAPTER IV

### REQUEST FOR WAIVING THE REQUIREMENT OF LAYING OF AUDITED ACCOUNTS OF CERTAIN ORGANISATIONS WHOM GRANTS-IN-AID ARE GIVEN BY THE DEPARTMENT OF PERSONNEL AND ADMINISTRATIVE REFORMS

In paragraph 1.16 of their First Report (Fifth Lok Sabha), presented to the House on 8.3.1976, the Committee on Papers laid on the Table have recommended that the audited accounts and Audit Reports of all autonomous organisations should be laid on the Tables of the Houses within 9 months of the close of their accounting year.

4.2. In paragraph 1.12 of their Second Report (Sixth Lok Sabha), presented to the House on 22.12.1977, the Committee further recommended that:—

“....all Statutory/Autonomous organisations, Public Undertakings, Corporations, Joint Ventures, Societies etc., which are financed out of funds drawn from the Consolidated Fund of India, after being voted by the Parliament, in the form of shares, subsidies, grants-in-aid etc., either wholly or partly should lay their Annual Reports/Audit Reports (both English and Hindi versions) before both Houses of Parliament irrespective of the fact whether the Statutes, Rules or Regulations of such organisations provide therefor or not and whether they are registered under the Companies Act, 1956 or not.”

4.3. In paragraph 2.5 of their Ninth Report (Sixth Lok Sabha), presented to the House on 22.1.1978, the Committee has also recommended as under:

“After considering all aspects of the matter, the Committee reiterate their earlier recommendation made in para 1.12 of their Second Report (Sixth Lok Sabha) and recommend that the Annual Reports and Audit Reports of Co-operative Societies registered under the Co-operative Societies Acts, which are financed out of funds drawn from the Consolidated Fund of India, should invariably be laid before both Houses of Parliament.”

4.4. In a note, routed through the Department of Parliamentary Affairs (Appendix I) the Department of Personnel and Administrative Reforms have stated that so far as the Welfare Wing of that Department is concerned, grants-in-aid/subsidy are being disbursed to the following institutions:

- (i) Central Government Employees Consumer Co-operative Society Ltd., New Delhi.
- (ii) Grah Kalyan Kendra Board.
- (iii) Central Civil Services Sports Control Board.
- (iv) Central Government Employees Residents' Welfare Associations.
- (v) Central Government Employees Co-ordination Committees.
- (vi) Recreation Clubs/Halls located in New Delhi.

4.5. The audited accounts of the Central Government Employees Consumer Cooperative Society Ltd., are laid before Parliament. So far as Grah Kalyan Kendra Board and Central Civil Services Sports Control Board are concerned, the Department of Personnel and Administrative Reforms\* promised to lay their accounts before Parliament from the year 1980-81.

4.6. The audited accounts of the other three organisations mentioned at (iv), (v) and (vi) in para 4.4 above are not being laid before Parliament due to the reasons explained in the succeeding paragraphs.

4.7. As regards the Central Government Employees Residents' Welfare Associations, that Department has explained their difficulties in laying the audited accounts before Parliament as under:

"The Central Government Employees Residents' Associations are purely voluntary organisations formed by Government Employees residing in a particular area. These Associations submit only proforma accounts under the headings 'Receipts and Expenditure' for the year. Their accounts are not prepared on commercial basis in the form of Balance Sheet of Assets and Liabilities, Profit and Loss Account statements etc. The Accounts are audited by an Internal Auditor, elected by the General Body of the Association, from among the members of Association. Besides grants given by this Department, they raise funds also from their members. The maximum amount

\*Annual Report and audited accounts laid on the table of Lok Sabha on 14 July, 1983.

of grant that can be given to a Resident Welfare Association in a year is only Rs. 2,000/-.

The Accounts are required to be submitted to the Government within three months of the close of the financial year of the proceeding year (*i.e.* by the 30th June, in the following year), duly approved by the General Body, before Grant-in-aid for the year is quite large and would entail cumbersome work if the of Associations fail to keep to the time limit and there is considerable delay in submission of the accounts. In many cases, the accounts submitted are found defective and these are returned for rectification. In some cases, proper accounts are not received till the close of the financial year and grant-in-aid are forfeited.

The number of the Associations, presently the number being 121, is quite larger and would entail cumbersome work if the accounts are to be laid before Parliament. As stated earlier, the amount of Grant-in-aid released to each Association does not exceed Rs. 2000/- or one year which is the maximum ceiling fixed for the purpose. The Grants vary from Association to Association depending on the subscription raised from the members of the Association in the previous year. In certain cases the Grant released is not more than Rs. 100/-. Having regard to the smallness of the amount involved, it does not appear necessary to place these accounts before Parliament.

4.8 In regard to the Central Government Employees Co-ordination Committee, it has been stated;

"Similar is the case with the Central Government Employees Welfare Co-ordination Committee functioning at places outside Delhi. It may be mentioned that these are managed wholly by Heads of Departments of offices located at a particular place. Since the Heads of Departments go on changing, our experience is that a number of Committees fail to keep the time limit and hence there is considerable delay in submission of the accounts. In many cases, the accounts submitted are found defective and these are returned for rectification. In some cases proper accounts are not received till the close of the financial year and the grant-in-aid are forfeited.

The number of Committees being 45, each Committee is required to submit two accounts for Cultural and Indoor games and Secretariat assistance separately. Hence there are 90 accounts. It would entail a cumbersome task if the accounts are to be laid before the Parliament. The amount of Grant released

individually is very small. The volume of papers submitted by the Committee is very large. They either submit accounts in English or Hindi. If the accounts are laid before the Parliament, they will have to be translated in the other language and hence considerable labour would be involved. Since the accounts would not be in the nature of Balance Sheets or Profit or Loss Accounts, no useful purpose would be served by presenting these Accounts to the Parliament."

4.9. Explaining their difficulties in laying the audited accounts of the Recreating Clubs/Halls located in New Delhi, the Department of Personnel and Administrative Reforms have stated:

"Similar is the case with the Recreation Clubs/Halls formed in Government offices. It may be further added that the activity of release of Grant-in-aid in respect of Clubs has been decentralised from the financial year commencing from 1st April, 1981 and henceforth such clubs will be paid grant-in-aid by the respective administrative Ministries. The Grant-in-aid will, however, continue to be given to the Recreation Halls by this Department.

The preparation of requisite number of the accounts both in English and Hindi will involve a lot of labour and the present manpower available will not be in a position to cope with the work. The results achieved will not be commensurate with the labour involved."

4.10 The Department of Personnel and Administrative Reforms have requested for waiving the requirement of laying the audited accounts of (i) Central Government Employees Resident's Welfare Associations; (ii) Central Government Employees Co-ordination Committees; and (iii) Recreation Clubs/Halls located in New Delhi as the number of these bodies is very large and the amount of grant given to them is very small. The amount of financial assistance given to each of the above organisations during the years 1978-79, 1979-80 and 1980-81 is as under:

(Figures are in thousand of Rupees)

Name of Organisation	1978-79	1979-80	1980-81
Central Government Employees Residents Welfare Associations	1,31*	1,23*	1,28
Central Government Employees Co-ordination Committees	1,10*	1,30*	1,36*
Recreation Halls	0,07*	0,07*	0,06*

\*This amount is disbursed among various Association/Committees numbering 122, 45 and 3 respectively.

4.11. From the information received from the Department of Personnel and Administrative Reforms, the Committee find that that Department gives grants-in-aid/subsidy to the following institutions:

- (i) Central Government Employees Consumer Co-operative Society Limited, New Delhi;
- (ii) Grih Kalyan Kendra Board;
- (iii) Central Civil Services Sports Control Board;
- (iv) Central Government Employees Residents' Welfare Associations;
- (v) Central Government Employees Co-ordination Committee; and
- (vi) Recreation Clubs/Halls located in New Delhi.

The Committee also find that in pursuance of the recommendation of the Committee on Papers laid on the Table made in paragraph 2.5 of their Ninth Report (Sixth Lok Sabha), the Annual Report and audited accounts of the Central Government Employees Consumer Co-operative Society Limited, New Delhi, are laid before Parliament and that the Annual Report and Audited accounts of the Society for the year 1979-80 (year ended 30 June, 1980) were laid on the Table of Lok Sabha on 8 May, 1981. It is regrettable that although the Annual Report and audited accounts of the Society for the year 1981-82 have already become due for laying, yet the Annual Report and audited accounts of the Society for the earlier year, viz. 1980-81 have not been laid.

4.12. The Committee are constrained to observe that their guidelines laid down in paragraphs 1.16 and 3.5 of their First Report (Fifth Lok Sabha) which stipulate that the Annual Report and audited accounts should be laid on the Table within 9 months of the close of the year are not being scrupulously followed either by the Society or by the Department of Personnel and Administrative Reforms. The Committee, therefore, need hardly emphasise that their guidelines should be observed in both their letter and spirit. The Committee, however, hope that the Annual Reports and audited accounts of the Central Government Employees Consumer Co-operative Society Limited, New Delhi for the years 1980-81 and 1981-82 would be laid on the Table of Lok Sabha without any further delay, alongwith a statement explaining in chronological order the reasons for delay and that in future these documents would be laid within the prescribed period.

4.13 The Committee note with satisfaction that, as per their assurance the Department of Personnel and Administrative Reforms had laid on the Table of Lok Sabha on 14 July, 1982, the Annual Reports and audited accounts of Grih Kalyan Kendra Board and the Central Civil Services Sports Control Board for the year 1980-81 and would in future ensure

laying of Annual Reports and audited accounts of these bodies within the time limit prescribed by the Committee. The Committee trust that that Department would honour its promise.

4.14. From the information supplied by that Department, the Committee note that the audited accounts of (a) Central Government Employees Residents' Welfare Associations; (b) Central Government Employees Co-ordination Committees; and (c) Recreation Clubs/Halls located in New Delhi, are not being laid on the table of Parliament. The Department has requested for exemption from laying the audited accounts of these bodies on the ground that the number of such bodies is very large and the amount of grant released individually is very small. There were as many as 121 Central Government Employees Residents' Welfare Associations, 45 Central Government Employees Co-ordination Committees and 12 Recreation Clubs/Halls which received financial assistance from the Department of Personnel and Administrative Reforms during the year 1978-79, 1979-80 and 1980-81, as under:

(Figures are in thousands of rupees)

	1978-79	1979-80	1980-81
Central Government Employees Residents Welfare Associations	1,31	1,23	1,28
Central Government Employees Co-ordination Committees	1,10	1,30	1,36
Recreation Halls	0,07	0,07	0,06

4.15. Keeping in view the difficulties expected to be encountered by the Department of Personnel and Administrative Reforms in laying the audited accounts of the above Associations/Coordination Committees/Halls etc. before Parliament and the smallness of the amount of grant-in-aid given to them individually, the Committee would not like to insist on the requirement of laying of the audited accounts of these bodies before Parliament. The Committee, however, desire that that Department should in future, incorporate invariably in their own Annual Report a separate Chapter showing the quantum of grant-in-aid/subsidy disbursed to each of these bodies, with a brief description of their activities for the information of the members of Parliament.

NEW DELHI;

11 February, 1983

22 Magha, 1984 (Saka).

KRISHNA SAHI,

Chairman,

Committee on Papers laid on the Table

## APPENDIX I

(*Vide* para 4.4 of Chapter IV)

### DEPARTMENT OF PERSONNEL AND A. R.

**SUBJECT: Grants-in-aid to voluntary organisations—etc.—Placing of Annual accounts etc. before Parliament.**

1.1 The Committee on Papers laid on the Table recommended in para 1.16 of their First Report (Fifth Lok Sabha) that the audited accounts and audit Reports of autonomous/statutory bodies should be laid before Parliament within 9 months of the close of the relevant accounting year, by the administrative Ministries concerned. The recommendation was reiterated by the Committee in its 9th Report (6th Lok Sabha).

1.2 The Committee further recommended in para 2.5 of their Ninth Report (Sixth Lok Sabha) that the Annual Reports and Audit Reports of Co-operative Societies registered under the Co-operative Societies Acts, which are financed out of funds drawn from the Consolidated Fund of India, should be laid before both Houses of Parliament.

1.3 With reference to the aforesaid recommendations of the Committee on Papers, the Ministry of Finance (Department of Expenditure) issued instructions *vide* their O.M. No. 13 (10)-E (Co-ord)/78, dated 31-3-1980, that the Administrative Ministries should ensure compliance with the recommendations of the Committee in respect of autonomous bodies/Institutions to whom grants are made by different Ministries.

1.4 It has also been provided *vide* Government of India decision No. 6 under Rule 150 of the GFRs., 1963 (Third Edition) incorporated *vide* Ministry of Finance O.M. No. 14(4)-E. III(A)/80 dated 5-9-1980, that Audited statements of Accounts of Voluntary organisations etc. receiving grants from Government shall be laid on the Table of the Parliament within 9 months of the financial year of the grantee institution.

1.5 In this connection *vide* their O.M. dated the 16th January 1981, Ministry of Finance, Department of Expenditure desired to know from Ministries/Departments whether they would encounter any difficulty in placing the Annual Accounts etc. before Parliament of all grantee institutions etc. irrespective of the size of the grant or of the percentage it bears to the expenditure of the grantee. Since we had genuine difficulties in placing the accounts being administered by the Welfare Wing, the Ministry of

Finance (Department of Expenditure) were informed of the facts and difficulties in our O.M. dated the 16th March, 1981. That Ministry advised us to take up the matter direct with the Department of Parliamentary Affairs.

2.1 In so far as the Welfare Wing of the Department of Personnel and A.R. is concerned, Grants-in-aid/subsidy are being disbursed to the following institutions:—

- (i) Central Government Employees Consumer Co-operative Society Ltd., New Delhi.
- (ii) Grih Kalyan Kendra Board;
- (iii) Central Civil Services Sports Control Board;
- (iv) Central Government Employees Residents' Welfare Associations;
- (v) Central Government Employees Co-ordination Committees.
- (vi) Recreation Clubs/Halls located in New Delhi.

2.2 At present, the audited accounts of the Central Government Employees Consumer Co-operative Society Ltd. are being placed before Parliament in pursuance of the recommendations of the Committee on Papers laid on the Table of Parliament made in their Ninth Report (Sixth Lok Sabha).

2.3 Although numerous difficulties are being experienced in placing the accounts of Grih Kalyan Kendra Board and Central Civil Services Sports Control Board, it is proposed to place the annual accounts in respect of these two organisations from the year 1980-81 in difference to the wishes of the Committee on Papers. There are 35 Regional Sports Boards set up at various centres in the country. The Grant-in-aid is disbursed among these Regional Boards by the Central Civil Services Sports Control Board. Efforts are always made to obtain the Statement of Accounts from the Regional Sports Board but somehow it takes a long time for the preparation of Statement of Accounts. Thereafter these accounts have to be got audited by the Auditors engaged for the purpose by the Board. Keeping in view the above, it may not be possible to place the accounts of the Board for the year 1980-81 before Parliament before February, 1982. However, it will be ensured that in the subsequent years the accounts are prepared well in time so that these are placed before the Parliament within the stipulated time. In view of the reasons mentioned above, the time limit of 9 months may be extended to 11 months for the year 1980-81.

2.4 The audited accounts of other institutions are not being placed before Parliament. The practical difficulties expected to be encountered in placing the audited accounts of these institutions before Parliament are set out in the following paragraphs.

2.5 The Central Government Employees' Residents' Associations are purely voluntary organisations formed by Govt. Employees residing in a particular area. These Associations submit only proforma accounts under

the heading 'Receipts and Expenditure' for the year. Their accounts are not prepared on commercial basis in the form of Balance Sheet of Assets and Liabilities, Profit and Loss Account Statements etc. The Accounts are audited by an Internal Auditor, elected by the General Body of the Association, from among the members of the Association. Besides, grants given by this Department, they raise funds also from their members. The maximum amount of grant that can be given to a Resident Welfare Association in a year is only Rs. 2,000/-.

2.6 The Accounts are required to be submitted to the Govt. within three months of the close of the financial year of the preceding year (i.e. by the 30th June, in the following year), duly approved by the General Body, before Grant-in-aid for the year is released. The experience, however, has been that a number of Associations fail to keep to the time limit and there is considerable delay in submission of the accounts. In many cases, the accounts submitted are found defective and these are returned for rectification. In some cases, proper accounts are not received till the close of the financial year and grants-in-aid are forfeited.

2.7 The number of the Associations, presently the number being 121, is quite large and would entail cumbersome work if the accounts are to be laid before Parliament. As stated earlier, the amount of Grant-in-aid released to each Association does not exceed Rs. 2,000/- for one year which is the maximum ceiling fixed for the purpose. The Grant vary from Association to Association depending on the subscription raised from the members of the Association in the previous year. In certain cases the Grant released is not more than Rs. 100/-. Having regard to the smallness of the amount involve, it does not appear necessary to place these accounts before Parliament.

2.8 Similar is the case with the Central Govt. Employees Welfare Co-ordination Committee functioning at places outside Delhi. It may be mentioned that these are managed wholly by Heads of Departments of Offices located at a particular place. Since the Heads of Departments go on changing, our experience is that a number of Committees fail to keep the time limit and hence there is considerable delay in submission of the accounts. In many cases, the accounts submitted are found defective and these are returned for rectification. In some cases proper accounts are not received till the close of the financial year and the Gants-in-aid are forfeited.

2.9 The number of Committees being 45, each Committee is required to submit two accounts for Cultural and Indoor games and Secretariat assistance separately. Hence there are 90 accounts. It would entail a cumbersome task if the accounts are to be laid before the Parliament. The amount of Grant released individually is very small. The volume of papers

submitted by the Committee is very large. They either submit accounts in English or Hindi. If the accounts are laid before the Parliament, they will have to be translated in the other language and hence considerable labour would be involved. Since the Accounts would not be in the nature of Balance Sheets or Profit or Loss Accounts, no useful purpose would be served by presenting these Accounts to the Parliament.

2.10 Similar is the case with the Recreation Clubs/Halls formed in Government Offices. It may be further added that the activity of release of Grant-in-aid in respect of Clubs has been decentralised from the financial year commencing from 1st April, 1981 and henceforth such clubs will be paid Grant-in-aid by the respective Administrative Ministries. The Grant-in-aid will, however, continue to be given to the Recreation Halls by this Department.

2.11 The preparation of requisite number of the accounts both in English and Hindi will involve a lot of labour and the present man-power available will not be in a position to cope with the work. The results achieved will not be commensurate with the labour involved.

2.12 The information on the points (i) to (vii) of para 2 of the Department of Parliamentary Affairs O.M. No. F. 20(7)81-Leg. dated 16-4-1981 is sent herewith, as desired. (Annexure)

3. The approval of the Department of Parliamentary Affairs is solicited on the following matters:—

- (i) The time limit of 9 months for placing the accounts in respect of Grah Kalyan Kendra Board and Central Civil Service Sports Control Board for the year 1980-81 may be extended to 11 months.
- (ii) The condition of placing the accounts in respect of (a) Central Govt. Employees Residents Welfare Associations (b) Central Government Employees Co-ordination Committees and (c) Recreation Clubs/Halls may be waived.

#### *Annexure*

Statement showing the information in respect of Organisations—Exemption from placing the accounts before the Parliament.

---

(i) the name of the Institutes to which the recommendation of the Committee made in para 1.11 of their Sixth Report (Seventh Lok Sabha) is proposed to be made applicable.	<ol style="list-style-type: none"><li>1. Central Govt. Employees Residents' Welfare Association.</li><li>2. Central Govt. Employees Co-ordination Committees.</li><li>3. Recreation Halls.</li></ol>
--	--

---

(ii) the source through which these Institutes are financed. Partly by way of Grants-in-aid sanctioned by the Deptt. of personnel and A.R. (Ministry of Home Affairs) from time to time and partly by raising subscriptions/amounts raised by certain organisations.

(iii) the names of the Central Organisations which control those institutes and whether they are fully financed by that organisation. Grant-in-aid is being sanctioned direct by the Department of Personnel and A.R. There is no Central Organisation which controls these Institutes.

(iv) The Ministry which administers and controls these organisations. Department of Personnel and Administrative Reforms.

(v) the amount of financial assistance given to each of the Institutes during 1978-79, 1979-80 and 1980-81. A statement is attached.

(vi) whether Annual Report and Audit Reports of these Central Organisations are laid on the table, if so, the dates of laying of their reports before Parliament, for the year 1977-78, 1978-79 and 1979-80; and A chapter on account of the functioning of each organisation including Budget Provision for Grant-in-aid to these organisations is reflected in the Annual Report of this Department; a copy of which has already been sent (Chapter V of the Report is relevant).

(vii) difficulties envisaged regarding laying of Reports/Accounts of these Institutes before Parliament. Difficulties envisaged regarding laying of Reports/Accounts of these Institutes/ Organisations before Parliament have been mentioned in the Consolidated note.

Statement showing the amount of Financial Assistance given to the Organisations during the year 1978-79, 1979-80 and 1980-81.

(Figures are in thousands of Rs.)

Name of Organisation	1978-79	1979-80	1980-81
Central Government Employees Residents Welfare Association . . . . .	1,31*	1,23*	1,28*
Central Govt. Employees Co-ordination Committees . . . . .	1,10*	1,30*	1,36*
Recreation Halls . . . . .	1,07*	0,07*	0,06*

\*This amount is disbursed among various Associations/Committees numbering 121, 45 and 3 respectively.

## APPENDIX II

### SUMMARY OF RECOMMENDATIONS/OBSERVATIONS CONTAINED IN THE REPORT

S. No	Reference to Paragraph No. of the Report	Summary of Recommendations/ Observations
1	2	3
1	1.10	<p>The Committee regret to note that, in spite of their recommendation made in paragraph 3.5 of their First Report (Fifth Lok Sabha), presented to Lok Sabha on 8 March, 1976, that the Annual Reports and Audited Accounts of autonomous organisations should be laid on the Table of the House within 9 months of the close of the accounting year, the Annual Report and Audited Accounts of the Rubber Board, Kottayam for 1978-79 were laid on the Table of Lok Sabha after a delay of 10½ months and 14 months, respectively.</p>
2	1.11	<p>The Committee find that the Ministry of Commerce did not lay any statement of reasons for delay along with the Annual Report of the Rubber Board for 1978-79 although such a statement was laid with the Audited Accounts for that year. The Committee further find that even in the case of subsequent Annual Reports and Audited Accounts for 1979-80 and 1980-81 which also involved delay ranging from 4 to 2 months, the Ministry of Commerce did not lay any statement of reasons for the delay. The Committee regret to observe that the Ministry had not taken seriously and with due regard the Committee's recommendations while laying the Annual Reports and Audited Accounts on the Table of the House. They also did not care to comply with the following instructions issued as early as 1962 which are con-</p>

1 2

3

tained in paragraph 4.16 of the brochure entitled 'Procedure to be followed by Ministers in connection with Parliamentary work'—

"Whenever there is undue delay in laying a document (including the statutory rules etc.) on the Table of the House, the concerned Minister should also arrange to lay on the Table, along with such document, a statement giving reasons for the delay.

The lapse on the part of the Ministry in not laying the statement of reasons for the delay leads the Committee to the inescapable conclusion that the papers meant for being laid before Parliament are not checked and processed properly in the Ministry.

3 1.12 The Committee, therefore, recommend that all papers meant for being laid before Parliament should in future be carefully checked by a senior officer not below the rank of Deputy Secretary in the Ministry so as to ensure that these are complete in every respect. The Committee hope that in future while laying on the Table of the House the Annual Reports and Audited Accounts of the organisations under their administrative control, the Ministry would be extra vigilant and would not allow any such lapse to recur.

4 1.13 The Committee are distressed to find that although the English version of the Annual Report for 1978-79 was ready on 14 January, 1980 and Hindi version on 23 May, 1980, yet the Ministry did not make any effort to lay the English version during the session held from 21 January to 2 February, 1980 and Hindi version during the session held from 9 June to 12 August, 1980. Instead they laid these documents on the Table of the House on 21 November, 1980. Similarly, the Audited Accounts of the Board for 1978-79 were ready in March, 1980 but these were laid neither during the

session held from 9 June to 12 August, 1980 nor during the session held from 17 November to 23 December, 1980. These were laid on the Table of Lok Sabha only on 27 February, 1981. Apart from this, both the Annual Report and Audited Accounts of the Board for the year 1978-79 were ready in May, 1980. These could well be laid together on the Table of the House but these were laid on different dates. The Committee on Papers Laid on the Table (Fifth Lok Sabha) have recommended in paragraph 3.5 of their First Report that the Annual Report and Audited Accounts of Organisations should normally be laid together but the Ministry of Commerce did not follow that recommendation.

5

f.14

The Committee, therefore, reiterate their earlier recommendation contained in paragraph 3.5 of their First Report (Fifth Lok Sabha) that:

“....normally the Annual Report and audited accounts of autonomous organisations should be presented to Parliament together to enable the House to have a complete picture of the working of that body. This decision should not be taken to imply that laying of reports and accounts could be delayed to any length of time. The Committee recommend that the Annual Report together with the audited accounts and audit report thereon for a particular year should be laid on the Table within 9 months of the close of the accounting year unless otherwise stipulated in the Act or Rules under which the organisation has been set up. To comply with this requirement proper time schedule should be laid down for compilation of Annual Report and accounts and their auditing. The Committee feel that normally a period of 3 months would be sufficient for compilation of accounts and their submission

to audit; the next 6 months might be given for auditing of accounts; for printing of the report and sending it to Government for laying. If for any reason the report, audited accounts and audit report cannot be laid within the stipulated period of nine months, the Ministry should lay within 30 days of expiry of the prescribed period or as soon as the House meets, whichever is later, a statement explaining the reasons why the report and accounts could not laid within the stipulated period."

The Committee trust that the Ministry will follow it in letter and spirit and would ensure that both the Annual Report and Audited Accounts of Organisations are laid together within the stipulated period of nine months after close of the accounting year.

6

1.15 The Committee regret to note that the Ministry of Commerce took as long as 3 years in communicating the recommendation made in paragraph 3.5 of their First Report (Fifth Lok Sabha) to the Rubber Board, Kottayam. The Committee cannot help concluding that their recommendations have been taken very lightly by the Ministry. Had they been vigilant and circulated the recommendations immediately after receiving copy of the First Report, much of the delay could have been avoided, if not totally eliminated. The Committee would, therefore, impress upon the Ministry to be very careful in future and to take prompt action to circulate the recommendations which the Committee might make to all concerned departments and organisations under their control for guidance and compliance.

7

1.16 The Committee find that neither the Rubber Board Act, nor the Rules made thereunder provide for laying of Annual Reports and Audited Accounts of the Rubber Board on the Table of the House. The

Committee, therefore, recommend that early steps be taken to make provisions in the Act or Rules made thereunder, enjoining upon the Ministry to lay on the Table of Lok Sabha within 9 months of close of accounting year the Annual Reports and Audited Accounts of the Rubber Board, Kottayam. The Committee hope that urgent steps would be taken by the Ministry in this direction.

8            2.14        The Committee note that the Audited Accounts of the Central Silk Board, Bombay for the years 1977-78, 1978-79, 1979-80 and 1980-81 were laid on the Table of Lok Sabha on 12 March, 1980, 20 June, 1980, 27 February, 1981 and 30 April 1982, respectively. In terms of the recommendation contained in paragraph 3.5 of First Report (Fifth Lok Sabha) of the Committee on Papers laid on the Table, the above accounts involved delay of 14½ months, 6 months, 2 months and 4 months, respectively, but the Ministry did not lay any statement showing reasons for the delay alongwith any of the above accounts.

9            2.15        It is regrettable to observe that despite the Committee's repeated recommendation as also the instructions issued by Lok Sabha Secretariat as early as 1962 which are contained in the brochure entitled 'Procedure to be followed by Ministries in connection with Parliamentary Work' on the requirement of laying on the Table of the House statement showing reasons for delay along with documents involving delay, the Ministry of Commerce did not follow the prescribed procedure. Even when the attention of the Ministry was drawn to the lapse on their part in the case of Audited Accounts for 1977-78 they did not care to lay the statement with the subsequent Annual Reports and Audited Accounts. The Committee are constrained to observe that their

recommendations have not received the due respect that they deserve from the Ministry. The Committee need hardly stress that in cases involving delay, it is imperative that the statement explaining reasons for delay is laid on the Table of the House so that Members of Parliament may know the stage where the delay occurred and suggest remedial measures, if necessary, for future guidance. The Committee trust that the Ministry will be vigilant in future and will follow strictly the procedure prescribed for their guidance.

10            2.16        The Committee note that despite their recommendation made in paragraph 3.5 of their First Report (Fifth Lok Sabha) that both the Annual Report and Audited Accounts of an organisation for a particular year should normally be laid together so that the House may have a complete picture of the working of organisation, there has never been an occasion since 1977-78 when both the Annual Report and Accounts of the Central Silk Board, Bombay were laid together on the Table of the House. The Ministry did not follow the recommendation even in those cases where they could easily have followed it. For example, the Annual Report and Audited Accounts for 1979-80 were laid on the Table of the Lok Sabha on 20 February and 27 February, 1981, respectively. These could well be laid together. Similarly, the Annual Report and audited accounts for 1980-81 which were laid on 19 March and 30 April, 1982, respectively could also be laid together. The Committee would like to impress upon the Ministry to keep a watch over the finalisation of Annual Reports and Accounts of the Board so as to ensure that both the Annual Report and Audited Accounts of the Board are laid on the Table of the House together within the prescribed period.

11            2.17        The Committee are distressed to find that the Central Silk Board, Bombay did not follow even its own time schedule laid down in Rule 37 of the

1

2

3

**Central Silk Board Rules, 1955** which requires the Board to submit its accounts to auditors for auditing by 31 May (i.e. within 2 months of close of the accounting year) and then to submit the audited accounts to Government by 31 July (i.e. within 4 months of the close of the accounting year) as evident from the fact that the Board submitted its Annual Accounts for 1977-78 to Auditors on 3 July, 1978 (i.e., 3 months after close of accounting year) and then submitted the audited accounts to Government on 5 May, 1979 (i.e., 13 months after close of accounting year). The Committee need hardly point out that it is of no use laying down a time schedule without observing it. The Committee also find that the time schedule prescribed under Rule 37 of the Central Silk Board Rules, 1955 is not in consonance with the recommendation contained in paragraph 3.5 of the First Report (Fifth Lok Sabha) of the Committee on Papers laid on the Table.

12 2.18 The Committee, therefore, recommend that the Ministry of Commerce should initiate action to amend the Central Silk Board Rules, 1955 so as to bring the time schedule prescribed therein in conformity with the time schedule recommended by the Committee on Papers laid on the Table in paragraph 3.5 of their First Report (Fifth Lok Sabha).

13 2.19 The Committee regret to note that in spite of their recommendations made in paragraphs 3.6 and 3.8 of their Second Report (Sixth Lok Sabha), the Ministry of Commerce did not lay along with Annual Report and Audited Accounts of any of the years 1977-78 to 1980-81 their own 'Review' on the working of the Board. When, in the case of Annual Report for 1978-79 their attention was drawn to the requirement of laying of 'Review', the Ministry of Commerce realised the necessity of laying the 'Review' and briefly indicated the salient achievements of the Silk Industry separately. However, in the case of subsequent Annual Reports for 1979-80 and 1980-81

the Ministry again failed to lay a separate Review on the Table along with the Reports. The Committee cannot but express their displeasure not only over the lapse on the part of the Ministry but also over the lackadaisical manner in which the recommendations of the Committee were taken by them. The Committee now hope and trust that the Ministry of Commerce would be very careful in future and will invariably lay their own 'Review' along with Annual Reports and Audited Accounts of the Board on the lines already suggested by the Committee in paragraphs 3.6 and 3.8 of their Second Report (Sixth Lok Sabha).

14            3.12        The Committee note that Annual Reports of the National Academy of Medical Sciences, New Delhi for 1979 and 1980 were laid on the Table of Lok Sabha with a delay of 17 months and 6 $\frac{1}{2}$  months respectively. The Committee further note that the Annual Report of the Academy for 1981 which was laid on the Table of Lok Sabha on 22 July, 1982 did not involve any delay. As regards the Audited Accounts of the Academy for 1978-79, 1979-80 and 1980-81, these involved delay of 26 months, 15 $\frac{1}{4}$  months and 6 3/4 months respectively. The Committee note with satisfaction that the delay has been eliminated in the case of Annual Reports of the Academy. The Committee hope that the delay, which has already been reduced from 26 months to 6 $\frac{1}{2}$  months in laying the Audited Accounts will be eliminated altogether in future.

15            3.13        The Committee note that the Annual Report of the National Academy of Medical Sciences, New Delhi is prepared on calendar year basis whereas its accounts are compiled on financial year basis. The Committee do not approve of this practice being followed by the Academy inasmuch as the grants are given for undertaking certain activities or projects during a financial year and it is but imperative that the Annual Report is prepared also on the basis of financial year so that the House may judge the

1

2

3

achievements made and projects completed during the financial year for which grants were sanctioned.

16 3.14 The Committee, therefore, recommend that in future the Annual Report of the National Academy of Medical Sciences, New Delhi should be prepared for the financial year instead of Calendar year. The Ministry of Health and Family Welfare and the Academy should also take necessary action to amend the relevant rules and regulations of the Academy to provide for preparation of Annual Report of the Academy for financial year.

17 3.15 The Committee are surprised to note that 'Review' on the working of the Academy was not laid along with any of the Annual Reports for 1979, 1980 and 1981 on the ground that the National Academy of Medical Sciences, New Delhi is a Registered Society and not an autonomous organisation in terms of recommendations contained in paragraph 3.6 of the Second Report (Sixth Lok Sabha) of the Committee on Papers laid on the Table. The Committee feel that the Ministry have coined an excuse to justify their lapse. The Committee have no doubt that the Institutions registered under the Societies Registration Act, 1860 enjoy considerable degree of autonomy though these are termed as 'Registered Societies'. Moreover, the recommendations made by the Committee in paragraphs 3.6 and 3.8 tend to cover all the institutions/bodies which receive funds out of the Consolidated Fund of India and whose Annual Reports and Accounts are laid on the Table of the House. Thus, the above recommendations equally apply to the case of National Academy of Medical Sciences, New Delhi. The Committee, therefore, recommend that the Ministry should invariably prepare a 'Review' on the lines already suggested in paragraph 3.6 of the Second Report (Sixth Lok Sabha) of the Committee on Papers laid on the Table, and lay the same on the Table of the House for information of Members of Parliament.

18 4.11 From the information received from the Department of Personnel and Administrative Reforms, the

1

2

3

Committee find that the Department gives grants-in-aid/subsidy to the following institutions:

- (i) Central Government Employees Consumer Co-operative Society Limited, New Delhi;
- (ii) Grih Kalyan Kendra Board;
- (iii) Central Civil Services Sports Control Board;
- (iv) Central Government Employees Residents' Welfare Associations;
- (v) Central Government Employees Co-ordination Committees; and
- (vi) Recreation Clubs/Halls located in New Delhi.

The Committee also find that in pursuance of the recommendation of the Committee on Papers laid on the Table made in paragraph 2.5 of their Ninth Report (Sixth Lok Sabha), the Annual Report and audited accounts of the Central Government Employees Consumer Co-operative Society Limited, New Delhi, are laid before Parliament and that the Annual Report and audited accounts of the Society for the year 1979-80 (year ended 30 June, 1980) were laid on the Table of Lok Sabha on 8 May, 1981. It is regrettable that although the Annual Report and audited accounts of the Society for the year 1981-82 have already become due for laying, yet the Annual Report and audited accounts of the Society for the earlier year, *viz.*, 1980-81 have not been laid.

19

4.12

The Committee are constrained to observe that their guidelines laid down in paragraphs 1.16 and 3.5 of their First Report (Fifth Lok Sabha) which stipulate that the Annual Report and audited accounts should be laid on the Table within 9 months of the close of the year are not being scrupulously followed either by the Society or by Department of Personnel and Administrative Reforms. The Committee, therefore, need hardly emphasise that their guidelines should be observed in both their letter and spirit. The Committee, however, hope that the Annual Reports and audited accounts of the Central Government Employees Consumer Co-operative Society Limited,

1

2

3

New Delhi for the years 1980-81 and 1981-82 would be laid on the Table of Lok Sabha without any further delay, along with a statement explaining in chronological order the reasons for delay and that in future these documents would be laid within the prescribed period.

20 4.13 The Committee note with satisfaction that, as per their assurance, the Department of Personnel and Administrative Reforms had laid on the Table of Lok Sabha on 14 July, 1982, the Annual Reports and audited accounts of Grih Kalyan Kendra Board and the Central Civil Services Sports Control Board for the year 1980-81 and would in future ensure laying of Annual Reports and audited accounts of these bodies within the time limit prescribed by the Committee. The Committee trust that the Department would keep up its promise.

21 4.14 From the note furnished by that Department, the Committee note that the audited accounts of (a) Central Government Employees Residents' Welfare Associations; (b) Central Government Employees Coordination Committees; and (c) Recreation Clubs/Halls located in New Delhi, are not being laid on the Table and that Department has requested for exemption from laying the audited accounts of these bodies on the ground that the number of such bodies is very large and the amount of grant released individually is very small. There were as many as 121 Central Government Employees Residents' Welfare Associations, 45 Central Government Employees Coordination Committees and 3 Recreation Clubs/Halls which received financial assistance from the Department of Personnel and Administrative Reforms during the year 1978-79, 1979-80 and 1980-81, as under:

(Figures are in thousands of rupees)

	1978-79	1979-80	1980-81
Central Government Employees Residents' Welfare Associations	1,31	1,23	1,28
Central Government Employees Coordination Committees	1,10	1,30	1,36
Recreation Halls	0,07	0,07	0,06

1

2

3

---

22 4.15 Keeping in view the difficulties expected to be encountered by the Department of Personnel and Administrative Reforms in laying the audited accounts of the above Associations/Coordination Committees/Halls etc. before Parliament and the smallness of the amount of grant-in-aid given to them individually, the Committee would not like to insist on the requirement of laying of the audited accounts of these bodies before Parliament. The Committee, however, desire that the Department should in future, incorporate invariably in their own Annual Report a separate chapter showing the quantum of grant-in-aid/subsidy disbursed to each of these bodies, with a brief description of their activities for the information of the Members of Parliament.

---