

**COMMITTEE
ON
PAPERS LAID ON THE TABLE
(1995-96)**

(TENTH LOK SABHA)

TWENTY-SECOND REPORT

**[Action taken by Government on the Recommendations/Observations
made by the Committee on Papers Laid on the Table in their Thirteenth
and Fourteenth Reports (Tenth Lok Sabha)]**

(Presented on 20.12.1995)



**LOK SABHA SECRETARIAT
NEW DELHI**

December, 1995/Agrahayana, 1917 (Saka)

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Corrigenda to Twenty-second Report of the
Committee on Papers Laid on the Table

<u>Page</u>	<u>Para</u>	<u>Line</u>	<u>For</u>	<u>Read</u>
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CONTENTS

	PAGE
COMPOSITION OF THE COMMITTEE.....	(iii)
INTRODUCTION.....	(v)
REPORT Action taken by Government on the recommendations/observations made by the Committee on Papers Laid on the Table in their Thirteenth and Fourteenth Reports (Tenth Lok Sabha)	1
APPENDIX Statement showing Action taken by Government on the recommendations/observations of the Committee on Papers Laid on the Table in their Thirteenth and Fourteenth Reports (Tenth Lok Sabha).....	2

COMMITTEE ON PAPERS LAID ON THE TABLE
(1995-96)

COMPOSITION OF THE COMMITTEE

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*Nominated w.e.f. 9 August, 1995.

INTRODUCTION

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

2. The Committee considered and adopted the Report at their sitting held on 18 December, 1995.

NEW DELHI;
18 December, 1995

27 Agrahayana, 1917 (Saka)

T.J. ANJALOSE,
Chairman,
Committee on Papers Laid on the Table.

REPORT

ACTION TAKEN BY GOVERNMENT ON THE RECOMMENDATIONS/OBSERVATIONS MADE BY THE COMMITTEE ON PAPERS LAID ON THE TABLE IN THEIR THIRTEENTH AND FOURTEENTH REPORTS (TENTH LOK SABHA)

The recommendations/observations made by the Committee on Papers Laid on the Table in their Thirteenth and Fourteenth Reports (Tenth Lok Sabha) and the action taken replies thereto furnished by the Government have been given in Appendix to this Report.

2. The Committee are happy to note that all the recommendations contained in the aforesaid reports of the Committee have been accepted for implementation. The Committee trust that effective steps will be taken by the Ministries concerned to ensure that in future there is no delay in laying on the Table of the House the Annual Reports and Audited Accounts of the organisations under their administrative control.

NEW DELHI,
18 December, 1995

27 Agrahayana, 1917 (Saka)

T.J. ANJALOSE,
Chairman,
Committee on Papers Laid on the Table.

APPENDIX

[Vide Paragraph 1 of the Report]

Statement showing Action Taken by Government on the recommendations/ observations of the Committee on Papers Laid on the Table contained in their Thirteenth Report (Tenth Lok Sabha)

Recommendation

The Committee recommend that a time-bound schedule should be drawn up by the Society in consultation with the Ministry of Human Resource Development (Department of Education) and for strictly adhering to the various stages of the time schedule so drawn up and some senior officers both in the Society and the Ministry should be entrusted with the responsibility so that the documents could be finalised and placed before Parliament well within nine months of the close of the accounting years of the Society.

[Para 1.10 of the Thirteenth Report (10th Lok Sabha)]

Reply of the Government

The time-bound schedule drawn up by the National Open School Society in consultation with the Ministry of Human Resource Development (Department of Education) for strictly adhering to the various stages of the time schedule is given below:

<i>Stages of preparation of Annual Report and Audited Accounts</i>		<i>Time Schedule</i>
1	2	3
(i)	Preparation of annual accounts	5th June
(ii)	Submission to Director General of Audit, Central Revenues (DGACR)	15th June
(iii)	Preparation and forwarding to designated coordinating officer of the draft material for Annual Report by all Departments/ Projects/Units	15th June
(iv)	Conduct of the audit of the accounts by DGACR Inspecting Team	31st July
(v)	Draft Audit Report by DGACR	16th August
(vi)	Reply to the Draft Audit Report to DGACR	31st August
(vii)	Preparation of draft annual report and circulation to HODs & concerned officers	31st August
(viii)	Comments on draft annual report from HODs & others	15th September
(ix)	Audit Report from DGACR	30th September

1	2	3
(x) Finalisation of the draft Annual Report		15th October
(xi) Approval by Finance Committee, Executive Board and General Body		10th November
(xii) Printing		30th November
(xiii) Submission to Ministry of Human Resource Development (Department of Education)		5th December
(xiv) Submission to Parliament		10th December

Officers entrusted with the responsibility regarding finalisation of the documents and placing the same before the Parliament

1. Secretary, National Open School
2. Concerned Director/Deputy Secretary in the Bureau of Secondary Education in the Department of Education.

[Vide Ministry of Human Resource Development, Department of Education, O.M. No. F.5-4/95-Sch. 3, dated 8.6.1995.]

Recommendation

The Committee note that 10 months were taken in compilation and submission of Annual Accounts to the Auditors instead of three months as recommended by the Committee. Six months were taken in submitting the revised Pool Fund Accounts to the Auditors and five months were taken by the Auditors in preparing the Audit Report.

[Para 2.8 of the Thirteenth Report (10th Lok Sabha)]

Reply of the Government

Coffee Board are required to submit the Pool Fund Accounts to Audit by 30th June i.e. within six months after the close of the accounts, the accounting year being 1st January to 31st December and not three months as indicated by the Committee. The Board have made all efforts to reduce the time lag in the compilation and submission of Pool Fund Accounts to the Audit by ensuring that all the field units and offices submit their account in time. Due dates for submitting fortnightly, monthly and annual returns have been prescribed for finalisation of accounts at the Head Office of Coffee Board also, a time schedule has been drawn by the Coffee Board for 1993-94.

[Vide Ministry of Commerce O.M. No. 8(1)/94-Plant (B) dated 14.3.95]

Recommendation

The Committee are not satisfied with the clarification given by the Ministry in taking 10 months' time in compilation of accounts because it was only due to non-receipt of information from the field units. The

Committee feel that if the Board had taken initiative before the end of the season with the field units, the accounts could have reached the head office and much of the delay could have been avoided and in anticipation of any delay from the field units, the Ministry should have taken the matter with field units from time to time. The Committee also observed that so many Audit objections were raised during the auditing of the accounts. It goes to prove that the accounts were not compiled as per requirements of the audit authority.

[Para 2.9 of the Thirteenth Report (10th Lok Sabha)]

Reply of the Government

Coffee Board are required to submit the Pool Fund Accounts to Audit within six months after the close of the accounts after duly compiling, reconciling and finalising the same. There is no doubt that delay occurred in the submission of accounts for the year ended 31st December, 1990, 31st December 1991 and for the year ended 31st December, 1992. Non-receipt of information from the Field Units in time can be attributed to the absence of proper follow-up and supervision which was mainly on account of the absence of a regular Director of Finance, Coffee Board for more than a year, on assumption of charge by regular Director of Finance in November 1992, arrears in submission of the Pool Fund Accounts was cleared and the time taken for compilation and finalisation of accounts was progressively reduced. The basic audit objections raised were regarding non-reconciliation of accounts and placing amount in suspense which again can be attributed to the absence of proper supervision. In this regard utmost care will be taken in future.

[Vide Ministry of Commerce O.M. No. 8(1)/94-Plant(B) dated 14.3.95]

Recommendation

The Committee recommend that the Ministry in consultation with Coffee Board should fix up a deadline for preparing and submitting the accounts by field offices to the Head Office with a view to avoiding delay atleast on this account, The Board should also fix up the responsibility on some officers in the field units to send the accounts within the prescribed time limit. At the Ministry level also, a senior officer should be entrusted to pursue and see that the accounts of field offices reach the Ministry by the deadline fixed for the purpose.

[Para 2.10 of the Thirteenth Report (10th Lok Sabha)]

Reply of the Government

All efforts have been made to reduce the time lag in the compilation and submission of Pool Fund Accounts to the Audit by ensuring that all the field units and offices submit their accounts in time to the Head Office. Due dates for submitted fortnightly monthly and annual returns have been prescribed. For instance, every Pool Agent is required to submit the fortnightly return accounting for the Letters of Credit established, drawn

and utilised for payment by 20th of the month and 5th of the following month. The Sales Registers are required to be rendered by the Pool Agent to the Divisional Assistant Coffee Marketing Officers by 7th of the following month and the Div. A.C.M.O's are required to forward after duly verifying by 15th of the month. Responsibility has been fixed on all the Regional Deputy Chief Coffee Marketing Officers and Div. A.C.M.O's to ensure timely submission/forwardal of the returns. For finalisation of accounts at the Head Office also, a time schedule has been drawn for 1993-94 Season's Accounts.

[Vide Ministry of Commerce, O.M. No. 8 (1)/94-Plant (B), dated 14.3.95]

Recommendation

The Committee also recommend that the accounts of the Coffee Board should also be properly maintained so that at the time of auditing, audit objections could be reduced to the minimum and in case of objections, if any, efforts should be made to resolve them with promptitude.

[Para 2.11 of the Thirteenth Report (10th Lok Sabha)]

Reply of the Government

All the major Audit Objections are regarding non-reconciliation of accounts and placing amounts in "Suspense". Coffee Board have made efforts to reconcile the accounts and effect clearance of "Suspense" by constituting Special Cells. The clearance of the "Suspense" is reflected in the 1991-93 Pool Fund Accounts which has already been finalised and submitted to Audit. The number of Audit Objection has also been substantially reduced.

[Vide Ministry of Commerce, O.M. No. 8(1)/94-Plant (B)
dated 14.3.1995]

Recommendation

The Committee hope that the Ministry of Commerce would make all out efforts to see that the Pool Fund Accounts of the Coffee Board which are in arrears, are laid on the Table of the House within the next three months and all future accounts are laid within the prescribed period. The Ministry should ensure that the work relating to laying of Pool Fund Accounts of Coffee Board is not allowed to fall into arrears in future.

[Para 2.12 of the Thirteenth Report (10th Lok Sabha)]

Reply of the Government

There are no arrears in the submission of Pool Fund Accounts to Audit. The 1993-94 Season's Pool Fund Account is due for Audit only by 30.6.1995 and the Coffee Board is making efforts for timely submission. The 1992-93 Season's Pool Fund Account which was due for submission to

Audit by 30.6.1994 and for placing before Parliament by 30.9.1994 has already been submitted to Audit and will be laid on the Table of the House within the next three months.

[Vide Ministry of Commerce, O.M.No. 8(1)/94-Plant (B) dated 14.3.95]

Recommendation

The Committee note that the Annual Report and Audited Accounts of the Lalit Kala Akademi for the year 1990-91 were laid on the Table of Lok Sabha on 20th April, 1993 after a delay of about 15½ months. From the information furnished by the Ministry of Human Resource Development, the Committee find that about 1½ months were taken in compiling the accounts of the Akademi, 6 months in auditing and finalising the accounts; about 1½ months in translation of the Audit Report though the Akademi received the Audit Report on 20.2.1992; two months in getting approval of the Executive Board and General Council though the Annual Report was finalised on 1.10.1992 and nearly 2 months in preparing the "Review" and "Delay Statement" by the Ministry.

[Para 3.8 of the Thirteenth Report (10th Lok Sabha)]

Reply of the Government

The Department of Culture has given strict instructions to the Autonomous Organisation for finalising the accounts in time so that the accounts could be submitted to DACR before 30th June of the year. Further, Department of Culture has also appealed to DACR for early Auditing of the Accounts of these Autonomous organisations so that the Annual Report/Audited Accounts etc. could be placed on the Table of the House.

It is also pointed out that the Hindi Translation of the Report is to be provided by the Office of the DACR itself. About the delay in getting the Annual Report and Audited Accounts amended by the Executive Board/General Council etc., it may be stated that steps will be taken to avoid such delay in future.

[Vide Ministry of Human Resource Development (Deptt. of Culture)
O.M. No. 3-49/92 Desk (PA) dt. 7.4.1995]

Recommendation

The Committee are not convinced with the explanation given by the representative of the Ministry of Human Resource Development during evidence. The stages as explained by him and as mentioned were all created by the Akademi authorities themselves. They had sent the Report without the approval of the Executive Board. Various certificates had not been enclosed, Finance Committee and Executive Board had not approved it and the delay statement was also not given. The Annual Report and Audited Accounts could not be as authentic documents for want of approval by the Executive Board of the Akademi. The Committee

feel that the delay could have been avoided if the Annual Account had been monitored at every stage of their finalisation.

[Para 3.9 of the Thirteenth Report (10th Lok Sabha)]

Reply of the Government

The Akademi has expressed its regret on the delay caused due to certain shortcomings on their part. They have also assured not to repeat such deficiencies which lead to delay.

[Vide Ministry of Human Resource Development (Department of Culture) O.M. No. 3-49/92 Desk (PA) dated 7.4.1995]

Recommendation

The Committee recommend that a time schedule should be chalked out by the Lalit Kala Akademi in consultation with the Ministry and the audit authorities and some senior officers in the Akademi as well as in the Ministry should be entrusted with the job of monitoring the time schedule so framed. If any delay is anticipated at any stage, the matter may be taken up with the concerned authority to expedite the action. The Ministry of Human Resource Development should also take steps to obviate delay in preparing "Review" and "Delay statement" and see that the documents are laid on the Table of the House within the stipulated time of nine months prescribed by the Committee.

[Para 3.10 of the Thirteenth Report (10th Lok Sabha)]

Reply of the Government

The Akademi has initiated all steps to avoid delay at any stage. The Department of Culture is constantly monitoring the activities of the Akademi. The Department also assures that in future there will be no delay on our part for preparing review statement etc. on the Annual Report of Lalit Kala Akademi.

[Vide Ministry of Human Resource Development (Department of Culture) O.M. No. 3-49/92 Desk (PA) dated 7.4.95]

Recommendations

The Committee are concerned to note that the accounting year of the Council ends on 31st March and the Council sent the accounts to the audit authorities only on 30.6.1991 and in-between the auditing of accounts, its translation etc. took nearly 11 months. The Committee see no reason for such type of inordinate delay.

The Committee also feel distressed on the explanation given by the representative of the Ministry for taking about 7 months by the Audit authorities for auditing and finalising the accounts. The Committee do not appreciate the statement that audit authority was the superior authority hence they did not think it proper to remind them. The

Committee feel that there was no harm in reminding the audit authorities for auditing the accounts in time.

The Committee recommend that the Council should draw up a time bound schedule for processing the work involved right from compilation of Accounts, printing of Annual Report and audited accounts and sending them to the Ministry for laying them on the Table of the House. In order to achieve the desired result, the job needs to be monitored at sufficiently high levels both in the Ministry of health and Family Welfare and the Central Council of Indian medicine. In order to have the accounts expeditiously audited, the Committee also advice the Council to take up the auditing of accounts with the Audit authorities from time to time.

The Committee also note that the Annual Report and Audited Accounts of the Council for the year 1990-91 were received in the Ministry on 2 April, 1992 but these were laid on the Table of the House on 24 April, 1993 i.e. after about 12 months. The Committee feel that the Ministry did not take the matter seriously and allowed to linger it indefinitely. The Committee observe that this type of approach is regrettable and needs to be avoided in future and place before Parliament the required documents as soon as they are received in the Ministry.

[Paras 4.8 to 4.11 of the Thirteenth Report (10th Lok Sabha)]

Reply of the Government

Action taken by the Ministry	Action taken by CCIM in response to the instructions of this Ministry
(1)	(2)
<p>The following instructions had been given to CCIM in respect of future Annual Reports:</p> <ol style="list-style-type: none"> 1. They may sent their accounts to the Office of C&AG for audit in time and send the reply to the draft Audit Report well in time to the DACR. They may also obtain the final Audit Report from DACR in time. 	<ol style="list-style-type: none"> 1. Accounts of CCIM for 1994-95 were sent to DACR on 30.6.95. The audit of the Accounts of CCIM for 1994-95 is being carried out by the DACR.

(1)

(2)

2. They may complete the work of approval of Annual Report and its Hindi Translation in time.

2. The work of draft Annual Report for 1994-95 has been completed and the Hindi translation work of the same is in process. Secretary, CCIM have stated that the draft Annual Report for the year 1994-95 will be placed before the next meeting of Executive Committee/Central Council for approval.

3. After adoption of the Audited Reports by the Executive Committee the same should be sent for printing immediately.

3. Secretary, CCIM has informed that every care will be taken to bring and submit the Annual Report and Audited Accounts for the year 1994-95 in time.

4. They should keep this Ministry informed about the latest position of case at regular intervals.

[Vide Ministry of Health and Family Welfare, O.M. No. G.25020/6/94-
A.E. dated 29.9.1995]

Recommendations

The Committee are distressed to note that the Audited Accounts and Annual Report of the All India Institute of Medical Sciences were laid on the Table of the House separately on 14.5.93 and 20.8.93 respectively, that is, after a delay of about sixteen and a half months and eight months.

Eight and a half months were taken in finalising the Annual Report 7½ months in translation and its printing and one month was taken by the Ministry for its authentication. Five and a half months were taken by the auditors in auditing the accounts, and 5½ months were also taken by the Institute for getting approval these accounts from their Governing Body.

The Committee are unhappy to observe that despite the clear guidelines laid down by the Committee on Papers Laid on The Table in their recommendation contained in para 3.5 of their First Report (5th Lok Sabha) that the Annual Report and Audited Accounts of the Institute must be laid together, the Annual Report and Audited Accounts of the Institute have been laid separately and that too with much delay. The Committee observe that unless the Annual Report and Accounts of the Institute are laid together, a perfect and complete picture of the working and activities of the Institute would not be known to the Members of Parliament and as such the very purpose of laying these papers before Parliament is defeated.

The Committee, therefore, reiterate the earlier recommendation contained in para 3.5 of their First Report (5th Lok Sabha) and

recommend that the Annual Reports and Audited Accounts of the Institute should be laid together within 9 months from the close of the accounting year.

The Committee also note the contention of the Ministry of Health & Family Welfare that the number of patients in the Institute has tremendously increased. It has resulted in delay in compilation of data and their auditing by Statutory Auditors. The Statutory Auditors alone had taken 5 months in the auditing of the accounts of the Institute for the year 1990-91. In order to overcome this problem, the Committee recommend that the Institute should have concurrent audit system for which the Ministry of Health & Family Welfare might approach the Comptroller & Auditor General of India and have the system introduced so that the accounts of the Institute are compiled and audited throughout the year and Audited Accounts together with the Audit Report thereon are placed before Parliament within the prescribed period of 9 months from the close of the accounting year.

[Paras 5.11 to 5.13 of the Thirteenth Report (10th Lok Sabha)]

Reply of the Government

The All India Institute of Medical Sciences (AIIMS), have been asked to be more prompt in furnishing the Annual Report and Audit Report in future.

All possible efforts are being made by the Institute to furnish the reports within the stipulated period. In case the meeting of the Governing Body of the Institute is not likely to be held in near future, the approval of President, AIIMS in his capacity as Chairman, Governing Body will be obtained to avoid such type of delay.

The main reason for delay in laying the Audit Report for 1990-91 was the inclusion of transactions relating to CTVS patients from the year 1978-79 onwards. Subsequently, the Audit Reports/Audited Accounts of the subsequent years have been delayed. All possible efforts are being made to ensure that the Annual Report and Audit Report/Audited Accounts of the Institute are laid together in future. The Institute have also been asked to consider revising the relevant rules to adhere to the recommendations of the Committee in the matter of laying both the documents together before Parliament. It may, however, be mentioned that audited accounts can only be laid after receipt thereof from the CAG's organisation. Experience has been that this is considerably delayed even when accounts are made available to them for audit in time. Insistence on laying the Annual Report and Audited Accounts together may, therefore, involve delay in the laying of Annual Report also after it is ready.

This Ministry have taken up the matter with Director General of Audit, Central Revenues, New Delhi regarding concurrent audit of the accounts of the AIIMS, New Delhi on a permanent basis.

Statement showing action taken by Government on the Recommendations/ observations of the Committee on papers laid on the table Contained in their Fourteenth Report (Tenth Lok Sabha)

Recommendation

Keeping in view the efforts made by the Ministry of Environment and Forests and the Indian Institute of Forest Management in timely finalisation of the Reports, the Committee trust that they would keep up their efforts and ensure that the Annual Report and Audited Accounts are laid within the prescribed period of 9 months of the close of the accounting year in future.

[Para 1.9 of Fourteenth Report (Tenth Lok Sabha)]

Reply of the Government

Steps have been initiated by this Ministry to ensure timely submission of Annual Report and Audited Statement of Account of IIFM Bhopal to the Lok Sabha in future.

[Vide Ministry of Environment and Forests O.M.No. 12—17/94—RT dated 7.8.1995]

Recommendation

The Committee regret to note that the annual report and audited accounts of National Institute of Small Industry Extension Training, Hyderabad (NISIET) for the year 1991 which were required to be laid on the Table of the Lok Sabha by 31st December, 1991, were actually laid on 3rd March, 1993, i.e. after a delay of about 14 months. The Committee find from the information furnished by the Department of Small Scale Industries that the delay took place at the stages of compilation of annual accounts, auditing of accounts, taking approval of the Genral Body and thereafter in sending the documents to the Ministry for being placed before Parliament.

The Committee take a serious view of the fact that the Institute that an unduly long period of 18 months in finalising the annual report as against six months prescribed by the Committee in this regard. While agreeing for the delay caused by the auditors, the Committee feel that the Institute and the Ministry of Industry are equally responsible for the inordinate delay. In case of deliberate delay in auditing of account Auditors, the Insititute as also Ministry of Industry should have acted with promotitude to take up the matter with Comptroller and Auditor General to replace the auditors. The Committee are of the view that neither the Ministry nor the Institute moved the matter and allowed the auditors to audit their accounts leisurely. Had the institute and the Ministry felt their joint responsibility and made efforts in finalisation and placing the required documents in Parliament in time much of the delay could have been avoided. The Annual Report contained only administrative matters of the Institute and,

as such, no outside agency was involved. It was also delayed to the extent of 12 months.

Since the representatives of the Department have regretted for the delay that has occurred and assured the Committee to take necessary remedial steps to curtail the delay and lay the required documents as per time schedule, the Committee hope that the Department would strictly adhere to the time schedule drawn by them for laying the Annual Reports and Audited Accounts and clear the backlog of laying the required documents. The Committee also recommend that they should also prepare a time schedule for completion of various stages involved in finalisation of the Annual Report and Audited Accounts. The time schedule so drawn up should be monitored by some senior officers both in the Ministry as well as in the National Institute of Small Industry Extension Training, Hyderabad, to obviate delay in future. The Committee may be appraised of the action taken in this regard.

[Paras 2.11 to 2.13 of the Fourteenth Report (Tenth Lok Sabha)]

Reply of the Government

The reasons for delay in placement of the documents before Parliament, the main one being deliberate delay caused by Auditors on the plea of inadequate remuneration, despite prior arrangements, have since been removed through resignation of auditors. On the recommendation of the C&AG a new auditing firm was entrusted with the assignment of audit of NISIET Accounts.

In view of the voluntary action taken by the Auditors in submitting resignation from the assignment, the matter was settled without recourse to intervention by C&AG. Audit of Accounts for year 1991-92 and 1992-93, though delayed, was expedited to the extent possible and documents were made ready for placement before Parliament by July 1994 as promised to the Committee during the hearing. Similarly, documents for 1993-94 were also made ready as per commitments made during the hearing and are due to be placed before the Parliament during the ensuing budget session in March, 1995.

In compliance with the recommendations made by Committee a time schedule has been drawn up for completion of various stages involved in finalisation of the annual report and audited accounts for the year 1994-95. The schedule is being monitored by Director (IMT) at Office of DC(SSF) and Chief Administrative and Accounts Officer of NISIET, Hyderabad, who has been exclusively assigned the work of completion of Annual Reports and Annual Accounts. It is expected that documents will be placed before Parliament on schedule, during the winter session of 1995.

[Vide Ministry of Industry O.M. No. 11(24)/93—IMT dated 23.3.1995]

Recommendation

The Committee are not convinced with the reasons indicated by the Ministry of Civil Aviation (Department of Civil Aviation) that the first Annual Report of the Authority for the year 1986-87 was delayed on account of constraints due to switching over to mercantile system of accounting, fixation of commencing capital and finalising the format in which the Authority was to prepare the Annual Accounts. The Committee do not appreciate the fact that the delay that took place in 1986-87 persisted and continued till 1989-90 and onwards. The Committee also do not appreciate by the argument that the accounts were not submitted by CPWD Authority in time and hence auditing and other actions on the part of the Authority were delayed. The Ministry of Civil Aviation failed to sort out the problem of non-submission of accounts by CPWD by holding meetings at the appropriate levels instead of entering into protracted correspondence with CPWD. The Committee, however, trust that the Ministry of Civil Aviation would hence forth clear the arrears of Annual Reports and Audited Accounts as per schedule drawn by them and ensure that the Annual Reports and Audited Accounts from the year 1993-94 onwards would be placed before Parliament within the stipulated period of nine months from the close of the accounting year.

[Para 3.10 of Fourteenth Report (Tenth Lok Sabha)]

Reply of the Government

The observations/recommendations have been noted. The Accounts for the year 1993-94 were completed by the erstwhile National Airports Authority (now National Airports Division of Airports Authority of India) and submitted to Member Audit Board on 26.7.1994. After inter-action between audit and National Airports Division, the Audit Certificate was received on 1.3.1995. Thereafter the report and accounts were got printed. The report and accounts duly authenticated by the Minister of Civil Aviation & Tourism were laid on the Table of the Lok Sabha on 2.6.1995. While placing the Accounts on the Table of the Lok Sabha, a separate statement indicating the reasons for delay had also been tabled.

[Vide Ministry of Civil Aviation & Tourism (Deptt. of Civil Aviation)
O.M. No. H. 11019/1/95—VB dated 22.9.1995]

Recommendation

The Committee recommend that the annual accounts should be compiled and made available for auditing within 3 months of the close of the accounting years. These should be handed over to the statutory auditors without wasting any time. For timely completion of audit work sincere efforts should be made by the Institute by pursuing the matter vigorously with the auditors.

[Para 4.18 of Fourteenth Report (Tenth Lok Sabha)]

Reply of the Government

In May 1991, a time schedule to streamline the procedure for timely laying the audited accounts before Parliament was prepared and both the Principal of the Institute and the Accountant General, J&K were informed of the time schedule. The Institute was directed to close the annual accounts of the Institute by the third week of April every year and make arrangements with the Accountant General, J&K for taking up the audit of the Accountants in the first week of May, so that the audit report is made available by end of May each year. The Accountant General, J&K had, however, stated that the final Audit Report cannot be made available by the end of May each year as it has to undergo various stages before its finalisation for being placed before Parliament.

The recommendation of the Committee has been communicated to the Accountant General, J&K with a request that the final audit report may be made available latest by end of August. The Principal of the Institute has also been directed to pursue the matter vigorously with the auditors to get the final audit report in time.

The Principal of the Institute and the Deputy Secretary/Director/Joint Secretary of the Ministry of Defence who will be the Honorary Secretary of the Institute will be made responsible for closely monitoring the progress of the compilation of the annual accounts.

[Vide Ministry of Defence O.M. No. 1(20)/95—JIM dated 9.3.1995]

Recommendation

The Committee further recommend that since translation of the documents into Hindi is done by the Ministry, the Institute should forward the documents to the Ministry well before the time of its laying thus giving sufficient time to the Ministry for its translation and preparing Review etc. on the Report.

[Para 4.19 of Fourteenth Report (Tenth Lok Sabha)]

Reply of the Government

The Committees recommendation has been accepted by the Ministry.

[Vide Ministry of Defence O.M. No. 1(20)/95—JIM dated 9.3.1995]

Recommendation

The Committee also recommend that for ensuring timely completion of each stage of finalisation of the documents, the Ministry, in consultation with the Institute and audit authorities should prepare a time schedule. Some senior officer, both in the Ministry and in the Institute should monitor adherence of the time schedule so drawn up and ensure that the documents are laid in Parliament within 9 months from the close of the accounting year.

[Para 4.20 of Fourteenth Report (Tenth Lok Sabha)]

Reply of the Government

A time schedule from the stage of compilation of the accounts by the Institute to the submission of the final audit report by the auditors was prepared in May 1991 for finalisation and placing the report before Parliament within the stipulated period. The time schedule provided for the Accountant General making available the audit report by end of May each year. However, the Accountant General, J&K had expressed some difficulties in this. Accordingly, they have been asked to ensure that the audit report reached the Ministry by end August each year. The auditors and the Principal of the Institute have again been asked to adhere to the time schedule strictly, so that audit reports are laid in Parliament within 9 months of the close of the accounting year. The Principal has also been directed to monitor adherence to the time schedule communicated to the Institute and the Accountant General and ensure that the documents are laid in Parliament within 9 months from the close of the accounting year. In the Ministry adherence to the time schedule will be monitored by Joint Secretary (APO&W)/Secretary (JIM).

[Vide Ministry of Defence O.M. No. 1(20)/95—JIM dated 9.3.1995]

Recommendation

The Committee note that the Annual Report and Audited Accounts of the North Eastern Regional Agricultural Marketing Corporation Ltd., Guwahati for the year 1988-89 were laid alongwith review and delay statement on the Table of Lok Sabha on 21 December, 1993 after a delay of about 48 months.

The Committee are constrained to observe that the Statutory Auditor for auditing the accounts of the Corporation was appointed on 25th April, 1989 but the accounts could be compiled and made available for auditing in April, 1990 i.e. after a lapse of about 1 year. Further, the statutory audit was completed and the final Audit Report was furnished to the Corporation in August, 1990 but the Annual Report was finalised by the Corporation in September, 1993 i.e. after about 3 years. As a result thereof, the Annual Reports and Audited Accounts for the subsequent years i.e. for 1989-90, 1990-91, 1991-92, 1992-93 and 1993-94 have fallen into arrears. The Committee are of the view that the Ministry failed to monitor the finalisation of the Annual Report and Accounts of the Corporation. The inordinate delay in placing before the Parliament the Annual Report and Audit Accounts of the Corporation exhibits total lack of accountability to the Parliament by the Ministry of Food Processing Industries. The Committee take a serious view of the lapse and recommend that immediate steps should be taken by the Government and the Corporation to draw up a time bound programme for clearance of their arrears of Annual Reports and Accounts and devise a suitable mechanism

to ensure that the required documents of the Corporation would be placed before Parliament in future within 9 months of the close of the accounting years of the Corporation.

[Para 5.9 and 5.10 of the Fourteenth Report (Tenth Lok Sabha)]

Reply of the Government

The Annual Report and Audited Accounts of North Eastern Regional Agricultural Marketing Corporation Ltd. Guwahati for the year 1988-89 were laid alongwith review and delay statement on the Table of Lok Sabha on 21.12.1993. The delay in finalisation and submission of Annual Report and Audited Accounts for the year 1988-89 has affected finalisation of Annual Reports and Accounts for the subsequent years. A Committee of the Board of Directors of the Corporation was constituted to expedite clearance of the backlog of accounts and also to ensure timely laying of the Annual Reports and Audited Accounts within the prescribed period of time. Annual Reports and Audited Accounts for the years 1989-90, 1990-91 and 1991-92 have since been laid on the Table of both the Houses. To ensure clearance of the backlog for the two years i.e. 1992-93 and 1993-94 and timely laying of documents in future, steps have been taken to draw-up a time-bound programme and all efforts are being made to minimise the delay and lay the documents as per the time schedule. The audit of accounts for the year 1992-93—both by Statutory Auditors as well as by C&AG has since been completed. The accounts for the year 1993-94 are being put up to the Board for approval and the audit is also expected to be completed before the end of March, 1995. The matter is being actively pursued and it is expected that the backlog for these two years will also be cleared by May-June, 1995 and the documents laid before both the Houses of Parliament during its ensuing Budget Session during the Monsoon Session. The Company has been instructed to ensure that the time schedule is strictly adhered to. Keeping in view the conscious and concerted efforts being made by the Company, it is expected that from the year 1994-95 onwards the Annual Reports and Audited Accounts would be laid before Parliament in time.

[Vide Ministry of Food Processing Industries O.M. No. 3-1/95—PD.I dated 24.2.1995]

NEW DELHI;
18 December, 1995

27 Agrahayana, 1917 (Saka)

T.J. ANJALOSE,
Chairman,
Committee on Papers Laid on the Table.