

**COMMITTEE**  
**ON**  
**PAPERS LAID ON THE TABLE**  
**(1984-85)**

**(SEVENTH LOK SABHA)**

**TWENTY-SECOND REPORT**

*( Presented on 24 August, 1984 )*



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

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# C O R R I G E N D A

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## TWENTY-SECOND REPORT OF THE COMMITTEE ON PAPERS LAID ON THE TABLE (1984-85)

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## INTRODUCTION

I, the Chairman of the Committee on Papers laid on the Table, having been authorised by the Committee to present this Report on their behalf, present this their Twenty-second Report.

2. On examination of certain papers laid on the Table of Lok Sabha during the Eleventh, Twelfth, Thirteenth and Fourteenth Sessions (Seventh Lok Sabha), the Committee have come to certain conclusions in regard to delay in laying of the Annual Reports and Audited Accounts of (i) the Central Institute of Higher Tibetan Studies, Sarnath, Varanasi for the years 1981-82 and 1982-83; (ii) the Oil Palm India Limited for the years 1981-82 and 1982-83; (iii) the Pharmacy Council of India for the years 1979-80, 1980-81 and 1981-82; (iv) the National Agricultural Cooperative Marketing Federation of India Limited for the year 1981-82; (v) the International Institute of Population Studies, Bombay; (vi) the National Institute of Ayurveda, Jaipur for the years 1978-79 to 1982-83; (vii) the Export Promotion Council for Finished Leather and Leather Manufactures for the year 1981-82; and (viii) the Oil India Limited, New Delhi for the year 1981-82 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 21 August, 1984.

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

NEW DELHI :

23 August, 1984  
1 Bhadra, 1906 (Saka).

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

PERSONNEL OF THE COMMITTEE ON PAPER LAID ON  
THE TABLE (1984-85)

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3. Shri Rasa Behari Behra
4. Shri Biren Singh Engti
5. Shrimati Kesharbai Kshirsagar
6. Shri A. R. Mallu
7. Shri V. Sreenivasa Prasad
8. Shri Ram Awadh
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11. Prof. Saif-ud-Din Soz
12. Shri A. G. Subburaman
13. Shri R. N. Tripathi
14. Shri K. P. Unnikrishnan
15. Shri Deen Bandhu Verma

SECRETARIAT

Shri N. N. Mehra—*Joint Secretary*

Shri S. D. Kaura—*Chief Legislative Committee Officer*

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

## CHAPTER I

### DELAY IN LAYING THE ANNUAL REPORTS AND AUDITED ACCOUNTS OF THE CENTRAL INSTITUTE OF HIGHER TIBETAN STUDIES, SARNATH, VARANASI FOR THE YEARS 1981-82 AND 1982-83

The Annual Report and the Audited Accounts of the Central Institute of Higher Tibetan Studies, Sarnath, Varanasi for the year 1981-82 were laid on the Table of Lok Sabha on 24 February, 1983 and 25 August, 1983 respectively. In terms of the recommendation made by the Committee on Papers laid on the Table in paragraph 3.5 of their First Report (Fifth Lok Sabha), laying of the said Annual Report and Audited Accounts involved a delay of 2 months and 8 months, respectively.

1.2 The statement of reasons for delay laid alongwith the Audited Accounts of the Institute for the year 1981-82 read as follows :

“The Central Institute of Higher Tibetan Studies, Varanasi is an autonomous organisation set up by the Government of India under the administrative control of the Department of Culture and is fully financed by the Government. The Annual Report/Audited Account of the Institute for the year 1981-82 were required to be laid on the Table of both the Houses of Parliament by 31.12.1982 and in case either House is not in session during the period the same may be laid as soon as it meets again. As Parliament was not in session during December, 1982, the Annual Report, Review on the working of the Institute and the Delay statement were laid on the Tables of Lok Sabha/Rajya Sabha on 24th and 25th February, 1983 respectively. The Audited Accounts could not be laid as the Audit Report together with Audited Accounts were not available by that time. The Audited Accounts of the Institute together with the Audit Report thereon, as received from the A.G., U.P. II, are now laid on the Tables of both the Houses of Parliament.

The details of the finalisation of the Audit Report are as under :

- |      |   |                       |
|------|---|-----------------------|
| i)   | Date of submission of Accounts to Accountant General, U.P. II             | 30.4.1982             |
| ii)  | Date of submission of revised accounts                                    | 31.7.1982             |
| iii) | Duration of Audit   | 27.7.1982 to 4.8.1982 |
| iv)  | Date of receipt of certified copies of Audit Report and Audited Accounts. |                       |
|      | In the Ministry —   | 10.3.1983             |
|      | In the Institute —  | 12.3.1983             |

- |   |   |
|---|---|
| v) Date of issue of draft audit report by the A.G.  | 21.12.1982  |
| vi) Date of reply to the draft audit report given by the Institute                          | First DAR was replied to on 17-1-83 and the 2nd DAR sent by AG, U.P. on 11.2.83 was replied to by the Institute on 17.2.83. |
| vii) Date of issue of final audit report and audit certificate by the A.G.                  | 28.2.1983   |
| viii) Date of adoption of audited accounts and audit report by the Society.                 | The report will be adopted by the Society in the next meeting of the Governing Body.  |
| ix) Date of receipt of printed copies of the Audit Report/Audited Accounts in the Ministry. | 15.4.1983   |
| x) Date of receipt in the Ministry of reasons for delay from the Institute.                 | 3.5.983."   |

1.3 The Ministry of Education and Culture, who were asked to explain the circumstances which had resulted in the C & A.G. taking about 7 months time for issuing the final Audit Report and Audit Certificate after the accounts had been audited by the Auditors, informed as follows :

"The office of the C & A.G. has intimated that the audit report could not be finalised earlier by the A.G. because it remained under scrutiny and correspondence with the Unit. Information from the institute had to be collected personally in February, for early finalization of the report."

1.4 As regards the date on which the General Body of the institute adopted the Audit Report of the Institute for the year 1981-82. the Ministry of Education and Culture informed that "the Board of Governors of the Institute considered the Audit Report in its meeting held on 6 October, 1983."

1.5 The Annual Report of the Central Institute of Higher Tibetan Studies, Sarnath, Varanasi for the year 1982-83 was laid on the Table of Lok Sabha on 22 December, 1983. The Audited Accounts of the Institute for the year 1982-83 were laid on the Table of Lok Sabha on 12 April, 1984.

1.6 The statement of reasons for delay in laying the Audited Accounts of the Institute for the year 1982-83 read as follows :

"The Central Institute of Higher Tibetan Studies, Varanasi is an autonomous organisation set up by the Government of India under

the administrative control of the Department of Culture and is fully financed by the Government. The Annual Report/Audited Accounts of the Institute for the year 1982-83 were required to be laid on the Tables of both the Houses of Parliament by 31.12.1983. The Annual Report and Review on the working of the Institute were laid on the Tables of Lok Sabha/Rajya Sabha on 22nd December, 1983. The Audited Accounts could not be laid as the Audit Report together with Audited Accounts were not available by that time. The Audited Accounts of the Institute together with the Audit Report thereon, as received from the Accountant General, Uttar Pradesh II, are now laid on the Tables of both the Houses of Parliament."

The details of the finalisation of the Audit Report are as under :

i)	Date of submission of Accounts to Accountant General, U.P. II	30.6.1983
ii)	Duration of Audit	22-8-1983 to 26.8.1983
iii)	Date of issue of draft audit report by the Accountant General, Uttar Pradesh	23.11.1983
iv)	Date of receipt of replies to the draft audit report from the Institute by the Accountant General, Uttar Pradesh	2.12.1983
v)	Date of issue of final audit report and audit certificate by the Accountant General	6.1.1984
vi)	Date of receipt of certified copies of Audit Reports and Audited Accounts	In the Ministry 13.1.1984 In the Institute 10.1.1984
vii)	Date of adoption of audited accounts and audit report by the Society.	29.2.1984
viii)	Date of receipt of printed copies of the Audit Report/Audited Accounts in the Ministry.	18.1.1984
ix)	Date of receipt in the Ministry of reasons for delay from the Institute.	3.2.1984"

1.7 The Committee on Papers laid on the Table considered the matter at their sitting held on 12 July, 1984.

1.8 The Committee note that the Annual Report and the Audited Accounts of the Central Institute of Higher Tibetan Studies, Sarnath, Varanasi for the year 1981-82 were laid on the Table of Lok Sabha on 24 February, 1983 and 25 August, 1983, respectively, i.e. after a delay of 2 months and 8 months, respectively. Although the delay is not much in the case of Annual Report for the year 1981-82, the delay that occurred in the case of Audited Accounts for that year is not reasonable. From the information supplied by the Ministry of Education and Culture the Committee find that the delay in the case of Audited

Accounts had occurred due to the time taken by the Accountant General, Uttar Pradesh II. The Committee feel that had the Ministry or the Institute been more vigilant and taken up the question of delay with the Accountant General, much of the delay could have been eliminated.

1.9 The Committee regret to find that the Ministry of Education and Culture had laid on the Table of the House the Audited Accounts of the Central Institute of Higher Tibetan Studies, Sarnath, Varanasi for the year 1981-82 prior to their being placed before the Annual General body of the Institute. The Committee need hardly point out that the documents/papers/Reports and Accounts should be laid on the Table of the House after complying with all the statutory requirements. Laying of documents prior to their approval by the Annual General Body of an organisation is a serious matter. Technically speaking, the document laid on the Table prior to its approval/adoption by the Annual General Body cannot be called a complete document. The Committee are constrained to observe that before laying the Audited Accounts of the Institute for 1981-82 on the Table of the House, the Ministry of Education and Culture failed to ensure that these were final and complete in every respect. The Committee hope that the Ministry of Education and Culture would be more careful in this regard in future and would not allow any such lapse to recur.

1.10 The Committee also note that the Annual Reports and the Audited Accounts of the Institute are not being laid on the Table together despite the fact that the Ministries/Departments of Government of India have often been impressed upon the need for laying the same simultaneously. The Annual Report and the Audited Accounts for 1981-82 were laid on 24 February and 25 August, 1983, respectively and those for 1982-83 on 22 December, 1983 and 12 April, 1984, respectively. Laying of the Annual Reports and Audited Accounts separately deprive the Members of Parliament of the complete picture of the stability and functioning of the organisation at a point of time. The Committee, therefore, recommend that the Annual Reports and the Audited Accounts of the Central Institute of Higher Tibetan Studies, Sarnath, Varanasi should, in future, be laid on the Table of the House together within nine months of close of the accounting year.

## CHAPTER II

### DELAY IN LAYING ANNUAL REPORTS AND AUDITED ACCOUNTS OF THE OIL PALM INDIA LIMITED FOR THE YEARS 1981-82 and 1982-83.

2.1 The Annual Report, Audited Accounts and Audit Report thereon of the Oil Palm India Limited, Kottayam, Kerala for the year 1981-82 were laid on the Table of Lok Sabha on 12 December, 1983, alongwith a statement explaining the reasons for delay and 'Review'.

2.2 In terms of the recommendation of the Committee on Paperes laid on the Table, made in paragraph 3.5 of their First Report (Fifth Lok Sabha), these papers were required to be laid on the Table of the House within 9 months of the close of the year, i.e. by 31.12.1982. The period of delay involved in laying the Annual Report for 1981-82, therefore came to 11½ months.

2.3. In the statement laid on the Table on 12 December, 1983, the reasons for delay in laying the Annual Report for 1981-82 had been explained as under :

"The Statutory Auditors for the year 1981-82 were appointed on 21.6.1982. The Board of Directors certified the accounts on 22.9.1982. The auditors gave their report on 11.11.1982. The Comptroller and Auditor General of India gave their report on 4.6.1983. Thereafter, the Directors Report, audited Balance. Sheet, Profit and Loss Accounts of the Company for the year ending 31st March, 1982 alongwith the comments of the Finance Secretary and the Comptroller and Auditor General of India were considered and adopted during the Annual General Meeting of the Company held on 9.9.1983.

#### *Statement of Reasons for Delay for the Annual Report*

- |   |            |
|---|------------|
| (1) Date on which the Statutory Auditors were appointed.                                    | 21.6.1982  |
| (2) Date on which the accounts were authenticated by the Board of Directors.                | 22.9.1982  |
| (3) The date on which Statutory Auditors gave their report.                                 | 11.11.1982 |
| (4) The date on which the Comptroller and Auditor General was requested to start the audit. | 12.11.1982 |

- (5) Date on which the comments of the Comptroller and Auditor General of India finalised. 4.6.1983
- (6) Date on which the Annual General Meeting of the Company approved the accounts for the year 1981-82. 9.9.1983
- (7) Date on which the complete information on the various aspects of the activities of the Oil Palm India were received. 22.10.1983

2.4 On enquiry in February, 1982, the Ministry of Agriculture (Department of Agriculture and Cooperation) stated that the accounts were compiled and made available to the Statutory Auditors for auditing on 23 September, 1982 and the actual audit of accounts commenced on 3 August, 1982 and the auditing of the accounts were completed by Statutory Auditors on 4 November, 1982.

2.5 Asked to explain the reasons for taking 6½ months from 11 November, 1982 to 4 June, 1983, the Ministry informed that the Statutory Auditors furnished the Audit Report on 11 November, 1982. However, the reports of the Audit of the Accountant General's Office, Trivendrum were to be forwarded to Delhi for the comments of the Comptroller and Auditor General of India, and the comments were received on 4 June, 1983.

2.6 In reply to a query as to how it took 3 months to approve the accounts by the Annual General Meeting of the Company, the Ministry stated that while holding the Annual General Meeting to adopt the accounts, the share holders of the Company, i.e. the Government of India and the plantation Corporation of Kerala Limited were to be present. The Annual General Meeting to consider the accounts for the year 1982-83 was to be convened in September, 1983. Taking into account the convenience of the both share holders, it was decided to have the Annual General Meeting in September, 1983, to adopt the accounts for the year 1981-82 as well as to consider the accounts for the year 1982-83.

2.7 Asked to explain the reasons for taking 1½ months (from 9 September, 1982 to 22 October, 1983) for furnishing the complete information of the various aspects of the activities of the Company, the Ministry informed that the Auditor in his report had pointed out that the sundry Debtors, Creditors and Loans and Advances were subject to confirmation. Out of Sundry Debtors Rs. 63,730.19 being balance from M/S Kerala Soaps and Oils Limited, Calicut was stated to be under dispute. The Oil Palm India Limited had followed up the matter with the State Government for speedy settlement of the issue. The matter had been pursued continuously. The Oil Palm India Limited intimated on 22 October, 1983 that the State Government had informed them that they proposed to finalise the issue through discussion with the concer-

ned Departments. The matter was followed up with the Government of Kerala. In accordance with the latest information received on 7 May, 1984 the matter was being examined by them.

2.8 Regarding receipt of the Annual Report of the Company for the year 1981-82 in the Ministry for laying on the Table of the House, the Ministry informed that the complete information on the Annual Report of the Oil Palm India Limited for the year 1981-82 was received in the Ministry on 22 October, 1983.

2.9 The Annual Report, Adited Accounts and Audit Report of the Oil Palm India Limited, Kottayam for the year 1982-83 were required to be laid on the Table of the House on 31 December, 1983. But the same have not yet been laid. The Ministry of Agriculture (Department of Agriculture and Cooperation) laid on 16 April, 1984 on the Table of Lok Sabha a statement explaining the reasons for not laying the Annual Report and Audited Accounts of the Oil Palm India Limited for the year 1982-83 within the stipulated period of 9 months after the close of the accounting year. In the statement, the reasons for delay had been explained as follows :—

“The accounts of the Oil Palm India Limited for the accounting year 1982-83 were compiled and handed over to the Statutory Auditors on 6.5.1983. The Accounts of the Company were authenticated by the Board of Directors at its meeting on 28.9.1983. The audited accounts were referred to the Comptroller and Auditor General for comments on 26.12.1983. The Accountant General's comments are awaited. The accounts will be placed before the Annual General Body Meeting of the Company on receipt of Accountant General's comments. Every possible efforts will be made to lay the Annual Report as early as possible.

*Statement of reasons for delay in laying the Annual Report and Audit Report for the year 1982-83*

- |   |            |
|---|------------|
| (1) Date on which the statutory auditors were appointed.  | 6.5.1983   |
| (2) Date on which the accounts of the Company were authenticated by the Board of Directors.                 | 28.9.1983  |
| (3) Date on which the accounts were handed over to Oil Palm India Statutory Limited by Stationary Auditors. | 15.12.1983 |
| (4) Date on which the Comptroller and Auditor General was requested to start the audit.                     | 26.12.1983 |
| (5) Date of commencement of audit by Accountant General, Kerala.  | 3.1.1984   |

- (6) Date on which comments were received from Comptroller and Auditor General of India.

- (7) Date on which the Annual General Meeting of the Company approved the accounts.

- (8) Date of preparation of report in Hindi.

- (9) Date of submission of the report to the Ministry of Agriculture.

Every effort is being made to obtain the comments of the Accountant General by the Secretary and Managing Director, of the Oil Palm India Limited immediately."

2.10 The matter was considered by the Committee on Papers laid on the Table at their sitting held on 12 July, 1984.

2.11 The Committee note that the Annual Report, Audited Accounts and Audit Report thereon of the Oil Palm India Limited, Kottayam, Kerala for the year 1981-82 were laid on the Table of Lok Sabha on 12 December, 1983, i.e. after a delay of 11½ months. The Committee also note that the Annual Report, Audited Accounts and Audit Report of the Company for the year 1982-83 which were required to be laid on the Table of the House by 31 December, 1983, have not so far been laid. Instead, the Ministry have laid a statement explaining the reasons for not having laid the said documents on the Table of the House within the stipulated period of 9 months after the close of the accounting year.

2.12 The Committee further note that one of the factors that contributed towards delay was that the Company took about 6 months and 4 months as against three month prescribed by the Committee for compilation of accounts of the Company for the years 1981-82 and 1982-83, respectively and making the available to the Statutory Auditors for auditing. The delay was, thus, of recurring nature. The Committee cannot but express their displeasure over the recurring nature of such delay and feel that much of the delay could have been avoided, had the Company and the Ministry made concerted efforts in having the accounts compiled within 3 months prescribed by the Committee on Papers laid on the Table of Lok Sabha.

2.13 The Committee find from the information furnished by the Ministry that 3 months were spent in holding the Annual General Meeting of the Company to adopt the accounts for the year 1981-82 as well as to consider the accounts for the year 1982-83. Had the Company and the Ministry been vigilant in the matter, the meeting could have been held earlier and the accounts adopted within the stipulated time schedule. The Committee trust that the Company and the Ministry would monitor the progress at stipulated intervals and take steps to avoid such delays in future and ensure laying of the said documents on the

**Table of the House within the stipulated period of 9 months from the close of the accounting year.**

**2.14 The Committee, however, note with satisfaction that the delay has come down from 52 months in the case of Annual Report and Audited Accounts for the year 1977-78 to 11½ months in the case of Annual Report and Audited Accounts for the year 1981-82. There is, thus general improvement in laying the documents of the Company on the Table of the House. The Committee hope that suitable steps would be taken by the Ministry and the Company to eliminate the delay totally in future.**

## CHAPTER III

### DELAY IN LAYING THE ANNUAL REPORT AND AUDITED ACCOUNTS OF THE PHARMACY COUNCIL OF INDIA FOR THE YEARS 1979-80, 1980-81 AND 1981-82

3.1 The Annual Report and the Audited Accounts of the Pharmacy Council of India for the year 1979-80 and 1980-81 were laid on the Table of Lok Sabha on 25-8-1983 alongwith a statement explaining the reasons for delay and 'Review'. In terms of the recommendation of the Committee on Papers laid on the Table, made in paragraph 3.5 of their First Report (Fifth Lok Sabha), these documents were required to be laid on the Table within 9 months of the close of the year, *i.e.* by 31 December, 1980 and 31 December, 1981. The period of delay involved in laying the Annual Reports and Audited Accounts for 1979-80 and 1980-81, therefore, came to 32 months and 20 months, respectively.

3.2 In the statement laid on the Table on 25 August, 1983, the reasons for delay in laying the Annual Report and Audited Accounts for 1979-80 and 1980-81 had been explained as under :—

“The reasons for delay for submission of the Reports are as follows :—

	1979-80 -----	1980-81 -----
1. Date on which accounts were ready for audit ;	7.10.80	10.11.81
2. Date on which Audit authorities were informed about readiness of accounts and request for audit ;	7.10.80	24.11.81
3. The date on which the Audit authorities undertook the job.	October, 1980	December, 1981
4. Date on which the final audit report was received ;	3.12.1980	18.1.1982
5. Date on which the translation of annual report/audit report into Hindi was completed ;	May, 1983	29.11.1982

The report for the year 1980-81 could not be laid earlier as the report for the year 1979-80 was not ready for laying down in Parliament and are being laid now on the Table of the House.”

3.3 On being asked in November, 1983, the reasons for not completing the accounts and making them available for audit within 3 months, *i.e.* by June every year, the Ministry of Health and Family Welfare stated that the Council had a very small establishment. In the first quarter of the financial year, the Council is generally busy in arranging inspections during the examinations, in meeting the spill over expenditure and processing for the first instalment of the grant-in-aid. The audits had been generally taken in hand during the last quarter of the year as it suited the Auditors and the Council as well. However, the Council had been advised to submit the reports well in time in future.

3.4 Asked to explain the reasons for taking about 6 months and 10½ months for completion of translation of the Annual Reports and Audited Accounts for the years 1979-80 and 1980-81 although the final Audit Reports were received on 3-12-1980 and 18-1-1982, respectively, the Ministry informed that the Council did not have its own arrangements for translation and that had to be done privately. Hence the delay.

3.5 As regards the steps taken for laying the reports in time in future, the Ministry stated that the Council had been exhorted to stick to the time schedule in that regard in future.

3.6 The Annual Report and Audited Accounts of the Pharmacy Council of India for the year 1981-82, were laid on the Table of Lok Sabha on 17 November, 1983 alongwith 'Review' and a statement explaining the reasons for delay of 10½ months. In the statement, the reasons for delay have been explained as under :—

	1981-82
	-----
1. Date on which accounts were ready for audit.	17.12.1982
2. Date on which Audit authorities were informed about readiness of accounts and request for audit ;	17.12.1982
3. The date on which Audit authorities undertook the job ;	24.12.1982
4. Date on which the final audit report was sent to the Ministry ;	15.2.1983
5. Date on which the translation of Annual Report/Audit Report into Hindi was completed,	15.5.1983."

3.7 The matter was considered by the Committee on Papers laid on the Table at their sitting held on 12 July, 1984.

3.8 The Committee regret to observe that the Annual Report and Audited Accounts of the Pharmacy Council of India, New Delhi for the years 1979-80 and 1980-81 were laid on the Table of Lok Sabha as late as on 25 August, 1983 and those for the year 1981-82 on 17 November, 1983, *i. e.* after a delay of 32 months, 20 months and 10½ months, respectively. Further the Annual Report and the Audited Accounts for the year 1982-83 have not been laid so far.

3.9 The Committee are distressed to note that the recommendation contained in paragraph 3.5 of their First Report (Fifth Lok Sabha) has not been adhered to by the Council and the Ministry of Health and Family Welfare. The justification given by the Ministry that the Council has a very small establishment, and in the first quarter of the Financial year it is generally busy in arranging inspections during the examinations, in meeting the spill over expenditure and processing for the first instalment of the grant-in-aid and that the audit is generally taken in hand during the last quarter of the year as it suits the Auditors and the Council, is not convincing. A statutory requirement or direction from Parliament for laying the Report and Accounts has to be given precedence over all other considerations. The Committee trust that the Ministry in coordination with the Council will make positive arrangements in future so that the Annual Reports, Audited Accounts and the Audit Report together with the 'Review' are finalised expeditiously and laid on the Table of the House well within the stipulated period of 9 months from the close of the accounting year.

3.10 The Committee are surprised to find that one of the reasons that led to the delay in laying the Annual Reports and Audited Accounts was that the Council did not have its own arrangements for translation and the job was to be done privately. The Committee are constrained to observe that neither the Ministry nor the Council had made any attempt to see that the translation of such a small Report/Accounts is done in the shortest possible time and that it was allowed to linger on from 6 to 10½ months and thereby adding more to the delay. The Committee recommend that a person in the Council may be made responsible to see and ensure that the Annual Reports and Accounts are promptly finalised, audited, adopted, translated and sent to the Ministry for laying on the Table of the House within 9 months of the close of the relevant accounting year so that the Members of Parliament may have timely information about the working and performance of the Council with a view to make use of the Reports/Accounts while expressing their views at the time of discussion on Demands for Grants.

## CHAPTER IV

### DELAY IN LAYING ANNUAL REPORT AND AUDITED ACCOUNTS OF THE NATIONAL AGRICULTURAL COOPERATIVE MARKETING FEDERATION OF INDIA LIMITED (NAFED) FOR THE YEAR 1981-82

4.1 The Annual Report, Audited Accounts and Audit Report thereon of the National Agricultural Cooperative Marketing Federation of India Limited (NAFED) for the year 1981-82 were laid on the Table of Lok Sabha on 8 August, 1983 along with a statement explaining the reasons for delay and 'Review'. In terms of the recommendation of the Committee on Papers laid on the Table, made in paragraph 3.5 of their First Report (Fifth Lok Sabha), these papers were required to be laid on the Table within 9 months of the close of the year, i. e. by 31 March, 1983. The Cooperative year of the NAFED ends in June. The period of delay involved in laying Annual Report for 1981-82, therefore, came to about 4½ months.

4.2 In the statement laid on the Table on 8 August, 1983, the reasons for delay in laying the Annual Report for 1981-82 have been explained as under :—

"After appointment of the Statutory Auditors by the Central Registrar in October, 1982, the auditors commenced audit of the various branches of NAFED in the month of December, 1982/January, 1983. All the auditors prepared preliminary audit report on March 30, 1983 and on the same date the final accounts signed by Managing Director, NAFED were submitted to the Auditors. On 3rd April, 1983 all the auditors met in connection with the finalisation of the report and submitted the final report and audited accounts to NAFED on 4-4-1983.

On receipt of the final report from the joint auditors, NAFED prepared the compliance report and placed the same before the Finance and Accounts Sub-Committee in their meeting held on 6-4-1983. The audit reports and the revised compliance were placed before the Board of Directors on 19.1.1983 and the audited accounts and auditors' reports, together with the compliance, were placed before the General body of the Federation in the meeting held on 29.4.1983. General body adopted the auditors report and the compliance. The copies of the annual reports (English and Hindi versions) for placing before both the Houses of Parliament reached the Ministry on

17-5-1983 when the Budget Session of the Parliament was already over. Hence the delay."

4.3 In November, 1983, on enquiry about the number of branches of NAFED and their locations, the Ministry of Agriculture (Department of Co-operation, informed that NAFED had 35 branches spread all over the country. These are located at Calcutta, Madras, Gauhati, Bongalore, Bombay, Nasik, Cochin, Delhi, Nagapattinum, New Delhi, Lucknow, Chandigarh, Sriganganagar, Jaipur, Bhubaneshwar, Hyderabad, Patna, Ahmedabad, Srinagar, Bhopal, Jamnagar, Simla, Indore, New Bombay, Ropar, North Arcot, Faridabad, Ludhiana, Ferozpur and Jammu-Tawi.

4.4 Asked about the reasons for—(i) taking 4 months (from December, 1982 to March, 1983) by Audit to complete audit and submit Draft Audit report to NAFED; and (ii) not submitting the Annual Report and Audited Accounts by NAFED to the Ministry immediately after its adoption on 29 April, 1983, to enable the Ministry to lay them on the Table of the House in Budget Session, 1983 (held from 18 February, 1983 to 10 May, 1983), the Ministry stated as under :

- “(i) After the appointment of the Statutory auditors for the year 1981-82 by the Central Registrar by the end of October 1982 the auditors commenced the audit of NAFED and its branches in the month of December, 1982 January, 1983. Audit of NAFED's Head Office and its 35 branches, submission of preliminary audit reports by the auditors, necessary compliance to the observations made by the respective auditors and subsequently for further scrutiny of the compliance by the auditors usually takes about three to four months. After the final audit report is given by the auditors, a meeting of the Board of Directors is held and a decision is taken about the date of the Annual General Body Meeting.
- (ii) After the Annual report and audited statement of accounts were adopted by the General Body on 29-4-83, their translation and printing in Hindi took about two months time; hence the report could not be laid on the Table of the House in the Budget Session.”

4.5 When asked about (i) the steps taken to ensure laying of reports in time in future; and (ii) the present position of the Annual Report and Audited Accounts of NAFED for the year 1982-83, the Ministry stated as follows :—

- “(i) Compiling and completing the accounts and getting these accounts audited from the Statutory auditors in respect of a multi branch organisation like NAFED takes time. However, for the year 1982-83, the statutory auditors have been appointed by the end of August, 1983 and it is hoped that the audited accounts would be ready in time to place the annual report and audited accounts before the General Body in March, 1984 which will enable laying of these reports on the

Table in time.

- (ii) The audit of the branches of NAFED by the Statutory Auditors is in progress. Branches in Southern Zone have been completed by one of the joint auditors and the branches in Eastern Zone are already under Audit. Branches in Western Zone and Northern Zone are all under audit. It is hoped that the Annual Report and Audited Accounts of NAFED would be laid on the Table of the House within the stipulated period."

4.6. The Committee considered the matter at their sitting held on 13 July, 1984.

4.7. The Committee note that the Annual Report and Audited Accounts of the National Agricultural Cooperative Marketing Federation of India Limited (NAFED) for the year 1981-82 were laid on the Table of Lok Sabha on 8 August, 1983 with a delay of about 4½ months. The Committee also note that the delay occurred at the stages of auditing of accounts, submission of draft audit report, translation and printing of Annual Report and Audited Accounts.

4.8. The Committee further note that the auditing of accounts by Statutory Auditors commenced in December, 1982/January, 1983 whereas it should have commenced in September, 1982, *i. e.* 3 months earlier so as to have all the other formalities completed within the stipulated period of 9 months from the close of the accounting year. The reply given by the Ministry that the auditors commenced audit of various Branches of NAFED after the appointment of Statutory Auditors by the Central Registrar in October, 1982, is rather vague in the sense that it does not specify as to when the Central Registrar was approached for appointment of Statutory Auditors. The Committee feel that the Central Registrar was approached either much later than it was required or the matter was not sincerely pursued with the Central Registrar. Had the Ministry and the Federation approached the Central Registrar well in time the auditors would have been appointed earlier and thereafter, the documents could have been laid on the Table of the House within the stipulated period. The Committee feel that neither the Federation nor the Ministry had handled the matter with the requisite seriousness. The Committee hope that in future the Ministry and the Federation will make a coordinated effort to approach the Central Registrar well in advance and see that the auditing of accounts commences positively in the first week of September every year with a view to complete all the stages and lay the documents on the Table of the House positively towards the end of March every year.

4.9. The Committee also find that despite the assurance given by the Ministry in November, 1983 that the Annual Report and Audited Accounts of the Federation for the year 1982-83 would be laid on the Table of the House within the stipulated period, *i. e.* by 31 March 1984, the said documents have not so far been laid. This is a glaring example of the slackness on the part of the Federation and the Ministry. The Committee take a serious note of the matter and feel that no

care had been taken by the Ministry to implement their assurance given to the Committee. The Committee desire that the said Annual Report, Audited Accounts, Audit Report for 1982-83 and 'Review' thereon in respect of the Federation should be laid on the Table of the House without any further delay. The Committee also trust that the Ministry would take necessary remedial measures to eliminate the delay in laying the required documents on the Table of the House, in time, in future.

## CHAPTER V

### DELAY IN LAYING THE ANNUAL REPORTS AND AUDITED ACCOUNTS OF THE INTERNATIONAL INSTITUTE OF POPULATION STUDIES, BOMBAY

5.1 The Annual Reports and Audited Accounts of the International Institute of Population Studies, Bombay for the years 1978-79 and 1979-80 were laid on the Table of Lok Sabha on 10 May, 1983 alongwith 'Review' and a statement of reasons for delay. The statement of reasons for delay read as follows :—

"It was got clarified from the Ministry of Finance (Department of Expenditure) in January, 1981 that the accounts of all autonomous bodies from-1978-79 onwards are to be placed before Parliament. Accordingly, the International Institute of Population Studies, Bombay, was requested to furnish the required number of copies of the reports for 1978-79 and 1979-80 in English and Hindi.

Copies of the English version of the reports were received from the Institute in February, 1982. As the Institute did not have the facility for getting the report translated in Hindi, this had to be got done by the Ministry and sets prepared, which took considerable time on account of its voluminous nature."

5.2 The Ministry of Health and Family Welfare were then requested to furnish information on certain points. The information furnished by the Ministry was as follows :—

	1978-79	1979-80
Date of compilation of accounts	June, 1979	June, 1980
Date of submission of accounts to Audit	3-8-1979	30-8-1980
Date on which the Annual Reports were approved by General Council of the Institute	22-12-1979	2-3-1981
Date of receipt of audited accounts in the Institute	18-1-1982	18-1-1982

5.3 As regards arrangements made for translation of the Annual Reports and Accounts of the Institute, the Ministry of Health and Family Welfare informed that the Institute had made local arrangements for the purpose.

5.4 The Annual Reports and Audited Accounts of the International Institute of Population Studies, Bombay for the years 1980-81 and 1981-82 were

laid on the Table of Lok Sabha on 23 December, 1983 alongwith 'Review' and a statement of reasons for delay. The statement of reasons for delay read as follows :—

“The Annual Reports of the Institute for the years 1980-81 and 1981-82 were adopted by the General Council of the Institute at its Annual Meeting on 25-1-1982 and 17-1-83 respectively.

The Annual Audited Accounts of the Institute for the years 1980-81 and 1981-82 have been received from the Office of the Director of Audit, Central Bombay on 29th April, 1982 and on 6th December, 1982. Certain clarifications with reference to the audit report etc., were solicited from the Director of Audit in May, 1983 and the clarifications have been received in this Ministry on 16th June, 1983.

The Institute did not have any translation facilities for translating the documents in Hindi. This is one of the main reasons for the delay in submission of the reports to the Parliament. The Institute has since made the necessary arrangements for the translation work.

The Annual Reports and the Annual Accounts for the year 1980-81, both in English and Hindi and the Annual Report and Annual Accounts in English for the year 1981-82 were sent to the Lok Sabha Secretariat on the 2nd August, 1983 for laying the above documents on the Table of the Lok Sabha in accordance with the instructions contained in the Department of Parliamentary Affairs O.M. No. F. 28 (7)-83-Leg. dated 31-5-1983. The Lok Sabha Secretariat returned the same stating that these papers could not be laid on the Table of Lok Sabha as the Hindi version of the Annual Report and the Annual Accounts of the Institute for the year 1981-82 were not sent as per the instructions contained in Lok Sabha Secretariat O.M. No. 26/1 (iii)/827 dated 5-7-1982.

The Hindi version of the Annual Report and the Annual Accounts for the year 1981-82 were received from the Institute just when the last Parliament Session was due to conclude. Therefore, the Annual Reports and the Annual Accounts of the Institute for the years 1980-81 and 1981-82 both in English and Hindi versions are now being placed on the Table of the Lok Sabha.”

5.5 The Annual Report and Audited Accounts of the International Institute for Population Studies, Bombay for the year 1982-83 were laid on the Table of Lok Sabha on 12 April, 1984 alongwith 'Review' and a statement of reasons for delay. The statement of reasons for delay read as follows :—

“The audit of the accounts of the International Institute of Population Studies, Bombay for the year 1982-83 could be completed by the Director of Audit, Central, Bombay in November, 1983. Thereafter

the printed copies of the Annual Accounts and Annual Reports (both in English & Hindi) for the year 1982-83 were received from the Institute in January, 1984."

5.6 The Committee on Papers laid on the Table considered the matter at their sitting held on 13 July, 1984.

5.7 The Committee note that the Annual Reports and Audited Accounts of the International Institute of Population Studies, Bombay for the years 1978-79, 1979-80, 1980-81, 1981-82 and 1982-83 were laid on the Table of Lok Sabha after a delay of 40½ months, 28½ months, 24 months, 12 months and 3½ months, respectively. From the information furnished by the Ministry of Health and Family Welfare, the Committee find that the delay had occurred mainly at the stages of auditing of the accounts and translation of the Annual Reports and Accounts. The Committee feel that had the Ministry taken up the question of delay with the audit authorities and the Institute, and made some standing arrangements for translation of the Annual Reports and Audited Accounts of the Institute, much of the delay could have been avoided, if not totally eliminated. The Committee would like the Ministry of Health and Family Welfare to be more careful in this regard in future.

5.8 Although the delay which was 40½ months in the case of Annual Report and Audited Accounts for 1978-79 has come down to 3½ months in the case of Annual Report and Audited Accounts for 1982-83, yet there is still need for further improvement so that the delay is completely avoided. In order to ensure timely laying of Annual Reports and Audited Accounts of the Institute on the Table of the House, the Committee feel that a time schedule is all the more necessary for completing action at various stages of the Annual Report and Audited Accounts of the Institute. The Committee urge the Ministry of Health and Family Welfare that they should in consultation with the International Institute of Population Studies, Bombay, chalk out a time schedule for strict observance by the Institute to ensure laying of Annual Reports and Audited Accounts on the Table of the House within nine months of close of the accounting year.

## CHAPTER VI

### DELAY IN LAYING ANNUAL REPORTS AND AUDITED ACCOUNTS OF THE NATIONAL INSTITUTE OF AYURVEDA, JAIPUR FOR THE YEARS FROM 1978-79 TO 1982-83

6.1 The annual Reports and Audited Accounts of the National Institute of Ayurveda, Jaipur for the years 1978-79 to 1981-82 were laid on the Table of Lok Sabha on 22 December, 1983 alongwith 'Review' and statement explaining the reasons for delay.

6.2 The statement explaining the reasons for delay in laying the Annual Reports and Audited Accounts of the Institute for the years from 1978-79 to 1981-82, read as under :

"The National Institute of Ayurveda, Jaipur was established in February, 1976 as a society registered under the Rajasthan Societies Registration Act, 1958. An Ayurveda College with its attached hospitals under the control of the Government of Rajasthan was transferred to the Institute in June, 1976. This Institute is funded by the Government of India in the Ministry of Health and Family Welfare. While transferring the management and control of the Ayurvedic College and Hospitals, the State Government of Rajasthan also agreed to pay annual grant of Rs. 13.68 lakhs with an annual trend increase of 5.5% on this amount upto the end of Sixth Five Year Plan period to meet the running and maintenance cost of the above Units.

The National Institute of Ayurveda could not submit the audited Accounts audited reports thereon and annual reports for the year 1978-79, 1979-80, 1980-81 and 1981-82 in time owing to the non-availability of experienced staff.

The national Institute of Ayurveda, Jaipur had prepared the accounts in respect of the year 1987-79, 1979-80, 1980-81 and 1981-82 and sent to the Accountant General, Rajasthan, Jaipur on the dates shown below :

*Dates of sending accounts to the Accountant General of Rajasthan, Jaipur.*

1978-79	1979-80	1980-81	1981-82
7-7-1982	20-10-1982	1-1-1983	24-3-1983

*Dates of receipt of audited accounts from the Accountant General, Rajasthan, Jaipur.*

1978-79	1979-1980	1980-81	1981-82
6-12-1982	16-3-1983	12-5-1983	30-7-1983

English and Hindi versions of Audited Accounts in respect of the Years 1978-79, 1979-80, 1980-81 and 1981-82 together with English and Hindi versions of the Annual Reports for all these four years are being laid on the Table of the Sabha."

6.3 On enquiry about the reasons for taking about 12 months, 8 months and 6 months in laying the Annual Reports and Audited Accounts of the Institute for the years 1978-79, 1979-80 and 1980-81, respectively after their receipt from A.G. (Rajasthan), the Ministry of Health and Family Welfare stated as under :

"The delay of about 8 months, 5 months and 3 months had occurred in translation of the reports into Hindi and in obtaining the approval of the Governing Body at its meeting held on 27-8-83 after receipt of accounts from the Accountant General, Rajasthan for the years 1978-79, 1979-80, 1980-81 respectively. Further delay had occurred in getting the documents printed and in submission to the Lok Sabha by the Ministry."

6.4 In reply to other queries, the Ministry informed that the Annual Reports and Audited Accounts for 1978-79 to 1981-82 were sent for translation on 29 July, 1983. These were adopted on 27 August, 1983 and sent for printing on 3 October, 1983. The printed copies were received on 19 October, 1983 and submitted to the Ministry on 21 November, 1983 for laying them on the Table of the House.

6.5 As regards the steps taken or proposed to be taken to eliminate delay in future, the Ministry stated that the Director, National Institute of Ayurveda, Jaipur had been advised to prepare an action calendar and to act accordingly in order to avoid such delays in future.

6.6 The Annual Report and Audited Accounts of the National Institute of Ayurveda, Jaipur for the year 1982-83 were laid on the Table of Lok Sabha on 3 May, 1984 alongwith 'Review' and a statement explaining the reasons for delay. The statement explaining reasons for delay read, *inter alia* as under :

".....The National Institute of Ayurveda, Jaipur had prepared the accounts for the years 1982-83 time and sent the same to the Accountant General, Rajasthan on 7-6-83. The audit of these accounts was conducted in the month of July, 1983. The audited accounts were received from the Accountant General, Rajasthan on the 7th November, 1983. The Annual Report and the Audited Statement of Accounts for the year 1982-83 were circulated by the National

Institute of Ayurveda, Jaipur to the members of the Governing Body to obtain their approval on 15-2-84. The Annual report and the Audited Statement of Accounts for the year 1982-83 were approved by the President, of the Governing Body on the 20th March, 1984. These documents for the year 1982-83 were since under print and the printed copies have been received in the Ministry on 18-4-1984."

6.7 The Committee note that the Annual Reports and Audited Accounts of the National Institute of Ayurveda, Jaipur for the years 1978-79, 1979-80, 1980-81, 1981-82 and 1982-83 were laid on the Table of Lok Sabha after a delay of about 48 months, 36 months, 24 months 12 months and 4 months, respectively. The Committee also note that the Institute took 39 months, 31 months, 21 months and 12 months as against 3 months allowed by the committee, for compiling the accounts for the years 1978-79, 1979-80, 1980-81 and 1981-82, respectively. The justification given by the Ministry that the Institute could not submit the Annual Report Audited Accounts and Audit Report thereon in time owing to the non-availability of experienced staff, is not convincing. The Committee cannot refrain from expressing their displeasure over the state of affairs prevailing in the Institute as also for not keeping the Parliament informed about its performance for years together on the pretext of non-availability of experienced staff. The Committee felt that neither the Ministry nor the Institute had made any sincere efforts to adhere to the time limit of 9 months laid down by the Committee on Papers laid on the Table in paragraph 3.5 of their First Report (Fifth Lok Sabha).

6.8 The Committee find that the Institute took 8 months, 5 months and 3 months in translating the Annual Reports and Audited Accounts for the years 1978-79, 1979-80 and 1980-81 respectively. The Committee feel that the time taken for translation was too long, and the Institute had also not paid serious attention to see that the translation job was completed well in time.

6.9 The Committee urge the Ministry of Health and Family Welfare that they should, in consultation with the National Institute of Ayurveda, Jaipur, draw up a time bound schedule for completing all the formalities like compilation of accounts, their auditing, translation, printing, adoption of Annual Report and Audited Accounts and laying the same on the Table of the House, within 9 months as recommended by the Committee in their afore-mentioned Report. The Committee hope that the Ministry of Health and Family Welfare would also impress upon the Institute to make an officer responsible in the Institute, to keep a watch at various stages of finalisation of the Annual Report and accounts and to ensure that these documents are laid on the Table of the House within the prescribed period of 9 months from the close of the relevant accounting year.

## CHAPTER VII

### DELAY IN LAYING THE ANNUAL REPORT AND THE AUDITED ACCOUNTS OF THE EXPORT PROMOTION COUNCIL FOR FINISHED LEATHER AND LEATHER MANUFACTURES FOR THE YEAR 1981-82

7.1 The Annual Report, Audited Accounts and Audit Report thereon of the Export Promotion Council for Finished Leather and Leather Manufactures for the year 1981-82 were laid on the Table of Lok Sabha on 2 December, 1983 alongwith a statement explaining the reasons for delay and 'Review'. In terms of the recommendation of the Committee on Papers laid on the Table, made in paragraph 3.5 of their First Report (Fifth Lok Sabha), these papers were required to be laid on the Table within 9 months of the close of the year *i.e.* by 31 December, 1982. The period of delay involved in laying the Annual Reports and the Audited Accounts of the above Council for the year 1981-82, therefore, came to 11 months.

7.2 In the statement laid on the Table on 2 December, 1983, the reasons for delay in laying the Annual Report for 1981-82 had been explained as under

'Due to certain administrative problems, the Export Promotion Council for Finished Leather and Leather Manufactures, Kanpur, was not in a position to convene the Annual General Meeting of the Council to approve the Annual Report and the accounts of Council for the year 1981-82, within the stipulated time frame. The Annual Report and the Accounts of the Council were approved at the Annual General Meeting of the Council held on the 29th October, 1983.

7.3 On being enquired in February, 1984 as to (i) when the accounts of the Council for the year 1981-82 were compiled and made available to the Auditors for auditing; (ii) the period during which the accounts were audited by the Auditors; (iii) when the Comptroller and Auditor General of India was approached for appointment of Auditors; and (iv) when the draft Audit Report was received by the Council, the Ministry of Commerce furnished the following information :

- (i) The draft Annual Accounts were ready by the end of July, 1982. Since the list of auditors could be recommended by the Council's Annual General Body in its meeting held on 12.3.1983 only, for the approval of the Government for appointment of the Statutory Auditors the accounts was actually made available to the auditor for audit on 30.6.83, *i.e.* after the receipt of Govt. approval for appointment of auditors.

(ii) Audit of accounts was completed on 29.8.1983.

(iii) The Council approached the Ministry of Commerce for approval for the appointment of Statutory Auditors on 14.3.1983 (soon after the Annual General Meeting for 1980-81 was held). The Ministry approached the Ministry of Law for approval. After reminders, approval of Ministry of Law was obtained on 15.6.83 and the same was conveyed to the Council on 16.6.83.

(iv) 29.8.1983.

7.4 When asked to indicate whether any time schedule as drawn up by the Export Promotion Council for Finished Leather and Leather Manufactures for compilation of accounts and their submission to the auditors for auditing, the Ministry stated as under :

"The Council, as per provisions of Companies Act, chalk out programmes of finalising the accounts duly audited by the end of July every year. The Government not satisfied with the functioning of the Council, issued an order dated 24th October, 1978 declaring therein the Election of certain members and the Vice-Chairman held on 6.1.1978 at the Annual General Body Meeting of the Council to be void and simultaneous appointment of an Administrator under whose direction the Council will be functioning. Due to lack of harmony amongst the members of the council, the date of holding the Annual General Body Meeting of the Council for adoption of accounts/ annual reports could not be finalised for long. With the pragmatic steps taken by the Ministry of Commerce, whilst issuing directives for postponing the elections *vide* letter No. nil dated 19th February, 1981 and with the active participation in the day to day functioning of the Council by the present Administrator (Appointed w.e.f. 17.7. 1982) the Council was able to restore its normal functioning. The Council have since finalised accounts upto 1981-82 (1978-79 to 1981-82 in one year's time) and have further chalked out the programme of finalising the accounts for 1982-83 by the end of March, 1984 duly audited."

7.5 In reply to a query as to what action had been taken by the Export Promotion Council for Finished Leather and Leather Manufactures in pursuance of the recommendation of the Committee on papers laid on the Table for adhering to the time schedule, the Ministry informed as follows :

"The Council have chalked out a programme of arranging laying of Annual Report for 1982-83 on the Tables of both the Houses of Parliament by the end of April, 1984 and arrange accounts for 1983-84 to be finalised in time *i.e.* 31st July, 1984 so as to forward the same to the Ministry of Commerce for placing the same on the Tables of the Parliament before December, 1984 *i.e.* within 9 months of close of the accounting year."

7.6 On being enquired the reasons for not convening the Annual General Meeting of the Council before 29th October, 1983, the Ministry stated that the printing of Annual Report and convening of Annual General Meeting under the provisions of the Companies Act, took about two months for holding the Annual General Meeting of the Council on 29 October, 1983.

7.7 In reply to queries as to when-(i) the Annual Report and Audited Accounts were sent for printing and how much time did it take ; (ii) the printed copies of the Report were received in the Ministry for laying on the Table of Lok Sabha ; and (iii) the Annual Reports of the Council for the years 1977-78, 1978-79, 1979-80 and 1980-81 were laid on the Table of Lok Sabha, the Ministry furnished the following information :

- (i) The Annual Report was sent for printing on 29th August, 1983 and same was received duly printed on 28th September, 1983.
- (ii) The Council forwarded to Ministry of Commerce, through the special messenger, the Annual Report for 1981-82 on 31.10.1983.
- (iii) As per information available with the Ministry, the Annual Report of the Council for the years 1978-79 onwards were laid on the Table of the Rajya Sabha as indicated below :

1978-79	— 24-3-83
1979-80	— 24-3-83
1980-81	— 3-5-83

7.8 As regards laying of the Annual Report of the Council for the year 1982-83, the Ministry informed that the accounts for 1982-83 are presently under audit and likely to be audited by the end of March, 1984. The same would be forwarded to the Ministry of Commerce through special Messenger as soon as those are approved by the General Body of the Council and in any case by the end of April, 1984.

7.9 The matter was considered by the Committee on Papers laid on the Table at their sitting held on 12 July, 1984.

7.10 The Committee feel concerned to note that despite clear guidelines contained in their recommendation vide paragraph 3.5 of their First Report (Fifth Lok Sabha) for finalisation of Annuals Report and accounts and their laying before Parliament, the Annual Report, Audited Accounts and Audit Report thereon of the Export Promotion Council for Finished Leather and Leather Manufactures for the year 1981-82 were not laid on the Table of the House within the stipulated period, i.e., within 9 months of the close of the relevant accounting year.

7.11 The Committee are distressed to note that the reasons for delay in laying the Annual Report and Audited Accounts for 1981-82 have not been adequately spelt out in the statement of delay laid on the Table of the House. The

statement lacked information required for indentifying the stages where the delay had actually taken place. The Committee are constrained to observe that the Ministry of Commerce have treated the requirement of laying of statement of reasons for delay as a mere formality. The Committee desire that in future, the Ministry should invariably indicate in the statement of reasons for delay, in chronological order, the dates of—finalisation of Annual Reports and Accounts, making them available to the Auditors for audit, receipt of draft audit report, replies given on audit queries, receipt of final Audit Report, translation and Printing of Annual Reports and Audited Accounts, adoption of Annual Report and Accounts by the General Body, furnishing of copies of printed Annual Reports and Audited Account to the Ministry for laying on the Table of the House, so that the House may be in position to locate the stages and extent of delay and suggest remedial measures with a view to eliminate the delay in laying such documents on the Table within the prescribed period.

7.12 The Committee note that the Annual Report and the Audited Accounts for the year 1982-83 which were required to be laid on the Table of the House by 31 December, 1983, have not yet been laid. The Committee would like the Ministry to take urgent steps for laying them without further delay.

7.13 The Committee note with regret that the Council approached the Ministry for appointment of Statutory Auditors for auditing the accounts for 1981-82 as late as on 14 March, 1983 as against the normal practice of doing it much in advance. The Ministry of Commerce, thereafter, took 3 months in obtaining the approval of the Ministry of Law and conveying the same to the Council. Had the Council approached the Ministry earlier and the Ministry made serious efforts in getting the Statutory Auditors appointed in time, the Annual Report and the Audited Accounts for the year 1981-82 would not have been delayed to such an extent. The Committee consider it to be a serious lapse on the part of the Council and the Ministry and hope that the Ministry and the Council would take greater initiative in coordination with each other in future with a view to ensure that the required documents are laid on the Table of the House within the prescribed period of 9 months from the close of the relevant accounting year.

## CHAPTER VIII

### DELAY IN LAYING ANNUAL REPORT AND AUDITED ACCOUNTS OF THE OIL INDIA LIMITED, NEW DELHI FOR THE YEAR 1981-82

8.1 The Annual Report, Audited accounts and Audit Report thereon of the Oil India Limited for the year 1981-82 were laid on the Table of Lok Sabha on 24 August, 1983 alongwith a statement explaining the reasons for delay and 'Review'. In terms of the recommendation of the Committee on Papers laid on the Table made in paragraph 3.5 of their First Report (Fifth Lok Sabha), these papers were required to be laid on the Table within 9 months of the close of the year *i.e.* by 31.12.1982. The period of delay involved in laying the Annual Report for 1981-82, therefore, came to about 8 months.

8.2 In the statement laid on the Table on 24 August, 1983, the reasons for delay in laying the Annual Report for 1981-82 had been explained as under :

"Consequent on the acquisition of shares of OIL, held by the Burmah Oil Company Limited, by the Government of India, OIL became a Government of India Enterprise *w.e.f.*, 14th October, 1981.

- (2) The first Annual Report of OIL to be laid on the Table of Parliament as a Government Company is applicable to OIL from the financial year 1981-82 onwards.
- (3) On the date of becoming a Government Company *i.e.* 14th October, 1981, the Annual Accounts pertaining to the calendar years 1977, 1978, 1979 and 1980 had not been finalised pending statement of various issues between the Government of India and the Burmah Oil Company Limited. These issues were finally resolved by the take over of OIL as per the Acquisition Act.
- (4) Subsequent to the take-over, the annual accounts for the calendar years 1977 and 1978 were finalised and approved by the OIL Board on 24th February 1982.
- (5) The Statutory Auditors' reports for the annual accounts of 1977 and 1978 were received on the 26th February, 1982.
- (6) The Annual accounts together with the Statutory Auditors' report pertaining to the calendar years 1977 and 1978 were adopted by the Shareholders on 17th March, 1982 after giving the required Statutory Notice for holding the Shareholders' meeting.

- (7) The annual accounts pertaining to the calendar year 1979 were approved by the OIL Board on 17th August, 1982.
- (8) The Statutory Auditors' report for the annual accounts of 1979 was received on 31 August, 1982.
- (9) The Annual accounts together with the Statutory Auditors' report pertaining to the calendar year 1979 were adopted by the shareholders on 4th October, 1982 after giving the required Statutory Notice for holding the Shareholders' meeting.
- (10) The annual accounts for the calendar year 1980 was approved by the OIL Board on 30th September, 1982.
- (11) The Statutory Auditors' report for the annual accounts of 1980 was received on 14th October, 1982.
- (12) The annual accounts together with Statutory Auditors' report pertaining to the calendar year 1980 were adopted by the Shareholders on 23rd December, 1982 after giving the required Statutory Notice for holding the Shareholders' meeting.

It will thus be seen that the entire backlog of finalisation and adoption of accounts for four years, i.e. calendar years from 1977 to 1980 before OIL became a Government Company, was cleared in a period of 10 months.

- (13) Subsequent to OIL becoming a Government Company, the accounting year of OIL was changed from a Calendar year basis to a Financial year basis; the first financial year being for a period of 15 months i.e. from 1.1.1981 to 31.3.1982.
- (14) The question of appointment of Statutory Auditors, after OIL became a Government Company, for the financial year 1981-82 w.e.f. 14th October, 1981 was taken up with the Comptroller and Auditor General of India on 29th December, 1981. The Statutory Auditors of OIL for the financial year 1981-82 were appointed by the Company Law Board on the 12th April, 1982.
- (15) OIL took up with the Audit Board the question of supplementary audit by the Comptroller and Auditor General for the financial year 1981-82 under Section 619 (4) of the Companies Act, 1956 on 28th February, 1982 and 18th June, 1982.
- (16) Member, Audit Board, informed OIL on 17.5.1982 that the supplementary audit by Member, Audit Board, would not be taken up by them for the financial year 1981-82.
- (17) However, subsequently, the Audit Board informed OIL on 7th June, 1982 that the supplementary audit for the year 1981-82 would be taken up by them.

- (18) The accounts for the year 1981-82 (15 months period) were finalised and approved by the OIL Board on the 27th November, 1982.
- (19) The Statutory Auditors' report for the annual accounts for the year 1981-82 were received on 29th November, 1982.
- (20) The annual accounts together with the Statutory Auditors' report were submitted to the Comptroller and Auditor General of India for his comments on 1.12.1982 under Section 619 (4) of the Companies Act, 1956.
- (21) C & A.G.'s comments on the annual accounts of OIL were received on 16th December, 1982.
- (22) OIL Board considered the comment given by the C & A.G., on the annual accounts and approved the Management's reply to the comment on the 20th December, 1982.
- (23) The annual accounts for the financial year 1981-82 were adopted by the Shareholders on 23rd December, 1982.
- (24) Advance action was taken on 10.12.1982 to fix the Agency for printing the annual report bilingually both in English and Hindi.
- (25) The English version of the annual accounts was translated into Hindi on 10th January, 1983.
- (26) The material, both in English and Hindi, were handed over to the printer on 11th January, 1983.
- (27) The printer could not deliver the printed bilingual accounts within the specified period of 3 months despite best efforts due to heavy pressure on the printer in jobs connected with the Non-aligned Meet and other major conferences during the early part of 1983."

8.3 On being asked in November, 1983, the details/particulars of the various issues between the Government of India and the Burma Oil Company Limited which caused delay in finalisation of the Annual Accounts for the Calendar years 1977, 1978, 1979 and 1980, the Ministry of Energy (Department of Petroleum) explained as under :

"Prior to acquisition of 50% shareholding of the Burmah Oil Company (BOC) by the Government of India with effected from 14.10.1981, the price of crude oil produced by OIL and supplied to Digboi refinery [owned and operated by Assam Oil Company (AOC), a 100% subsidiary of BOC] and the public sector refineries at Gauhati, Bongaigaon and Barauni was governed by the provisions of the Promotion Agreement of 1959 and the Second supplemental Agreement of 1961 executed between the Government of India, BOC, AOC and OIL. The pricing formulae prescribed in these agreements provided

for a certain quantity of crude oil and natural gas being supplied in Digboi refinery at a concessional price. The balance quantity to be supplied to Digboi and the Public Sector refineries was to be priced under a 3-tier formula as follows :

- (a) Initial price would be the posted FOB Middle East price of equivalent quality crude oil price plus ocean freight, insurance and ocean loss from Ras Tanura to Calcutta, less such discount on the posted price as would secure a return to OIL of 10.8% on paid up capital after payment of taxes etc.
- (b) Should the posted FOB Middle East price be in excess of Rs. 63/- per tonne or below Rs. 57/- per tonne, the initial price in terms of (a) above would be adjusted by increasing/decreasing the price of crude oil to the extent of excess/reduction over Rs. 63/57 per tonne.
- (c) Notwithstanding the above, it was understood and agreed between the parties that OIL should get a price for its crude oil which would secure for it a dividend (net of tax) for the shareholders of not less than 9% and not more than 13% per annum on its share capital as at the end of each year.

In actual point of fact, OIL was able to earn the maximum dividend of 13% under the pricing formula as in (c) above from 1967 onwards for the crude oil sold to the refineries at prices even lower than the posted FOB Middle East price for crude oil of equivalent quality. However, while resolving certain differences of opinion on the inter-pretation of the Promotion Agreement and the Second Supplemental Agreement (consequent upon worldwide increase in crude oil prices), a negotiating team was set up by Government of India (GOI) and the BOC. By an agreement in August 1977 between GOI and BOC the maximum dividend of 13% was reduced to 11% for the years from 1971 to 1976. Further, as Government was already contemplating takeover of BOC's shareholding in OIL, it was also agreed by the Negotiating Committee in August, 1977 that OIL would be deemed to have been taken over by Government w.e.f. 1.1.1977.

As a result of the above decision, OIL would normally be entitled to receive price for its crude oil at the rates fixed by Government for onshore crude oil in terms of the recommendations of the Oil Pricing Committee. However, as charging full price for crude oil from all the refineries would affect the operation of the Digboi refinery operated by AOC (wholly owned subsidiary of BOC), the BOC were not agreeable to the pricing formula in the Promotion Agreement and the Second Supplemental Agreement (SSA) being scrapped unless there was a formal takeover of its shareholding in OIL by GOI. Accordingly, the two shareholders of OIL viz., GOI and the

BOC could not reach an agreement on giving a suitable direction to OIL management for charging the price for its crude oil as fixed by Government on the basis of the recommendation of the Pricing Committee as far back as July, 1975. This issue was finally resolved by the passing by Parliament of the Burmah Oil Company (Acquisition of Shares of Oil India Limited and the Burmah Oil Company India Trading Limited) Act, 1981. Under this Act, the pricing formula prescribed in the Promotion Agreement and the SSA were scrapped w.e.f. 1.1.1977.

It will thus be observed that it was only after the passing of the Act 1981, that the Company could finalise its annual accounts for the years 1977 to 1980 based on the crude oil price fixed by Government for indigenous on shore crude oil."

8.4 In reply to a query whether any delay had also occurred at the Audit level, the Ministry stated that there was no delay in auditing the accounts of the Company once these were framed after the passing of the Act, 1981. Meanwhile, detailed audit by the Statutory Auditors of the Company had been in progress throughout the period but the audit of the final accounts could not be taken up until the accounts, were compiled based on the crude oil price as stated above. Similarly, the officials of the Comptroller and Auditor General of India also carried out the balance sheet audit in time after the accounts were compiled and adopted by the Oil Board.

8.5 Asked to explain whether the Oil India Limited had framed their own rules incorporating various recommendations of the Committee on Papers laid on the Table for laying the Annual Reports and Audited Accounts without delay, the Ministry stated that the recommendations of the Committee had been brought to the notice of the concerned officials incharge of finalisation of accounts for guidance and prompt action. While no separate specific rules had been framed by Oil India Limited in that behalf, the various recommendations of the Committee had been treated as mandatory and were promptly brought to the notice of the officials concerned in time for implementation.

8.6 The annual Report and Audited Accounts of the Oil India Limited for the year 1982-83 were laid on the Table of Lok Sabha on 28 February, 1984 with the delay of 2 months.

8.7 The matter was considered by the Committee on Papers laid on the Table at their sitting held on 13 July, 1984.

8.8 The Committee note that the Annual Reports and Audited Accounts of the Oil India Limited, New Delhi for the years 1981-82 and 1982-83 were laid on the Table of Lok Sabha with the delay of 8 months and 2 months, respectively. The Committee also note that the delay of 8 months in the case of the Annual Report and Audited Accounts for the year 1981-82 occurred due to the backlog of finalisation and adoption of the Annual Reports and Audited Accounts of the

earlier four years, i.e. Calendar years from 1977 to 1980, before Oil India Limited became a Government Company. The Committee feel satisfied that the Ministry of Energy have cleared the backlog and have now become up-to-date in so far as the laying of Annual Reports and Audited Accounts of the Oil India Limited on the Table of the House, is concerned.

8.9 The Committee are also happy to note that the Oil India Limited have since switched over from Calendar year to the Financial year and have fallen in line with that of the Government.

8.10 The Committee are, however, not happy to find that the delay has not been completely eliminated inasmuch as the Annual Report and Audited Accounts of the Oil India Limited for the year 1982-83 were laid on the Table of the House with the delay of 2 months despite the fact that the earlier backlog were already cleared by 24 August, 1983. The Committee trust that the Ministry of Energy and the Company will comply with the recommendation of the Committee on papers laid on the Table contained in paragraph 3.5 of their First Report (Fifth Lok Sabha) and make sincere efforts to lay before the House the requisite documents within the prescribed period of 9 months from the close of the relevant accounting year.

NEW DELHI ;

21 August, 1984  
30 Shrawana, 1906 (Saka)

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

## APPENDIX

### *Summary of Recommendations/Observations contained in the Report*

Sl. No.	Reference to Para No. of the Report	Summary of Recommendations/Observations
1	2	3
1	1.8	<p>The Committee note that the Annual Report and the Audited Accounts of the Central Institute of Higher Tibetan Studies, Sarnath, Varanasi for the year 1981-82 were laid on the Table of Lok Sabha on 24 February, 1983 and 25 August, 1983, respectively, i.e. after a delay of 2 months and 8 months, respectively. Although the delay is not much in the case of Annual Report for the Year 1981-82, the delay that occurred in the case of Audited Accounts for that year is not reasonable. From the information supplied by the Ministry of Education and Culture, the Committee find that the delay in the case of Audited Accounts had occurred due to the time taken by the Accountant General, Uttar Pradesh II. The Committee feel that had the Ministry or the Institute been more vigilant and taken up the question of delay with the Accountant General, much of the delay could have been eliminated.</p>
2	1.9	<p>The Committee regret to find that the Ministry of Education and Culture had laid on the Table of the House the Audited Accounts of the Central Institute of Higher Tibetan Studies, Sarnath, Varanasi for the year 1981-82 prior to their being placed before the Annual General body of the Institute. The Committee need hardly point out that the documents/papers/Reports and Accounts should be laid on the Table of the House after complying with all the statutory requirements. Laying of documents prior to their approval by the Annual General Body of an organisation is a serious matter. Technically speaking, the document laid on the Table prior to its approval/adoption by the Annual General Body cannot be called a com-</p>

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plete document. The Committee are constrained to observe that before laying the Audited Accounts of the Institute for 1981-82 on the Table of the House, the Ministry of Education and Culture failed to ensure that these were final and complete in every respect. The Committee hope that the Ministry of Education and Culture would be more careful in this regard in future and would not allow any such lapse to recur.

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The Committee also note that the Annual Reports and the Audited Accounts of the Institute are not being laid on the Table together despite the fact that the Ministries/ Departments of Government of India have often been impressed upon the need for laying the same simultaneously. The Annual Report and the Audited Accounts for 1981-82 were laid on 24 February and 25 August 1983, respectively and those for 1982-83 on 22 December, 1983 and 12 April, 1984, respectively. Laying of the Annual Reports and Audited Accounts separately deprive the Members of Parliament of the complete picture of the stability and functioning of the organisation at a point of time. The Committee, therefore, recommend that the Annual Reports and the Audited Accounts of the Central Institute of Higher Tibetan Studies, Sarnath, Varanasi should, in future, be laid on the Table of the House together within nine months of close of the accounting year.

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2.11

The Committee note that the Annual Report, Audited Accounts and Audit Report thereon of the Oil Palm India Limited, Kottayam, Kerala for the year 1981-82 were laid on the Table of Lok Sabha on 12 December, 1983, i.e. after a delay of 11½ months. The Committee also note that the Annual Report, Audited Accounts and Audit Report of the Company for the year 1982-83 which were required to be laid on the Table of the House by 31 December, 1983, have not so far been laid. Instead, the Ministry have laid a statement explaining the reason for not having laid the said documents on the Table of the House within the stipulated period of 9 months after the close of the accounting year.

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The Committee further note that one of the factors that contributed towards delay was that the Company

took about 6 months and 4 months as against three months prescribed by the Committee for compilation of accounts of the Company for the years 1981-82 and 1982-83, respectively and making them available to the Statutory Auditors for auditing. The delay was, thus, of recurring nature. The Committee cannot but express their displeasure over the recurring nature of such delay and feel that much of the delay could have been avoided had the Company and the Ministry made concerted efforts in having the accounts compiled within 3 months prescribed by the Committee on Papers laid on the Table of Lok Sabha.

- 2.13 The Committee find from the information furnished by the Ministry that 3 months were spent in holding the Annual General Meeting of the Company to adopt the accounts for the year 1981-82 as well as to consider the accounts for the year 1982-83. Had the Company and the Ministry been vigilant in the matter, the meeting could have been held earlier and the accounts adopted within the stipulated time schedule. The Committee trust that the Company and the Ministry would monitor the progress at stipulated intervals and take steps to avoid such delays in future and ensure laying of the said documents on the Table of the House within the stipulated period of 9 months from the close of the accounting year.
- 2.14 The Committee, however, note with satisfaction that the delay has come down from 52 months in the case of Annual Report and Audited Accounts for the year 1977-78 to 11½ months in the case of Annual Report and Audited Account for the year 1981-82. There is, thus, general improvement in laying the documents of the Company on the Table of the House. The Committee hope that suitable steps would be taken by the Ministry and the Company to eliminate the delay, in future.
- 3.8 The Committee regret to observe that the Annual Reports and Audited Accounts of the Pharmacy Council of India, New Delhi for the years 1979-80 and 1980-81 were laid on the Table of Lok Sabha as late as on 25 August, 1983, and those for the year 1981-82 on 17 November, 1983, i.e. after a delay of 32 months, 20 months and 10½ months, respectively. Further the Annual Report

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and the Audited Accounts for the year 1982-83 have not been laid so far.

9.           3.9    The Committee are distressed to note that the recommendation contained in paragraph 3.5 of their First Report (Fifth Lok Sabha) has not been adhered to by the Council and the Ministry of Health and Family Welfare. The justification given by the Ministry that since the Council has a very small establishment, the first quarter of the Financial year is generally busy in arranging inspections during the examinations, in meeting the spill over expenditure and processing for the first instalment of the grant-in-aid and that the audit is generally taken in hand during the last quarter of the year as it suits the Auditors and the Council, is not convincing. As statutory requirement or direction from Parliament for laying the Report and Accounts has to be given precedence over all other considerations. The Committee trust that the Ministry in coordination with the Council will make positive arrangements in future so that the Annual Reports, Audited Accounts and the Audit Report together with the 'Review' are finalised expeditiously and laid on the Table of the House well within the stipulated period of 9 months from the close of the accounting year.
10.           3.10   The Committee are surprised to find that one of the reasons that led to the delay in laying the Annual Reports and Audited Accounts was that the Council did not have its own arrangements for translation and the job was to be done privately. The Committee are constrained to observe that neither the Ministry nor the Council had made any attempt to see that the translation of such a small Reports/Accounts is done in the shortest possible time and that it was allowed to linger on from 6 to 10½ months and thereby adding more to the delay. The Committee recommend that a person in the Council may be made responsible to see and ensure that the Annual Reports and Accounts are promptly finalised, audited, adopted, translated and sent to the Ministry for laying on the Table of the House within 9 months of the close of the relevant accounting year so that the Members of Parliament may have timely information about the working and performance of the Council with a view to make

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use of the Reports/Accounts while expressing their views at the time of discussion on Demands for Grants.

11. 4.7 The Committee note that the Annual Report and Audited Accounts of the National Agricultural Co-operative Marketing Federation of India Limited (NAFED) for the year 1981-82 were laid on the Table of Lok Sabha on 8 August, 1983 with a delay of about 4½ months. The Committee also note that the delay occurred at the stages of auditing of accounts, submission of draft audit report, translation and printing of Annual Report and Audited Accounts.
12. 4.8 The Committee further note that the auditing of accounts by Statutory Auditors commenced in December, 1982/January, 1983 whereas it should have commenced in September, 1982, i.e. 3 months earlier so as to have all the other formalities completed within the stipulated period of 9 months from the close of the accounting year. The reply given by the Ministry that the auditors commenced audit of various Branches of NAFED after the appointment of Statutory Auditors by the Central Registrar in October, 1982, is rather vague in the sense that it does not specify as to when the Central Registrar was approached for appointment of Statutory Auditors. The Committee feel that the Central Registrar was approached either much later than it was required or the matter was not sincerely pursued with the Central Registrar. Had the Ministry and the Federation approached the Central Registrar well in time the auditors would have been appointed earlier and thereafter, the documents could have been laid on the Table of the House within the stipulated period. The Committee feel that neither the Federation nor the Ministry had handled the matter with the requisite seriousness. The Committee hope that in future the Ministry and the Federation will make a coordinated effort to approach the Central Registrar well in advance and see that the auditing of accounts commences positively in the first week of September every year with a view to complete all the stages and lay the documents on the Table of the House positively towards the end of March every year.

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13. 4.9 The Committee also find that despite the assurance given by the Ministry in November, 1983 that the Annual Report and Audited Accounts of the Federation for the year 1982-83 would be laid on the Table of the House within the stipulated period, i.e. by 31 march 1984, the said documents have not so far been laid. This is a glaring example of the slackness on the part of the Federation and the Ministry. The Committee take a serious note of the matter and feel that no care had been taken by the Ministry to implement their assurance given to the Committee. The Committee desire that the said Annual Report, Audited Accounts, Audit Report for 1982-83 and 'Review' thereon in respect of the Federation should be laid on the Table of the House without any further delay. The Committee also trust that the Ministry would take necessary remedial measures to eliminate the delay in laying the required documents on the Table of the House, in time, in future.
14. 5.7 The Committee note that the Annual Reports and Audited Accounts of the International Institute of Population Studies, Bombay for the years 1978-79, 1979-80, 1980-81, 1981-82 and 1982-83 were laid on the Table of Lok Sabha after a delay of  $40\frac{1}{2}$  months,  $28\frac{1}{2}$  months, 24 months, 12 months and  $3\frac{1}{2}$  months, respectively. From the information furnished by the Ministry of Health and Family Welfare, the Committee find that the delay had occurred mainly at the stages of auditing of the accounts and translation of the Annual Reports and Accounts. The Committee feel that had the Ministry taken up the question of delay with the audit authorities and the Institute, and made some standing arrangements for translation of the Annual Reports and Audited Accounts of the Institute, much of the delay could have been avoided, if not totally eliminated. The Committee would like the Ministry of Health and Family Welfare to be more careful in this regard in future.
15. 5.8 Although the delay which was  $40\frac{1}{2}$  months in the case of Annual Report and Audited Accounts for 1978-79 has come down to  $3\frac{1}{2}$  months in the case of Annual Report and Audited Accounts for 1982-83, yet there is still need for further improvement so that the
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delay is completely avoided. In order to ensure timely laying of Annual Reports and Audited Accounts of the Institute on the Table of the House, the Committee feel that a time schedule is all the more necessary for completing action at various stages of the Annual Report and Audited Accounts of the Institute. The Committee urge the Ministry of Health and Family Welfare that they should in consultation with the International Institute of Population Studies, Bombay, chalk out a time schedule for strict observance by the Institute to ensure laying of Annual Reports and Audited Accounts on the Table of the House within nine months of the close of the accounting year.

16. 6.7 The Committee note that the Annual Reports and Audited Accounts of the National Institute of Ayurveda, Jaipur for the year 1978-79, 1979-80, 1980-81, 1981-82 and 1982-83 were laid on the Table of Lok Sabha after a delay of about 48 months, 36 months, 24 months, 12 months, and 4 months, respectively. The Committee also note that the Institute took 39 months, 31 months, 21 months and 12 months and against 3 months allowed by the Committee, for compiling the accounts for the years 1978-79, 1979-80, 1980-81 and 1981-82, respectively. The justification given by the Ministry that the Institute could not submit the Annual Report, Audited Accounts and Audit Report thereon in time owing to the non-availability of experienced staff, is not convincing. The Committee cannot refrain from expressing their displeasure over the state of affairs prevailing in the Institute as also for not keeping the Parliament informed about its performance for years together on the pretext of non-availability of experienced staff. The Committee feel that neither the Ministry nor the Institute had made any sincere efforts to adhere to the time limit of 9 months laid down by the Committee on Papers laid on the Table in paragraph 3.5 of their First Report (Fifth Lok Sabha).
17. 6.8 The Committee find that the Institute took 8 months, 5 months and 3 months in translating the Annual Reports and Audited Accounts for the years 1978-79, 1979-80 and 1980-81, respectively. The Committee feel that the time taken for translation was too long, and the Institute

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had also not paid serious attention to see that the translation job was completed well in time.

18.           6.9    The Committee urge the Ministry of Health and Family Welfare that they should, in consultation with the National Institute of Ayurveda, Jaipur, draw up a time bound schedule for completing all the formalities like compilation of accounts, their auditing, translation, printing, adoption of Annual Report and Audited Accounts and laying the same on the Table of the House, within 9 months as recommended by the Committee in their afore-mentioned Report. The Committee hope that the Ministry of Health and Family Welfare would also impress upon the Institute to make an officer responsible in the Institute, to keep a watch at various stages of finalisation of the Annual Report and accounts and to ensure that these documents are laid on the Table of the House within the prescribed period of 9 months from the close of the relevant accounting year.
19.           7.10    The Committee feel concerned to note that despite clear guidelines contained in their recommendation *vide* paragraph 3.5 of their First Report (Fifth Lok Sabha) for finalisation of Annual Reports and accounts and their laying before Parliament, the Annual Report, Audited Accounts and Audit Report thereon of the Export Promotion Council for Finished Leather and Leather Manufactures for the year 1981-82 were not laid on the Table of the House within the stipulated period, *i. e.*, within 9 months of the close of the relevant accounting year.
20.           7.11    The Committee are distressed to note that the reasons for delay in laying the Annual Report and Audited Accounts for 1981-82 have not been adequately spelt out in the statement of delay laid on the Table of the House. The statement lacked information required for identifying the stages where the delay had actually taken place. The Committee are constrained to observe that the Ministry of Commerce have treated the requirement of laying of statement of reasons for delay as a mere formality. The
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Committee desire that in future, the Ministry should invariably indicate in the statement of reasons for delay, in chronological order, the dates of—finalisation of Annual Reports and Accounts, making them available to the Auditors for audit, receipt of draft audit report, replies given on audit queries, receipt of final Audit Report, translation and printing of Annual Reports and Audited Accounts, adoption of Annual Report and Accounts by the General Body, furnishing of copies of printed Annual Reports and Audited Accounts to the Ministry for laying on the Table of the House, so that the House may be in position to locate the stages and extent of delay and suggest remedial measures with a view to eliminate the delay in laying such documents on the Table within the prescribed period.

21. 7.12 The Committee note that the Annual Report and the Audited Accounts for the year 1982-83 which were required to be laid on the Table of the House by 31 December, 1983, have not yet been laid. The Committee would like the Ministry to take urgent steps for laying them without further delay.
22. 7.13. The Committee note with regret that the Council approached the Ministry for appointment of Statutory Auditors for auditing the accounts for 1981-82 as late as on 14 March, 1983 as against the normal practice of doing it much in advance. The Ministry of Commerce, thereafter, took 3 months in obtaining the approval of the Ministry of Law and conveying the same to the Council. Had the Council approached the Ministry earlier and the Ministry made serious efforts in getting the Statutory Auditors appointed in time, the Annual Report and Audited Accounts for the year 1981-82 would not have been delayed to such an extent. The Committee consider it to be a serious lapse on the part of the Council and the Ministry and hope that the Ministry and the Council would take greater initiative in coordination with each other in future with a view to ensure that the required documents are laid on the Table of the House within the prescribed period of 9 months from the close of the relevant accounting year.
23. 8.8. The Committee note that the Annual Reports and Audited Accounts of the Oil India Limited, New Delhi

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for the years 1981-82 and 1982-83 were laid on the Table of Lok Sabha with the delay of 8 months and 2 months, respectively. The Committee also note that the delay of 8 months in the case of the Annual Report and Audited Accounts for the year 1981-82 occurred due to the backlog of finalisation and adoption of the Annual Reports and Audited Accounts of the earlier four years, *i. e.* Calendar years from 1977 to 1980, before Oil India Limited became a Government Company. The Committee feel satisfied that the Ministry of Energy have cleared the backlog and have now become up-to-date in so far as the laying of Annual Reports and Audited Accounts of the Oil India Limited on the Table of the House, is concerned.

24. 8.9 The Committee are also happy to note that the Oil India Limited have since switched over from Calendar year to the Financial year and have fallen in line with that of the Government.
25. 8.10 The Committee are, however, not happy to find that the delay has not been completely eliminated inasmuch as the Annual Report and Audited Accounts of the Oil India Limited for the year 1982-83 were laid on the Table of the House with the delay of 2 months despite the fact that the earlier backlog were already cleared by 24 August, 1983. The Committee trust that the Ministry of Energy and the Company will comply with the recommendation of the Committee on Papers laid on the Table contained in paragraph 3.5 of their First Report (Fifth Lok Sabha) and make sincere efforts to lay before the House the requisite documents within the prescribed period of 9 months from the close of the relevant accounting year.
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