

PUBLIC ACCOUNTS COMMITTEE (1974-75)

HUNDRED AND SIXTY-EIGHTH REPORT

DIRECTORATE OF ESTATES

[Paragraph 38 of the Report of the Comptroller and Auditor General of India for the year 1972-73—Union Government (Civil) relating to the Ministry of Works and Housing (Directorate of Estates)]



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NEW DELHI**

April, 1975/Vaisakha, 1897 (S)

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AMENDMENTS TO THE 168TH REPORT OF THE PUBLIC
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<u>Page</u>	<u>Para</u>	<u>Line</u>	<u>For</u>	<u>Read</u>
(v)	3	3	to	in
12	1.27	6	<u>Add</u> 'was' after 'satisfaction'.	
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109	1.120	10	<u>Delete</u> 'officers' after 'All India Services'	
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112	1.133		<u>Add</u> para 1.133 as 1.148	
105	Against the para beginning with, 'The Committee are surprised that....', <u>Add</u> 10, 1.69 and W&H in the 1st, 2nd and 3rd columns respectively.			
107	The para beginning with, while 'The Committee find that/calculating...', <u>Add</u> Sl. No. as 12 and <u>substitute</u> para No. 117 by 1.117.			

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PART—II*

Minutes of the sittings of the PAC held on :

23-8-74

30-8-74

28-4-75

*Not printed. One cyclostyled copy laid on the Table of the House and five copies placed in Parliament Library.

PUBLIC ACCOUNTS COMMITTEE

(1974-75)

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SECRETARIAT

Shri B. K. Mukherjee—*Chief Legislative Committee Officer.*
Shri N. Sunder Rajan—*Senior Financial Committee Officer.*

INTRODUCTION

1. I, the Chairman of the Public Accounts Committee, as authorised by the Committee, do present on their behalf this Hundred and Sixty-Eighth Report of the Public Accounts Committee (Fifth Lok Sabha) on paragraph 38 of the Report of the Comptroller and Auditor General of India for the year 1972-73, Union Government (Civil) relating to Ministry of Works and Housing.

2. The Report of the Comptroller and Auditor General of India for the year 1972-73 (Civil) was laid on the Table of the House on 30th April, 1974. The Committee examined this Audit Paragraph at their sittings held on the 23rd and 30th August, 1974. The Committee considered and finalised this Report at their sitting held on 28th April, 1975. Minutes of these sittings form Part II* of the Report.

3. A statement showing the summary of the main conclusions| recommendations of the Committee is appended to the Report (Appendix IV). For facility of reference, these have been printed to thick type in the body of the Report.

4. The Committee place on record their appreciation of the assistance rendered to them in the examination of the paragraph by the Comptroller and Auditor General of India.

5. The Committee would also like to express their thanks to the officers of the Ministry of Works and Housing for the co-operation extended by them in giving information to the Committee.

NEW DELHI:
April 28, 1975
Vaisakha 8, 1897 (S).

JYOTIRMOY BOSU,
Chairman,
Public Accounts Committee.

*Not printed. One cyclostyled copy laid on the Table of the House and five copies placed in the Parliament Library.

MINISTRY OF WORKS AND HOUSING

(DIRECTORATE OF ESTATES)

Availability and demand of quarters

Audit Paragraph

1.1. Government buildings in Delhi.--The Director of Estates in New Delhi, with his regional offices in Bombay, Calcutta, Simla, Nagpur and Faridabad is responsible for allotment of office and residential accommodation, management of Government hostels and shops in Government markets, assessment and collection of licence fee (rent) of residential accommodation and shops in Government Markets, assessment and collection of rents for air-conditioning units, refrigerators and desert coolers and eviction of unauthorised occupants from public premises under his control. Total rent assessed was about Rs. 35 lakhs in 1942-43, Rs. 64 lakhs in 1947-48 and in 1971-72 it was Rs. 362 lakhs.

1.2. The principal function of the Directorate of Estates is management and administration of general pool accommodation, most of which is in Delhi. The total number of units/residences in the general pool on 31st December, 1972 was 49,318. Of this 41,337 were in Delhi. The capital cost of the residences in the General pool in Delhi is about Rs. 34 crores.

Net addition to the pool accommodation

1.3. During the three years ending 1971-72 there was a net addition of 1341 quarters (after accounting for the quarters given for demolition, etc.) to the pool of accommodation. The type-wise net additions in the three years 1969-70 to 1971-72 have been as follows:

Type	1969-70			1970-71			1971-72			Total of the three years
	Addition	Reduction	Net addition/reduction	Addition	Reduction	Net addition/reduction	Addition	Reduction	Net addition/reduction	
I	2	3	4	5	6	7	8	9	10	11
I	—	—	—	454	168 (+)286	—	23	(—)23	(+)263
II	36	78	(—)42	506	175 (+)331	119	—	(+)119	(+)408
III	—	53	(—)53	391	15 (+)376	60	7	(+)53	(+)376
IV	—	70	(—)70	320	3 (+)317	100	4	(+)96	(+)343
V	49	63	(—)14	6	15 (—)9	3	5	(—)2	(—)25
VI	—	16	(—)16	—	7 (—)7	—	2	(—)2	(—)25
VII	3	1	(+)2	1	1 —	—	—	—	(+)2
VIII	—	1	(—)1	—	— —	—	—	—	(—)1
TOTAL	88	282	(—)194	1,678	384 (+)1,294	282	41	(+)241	(+)1,341

1.4. The net addition to the general pool during the Fourth Plan period is expected to be about 5,336 quarters. The total number of quarters in the general pool expected to be available in Delhi at the end of the Fourth Five Year Plan is 44,600.

Type-wise demand and availability

1.5. Appendix I shows the classification of residences, type-wise-eligibility, type-wise availability of general pool accommodation in Delhi vis-a-vis demand and type-wise satisfaction from 1970-71 onwards.

1.6. According to the existing practice applications for allotment of accommodation from the general pool in Delhi are invited in the majority of the cases on a restricted basis, keeping in view the vacancies which are likely to become available during a particular allotment year. Whereas in the highest two categories (types VII and VIII) and in special pool categories such as the ladies pool (for all types) and I.A.S./I.P.S. officers pool (types IV to VI) applications are invited without any restrictions, for other types in the general pool as also in the reserve quota for scheduled castes/scheduled tribes (types I and II) applications are called for on restricted basis, i.e., from those who had entered service up to a particular date or those who had started drawing pay at a particular stage on or before a specified date.

1.7. For the year 1970-71 Government paid as much as Rs. 7.09 crores as house rent allowance to Government servants in Delhi who had not been provided with government accommodation. In addition those Government servants themselves pay to the owners of private residences in Delhi annually a few crores of rupees, being 10 per cent of their emoluments, towards rent for private residences they occupy.

[Sub-para of Paragraph 38 of the Report of C & AG for
1972-73 (Civil)].

1.8. The availability of general pool accommodation in Delhi and other cities as on 31st December, 1973 *vis-a-vis* demand and shortage with reference to demand is given in the statement below :

Stations	Demand	Avail- ability	Shortage with re- ference	Percentage of satis- faction
Delhi	99,828	40,904	58,924	41.0
Bombay	23,313	2,550	20,763	10.9
Calcutta	19,333	1,864	17,469	9.6
Simla	5,016	567	4,449	11.3
Nagpu	1,345	1,061	284	78.9
Faridabad	1,867	1,402	465	74.0
Madras	6,655	518	6,137	7.8
Chandigarh	6,368	357	6,011	5.6
	1,63,725	49,223	1,14,502	30.1

1.9. It is seen from the above that the total number of units/residences in the general pool was 49,223 as against the demand for 1,63,725 units. As per Audit paragraph during the three years ending 1971-72 there was a net addition of 1,341 quarters (after accounting for the quarters given for demolition etc.) to the pool of accommodation. The Committee desired to be furnished with details of new quarters added to the General Pool, demolition of old buildings and net additions during the year 1972-73 and 1973-74 separately for each city. In a note the Ministry have stated: "During 1972-73 and 1973-74, 168 type II, 288 type III, 176 type IV and 323 one room two room apartments were added to the General Pool accommodation in Delhi. During the same period 50 Nos. 'E' type, 4 Nos. 'B' type and 12 room barrack type quarters were demolished. Thus the total number of units of the two years adds upto 955 and the number of units demolished works out to 66....". The type-wise details of new quarters added to the General Pool and demolished

during the years 1972-73 and 1973-74 in respect of Bombay, Calcutta, Madras, Nagpur, Simla and Chandigarh is given below:

(A) BOMBAY		1972-73		1973-74	
Type	New Quarters added	Demolished	New Quarters added	Demolished	
II	—	—	80	—	
III	19	—	—	—	
VI	—	—	30	—	
Calcutta	—	—	—	—	
Madras					
II	99	—	81	—	
IV	—	—	56	—	
Nagpur	—	—	—	—	
Simla	—	—	—	—	
Chandigarh					
I	50	—	—	—	
II	100	—	—	—	
III	20	—	—	—	
IV	12	—	—	—	
V	4	—	—	—	
VI	2	—	—	—	
	336		247		

1.10. It is seen from the above that during the two years namely 1972-73 and 1973-74, a total of 1538 residences were added to the general pool accommodation. Thus the net addition to the general pool during the Fourth Plan period was 2,879 quarters against the expected number of 5,336 quarters.

1.11. Explaining the reasons for adding only a few additional quarters in the general pool during the last two years, the Secretary, Ministry of Works and Housing stated during evidence:

“During the last two years, we have been having a lot of financial stringency firstly, and secondly, cement, steel and other building materials have also become very

scarce, particularly after March, 1971 in the wake of Bangladesh war. Then, the cost of labour and material also rose very sharply during that period. The scheme included 2,000 flats—4-storeyed in Delhi. But in November, 1971 Government imposed a ban on construction of more than three-storeyed flats in N.D.M.C. area. This has rather affected the over-all construction programme because we could not with short notice completely change the plans and designs and start constructing something lower.

During this period quite a few houses went out of the general pool. As a matter of fact 402 houses went to Lok Sabha pool and 572 houses went to departmental pool. This had resulted in decrease of 974 houses."

1.12. The Committee called for details of the year-wise allocation of funds and the amount actually spent for the construction of new quarters of Central Government employees during the fourth Plan period in Delhi, Bombay, Calcutta and Madras. The information furnished by the Ministry is tabulated below :

(Figures in lakhs of rupees)

					Bombay		Calcutta		Delhi		Madras	
					Allotment	Expenditure	Allotment	Expenditure	Allotment	Expenditure	Allotment	Expenditure
1969-70	.	.	.	.	30.50	27.98	30.45	29.49	182.18	184.00	19.00	18.16
1970-71	.	.	.	.	39.50	38.32	15.01	13.00	217.13	232.00	35.05	36.53
1971-72	.	.	.	.	54.00	52.52	1.93	1.84	175.35	183.00	55.00	54.46
1972-73	.	.	.	.	104.00	103.10	9.38	11.00	273.72	295.00	57.45	57.38
1973-74	.	.	.	.	113.50	112.92	26.67	26.29	199.70	195.00	34.00	28.17
					341.50	334.84	83.44	81.62	1048.08	1089.00	200.50	194.70

1.13. In a note the Ministry have stated : "There is not much difference between the allocation of funds and actual expenditure. Shortfalls are there but negligible. Slight variations between the anticipated expenditure on which allotments are based and the actual expenditure are bound to be there."

1.14. According to the Audit paragraph, there were 41,337 units residences in the general pool in Delhi as on 31st December, 1972. From the Annual Report of the Ministry of Works and Housing it is seen that as on 31st December, 1973, the total number of residences in Delhi was 40,904 only indicating that during the two years there was a reduction of 433 units in the availability of general pool residences in Delhi. This was attributed by the Secretary, Ministry of Works and Housing to the transfer of some residences from the general pool to the Lok Sabha pool and other Departmental pools.

1.15. Referring to the demolition of quarters in certain areas of Delhi, the Committee enquired why some quarters were being demolished when even the available quarters were not sufficient. A representative of the Ministry of Works and Housing explained during evidence:

"The construction of quarters in being taken up as a redevelopment scheme of the old quarters. DIZ Area and Minto Road area were having single storeyed quarters, constructed on 1930s and these had out-lived their life and the full optimum utilisation of land was not there. Therefore, the master plan provided that these quarters should be demolished and intensified construction should be taken up. As a result of it, three and four storeyed quarters have been constructed in DIZ and Minto Road areas."

1.16. In reply to a question whether quarters had been demolished because they were unsafe, the Secretary, Ministry of Works and Housing stated:

"In the Central Area, New Delhi area, land availability is tight and Government had taken a decision some time ago that we should redeploy houses and make better utilisation of the scarce land resources in New Delhi area. That is true of all the areas."

1.17. On being pointed out that in view of the tremendous shortage of building material and demand for more quarters, demolition of quarters should not be resorted to unless they are considered unsafe, the Secretary, Ministry of Works and Housing deposed:

"I fully endorse your view-point. Unless we are absolutely ready to re-develop the area where we can accommodate much larger number of people which will perhaps mean a temporary inconvenience for minimum number of people. We should not think of demolishing the quarters."

1.18. The Committee desired to know the number of residential quarters demolished in different areas of Delhi during the period from 1970-71 to 1973-74 and how many of these quarters were actually considered unsafe for occupation, and therefore demolished and how many were demolished in accordance with the Master Plan for Delhi though they were considered suitable for occupation. In a note the Ministry of Works and Housing have stated:

"The total number of quarters demolished during the above period was 375. Of these 130 were demolished because these were unsafe. The remaining 245 quarters too, were very old, and were demolished either because the land sites were required for other uses, viz., for the purposes of a hospital or Civic centre or for more intensive development. Thus in Timarpur area 210 old houses were demolished to construct 432 new ones. Similarly, in the City Extension Area (Minto Road), a multi-storeyed hostel and 160 type II quarters, housing a large number of people were constructed in an area which earlier had only a very few quarters."

1.19. In another note the Ministry have stated: "Demolition of quarters in the past has been done in area such as Minto Road, DIZ area for the construction of new colonies in accordance with the Master Plan. However, no quarters that are safe for occupation and have not outlived their lives have been demolished for providing open space and lawns merely to conform to the Master Plan. The policy of the Government is that demolition of the existing quarters is started only when they actually come in the way of development/reconstruction of new quarters in their place."

1.20. It was stated during evidence that the single storeyed quarters in DIZ and Minto Road areas of Delhi, constructed in the 30s had outlived their life and three and four storeyed quarters have been constructed in these areas after demolishing the old quarters with a view to ensuring optimum utilisation of the available land in these areas. The Committee desired to know whether similar re-development of houses and better utilisation of land in other areas of Delhi, where the availability of land is scarce, have been contemplated and if so, what was the programme of construction of

multi-storeyed flats in such areas during the next two to three years. In a note on the subject, the Ministry have stated:

"Although a number of 3 to 4 storeyed and few blocks of multi-storeyed units have already been constructed in the Minto Road and DIZ area, there is scope for further construction of similar houses there. The immediate plans of the Government are to make the maximum use of this area. The Master Plan, however, provides for similar densifications in other areas also. A Committee called the New Delhi Re-development Advisory Committee is going into this matter from town planning angle and after they have made their recommendations and these have been accepted by Government, further schemes, in accordance with their plan will be drawn up. In the meantime, the Government have a plan to build more 3 to 4 storeyed houses in Badarpur-Mehrauli area in the South Delhi Region.

1.21. During evidence the Committee enquired about the time lag between the date of demolition of quarters and the date of commencement of new works in their place. A representative of the Ministry of Works and Housing informed the Committee that: "the time taken varies from three to four years. . . . Time indicated by me includes that required for completion of new schemes. Normally the work starts soon after, but certain hurdles come up which delay the work." In the same context the Secretary, Ministry of Works and Housing stated: "As a matter of fact I do not feel very happy about it and I have been conducting some studies."

1.22. Subsequently, in a note furnished to the Committee, the Ministry have stated: "On further verification it has been found that where the demolition was done as a part of a plan for reconstruction by the C.P.W.D. and where such re-construction actually fructified, the works of demolition and re-construction were taken up side by side and there was only marginal time lag; rather the time lag was the time taken for demolition and re-construction, which, during the period under report, varied from 11 to 21 months depending on the size of the construction and the availability of vacant houses for the purpose of demolition. Where, however, due to a ban or some other restriction the plan did not fructify the time lag could not be helped. No demolition of an otherwise habitable house has been done merely to provide a green area according to the Master Plan. However, in some cases, demolition was done to hand over vacant sites to other organisations. In such cases, the time lag in construction depended on the plans of that organisation."

1.23. The Committee drew attention to the very low percentage of availability of residential accommodation *vis-a-vis* demand in stations other than Delhi, and desired to know the reasons for discrimination between one place and another. The Secretary, Ministry of Works and Housing stated during evidence:

"These cities used to have and had till recently a very large private housing and perhaps it has been the policy of the Government and not the policy of the State Government to a very great extent, to construct houses for employees."

1.24. The Committee were informed that "Housing difficulties in Bombay, Calcutta and Madras became apparent roughly from the first, second and third plan periods, respectively."

1.25. In another note furnished at the instance of the Committee, the Ministry of Works and Housing stated:

"The demand, availability and shortage for Government quarters in Bombay, Calcutta and Madras since the time it was realised that accommodation problem in these cities had become acute is as under:—

Station	Year	Potential Demand	Availability	Shortage
Bombay	End of first Plan	2740	551	2189
	1974	23313	2677	20636
Calcutta	End of 2nd Plan	2544	653	1891
	1974	19333	1609	17724
Madras	End of 3rd Plan	14*	12	2
	1974	6652	735	5917

*based on application received. Potential demand could be much higher.

1.26. Explaining the reasons for the large variation in providing Government accommodation at Delhi, Bombay, Calcutta, Madras, Nagpur, Simla and Chandigarh, the Ministry have in a note stated:

"Though there is need for more accommodation in the general pool in the various regional stations, the construction plans are drawn up depending upon the demand for residential accommodation in these stations and also on the availability of funds. Thus, in large cities like Bombay and Calcutta, where there is concentration of Central Government offices, more quarters have been built. Quarters in the general pool have been constructed in Madras, Chandigarh and Bangalore quite recently and it will take some time before sufficient number of quarters become available in these stations. Another reason for variations can be, non-availability of land. As Delhi happens to be the H.Q. of the Central Government and people from all parts of the country recruited to Central Services come to this place, it is considered necessary to provide housing facilities to a larger number of Government servants stationed in Delhi. The greater emphasis has been on the construction at Delhi as there was not enough private housing here. If enough funds are available, a higher percentage of satisfaction can also be achieved at other places."

1.27. The Committee note that the total number of units/residences in the General Pool as on 31st December, 1973 was only 49223 as against the demand for 1,63,725 units/residences, i.e. the percentage of satisfaction was to the extent of 30.1 per cent. While the percentage of satisfaction for Delhi was 41 per cent, for Bombay, Calcutta and Madras the percentage of satisfaction as low as 10.9, 9.6 and 7.8 respectively. The net addition to the General Pool during the Fourth Plan period was 2879 quarters i.e., a yearly addition of only 576. The Secretary, Department of Works and Housing has informed the Committee during evidence that the major bottlenecks in the construction of additional quarter in the General Pool during the last two years, i.e. 1972-73 and 1973-74 were financial stringency and scarcity in the supply of cement, steel and other building materials.

1.28. The Committee are constrained to observe that the performance of the Department of Works and Housing in the matter of construction of residential units for the Government servants is anything but satisfactory. It cannot be denied that there is a crying demand for accommodation from low-paid Government employees those entitled to types I to III quarters. These categories constitute the largest number of Govt. employees. But strangely enough in Delhi itself, only 40.0 per cent of these employees have been provided with accommodation. The total allocation of funds for the con-

struction of new quarters for Central Government employees during the Fourth Plan period in Delhi, Bombay, and Madras was Rupees 1048.08 lakhs, 341.50 lakhs, and 200.50 lakhs, respectively. For Calcutta the allocation was as low as Rs. 83.44 lakhs. The glaring disparity between the four major cities should not be allowed to continue. Considering the present over-all shortages with reference to total demands, the allocations are disappointingly low. The Committee expect that allocations during the Fifth Five Year Plan period will be suitably enhanced so as to provide increased percentage of satisfaction, specially for Types I to III which are meant for low paid employees.

1.29. The Committee note that the Department have under-taken a programme of demolition of quarters in areas such as Minto Road, DIZ Areas in New Delhi for construction of new colonies in accordance with the Master Plan. It has also been stated that the demolition of the existing quarters is done only when they come in the way of development of colonies or reconstruction of new quarters after their demolition. The Secretary, Department of Works and Housing, has informed the Committee during evidence that normally the work (of construction) starts soon after demolition but certain hurdles come up which delay the work. He has also informed the Committee: "I do not feel very happy about it and I have been conducting some studies." The Committee would like that the formalities regarding the acquisition of sites, procurement of building materials, preparation of lay-out plans, etc. should be completed well in advance and there should be proper synchronisation of demolition and construction works. The Committee would like the Department to conduct detailed studies in regard to the delays in the demolition of houses and construction of new ones in their places so as to take remedial measures. Care should also be taken to see that demolition of quarters should not be resorted to unless they are unsafe.

1.30. The Committee have noted the present variations in providing Government accommodation in Delhi and other places. The Committee desire that a phased programme for the construction of residential quarters for Government employees at various regional stations should be drawn up and implemented.

Coverage:

Audit Paragraph

1.31. The position of applications called and coverage on 15th

October, 1973 in various types is shown below:

Latest date of entry (for types I to IV) or commencement of drawal of specified pay (for types V to VIII) of persons from whom applications were invited.

Latest date of entry (for types I to IV) or commencement of drawal of specified pay (for types V to VIII) of persons who have been allotted quarters.

Types	General Pool	IAS/IPS Officers Pool	General Pool	IAS/IPS Officers Pool
1	2	3	4	5
I	31st December 1962	—	November 1956	—
II	31st December 1957	—	15th July 1953	—
III	31st December 1952	—	30th December 1948	—
IV	31st December 1956	Up-to-date	25th August 1944	1968
V	31st December 1964	„	26th October 1961*	October 1964
VI	31st December 1965	„	28th December 1962*	No waiting list
VII	Up-to-date	„	Up-to-date*	—
VIII	„	„	16th June	—

Reading the statement referred to in para above it would be seen that coverage in types I to IV, in comparison to the higher types, is much less.

*Including those who have been given accommodation in other types.

1.32. The number of employees in types I to IV in Delhi who had put up to 30 years of service on 31st March, 1973 and had not been provided with general pool accommodation is as under:—

Types	Number of employees without accommodation with service of :			
	Up to 20 years	More than 20 years and up to 22 years	More than 22 years and up to 24 years	More than 24 years and up to 30 years
I	84	3	—	—
II	246	68	—	—
III	2,412	17,67	1,361	—
IV	3,016	3,016	2,249	65

[Sub-para of Paragraph 38 of the Report of C & AG for the year 1972-73 (Civil)]

1.33. It is seen from the Audit paragraph that a large number of employees entitled to allotment of accommodation of Types I to IV in Delhi, who had put in upto 30 years of service on 31st March, 1973 had not been provided with General Pool accommodation. The Committee called for typewise details of the position as on 31st March, 1974 in respect of non-allotment of accommodation to employees who have put in service:—

- (a) upto 20 years;
- (b) more than 20 years and upto 22 years;
- (c) more than 22 years and upto 24 years; and
- (d) more than 24 years and upto 30 years.

The information furnished by the Ministry is tabulated below:

Number of employees without accommodation

Type of accommodation	Up-to-20 years	More than 20 years and up to 22 years	More than 22 years and up to 24 years	More than 24 years and up to 30 years
I	—	—	—	—
II	3,016	815	—	—
III	*	*	352	300
IV	**	**	**	1,670

*Applications were invited upto 31-12-1952, the figures are not available.

**Applications were invited upto 31-12-1950, the figures are not available.

1.34. The Committee enquired whether there were cases of Government employees not having been allotted any type of accommodation during their entire service in Delhi. In this connection the Ministry have stated:—

“This information is not available with the Directorate of Estates. It is felt that it would even be difficult for the various Ministries/Departments to furnish this information in respect of retired Government servants.”

1.35. According to the information furnished by the Ministry the demand vis-a-vis availability of quarters of type VI to type VIII as on 31st March, 1974 as under:

Type	Total No. of eligible Government servants	No. of residential units in General Pool
(1)	(2)	(3)
VI	1,428	550
VII	422	121
VIII	146	21

1.36. During evidence the Secretary, Ministry of Works and Housing stated that the percentage of satisfaction in all the categories was uniformly unsatisfactory. On being pointed out by the Committee that as revealed by the statistics given in the Audit paragraph the position regarding percentage of satisfaction in the case of categories I to IV was particularly bad, the witness stated:

"The point is that we have not been constructing many houses between type V and above over the last few years. All the same, the dearth is still remaining in types I, II, III and IV. It just shows that perhaps our proliferation in the lower categories such as Chowkidar, Peon, Lower Division Clerk and Upper Division Clerk, has been a little too rapid also."

1.37. In reply to a question the Secretary, Ministry of Works and Housing added:

"As a result of your amonition to the Government, if we get sanction for building more houses, we should do it. We should be happy if you make it very clear both to the Works Ministry and the Government that we should build more Types I, II and III houses."

1.38. During evidence before the Committee, the Secretary, Ministry of Works & Housing stated:

"Percentage satisfaction depends upon a number of factors. One is the demand and the other is the availability. For example, in Type I, the demand has gone up from about 26,000 to 27,000 and the availability, unfortunately, during this period came down, because of demolition, etc. It has come down from 12,600 to 12,300.....Certainly

in certain cases this percentage satisfaction has been quite unsatisfactory."

"We have been adding houses to these categories (I, II and III) over the last several years and not to other categories. The addition to the numbers entitled to these categories has already been very much more. Therefore, unless we start building 10—15,000 houses for Type I and 7—8,000 for Type II, it is not possible to accommodate so many people."

He added:

"I hope the Committee will keep into consideration that fact that we have not built other types of houses over the last several years. All the same, we have not been able to provide accommodation to the lower category of people, because for various reasons we have not been able to build a very large number of lower category houses. One of the reasons, apart from the other reasons, is that there is a non-availability of fund, and at the moment, there is a complete ban on construction of quarters by the Government. So, if we can get some relaxation and try to build a very large number of houses, we would be able to partly solve this problem."

1.39. The Committee are surprised to find that as many as 3,016 employees who were entitled to Type II accommodation have not been provided with quarters despite their putting in as long as 20 years of service. There are 815 more Government employees who have rendered service for even more than 20 years and are without Government accommodation. Similarly in regard to Type III quarters, as many as 352 persons who have rendered service for more than 22 years and upto 24 years, are without accommodation. In regard to Type IV accommodation, there are as many as 1,670 employees who have put in more than 24 years and upto 30 years of service but have not got Government accommodation. There may be a good number of Government employees who could not get accommodation during their entire period of service. This indeed is a most unsatisfactory position. The Committee are not satisfied with the laconic reply given by the Secretary, Department of Works and Housing that proliferation in the lower categories has been a little too rapid. The Committee fail to understand why the Department of Works and Housing did not consider it necessary to provide accommodation to low paid Government employees who have not been provided accommodation for more than 20 years or so. It was for the Department to take up the matter of providing finances for construction of quarters with the Ministry of Finance

or with the Planning Commission so that the percentage of satisfaction of the above categories could have shown some positive improvement. If there is shortage of fund the Government should consider to borrow money from institutions like L.I.C., etc.. High priority should be given to provide Government accommodation to low paid employees as best as possible.

Departmental Pools & Tenure Pool

1.40. It was stated during evidence that certain Departments like Income-tax, Customs, Excise, P&T, Railways and Defence have their own pools of accommodation and as and when they construct quarters they are declared ineligible for allotment from the General Pool. On being pointed out that officers belonging to these Departments were also being allotted accommodation from the General Pool, the Secretary, Ministry of Works and Housing stated: "There may be cases when there may not be accommodation in certain types in the other Pools. Again, the Railways do not have separate accommodation for the employees in the Railway Board; that office is regarded as part of the General Pool for housing purposes. On the other hand, the employees of the Northern Railway have their own pool. But one or two officers may be continuing in the House allotted by the Northern Railway, even after transfer from there; but by and large, the employees of the Railway Board are not entitled to accommodation from the Railways' Pool. The employees of the P&T Board get it from the General Pool, except for 3 or 4 persons like the Chairman who have their own, earmarked houses. Similarly, ITOs serving in the Income-tax Department get accommodation from their own Pool; but when an ITO works in the Central Board of Revenue or some other department, he is entitled to get house from the General Pool. The Defence employees have their own Pool. The Services personnel get accommodation from it, but the Civilian employees of Defence have to come to the General Pool. Again, the Delhi Police are not entitled to General Pool; they are in an entirely separate category. The other police organisations, e.g. BSF and Indo-Tibetan Border Force get accommodation from the General Pool."

1.41. The Committee were informed that there was a special pool known as 'Tenure Pool' for officers belong to All India Services. In this connection the Secretary, Ministry of Works & Housing had the following to say: "It was actually there earlier, but was abolished subsequently. It has been revived in 1970. That is called the Tenure Pool, because All India Service Officers, viz. IAS and the IPS and the Indian Forest Service come to the Central Secretariat on deputation for 4 or 5 years. If they have to stand in the

queue, by the time they get the accommodation, it becomes time for them to go back. The Home Ministry pointed out that because of this handicap, they were not getting people to come and work in the Central Government. Many people preferred to stay back in the State Governments, because they were not certain as to what type of accommodation, if at all, they would get in Delhi. The Home Ministry requested that the Government of India should revive the Tenure Pool. These officers do not get another appointment in Delhi after they complete their tenure. It was on these considerations that the Tenure Pool was revived in 1970."

1.42. Asked whether officers belonging to Audit and Accounts Services and other Central Services were eligible for accommodation from the Tenure Pool, the Secretary, Ministry of Works & Housing stated: "They do belong to a separate category. For example, Income-tax Department. They have a large number of postings in Delhi. Similarly, an Income-tax Officer who has completed his tenure in the Secretariat, has been posted as Assistant Commissioner of income tax in Delhi itself. As far as he is concerned, there is no complication. But in the case of IAS, IPS and IFS, there is a complication, because they come from the States and go back there; they come on deputation. So, in their case because of this particular request from the Ministry of Home Affairs—the tenure pool which was there earlier and which was abolished, had to be revived."

1.43. The Committee pointed out that not all the Central Services officers on deputation to the Secretariat were posted in Delhi on completion of their tenure and a large percentage of such officers were in fact transferred out of Delhi. Asked about the rationale behind the creation of a special pool only for officers of the All India Services, the Ministry have in a note explained:

"Officers belonging to IAS, IPS and Indian Forest Service are at present eligible for allotment of accommodation from the 'tenure officers' pool'. This pool has been created as these officers are State-based and are required to man certain Central Government posts for short tenure of three to five years. The pool was abolished with effect from 1st May, 1966. The Ministry of Home Affairs then found it difficult to secure the services of IAS and IPS officers for manning various posts under the Central Government. The pool was, therefore, revised from February, 1970. Officers belonging to Central Services are Central Government officers (not belonging to State cadres) and, according to the provisions contained in the allotment rules,

the service rendered by them anywhere in India or outside is taken into consideration for determining their date of priority for allotment of accommodation from the general pool.

In the case of Central Service Officers, Delhi happens to be one of the normal places of their posting. As such, it is a normal liability of their service to get posted to various places in India, which includes Delhi, as against All India Service officers, who are State-based, and are posted in various Ministries/Departments of the Government of India, in Delhi only on deputation.

A large number of Central Service Officers continue to be posted in Delhi for many years. The posting of an individual officer may change from one Department to another. This is, however, not so in the case of All India Service Officers, who are to return back to their States after completing the period of deputation.

However, the Secretaries' Committee considered the question of extending this concession to other Central Services Officers who are required to be posted to Delhi for a fixed tenure. It has been decided to assess the magnitude of the problem in the first instance and various Ministries/Depts. have been requested to give the number of such officers who are required to be in Delhi on tenure basis for a period of three to five years. The information is still awaited from some of the Ministries. A final decision in the matter will be taken after the information is received from various Ministries."

1.44. In another note the Ministry have stated:

"Officers of All India Services borne on the Union Territories cadre and deputed to Central Government posts in eligible offices in Delhi are entitled to get 'tenure pool' accommodation.

The Union Territory cadre comprises Delhi as well as several other Union Territories. As compared to cadres of other State Governments, the Union Territory cadre of All India Services is very small. Thus, officers, of all India Services of the Union Territory cadre, getting posted in eligible offices under the Central Government in Delhi

at any time would be a very small percentage of the strength of the All India Services.

The rationale behind making officers of the All India Services borne on the Union Territory cadre eligible for accommodation from the 'Tenure Pool' is given below:

- (i) The accommodation problem for officers in the Delhi Administration is not very acute. Most of these officers at middle and senior levels are able to get accommodation from the Delhi Administration Pool. If these officers of All India Services brought to the Central Government posts in Delhi on deputation, are to be given accommodation from the 'general pool', then they may have to wait for long periods for getting such accommodation from the 'General Pool'. This would, on the one hand, entail considerable hardship to these officers in the form of vacating Delhi Administration accommodation, and then waiting for a long period for getting accommodation from the 'general pool', and, on the other, act as disincentive to deputation to Central Government posts in Delhi. It has already been mentioned in the reply against item No. 27 that on the abolition of the 'tenure pool', the Ministry of Home Affairs found it difficult to secure the services of IAS and IPS officers for manning posts in the Central Government.
- (ii) According to the existing circular on the subject, when an officer occupying a departmental pool accommodation is transferred from one post to another, and is required to vacate departmental pool accommodation, he is given 'general pool' accommodation on an *ad-hoc* basis in the next below the entitled type. This enables him to vacate the departmental pool accommodation and immediately thereafter occupy 'general pool' accommodation. Even on the basis of principle underlying this circular, if an officer working in the Delhi Administration and occupying Delhi Administration pool accommodation, were to be transferred to a post in any of the Ministries/Departments in Delhi so as to make him ineligible to continue to occupy Delhi Administration pool accommodation, and make him eligible to get 'general pool' accommodation, he would get general pool accommodation, on *ad-hoc* basis. Both, viz. such *ad-hoc* allotments and tenure pool

allotments are made in one type below the entitled type. Thus, making such officers of the All India Services eligible to get tenure pool accommodation does not mean any preferential treatment to them.

- (iii) In the case of officers of the All India Services borne on the Union Territories cadre, on their posting to the Delhi Administration on transfer from eligible offices in the Central Government, they normally get accommodation from the Delhi Administration pool, and leave the tenure pool accommodation. This is, however, not so in the case of officers of the Central Services who even on their reversion to their parent department and posting in Delhi, generally continue to occupy general pool accommodation."

1.45. In reply to a question as to what was the average period of waiting in respect of All India Service Officers entitled to 'tenure pool' accommodation, the Ministry informed the Committee that 'roughly, on an average Tenure officers coming to Delhi got their accommodation in three months' time during 1973-74."

1.46. The Committee were also informed that the number of houses, type-wise, in the Tenure pool and in the pools placed at the disposal of other Departments/Ministries was under:

Type	Tenure pool	Other pools
I	—	812
II	—	533
III	—	90
IV	59	481
V	162	622
VI	—	162
VII	—	117
VIII	—	78
TOTAL	221	2,895

1.47. The Committee see no justification for having an exclusive 'Tenure Pool' accommodation only for the All India Services Officers who come to the Central Secretariat on deputation from

the States for prescribed tenures. The argument of the Ministry for not extending the tenure pool accommodation to officers of other Central Services is not acceptable to the Committee. Though some of the Central Services Officers may be retained in Delhi itself on the completion of their tenure in the Central Secretariat, the Ministry cannot over simplify this issue by such a generalisation. The Committee understand that not all the officers of the Central Services on deputation to the Secretariat or posted to other Central Government offices for a certain period are posted in Delhi on completion of their tenure and that, in fact, a large percentage of such officers are transferred out of Delhi. Considering the fact that officers will have to wait a long time for allotment of accommodation from the regular pool and that, in the process, many of them do not get allotment during their tenure in Delhi, the Committee recommend that the officers of the Central Services also should be eligible for the allotment of Tenure Pool accommodation and no distinction should be made in this regard between two classes of Officers.

1.48. The Committee have been informed that the Committee of Secretaries have already considered the question of extending this concession to other Central Services Officers who are required to be posted to Delhi for a fixed tenure and that the magnitude of this problem is being assessed in the first instance, in consultation with various Ministries and Departments. The Committee desire that this should be examined expeditiously and the concession extended in the least possible time, so that there is no discrimination in the matter of allotment of accommodation from the Tenure Pool.

Persons occupying type of accommodation lower than the entitled class.

Audit Paragraph

1.49. Till May, 1972, one occupying a type of accommodation lower than what one was entitled to was required to pay the rent of the entitled accommodation, if allotted if it was more than the rent paid for the lower type of accommodation in his occupation. The rule was amended from June 1972, permitting such an occupant of lower type of accommodation to apply only for continuance of the existing accommodation, if he was not interested in having his entitled accommodation, and pay rent of the lower type of accommodation.

1.50. The number of persons occupying in December 1972 lower types of accommodation is large as would be seen from the following:—

Types	Avail- ability	Number of offi- cers provided with re- sidence of enti- tled or lower type	Entit- led type	Next below type	Type I	Type II	Type III	Type IV	Type V	Type VI	Type VII
1	2	3	4	5	6	7	8	9	10	11	12
I . . .	13,344	12,382	21,382	..	..	..	..	..	..	..	..
II . . .	15,521	10,147	9,147	954	..	..	46*	..	..	..	..
III . . .	4,910	7,494	2,504	4,967	6	..	..	17*	..	..	..
IV . . .	4,975	5,836	2,745	1,848	2	1,240	..	..	1*	..	..
V . . .	1,882	3,709	914	2,127	..	166	502	..	..	..	..
VI . . .	553	1,303	314	892	..	1	10	86	..	..	..
VII . . .	125	330	19	237	..	..	..	..	74	..	..
VIII . . .	27	136	27	106	..	..	..	..	1	2	..
TOTAL .	41,337	41,337	28,052	11,131	8	1,407	558	103	76	2	..

* Number of officers occupying residences in types higher than their entitled types.

[Sub-para of Paragraph 38 of the Report of C. & A.G. for the year 1972-73 (Civil)]

1.51. It was stated during evidence that so far as officers who were entitled to quarters of type V and above were concerned, their priority was reckoned on a basis different from the one followed in the case of officers entitled to types I to IV quarters. As to the reasons why different basis had been prescribed, the Ministry have in a note stated:

“According to the Allotment Rules, which came into force on the 15th May, 1963, seniority for purpose of allotment of accommodation from the general pool was determined from the date from which the officer has been continuously drawing emoluments relevant to a particular type in a post under the Central Government except for periods of leave. Allotment in next below types was admissible to officers entitled to all types except in type II. As the percentage of satisfaction in types II and III was comparatively very low orders were issued in March, 1964 stopping allotment of next below types to officers eligible for types III and IV. Subsequently, the matter was considered by an *Ad Hoc* Committee of Secretaries in November, 1964. The Committee was of the opinion that, while the bulk of officers entitled to accommodation in types I to IV were permanently located in Delhi, those eligible for types V and above were usually those who were posted to Delhi on a tenure basis for short duration. It was felt that abolition of next below allotments for types V and above would, therefore, entail hardship to officers not belonging to the Central Secretariat Service. In order to give some relief to officers entitled to types II to IV, in whose case next below allotments had been suspended, the rule was modified in regard to the procedure for determining the date of priority in April, 1964, providing that for officers entitled to types II, III or IV residences the date of priority should be reckoned from the date from which the officer concerned had been continuously in service under the Central Government. In the case of officers entitled to types V and above, the date of priority was, however, continued to be reckoned from the date an officer was continuously drawing emoluments in respect of a particular type in a post under the Central Government. The rationale of the decision was that generally, most of the officers entitled to type V and above were posted to Delhi for short fixed tenures and would not be able to compete with those Delhi-based officers who became

entitled to higher types of accommodation after getting promotions. Government reviewed the position in June, 1973 in regard to the reckoning of dates of priority and decided that the *status quo* should continue, as a change would be disadvantageous to officers entitled to higher types."

1.52. Referring to the large number of cases of Government employees occupying lower types of accommodation, the Committee enquired why the officers entitled to Type V or above were allowed to stay in the lower types of accommodation. The Secretary, Ministry of Works and Housing explained:

"It happens so, because when they are entitled to Type V, if there is no quarter of that type available, they have got to be given in a Type one or two stages below their entitled type."

1.53. According to the Audit paragraph till May, 1972, one occupying a type of accommodation lower than what one was entitled to was required to pay the rent of the entitled accommodation, if allotted, if it was more than the rent paid for the lower type of accommodation in his occupation. The rule was amended from June, 1972, permitting such an occupant of lower type of accommodation to apply only for continuance of the existing accommodation, if he was not interested in having his entitled accommodation, and pay rent of the lower type of accommodation. Asked about the reasons for amending the rule in June, 1972 to allow persons offered entitled accommodation to continue in a lower type of accommodation and pay lesser rent thus depriving those entitled to the lower type of accommodation, the Ministry have in a note stated:

"Several officers represented that when they were satisfied with the lower type of accommodation and they had not applied for their entitled type or when they did not want to move to the entitled type, they should not be compelled to move to accommodation of their entitled type. It was also noted from experience that generally officers, who were in occupation of lower types of accommodation and were satisfied with it, refused to accept the allotment of their entitled type accommodation which remained vacant till receipt of their refusal or at least for 5 days, and was thereafter offered to another officer. It was noted that in such cases, the accommodation continued to be vacant for some time before it was ultimately accepted by the officer lower in seniority, thereby result-

ing in loss of revenue. After discussing the proposal at great length and in consultation with the Ministry of Finance, it was felt that, when needs and requirements of an allottee were met with a residence of smaller type, he need not be compelled to accept a higher type of residence. This new procedure reduced the work in different Allotment Branches as, otherwise, they were required to offer a particular house to a few officers one after another before it was finally accepted by one of them. With the change in rule, officers who are not interested in the allotment of entitled types, are required to indicate their option in the application form to continue in lower types and their names do not appear in the waiting lists for their entitled types. With this change in rule, it has been noted that the date of priority has started moving up."

1.54. According to the information furnished by Audit, 11,131 persons were in occupation of next below type of quarters as in December 1972, the largest number being in Type III (4967), followed by Type V (2,127) and Type (1,848). 2090 more persons were staying in quarters of types lower than the next below type. The Committee fail to appreciate the rationale of the decision of the Department that the officers who were satisfied with the lower types of accommodation and have not applied for their entitled types or when they did not want to move to their entitled types, should not be compelled to move to accommodation of their entitled types are to pay rent of entitled accommodations, when offered, even if they continued in the lower type of accommodation. As a result of the intransigence on the part of officers to refuse to accept quarters of their entitled types when offered and to continue in lower types of accommodation, a large number of prospective employees are deprived of allotment to entitled classes. The Committee would like that the desirability of continuing this rule should be examined on a priority basis so as to remove the existing anomaly.

Sharing of accommodation by Government servants

1.55. As regards the rules in force in respect of sharing of accommodation by Government servants, the Ministry have in a note stated:

"According to provisions contained in S.R. 317-B-20(1), an officer can share the residence allotted to him or any of out-houses garages, etc., appurtenant thereto, with employees of the Central Government eligible for allotment of residences under the Allotment Rules. They are

not required to communicate the fact of such sharing to the Directorate of Estates. Subsequently, by relaxing the provisions under S.R. 317-B-25, it was decided that an allottee of the general pool accommodation can also share his residence with the following categories of persons: —

- (i) Central Government employees other than those who are eligible for allotment of accommodation from the general pool;
- (ii) Staff of semi-government organisations;
- (iii) Staff of a body corporate, owned or controlled by Government;
- (iv) With retired Central Government servants;
- (v) With teachers of recognised schools, (extension on general policy matter is given on year-to-year basis); and
- (vi) Requests for sharing with foreign students studying in India are to be considered by the Director of Estates on merits provided their cases are sponsored by the Ministry of External Affairs/Education.

In the above cases, no permission is required to be taken for sharing the accommodation, but the particulars of the sharer are required to be sent to the Directorate of Estates within two months from the date of commencement of the sharing."

1.56. The Committee enquired whether Government had any information in regard to sub-letting of quarters of misusing of this facility. To this the Secretary, Ministry of Works and Housing replied during evidence:

"We do not really have any official information, even though we occasionally get anonymous and pseudonymous complaints. We do not have a machinery for any sort of a regular monitoring work to find out whether any part of anybody's house is being sub-rented out. We make ad hoc enquiries whenever we get complaints."

1.57. Asked whether there was any clause forbidding sub-letting in the conditions under which a Government servant occupies a house, the witness stated:

"It actually forbids sub-letting. But sharing is permitted with another person eligible for Government quarters."

In reply to a question the witness further added:

"I do not think there is any provision for penalty; but the rules which are provided, would enable the Government to take action against the person concerned and also make him liable for cancellation of the lease. I will read out the relevant portion of the rules. viz. SR, 317(b). 21:

Consequences of breach of rules and conditions

- (i) If an officer to whom a residence has been allotted, unauthorisedly sub-lets the residence or charges fees from the sharer at a rate which the Directorate of Estates considers excessive or erects any unauthorized structure in any part of the residence or uses the residence or any portion thereof for any purpose other than that for which it is meant, or tampers with the electric or water connections...

I will now read the last portion of the rule:

Director of Estates may without prejudice to any other disciplinary action that may be taken against him, cancel the allotment of the residence. Then he becomes debarred from further allotment. In Delhi if a Government servant loses his house, it is a heavy penalty."

1.58. The Committee desired to know the steps taken by Government to ensure that unauthorised sub-letting of Government quarters was not resorted to by the allottees and such subletting of quarters was not a source of profit to the allottees. In a note on the subject, the Ministry have stated:

"To check the evil of unauthorised subletting and profiteering in Government quarters, periodical surprise inspections are made in various Government colonies. In addition, complaints received from members of public, neighbours etc., are also inquired into and action is taken against those who are found to have sublet Government accommodation. In proved cases of subletting, the following punitive action is taken:

- (a) Cancellation of allotment and debarment for Government accommodation for specified period and consequential rental penalties;
- (b) Debarment from sharing of Government accommodation for a specified period and in the event of non-removal of the sharer, cancellation of allotment and consequential rental penalties."

1.59. The Committee called for information regarding instances of unauthorised subletting of Government quarters that came to notice during the years 1971-72 to 1973-74 and the action taken in such cases by the Director of Estates. In a note the Ministry have intimated:

“Cancellation of allotment and debarment from Government accommodation and also from sharing of accommodation has been done during the years 1971-72, 1972-73, 1973-74 as shown below:

	1971-72	1972-73	1973-74
(a) Cancellation of allotment and debarring the individual from Govt. accommodation for specified period and consequential rental penalties.	62	72	74
(b) Debarment from sharing of Govt. accommodation for a specified period and in the event of removal of the sharer, consequential rental penalties.	14	57	67

1.60. The Committee note that there are already rules in force in respect of sharing of accommodation allotted to Government servants. Under S.R. 317-B an allottee of the general pool accommodation can share his residence with Central Government employees, staff of semi-government organisations, staff of public undertakings, retired Government servants etc. No permission is required to be taken for sharing such accommodation but the particulars of sharers are required to be sent to the Directorate of Estates within two months from the commencement of the date of sharing. The Committee note that under Rule SR. 317(b). 21, Government can take action against any person who sublets his accommodation at rates which are considered excessive by the Directorate of Estates or utilises any portion of his residence for other than the purpose for which it is meant. The Committee have been informed that during 1973-74, there were as many as 74 instances where, due to unauthorised sub-letting, allotments of individuals were cancelled and there were also 67 cases where Government officers were debarred from sharing Government accommodation for a specified period. The Committee note that such cases are indeed very few.

Government Servants Owning houses and allotted Government residential accommodations

Audit Paragraph

1.61. The number of Government servants who are having their own houses in Delhi and are occupying Government quarters (type-

wise) impinging on the availability in the general pool for those without any houses of their own in Delhi in December 1972 was according to information received by the Director of Estates from various Ministries/departments etc. upto 19th December 1972 and furnished to Audit, as follows:—

<i>Type</i>	
I	1,693
II	1,565
III	729
IV	385
V	214
VI	53
VII	6
VIII	1
Total	<u>4,646</u>

1.62. Thus, because of unauthorised continued occupation of quarters by retired Government servants and allotment of Government quarters to those who own houses in Delhi as many as 4,748 quarters were not available to those standing in the queue. This was as much as 11.5 per cent of the total number of quarters in Delhi. While many of those in occupation of Govt. Qrs. actually pay less than 10 per cent of their emoluments as rent those who do not get Govt. Qrs. often pay from their own pockets more than 10 per cent of their emoluments as rent for much less private accommodation. (Sub-paragraph of paragraph 38 of the report of C & A.G. for the year 1972-73 (Civil).

1.63. It is seen from the Audit paragraph that 4,646 Govt. servants who have constructed their own houses in Delhi, have been allotted Government quarters of various types upto 19th December, 1972. The Committee desired to be furnished with the latest position in this regard category-wise as on 31st March, 1974. The Ministry, in a note stated:

“The requisite information is not available with the Directorate of Estates. All the Ministries/Departments of the Government of India have been requested to furnish it. The information will be made available to the Lok Sabha Secretariat, as soon as it is received from the Ministries/Departments concerned.”

1.64. The Committee asked as to what was the policy of the Government in regard to allotment of quarters to Government servants owning their own houses. The Secretary, Ministry of Works & Housing explained during evidence: "The existing policy is that owning house in the same station by a Government Servant is not a bar for the allotment of a house from the general pool. Whether that policy should be changed or not, that is under consideration."

1.65. In reply to question, the witness further added: "As a matter of fact, Government policy has changed over the last several years in regard to this particular issue."

As a matter of fact before 1950, there was no restriction to such allotments. In 1950 restriction was first introduced and such Govt. servants who had houses at the station of their posting were declared ineligible. In 1962, there was another change; they were not ineligible, but they were allowed to be allotted houses at higher rent. In 1966, that was withdrawn and the Government decided that there should be no distinction between Government servants possessing houses in the station of posting and those not possessing houses. At the moment, we are again examining the issue, as to whether some sort of restriction, physical or financial should be introduced. That is the present position."

1.66. The Committee desired to be furnished with a note indicating the various policies which have been in force at different points of time from 1950 onwards, in respect of allotment of Government accommodation to Government servants owning their own houses and what was the basis for the periodical change in policies. The notes furnished by the Ministries are reproduced in appendices II & III.

1.67. The Committee drew attention to the reply given to a parliamentary question by Government on the 20th August, 1973 to the effect that the Government was reviewing the present policy of allowing those Central Government employees to retain Government quarters who have constructed their own houses or purchased ready built flats from the Delhi Development Authority with the advances granted by Government. In this connection the Secretary, Ministry of Works & Housing informed the Committee that the Ministry had started collecting information on the subject from May, 1974 and that a meeting was held in April-May 1974 where certain tentative decisions were taken. On being pointed out that although the reply was given on the 20th August, 1973, the action in the matter was

initiated in the Ministry only in May, 1974, the Secretary, Ministry of Works & Housing deposed: "First part of the question is very valid. But it is not that the Ministry does not start initiating action. In January this year we had called for the views of the other Ministries." He added: "I feel, Sir, while certainly this was a lapse, whether the views and facts should not have been collected together? Whether without getting the statistics and census certain action could be taken in regard to officers owning houses in Delhi?"

1.68. In a note furnished to the Committee the Ministry have intimated: "It has been decided to prepare a note on the subject for the consideration of the Cabinet. The note is likely to be ready in consultation with the Ministry of Finance in about a month's time."

1.69. The Committee are surprised that 4,646 Government servants who have constructed their own houses in New Delhi either with or without Government loans have been allotted Government quarters of various types upto December, 1972. It is astonishing that the Government policy in this regard is vacillating. Prior to 1950 there was no restriction to such allotment. In 1950 restriction was first introduced and such Government servants who had houses at the station of their posting were declared ineligible. In 1962, there was another change and by virtue of that Government servants having their own houses became eligible for Government quarters but they had to pay higher rents for the same. In 1966, that restriction was withdrawn and it was decided that there should be no distinction between Government servants possessing houses in the station of posting and those not possessing houses. In this connection, the Committee note that in reply to a parliamentary question on the 20th August, 1973, it was stated that Government was reviewing the present policy of allowing those Central Government employees to retain Government quarters who have constructed their own houses or purchased ready built flats from the Delhi Development Authority with the advances granted by Government. The Committee regret to note that although 20 months have elapsed since the Government reply was given no final decision has yet been taken by the Department in this matter. All that the Committee have been informed is that "a note is likely to be ready in consultation with the Ministry of Finance in about a month's time" for the consideration of the Cabinet. The Committee have not yet been informed as to what decision has been taken by the Cabinet in the matter. The Committee would like the Government to examine the matter in depth keeping in view the imperative necessity of providing accommodation to those Government servants who have neither their own houses in Delhi nor have been provided with any Government accommodation so far from the General Pool.

Out-of turn allotments:

Aud't paragraph

1.70. The number of out-of-turn allotments during the past three years was as follows:—

	Type I			Type II			Type III			Type IV		
	1970	1971	1972	1970	1971	1972	1970	1971	1972	1970	1971	1972
Medical grounds	6	10	21	140	140	106	32	58	58	8	25	49
Other grounds	3	9	16	28	27	44	13	24	14	11	8	23
TOTAL	9	19	37	168	167	150	45	82	72	19	33	71

	Type V			Type VI			TOTAL		
	1970	1971	1972	1970	1971	1972	1970	1971	1972
Medical grounds	7	4	19	..	..	..	192	237	253
Other grounds	16	24	54	..	..	7	71	92	157
TOTAL	23	28	73	..	..	7	263	329	410

NOTE : There were no such allotments of types VII and VIII residences.

[Sub-para of paragraph 38 of the Report of C & AG for the year 1972-73 (Civil)]

1.71. The Committee desired to know the grounds (other than medical) on which out of turn allotments are made. In a note the Ministry have explained:

"Besides for medical reasons, ad-hoc allotments of general pool accommodation are made also to the following categories of Government servants:—

- (i) Key personnel in the Prime Minister's Secretariat as recommended by the Prime Minister.
- (ii) Two members of the personal staff other than (Class IV) attached to Cabinet/State Minister as recommended by him provided no ad-hoc allotment has already been made on the recommendation of that Minister, no fresh sanction is to be given with the change in the Minister's portfolio, if those members of the staff continue to be with the Minister and are in occupation of general pool accommodation. In the case of a new Minister, two fresh allotments can be made on his recommendations, if none has been allotted accommodation on his recommendation, irrespective of the fact whether already some members of the personal staff are in occupation of general pool accommodation.
- (iii) One member of the personal staff (other than Class IV) attached to a Deputy Minister as recommended by him provided that no ad hoc allotment has already been made on the recommendation of that Deputy Minister; no fresh sanction is to be given with the change in the Deputy Minister's portfolio if these members of the staff continue to be with him and are in occupation of the general pool accommodation. In the case of a new Deputy Minister, if member of the personal staff has been allotted accommodation on his recommendation, irrespective of the fact whether already some members of the personal staff are in occupation of the general pool accommodation.
- (iv) One officer attached to each Minister whose services have been specially requisitioned from a State Government for working on the personal staff. The allotment is to be made in the entitled type in a central area.
- (v) One jamadar or peon attached to Minister/Deputy Minister as recommended by him.

- (vi) Two members of personal staff (other than Class IV) attached to the Chairman/Deputy Chairman, Rajya Sabha, Speaker/Deputy Speaker, Lok Sabha; Members of the Planning Commission and the Chief Justice of India may be given ad hoc allotments or change in localities nearer to the places of the residence of the dignitaries.
- (vii) One member of the personal staff (other than Class IV) attached to a judge of the Supreme Court of India may be given ad hoc allotment or change in the locality nearer to the place of his residence.
- (viii) One Jamadar or Peon attached to the Chairman Deputy Chairman, Rajya Sabha, Speaker/Deputy Speaker, Lok Sabha, Members of Planning Commission, Chief Justice/Judges of the Supreme Court of India may be given ad hoc allotment/change nearer to the place of residence of the dignitaries.

Any fresh allotment or change will be subject to the condition that the permissible number of the staff do not have already any accommodation allotted by Government in the locality near the place or residence of the dignitaries concerned. Allotments on ad-hoc basis in categories mentioned in paras (vi), (vii) and (viii) above shall be made in the next below type except where the officer is senior enough to secure allotment in his entitled type. This will not apply to types I and II where allotments will be made in the appropriate types.

- (ix) One Private Secretary to a Secretary to the Government of India may be allowed one change on ad hoc basis to a quarter as near the Secretary's residence as possible; provided that no other Private Secretary to that Secretary is already having a quarter allotted near the residence of the Secretary.
- (x) Alternative accommodation to eligible Government servants may be made in their next below type if the officers, on their transfer to offices eligible for general pool accommodation, are required to vacate departmental pool quarters.
- (xi) Ad hoc allotment of general pool accommodation in the next below type may be made in the name of wife/ husband, son or unmarried daughter in case they are

entitled to lower type of accommodation, on transfer of the allottee outside Delhi or to ineligible zone. The same residence may be regularised if he/she is entitled to type of accommodation or to the higher type. The dependent member is required to apply within one month of the transfer of the allottee.

- (xii) Ad hoc allotment may also be made to a dependent relation eligible for general pool accommodation, on the retirement/death of an allottee.
- (xiii) Ad hoc allotment on compassionate or other grounds is also given with the approval of the Minister on merits of each case.

1.72. The Committee called for statistics regarding out of turn allotments made during 1970, 1971, 1972 and 1973 (a) on medical grounds, and (b) on other grounds. The information given by the Ministry is tabulated below:

Grounds on ad hoc allotments	Year			
	1970	1971	1972	1973
Death	94	119	119	113
Retirement	158	167	61	244
Personal staff of Ministers	53	60	72	40
On transfer	15	11	23	11
To vacate Departmental Pool	10	23	41	160
Special Grounds	51	99	113	92
Medical Grounds	234	235	248	258
Total :	625	714	667	918

1.73. From the above it would be seen that from year to year the number of ad hoc allotments has increased. According to the Secretary, Ministry of Works and Housing such allotments constituted about 9 per cent of the total figure in 1972 while the situation was worse in 1973.

1.74. As to the procedure followed in making out of turn allotments the Secretary, Ministry of Works and Housing informed the

Committee during evidence: "As a matter of fact, the procedure is that all such cases go to a Committee presided over by the Joint Secretary, which scrutinises and puts up to the Minister himself. The final order is passed by the Minister himself. Nobody else has any authority to give out-of-turn allotment."

1.75. The Committee are surprised that the number of out-of-turn allotment has registered a sharp increase. In 1970, 625 such ad hoc allotments were made whereas in 1973 the number has swelled to 918. It has been admitted by the Secretary of the Department that the situation was worse in 1973. The Committee note that all cases of out-of-turn allotment are referred to a Committee presided over by the Joint Secretary who scrutinises and puts up the cases to the Minister himself. The Committee do not consider this procedure to be adequate. They would like that all cases of out-of-turn allotment made on medical grounds or special grounds should be scrutinised by a committee of Joint Secretaries representing the Ministries/Departments of Personnel Health, Finance and Works and Housing. The unanimous recommendations of this Committee should be put up to the Minister of Works and Housing for his orders. The Committee would also like that the guide-lines for the allotment of quarters on medical or special grounds should be made known to the Government employees. The number of out-of-turn allotments made under each category during a year should be published in the Annual Reports of the Ministry of Works and Housing.

Pooling of Standard Rents

Audit Paragraph:

1.76. According to rules, the standard licence fee of the residence is to be re-calculated on expiry of 5 years from the date of the last calculation and the re-calculation is to take effect from 1st April next following or from such other date as may be prescribed.

1.77. Grouping of the residential buildings in Delhi for assessment of licence fees was first done and standard rents fixed for each residence from 1st November, 1952. The next revision took place in 1958 and the rents fixed were given effect to from July, 1958. Another revision was given effect from January, 1965. The last quinquennial revision took place from 1st April, 1970.

1.78. For determining pooled unit rates, residences are divided in two groups. Group I consists of 25,406 quarters of Type II to IV, while group II consists of 2,588 quarters of types V to VIII. Type I is being treated as a separate category; licence fee of type I residences are not fixed on pooled basis.

1.79. The pooled unit rates are worked out as under:—

- (a) In each group, the living area arrived at on the basis of the formul approved by Government is totalled up. Presently, the formula for computing living area is as follows:—

Main building:

- | | |
|--|-----------------------------|
| (i) Rooms, including kitchen, bath, lavatory, store, enclosed verandahs. | 100 per cent of floor area. |
| (ii) Verandahs, corridors, barasati | 25 per cent of floor area. |
| (iii) Porch | 12½% of floor area |
| (iv) Courtyard (Pucca) | 5% of floor area. |

Out-house

- | | |
|-----------------|---------------------|
| (i) Rooms | 25% of floor area. |
| (ii) Verandahs | 12½% of floor area. |
| (iii) Courtyard | Nil. |

- (b) The standard licence fees are calculated at 6 per cent interest per annum on the capital cost (excluding cost of site and expenditure on its preparation) for the houses in the group.
- (c) The pooled unit rate is calculated by dividing the total standard licence fee as calculated under (b) above by the total living area calculated under (a) above.
- (d) The pooled licence fee for each individual residence is calculated by multiplying the living area of each house with the pooled unit rate of the group.

1.80. Pooled unit rates of types II to IV and types V to VIII residences, the latter including the Curzon Road Hostel and Vithal Bhai Patel House, were worked out based upon the capital cost of the residence and additions and alterations as on 31st March, 1967. For type II to IV residences, a period unit rate of Re. 0.86 per square metre (as compared with Re. 0.80 per square metre earlier) was derived, revised rents of the residences of those types calculated and were given effect to from 1st March, 1969. The unit pooled rate for types V to VIII residences worked out to Rs. 1.03 per square metre as compared with Re. 0.80 per square metre earlier. But before revision of the rents of types V to VIII residences was effected, Government reconsidered the matter and in November, 1969 the following decisions were taken to work out the pooled unit rates:—

- (1) The revised pooled rents should be enforced from 1st April, 1970 instead of 1st March, 1969 earlier decided upon.

- (ii) The cost of the buildings and additions and alterations as on 31st March, 1968 should be taken into account for this purpose.
- (iii) Curzon Road Hostel and Vithal Bhai Patel House should be included in the Pooling of rent.
- (iv) In the case of types V to VIII residences the rents of which were to increase substantially, the increase may be staggered over three years viz., upto 15 per cent in the first year, up to 25 per cent in the second year and the remainder in the third year.

1.81. In pursuance of the above decisions, the revised pooled rents of types II to IV and types V to VIII quarters were worked out. Their comparative position vis-a-vis the earlier rates is shown below:—

Type	Pooled unit rate existing earlier	Pooled unit rate calculated on the basis of capital cost as on 31st March 1967 (per square metre)	Pooled unit rate calculated on the basis of capital cost as on 31st March 1968 for being given effect to from April, 70	Percentage increase of col. (4) over Col. (2)
II to IV	Re. 0.80	Re. 0.86	Re. 0.89	11.25 percent
V to VIII	Re. 0.80	Rs. 1.08	Rs. 1.08	35 percent

1.82. The increase from Re. 0.86 per square metre to Re. 0.89 per square metre in the case of types II to IV was on account of additions and alterations to those residences as well as due to additions of new buildings to the group between the period from 1st April, 1967 to 31st March, 1968. The unit pooled rate of types V to VIII remained Rs. 1.08 as the additions and alteration between 1st April, 1967 and 31st March, 1968 were insignificant (increase in living area was only about 0.7 per cent).

1.83. The standard rents of type II to IV quarters calculated on the basis of the new pooled unit rate of Rs. 0.89 per square metre were forced already with effect from 1st March, 1969. As mentioned earlier, the increase in standard rents of type V to VIII residences was to be staggered over three years from 1st April, 1970.

1.84. The question of fixation of standard pooled licence fee of types V to VIII residences was reconsidered in May, 1971 and it was

then decided that the cost of Vithal Bhai Patel House, which is primarily meant for Members of Parliament, and Curzon Road Hostel, which is also not a normal graded and classified accommodation, should not be added to the cost of the residences in general pool of types V to VIII for arriving at the pooled unit rate of that group and determination of licence fees. As a result of excluding Curzon Road Hostel and Vithal Bhai Patel House from the capital cost, the revised pooled unit rate of types V to VIII worked out to Re. 0.97 per square metre (as against the earlier Rs. 1.08 per square metre).

1.85. Actually rent had been recovered at the unit rates of Re. 0.92 (15 per cent increase on Re. 0.80) per square metre from April 1970 to March 1971 and Rs. 1. (25 per cent increase over Re. 0.80) from April 1971 to May 1972. From June 1972 the unit rate of Re. 0.97 was enforced. Thus loss on account of staggering of the increase as well as exclusion of Curzon Road Hostel and Vithal Bhai Patel House was Rs. 9.74 lakhs during April, 1970 to March 1971 and Rs. 5.68 lakhs during April 1971 to May 1972. The loss due to exclusion of Curzon Road Hostel and Vithal Bhai Patel House has been continuing at the rate of Re. 0.56 lakh per month since June 1972. (These losses have been calculated assuming the occupants pay standard rent). It may be mentioned that the increase in the unit rates for types V to VIII quarters was 21 per cent while for types II to IV it was 11 per cent. At the time of quinquennial revision of rents in 1958, the increase in the rents of types V to VIII quarters had been staggered (over a period of three years) but then the increase was 28 per cent while the increase (which was not staggered) for type II to IV quarters was only 3.7 per cent.

1.86. Better material (for instance, timber) is used in construction of type IV quarters than in type II quarters. Therefore, other things remaining the same, the unit cost of construction of the higher type (IV) of quarters is more than the unit cost of construction of lower type (II) quarters. It appears that inclusion of types IV with type II quarters in the same group and types VII and VIII quarters in the same group as types V and VI quarters results in transfer of a part of higher unit cost of construction of the higher type of quarters to the lower type of quarters. Then again, the higher type quarters have more of verandahs, corridors, porches etc., than the lower type quarters and only a fraction of such space is included in the living area for determination of standard rent. Further, open spaces (lawns) are not taken into account at all. For these reasons occupants of higher type quarters get relatively more facilities for the rents they pay than do the occupants of lower types of quarters.

1.87. Government quarters of type VI and above have not been constructed since 1968-69. Almost all the constructions during the last few years have been of types I to IV. As cost of construction has increased steeply in recent years, inclusion of types II to IV in one group and types V to VIII in another group for fixation of pooled rent means that, as more and more quarters are constructed, the pooled standard rents of types II to IV quarters would continue to increase, while there would hardly be any increase in the pooled standard rents of types V to VIII unless Government's decision of October 1968 (mentioned below) is implemented.

1.88. Government had taken a decision in October 1968 that rent should be so fixed that it is related to the accommodation (i.e. the number of rooms and floor space of the building) rather than to the date of construction and that the standard rents should correspond roundly to the percentage of salary a Government servant was expected to pay towards house rent.

1.89. The Central Public Works Department (Executive Engineer, Rents) had made an exercise, before the revised rents were brought into force from 1st April, 1970, to work out pooled unit rate which, if adopted, would have resulted in recovery of licence fee of approximately 10 per cent of pay of Government servants in occupation of different types of residences, and, for the residences as a whole, the total recovery would be 6 per cent of the capital cost. The unit rates for different types worked out by that officer and the unit rates actually now in force are shown below:

Type of quarter	Pay scale for allotment.	Unit rate to yield 10 % of pay as rent for each type of accommodation (per sqr. metre)	Unit rate now actually in force (per square metre)
1	2	3	4
I	Upto Rs. 175	Rs. 0.60	Rs. 0.89
II	Rs. 175 to 349	Rs. 0.85	
III	Rs. 350 to 499	Rs. 1.10	
IV	Rs. 500 to 799	Rs. 1.15	
V	Rs. 800 to 1299	Rs. 1.25	Rs. 0.97
VI	Rs. 1300 to 2249	Rs. 1.50	
VII	Rs. 2250 and above	Rs. 1.60	
VIII	Secretaries	Rs. 1.00	

Hutted accommodation:

1.90. Hutted accommodation consists of residential units in the following hutments:—

- (i) Khyber Pass Mess, Delhi.

(ii) Residential hutments in Metcalf House, Delhi.

(iii) Working Girls Hostel.

(iv) Pataudi House Hutments.

Standard rents of hutted accommodation are fixed separately. The last revision was from April 1970 on the basis of pooled unit rate of Re. 0.73 per square metre for this accommodation. The standard rents fixed on the basis of the above pooled unit rate are in the range of Rs. 22 to Rs. 108 per mensem for one roomed suites to five roomed suites in Khyber Pass Mess, Rs. 26 to Rs. 31 in the Working Girls Hostel and Rs. 22 to 54 for single suites and family special suites in the Pataudi House hutments.

Hostels:

1.91. The following Government hostel accommodation is available in Delhi:—

<i>Hostel</i>	<i>Number of residential units</i>
(i) Western Court	74 (53 in M.Ps' Pool)
(ii) Working Girls Hostel	137 (There are 176 residents. The number is progressively decreasing with the conversion of all rooms into single units)
(iii) Vithal Bhai Patel House	150 (114 single and 36 double suites)
(iv) Curzon Road Hostel	472

1.92. Western Court is an old hostel. Its capital cost is low (Rs. 7 lakhs). The standard rent of the suits in this hostel is fixed, under the normal Government rules, with reference to its capital cost.

1.93. The capital cost of Curzon Road Hostel is Rs. 1.08 crores while that of Vithal Bhai Patel House is Rs. 40 lakhs. If these two hostels are not pooled with any other buildings the unit rate per square metre would be about Rs. 3.69 for Vithal Bhai Patel House and Rs. 3.22 for Curzon Road Hostel. The standard rents would, therefore, be quite high. Although for calculation of standard rent these two hostels are not included in any group, the standard rents of the suites in these two hostels are being calculated with reference to the unit rate of Rs. 1.08 per square metre, i.e. the unit rate for types V to VIII residences including these two hostels. Had the capital cost of these two hostels been included in those of residences of types V to VIII the standard rents of the residences of these types would have been more than what they now are. At the same time, the occupants of those residences would not have paid as rent more than 10 per cent of their emoluments. In view of this there

does not seem to be good reasons for excluding the capital costs of Curzon Road Hostel and Vithal Bhai Patel House from the capital costs of residences of types V to VIII and at the same time determining the standard rents of suites in these two hostels at a level much lower than what they would be under the rules.

Percentage of emoluments being actually paid as rent:

1.94. Government servants occupying type I accommodation and drawing emoluments less than Rs. 175 per mensem (belonging mostly to Class IV) pay as rent $7\frac{1}{2}$ per cent of their emoluments or standard rent, whichever is less. Those occupying type II accommodation and drawing emoluments from Rs. 175 per mensem but less than Rs. 220 per mensem pay the pooled standard rent of the residence or $7\frac{1}{2}$ per cent of their emoluments, whichever is less. Government servants occupying types II to VIII residences and drawing emoluments of Rs. 220 per mensem and above pay the pooled standard rent of the residences or 10 per cent of their emoluments, whichever is less.

1.95. A sample study was conducted to ascertain what percentage of their emoluments was being actually paid as rent by allottees of type V to VII residences. For this purpose, a sample of 157 quarters of type V, 48 quarters of type VI and 12 quarters of type VII were selected. The results of the study are summarised below:

<i>Position on 1st June, 1972</i>			
Type	V	VI	VII
Number of quarters selected	147	48	12
(1) Paying 4 per cent of pay or less	1	—	1
(2) Paying above 4 per cent and upto 5 per cent of pay	10	5	—
(3) Paying above 5 per cent and upto 6 per cent of pay	22	15	8
(4) Paying above 6 per cent and upto 7 per cent of pay	31	8	2
(5) Paying above 7 per cent and upto 8 per cent of pay	30	14	1
(6) Paying above 8 per cent and upto 9 per cent of pay	32	3	—
(7) Paying above 9 per cent and upto 10 per cent of pay	21	4	—
Total	147	48	12

1.96. A similar study embracing 32 cases of allottees of types IV to VI from the IAS/IPS officers pool accommodation out of 206

quarters forming part of the pool was conducted. The results of the study are given below:

Position as on 1st June 1972

<i>Percentage</i>	<i>No. of cases</i>
Less than 4 per cent	2
4 per cent and upto to 5 per cent	7
Above 5 per cent and upto 6 per cent	8
Above 6 per cent and upto 7 per cent	5
Above 7 per cent and upto 8 per cent	5
Above 8 per cent and upto 9 per cent	3
Above 9 per cent and upto 10 per cent	2
	<hr/> 32 <hr/>

1.97. According to our sample study, about half of the Government Servants occupying government residences of types V, VI and VII pay, as rent, a percentage of their emoluments which is less than that of those (mostly Class IV employees) occupying type I residences.

Rate of return on capital cost:

1.98. A sample study was conducted to ascertain the actual rate of return (i.e. the rent actually recovered less expenditure on maintenance and repairs as a proportion of the capital cost) from different types of residences. For this purpose, a sample of 360 type II, 228 type III, 188 type IV, 112 type V, 40 type VI and 17 type VII quarters was selected. A summary of the results of the study is given below:—

<i>Year</i>	<i>Type II</i>	<i>Type III</i>	<i>Type IV</i>	<i>Type V</i>	<i>Type VI</i>	<i>Type VII</i>
1970-71	4.13 per cent	2.07 per cent	4.11 per cent	2.56 per cent	1.90 per cent	2.24 per cent
1971-72	3.43 per cent	2.33 per cent	4.19 per cent	3.34 per cent	2.46 per cent	2.29 per cent

1.99. It would be seen from the above that the rates of return are the highest for types II and IV residences and are the lowest for types III, VI and VII.

1.100. The average rate of return on capital for all types of Government residences in Delhi was about 3 per cent in 1971-72 according to the above sample study.

[Sub-para of Paragraph 38 of the Report of C. & A.G. of India for 1972-73 (civil)].

1.101 F.R. 45-A. II provides that for the purpose of the assessment of licence fee the capital cost of a residence owned by Government shall include the cost of value of sanitary, water supply and electric installations and fittings, but exclude the cost or value of the site (including expenditure on its preparation); and shall be either:—

- (a) the cost of acquiring or constructing the residence and any capital expenditure incurred after acquisition or construction; or, when this is not known,
- (b) the present value of the residence.

1.102 F.R. 45-A-III (b) provides that in case of residence owned by Government, the standard licence fee shall be calculated on the capital cost of the residence and shall be either:—

- (i) A percentage of such capital cost equal to such rate of interest as may from time to time be fixed by the President plus an addition for municipal and other taxes in the nature of house or property tax payable by Government in respect of residence and for both ordinary and special maintenance and repairs such addition being determined under rules which the Central Government may make, or
- (ii) 6 per cent per annum of such capital cost, whichever is less.

1.103. F.R. 45-A IV(a) the licence fee chargeable from a Government servant provided with Government accommodation shall be the standard licence fee as defined in F.R. 45-A III or 10 per cent of his monthly emoluments.

1.104 It is seen that while calculating the standard licence fees the cost of land and expenditure on its preparation are not taken into consideration. To a question as to the cost of land was not included for the purpose of calculation of standard licence fee, the Secretary, Ministry of Works & Housing replied: "Land certainly has a very high value in Delhi, there is no question in terms of rules that were framed.....perhaps you will take a view about it....."

1.105 In another context the witness stated: "We have to follow Rule 45A. This does not apply only to Delhi but it applies all over

the country.....Is it a point that so far as Delhi is concerned, we should do away with Fundamental Rule 45 A and change it by something else. If the Committee expresses its opinion, we may request the Finance Ministry to look into it." The Committee asked why should the standard rent continue to be based on the old capital cost when the cost of construction had increased manifold. The Committee also desire to know why the basis of calculation of standard rent should not be changed to ensure that the recovery of rent corresponds to the percentage of his salary a Government servant is expected to pay as rent. In a note the Ministry have stated: "It is not correct to say that standard licence fees continue to be based on the old capital cost. The standard licence fees under F.R. 45 A are determined and are based on the actual cost of construction of houses/blocks/flats available for allotment.

This Ministry is in agreement with the suggestion of the P.A.C. that the basis of calculation. of standard licence fees should correspond to the percentage of the salary an officer is expected to pay towards licence fee. A similar recommendation was made by the Cabinet Committee on accommodation in 1968 and they were informed that the suggestion was already being complied with in the case of lower types of accommodation and in the case of Types VI to VIII residences where the recovery fell short of 10 per cent of emoluments of the allottees, it was expected that in the subsequent quinquennial revisions, licence fees would increase by 20 to 30 per cent of the present licence fees and, with the pooling of newly constructed buildings, by and by the licence fees were expected ultimately to go up and reach the 10 per cent target."

1.106. The Committee enquired whether Government had conducted any study for considering a change in the basis of calculating standard rent so that Government servant pay rent at the prescribed percentages (7½ per cent in respect of Type I and 10 per cent in respect of other types). In a note on the subject, the Ministry have stated: "The suggestion that all employees should be made to pay 10 per cent of their emoluments as licence fee for Government accommodation allotted to them was considered in 1962 and again in 1969. In our note to the Cabinet Committee on Accommodation submitted on 19th December, 1969 it was stated that so far as lower types of residences were concerned, the recovery of licence fee at 10 per cent of the emoluments had generally been reached. In the case of Types VI to VIII residences, where the recovery fell short of 10 per cent of the emoluments of the allottees, it was expected that, with the subsequent upward quinquennial

revision of licence fees, the target of 10 per cent would be reached in their cases also. It was felt that to enforce recovery at the rate of 10 per cent of the emoluments of the allottees of Government accommodation all at once and to call upon them to pay at higher rates of licence fees was not justifiable, particularly in view of the present hard times and the rising prices. Moreover, as already observed by audit, there is a large number of officers occupying lower types of accommodation, in many cases two types below to what they are entitled to. To charge them 10 per cent of their emoluments would not be in conformity with the rules of justice and equity. The rule to recover the standard licence fee/pooled licence fee or $7\frac{1}{2}$ per cent/10 per cent of emoluments whichever is less is, therefore, unquestionable and, if we enforce the recovery of licence fee at 10 per cent of emoluments of the allottees in all cases, irrespective of the type of accommodation allotted, Government would be hard put to it to defend the position morally or legally. The issue was considered by the 3rd Pay Commission, who did not consider it necessary to make any change in the present method of calculation or recovery of licence fees, except revising the limit of recovery of licence fee at the rate of $7\frac{1}{2}$ per cent of the emoluments of officers drawing below Rs. 220 per month to below Rs. 300 p.m.

1.107. In reply to another question as to whether any study had been conducted to see after how many quinquennial revisions Government servants would have to pay 10 per cent of their emoluments as rent on the present basis of calculating standard rent, the Ministry, in a note, stated as follows:

"No proper study has been conducted to see after how many quinquennial revisions Government servants would have to pay 10 per cent of their emoluments towards licence fees. Such a study would depend on many factors, including the actual cost of additions and alterations, new constructions, the revision of pay-scales etc. which obviously cannot be foreseen. The past quinquennial revision of licence fees have shown upwards trends. For instance, in the last quinquennial review in 1970, the unit rate went up from Rs. 0.80 to Rs. 0.89 in the case of residences from Types II to IV and to Rs. 0.97 in the case of residences from Types V to VIII. The increase in the former case was 11.25 per cent and in the latter 21 per cent.

1.108. For determining standard rents different types of residences are grouped together to work out pooled unit rates. The grouping of different types of residences for calculating unit pooled rate results in the transfer of a part of the higher unit cost of construction of the higher type of quarters to the lower type of quarters. The Committee asked why would not the unit rate for each type of accommodation be calculated separately instead of grouping different categories of residences and whether this would not be a more realistic method of calculation of unit rate especially because the Government servants would not pay more than 10 per cent of their emoluments as rent-even if the standard rent on the basis of the unit rate works out to be higher. In this connection the Ministry have, in a note, stated: "F.R. 45-A IV-C(i) provides that Government may at any time after the standard licence fee have been calculated, group a number of residences, whether in a particular area or a particular class or classes for the purpose of assessment of licence fee, subject to the following conditions:

- (a) That the basis of assessment is uniform; and
- (b) That the amount taken from any officer shall not exceed 10 per cent of his monthly emoluments.

The decision to group the residences in the general pool into three viz:—

- (i) Type I
- (ii) Type II to IV
- (iii) Type V to VIII.

was taken in the year 1952 and the same grouping was adopted in the subsequent quinquennial review of licence fees in the year 1958 and 1965. The grouping was done keeping in view the provisions of the Fundamental Rules and taking into consideration the following factors:

- (i) Living Area
- (ii) Amenities available
- (iii) Location
- (iv) Type of construction
- (v) Demand in each type

The size of accommodation provided within the same type sometimes differs and, to achieve uniformity of accommodation in the

same type of residences, re-classification, upgradation/down gradation of residences is resorted to whenever considered necessary. Moreover, the intention and objective of pooling is to equalise the licence fees for residences of the same type having similar areas, irrespective of old or new construction. This is achieved by dividing the accommodation into two parts. Thus only a negligible fraction of the unit cost of construction of the higher types may be transferred to the lower type of accommodation. The matter was considered by the Cabinet Committee on Accommodation also and it was decided to have only three groups of residences as shown above. In the circumstances, it is not considered necessary to have a unit rate for each type of residence separately.

Licence fee at 10 per cent of the emoluments of an officer is charged when the licence fee determined under F.R. 45—A i.e. at 6 per cent of the cost of construction of the house occupied by him exceeds 10 per cent of his emoluments. It would thus be seen that, whenever recovery is made at 10 per cent of an officer's emoluments, Government is not recovering the fair return i.e. 6 per cent of the cost of construction. It would not, therefore, be more realistic if officers pay at 10 per cent of their emoluments even though the standard licence fees are worked out to be higher.

In accordance with the provisions of S.R. 324(2), the standard licence fees of Government residences are required to be re-calculated on the expiry of 5 years from the date of last calculation and the revised rates so fixed take effect from the 1st April, following the revision or from such other date as the President may direct. The standard pooled licence fees in respect of types V to VIII residences in the general pool in Delhi|New Delhi were revised in March, 1970 and were given effect to from the 1st April, 1970.

In the quinquennial revision of the rents for type V to VIII quarters made in 1969 the Curzon Road Hostel and the Vithalbhai Patel House were grouped with the residences of type V to VIII for the purpose of working out the revised pooled unit rate. As to the reasons why these two hostels were grouped with residences of type V to VIII, the Ministry have in a note explained. "Before 1969, licence fees for the hostels had been fixed on *ad-hoc* basis. The residents had been representing against the high rates. The Curzon Road Hostel was intended for eligible Government Officers. A number of Government officers had been allotted accommodation in the Vithal Bhai Patel House, though it was meant primarily for M.P.'s. Substantial investment had been made by Government on these hostels. For all these reasons, this accommodation could not be left

out of the purview of pooling of licence fees for general pool accommodation. Having regard to the type and quality of construction and the various facilities provided it was decided in consultation with the Ministry of Finance at the level of the Finance Minister, to include these hostels in the group of types V to VIII for purposes of pooling of licence fees."

1.109. As a result of the grouping of two hostels with the residences of type V to VIII for the purpose of working out pooled unit rate, the new pooled unit rate worked out to Rs. 1.08 per sq. metre of the living area as against the existing rate of Rs. 0.80 per sq. metre. As the revised rates were 35 per cent above the previous rate of licence fees, the increase was staggered over a period of 3 years as indicated below:

- (a) During the first year i.e. with effect from the 1st April, 1970 to the 31st March, 1971. By 15% of the pooled standard rent prevailing upto the 31st March, 1970.
- (b) During the second year i.e. from the 1st April, 1971 to the 31st March, 1972. By 25% of the pooled standard rent prevailing upto the 31st March, 1970.
- (c) During the third and following years i.e. with effect from the 1st April, 1972. By 35% of the pooled standard rent prevailing upto the 31st March, 1972.

1.110. In a note furnished to the Committee the Ministry have stated: "Because the increase of the revised licence fee was 35 per cent over the earlier rate, it was decided to stagger it over three years. From April, 1970 to March, 1971, recoveries were made at 15 per cent more than the earlier rate and from April, 1971 to May, 1972 at 25 per cent more. The revised rate after excluding the hostels, which was 21 per cent above the earlier rate, was enforced from June 1972 without staggering."

1.111. During evidence the Committee enquired what were the reasons for including the two hostels in the grouping in the first instance and later on excluding them from the grouping for the purpose of working out of pooled unit rates. The Secretary, Ministry of Works and Housing explained: "...If I may give the sequence of events, (initially, the rent was 80 paise per sq. metre for these types of houses. With the inclusion of Vithal Bhai Patel House and Curzon Road Hostel, the rate came to Rs. 1.08 per sq. metre, an increase of about 35 per cent and it was decided that this should be spread over three years. First, it will go up to 92 paise, then it will go up to one rupee and finally to Rs. 1.08. According to this scheme, it went up to one rupee. Then, a decision was taken to exclude Vithal Bhai Patel House and Curzon Road Hostel from this pool. The revised rate came to 97 paise. So far as the second aspect is concerned, there

was no further three year staggering or anything like that. The rate was 97 paise instead of Rs. 1.08 per sq. metre. Really, at first, it was 92 paise, then one rupee and then 97 paise. So far as the first question is concerned, why, after including these two hostels, the purview of type V to VIII houses, were they excluded. This matter was examined very carefully and then a view was taken to exclude them. Firstly, Vithal Bhai Patel House is not really meant for Government servants. As a matter of fact, even now, there are only about 23 Government servants living there. Out of 150 flats in this house, only 23 are occupied by Government servants. So far as Curzon Road Hostel is concerned, it is a really in the nature of transit accommodation. People stay there till they become eligible for allotment of regular accommodation and when they get regular accommodation, they move over. There have been one or two exceptions where bachelors and people like them continued to stay there. These are exceptions. Normally, the accommodation is in the nature of transit accommodation. It was felt that including the transit accommodation, where the cost of construction was very heavy and where certain types of facilities and certain types of advantages like lifts and other things have been given, which have also boosted up the cost of construction very considerably and where verandah space etc. are very much more than in a normal house, along with the regular residential houses, would be most unfair to the people living in regular houses. It is not the same kettle of fish, if I may use the expression. That was taken out of this pooling business."

1.112. Asked how were the rents for these hostels being calculated after excluding them from the general pool, the Secretary, Ministry of Works & Housing informed the Committee: "So far as those are concerned, the calculations are based on the rate of 108 paise per sq. metre. If I may mention here, even for other hostels like Asia House Hostel, Minto Road Hostel, Tagore Road Hostel etc., the rents were calculated at the rate of Rs. 1.08 paise per sq. metre. So far as hostel accommodation is concerned, excepting very old hostels at Western Court, rents were calculated at the rate of Rs. 1.08 paise per sq. metre."

1.113. In reply to a question he clarified: "The rate of Rs. 1.08 paise, even though it allies with the figure which we have arrived at one stage, is more or less the standard rent we have fixed not merely for these two hostels but for other hostels like Asia house hostel, Minto Road hostel, Tagore road hostel etc. They were not included in the earlier pooling business. For hostels, we have more or less accepted an *ad hoc* figure of Rs. 1.08 paise per sq. metre."

"This is an *ad hoc* concessional rate, Sir. It could have been fixed at any level once the principle of *ad hoc* rent is accepted.'

1.114. On the question of rationality of calculating pooled unit rate by clubbing the two hostels with the residence of Group V to VIII in the first instance and later on excluding them on recommendation, the Secretary, Ministry of Works & Housing had the following to say:

"Perhaps the decision to club two of the hostels, one of which was not in any case meant for Government servants, with residential accommodation was not a rational one because firstly, the hostels are totally different kind of fish from the residential accommodation. They are fitted with such things like lifts, huge corridors, verandahs, shopping centres, etc. which have pushed up the construction costs. The inmates get certain advantages as a result of those things. But there is no particular reason why they should be subsidised by people residing in regular residential accommodation. Secondly, the Curzon Road Hostel particularly—because the Vithal Bhai Patel House is an MP's residence—is really in the nature of a transit camp where people stay for a short period. So it was felt that the decision which was not considered rational to club the hostel or hostels, should be revoked. Once this decision to revoke was taken, it would automatically mean that a recalculation should be done in regard to the standard rent with regard to Types V to VIII and it came to 97 paise. The other question is, "why was this particular rate *viz.* 108 fixed for Curzon Road Hostel and a few houses in Vithal Bhai Patel House Hostel where Government servants have been living?" The answer is that it was fixed at 1.08 which was a concessional rent. If it was calculated on the basis of standard rent, it would be very high. Because this was fixed at 1.08 which was, incidentally, the rate at which the rent in other hostels was fixed, there was a confusion in my mind as in the minds of others. But this was the figure decided upon to be the concessional rent for these hostels."

1.115. The Committee asked since the rents payable by Government servants were limited to 10 per cent of their emoluments and even by paying on the basis of Rs. 1.08 per sq. metre the occupants of residences of type V to VIII would not have paid more than 10 per cent of their emoluments where was the need for excluding the two hostels for the purpose of calculation of pooled unit rate. In a note the Ministry have stated: "The Curzon Road Apartments and the Vithal Bhai Patel House were excluded from the group of residence of Types V to VIII for the following reasons:

- (i) The hostel accommodation was not comparable to regular general pool residential accommodation as the former had less space and had common services.
- (ii) The Vithal Bhai Patel House was exclusively meant for Members of Parliament who were entitled to concessions by way of rebate on the actual licence fees for the accommodation allotted and a ceiling on the licence fee payable.

The then Minister felt that, on the above grounds, the inclusion of the two hostels in the general pool was not correct and, accordingly, in consultation with the Ministry of Finance, it was decided in 1972 to exclude the two hostels from the general pool. The approval of the Cabinet Committee on Accommodation was also obtained.

Another reason for exclusion of the two hostels from the group of residences in Types V to VIII was that the increase in the licence fee in that group of residences was very steep viz. 35 per cent and it was felt that the occupants of the residences were burdened with higher licence fees on account of the inclusion of the higher cost of construction of the two hostels in the cost of the group of residences from Types V to VIII.

It was for these considerations that the two hostels were excluded from the group of residences in Types V to VIII even though on the basis of the unit rate of Rs. 1.08 per sq. metre, the occupants would not have paid more than 10 per cent of their emoluments."

1.116. It was stated during evidence that the rate of Rs. 1.08 per sq. metre fixed for the hostels was an *ad hoc* concessional rent and had no relation to the earlier pooled unit rate worked out for residences in type V to VIII. The Committee desired to be furnished with a detailed note indicating the basis on which it decided to levy a concessional rent and how the *ad hoc* rate was fixed. In a note on the subject, the Ministry have stated:

(i) The Curzon Road Hostel (block 'A' double rooms) became available for allotment in the general pool in February, 1968. The licence fees under F.R. 45-A for the double suites worked out as under:—

Room rent	Rs. 180.00
Furniture	Rs. 42.00
Geyser	Rs. 13.00
Services	Rs. 80.00
	<hr/>
	Rs. 315.00

As the licence fees and service charges under F.R. 45-A came to be high and it was feared that the suites in Curzon Road Apartments may not be acceptable on such high licence fees, it was decided to adopt a rounded figure of Rs. 161 p.m. per double suite on *ad hoc* basis. Subsequently; block 'E' in Curzon Road Apartments (Single suites) also became available. The licence fee for single room worked out as below under F.R. 45-A:—

Room Rent	Rs. 133·00
Furniture	Rs. 32·00
Geyser	Rs. 13·00
Services,	Rs. 26·00
	<u>Rs. 204·00</u>

As in the case of double rooms, it was decided to adopt an *ad hoc* rate of licence fee at Rs. 98/- per month per room.

(ii) The Vithalbhai Patel House was constructed for Members of Parliament and became available for allotment in September, 1965. As there were some rooms surplus to the requirements of Members of Parliament, these were allotted to Central Government Officers (at present 23 Central Government Officers are in occupation of 23 suites—16 single and 7 double in Vithalbhai Patel House, New Delhi). The licence fees for double suites under F.R. 45-A worked out as below:

Room Rent	Rs. 205·00
Furniture	Rs. 54·17
Geyser	Rs. 8·17
Services,	Rs. 22·90
	<u>Rs. 290·24</u>

As the licence fees in respect of double suites in Vithalbhai Patel House were very high, it was decided to charge an *ad hoc* licence fee as follows:—

Room Rent	Rs. 75·00
Furniture	Rs. 54·17
Geyser	Rs. 8·17
Services,	Rs. 22·90
	<u>Rs. 160·24</u>

The licence fee in respect of single suites in Vithalbhai Patel House under F.R. 45-A worked out as below:—

Room rent	Rs. 124.32
Fur niture	Rs. 27.44
Geyser	Rs. 6.12
Services	Rs. 13.45
	<u>Rs. 171.33</u>

As the rates were very high, it was decided to adopt an *ad hoc* rate of licence fee, as in the case of double suites. This was:—

Room Rent	Rs. 50.00
Furniture	Rs. 27.44
Geyser	Rs. 6.12
Services	Rs. 13.45
	<u>Rs. 97.01</u>

(iii) The last quinquennial revision of licence fees of the general pool residential accommodation in New Delhi became due in January, 1970.

While considering the question of revising the licence fees, it was decided that the Curzon Road Hostel and the Vithalbhai Patel House may be included in the group of residences of the types V to VIII for the reasons mentioned against point 40. With the inclusion of the two hostels, the unit rate in the group of residences in Types V to VIII worked out to Rs. 1.08 per sq. metre. The unit rate was worked out by dividing the total standard licence fees under F.R. 45-A i.e. 6 per cent of the cost of construction by the total living area. The details of the calculation leading to the unit rate of Rs. 1.08 per sq. metre may kindly be seen at Annexure VII. The revised rates were given effect from 1st April, 1970 after consulting the Ministries of Law and Finance.

The immediate impact of the introduction of the unit rate of Rs. 1.08 per sq. metre was that the licence fees in the group of residences in Types V to VIII went up by 35 per cent. This increase was considered very much on the high side. It was, therefore, decided in consultation with the Ministry of Finance, to stagger the increase over a period of three years as it was feared that an increase in licence fees of the order of 35 per cent all at once would cause great hardship to Government servants concerned and would result in a large number of representations causing embarrassment to Government. Accordingly, licence fees were recovered at the unit rate of Rs. 0.92 (15 per cent increase on Rs. 0.80) per sq. metre from April, 1970 to March, 71; Rs. 1/- (25 per cent increase over Rs. 0.80) from April, 71 to May, 72 and 35 per cent increase over Rs. 0.80 was to be effective from June, 72. The above arrangement of staggering was also brought to the notice of the Cabinet committee on Accommodation.

Before, however, the staggering could be completed the matter was again reviewed and it was decided to exclude the hostels from the group of residences in Types V to VIII for the reasons mentioned in reply to point No. 40. The concurrence of the Ministry of Finance to the exclusion of the two hostels and for working out an *ad hoc* licence fee for the two hostels was obtained. With the exclusion of the two hostels from the group of residences of Types V to VIII, the unit rate in respect of that group worked out to Rs. 0.97 per sq. metre. The details may kindly be seen in Annexure VIII.

After excluding the two hostels from the group of Types V to VIII residences, the unit rate per sq. metre came to Rs. 3.69 per sq. metre in respect of Vithalbhai Patel House and Rs. 3.22 per sq. metre in respect of Curzon Road Hostel. On the basis of the unit rates, licence fees worked out as below:—

	Vithalbhai Patel House			Curzon Road Hostel		
	Licence Fee	Service charges	Total	Licence Fee	Service charges	Total
Single Suites	132.09	68.75	200.84	79.00	60.35	139.35
Double suites	217.68	118.95	336.63	135.00	90.10	225.10

As will be seen from the above, the rates under F.R. 45-A worked out to be very high, as also mentioned by the Comptroller and Auditor General of India in his report for the year 1972-73. It was, therefore, decided to adopt a reasonable rate on *ad hoc* basis for recovery of licence fees. The rates of licence fees for the two hostels were worked out under various heads, namely:—

- (a) At the unit rate of Rs. 1.08 per sq. metre i.e. licence fee as if the two hostels were included in the groups of residences from Types V to VIII.
- (b) Under F.R. 45—A
- (c) At the maximum limit of 10 per cent of the emoluments of the officers entitled to hostel accommodation for single and double suites.

A comparative study of the amount of licence fees worked out under the above heads may kindly be seen in Annexure IX. It will be seen that licence fees under F.R. 45-A worked out to be the highest. The rates on the basis of maximum 10 per cent of emoluments also worked out to be very high as against the licence fees which were being charged at that time. In fact, recovery at 10 per cent of emoluments is prescribed for accommodation of entitled types. The accommodation in hostel is much less than that in entitled types of the officers who are allotted hostel accommodation. There would thus be little justification for recovering 10 per cent of the allottees emoluments for hostel accommodation. The licence fees at the unit rate of Rs. 1.08 could reasonably be compared with the then existing licence fees and could be enforced without causing a big stir. On consideration of all the aspects, it was decided to adopt the formula which would satisfy the residents and still Government would be charging increased licence fee on some basis and which would at the same time save Government from embarrassment because of opposition and agitation amongst the occupants. The formula of working out the licence fees at the rate of Rs. 1.08 per sq. metre was thus adopted. The concurrence of the Ministry of Finance and the approval of the Cabinet Committee on Accommodation was obtained and the same unit rate of Rs. 1.08 was also applied for the hostel accommodation, which subsequently became available in Minto Road Apartments, Tagore Road Apartments and the Asia House."

1.117. The Committee find that while calculating the standards licence fee of Government accommodation, under F.R. 45-A.II, the cost of land and expenditure on its preparation are not taken into consideration. Consequently the real cost of the Government accommodation is not reflected. Since land has a very high value in most of the major cities in the country, the Committee feel that the cost of land and the expenditure on its preparation should rightly be taken into account for the calculation of standard rent. The Committee desire that this should be examined immediately and the rules in force in this regard amended appropriately.

1.118. The Committee are also distressed to note from the sample study conducted by Audit that the average rate of return on capital for all types of Government residences in Delhi was only about 3 per cent in 1971-72. It is also significant from the study that the rates of return are the highest for residences of types II (meant for low paid employees) and IV which was respectively 3.43 per cent and 4.19 per cent in 1971-72 and are the lowest for type III, VI and VII, while the Committee can appreciate the low return of 2.33 per cent in respect of type III residences; the Committee can see no justification for the low return of 2.46 per cent and 2.29 per cent respectively in the case of type VI and type VII residences (for highly paid officers). It is an admitted fact that better facilities are provided in the higher type of quarters and the unit cost of construction of type VI and VII residences is also much higher than the lower types. As such, the return on these residences should be adequate enough to absorb the higher cost of construction. The Committee desire that the reasons for the lower return on the capital cost of higher type of residences should be investigated into immediately and it should be ensured that the return from better type residences is improved. This examination should be completed expeditiously and the action taken on the basis of the examination reported to the Committee within three months.

1.119. The Committee observe that the pooling of different types of accommodation for the calculation of rent has also resulted in disparities, particularly among the lower paid categories of employees. For instance, the Committee are unable to appreciate the logic of pooling quarters of types II, III and IV. Since better specification was adopted for the construction of type IV quarters than in type II quarters, the unit cost of construction of the higher type of quarter (type IV) is more than that of the lower type (type II). Consequently, the inclusion of type IV quarters with type II quarters in the same group results in the transfer of a part of the higher unit cost of construction of the higher type of quarters to the lower type

of quarters. It would appear that this is not a sound and equitable method of determining the licence fees. Even though F.R. 45-A IV-C(i) provides for the grouping of residences for the purpose of calculation of licence fee, the Committee feel that it is necessary to calculate the unit rate for each type of accommodation separately instead of different categories of residences. In the opinion of the Committee this would be a more realistic method of calculating the unit rate.

1.120. The Committee are also surprised to find from the sample study conducted by Audit to ascertain what percentage of the emoluments was actually being paid as rent by allottees of types V to VIII residences that 66 2/3 per cent of the officers occupying type VII quarters, covered by the sample survey, were only paying rent above 5 per cent and upto 6 per cent of their pay. Similarly more than 50 per cent of the officers in occupation of type VI quarters pay rent only upto 7 per cent of their pay. In some cases, the Committee find that the amount paid as rent is only 4 per cent or less. In respect of officers of the All India Services also only about 31.25 per cent of the officers covered by the study pay rent above 7 per cent and upto ten per cent of their pay. What is more distressing to the Committee is the fact revealed by the sample study that about 50 per cent of the government servants occupying government residences of types V, VI and VII pay, as rent, a percentage of their emoluments which is less than that of those occupying Type I residences which are mostly occupied by class IV employees. That such a situation should prevail would indicate that the present method of recovering rent for Government quarters is heavily weighted in favour of those in the higher income brackets. This, in the opinion of the Committee, is a most unsatisfactory state of affairs.

1.121. The Committee see no reason why the basis of recovery of rent should not be changed to ensure that the recovery of rent corresponds to the percentage of his salary a government servant is expected to pay as rent. The Committee note that a similar recommendation had been made by the Cabinet Committee on Accommodation in 1968 and it is extremely distressing that this suggestion is being complied with only in the case of lower type of accommodation and no positive steps have been taken by the Ministry to implement this recommendation in the case of residences of types VI to VIII. This would only strengthen further the apprehension of the Committee that the Ministry of Works and Housing is only interested in safeguarding the interests of the better paid officers.

1.122. Even though it has been expected that in the case of residences of types VI to VIII, where the recovery falls short of 10 per cent of the emoluments of the allottees, the target of 10 per cent

would be reached with the subsequent upward quinquennial revision of licence fees, the Committee find that no proper study even has been conducted by the Ministry to see after how many quinquennial revisions, Government servants would have to pay 10 per cent of their emoluments towards licence fees. Therefore, the Committee must necessarily recommend that officers occupying accommodation of the type to which they are entitled to should be made to pay 10 per cent of their emoluments as rent irrespective of the fact whether the standard rent works out lower. In respect of officers occupying a lower type of accommodation, however, the rent may continue to be recovered on the basis of the standard rent or 10 per cent of the emoluments, whichever is lower till they are offered entitled accommodations. In this context, the Committee consider it pertinent to mention that in the payment of House Rent Allowance to employees not in occupation of Government accommodation, only the rent paid in excess of 10 per cent of the emoluments is reimbursed subject to prescribed ceilings which vary according to the class of cities. The Committee, therefore, find no justification for the differential treatment between employees allotted government accommodation and those who have to fend for themselves, in the context of the present hard times and rising prices. The Committee desire that the recommendation should be given effect to immediately and a report submitted to the Committee within three months. The outcome should be reflected in the Annual Report of the Ministry.

Expenditure on maintenance and special repairs.

Audit Paragraph

1.123. Under the rules the expenditure on maintenance and special repairs of a building during a year should be within prescribed limits (based on a fixed percentage of the capital cost).

1.124. The permissible expenditure and actual expenditure on the two groups of quarters (types II to IV and types V to VIII) in 1970-71, 1971-72 and 1972-73 are shown below:—

Year	Types	No. of Quarters	Permissible expenditure (Lakhs of rupees)	Actual (ex) et seq.*
1	2	3	4	5
1970-71	II to IV	21,202	48.29	31.25
	V to VIII (including M.P.'s Flats)	3,226	28.49	24.52
1971-72	II to IV	22,927	44.30	39.61
	V to VIII (including M.P.'s. Flats)	3,247	29.74	26.49
1972-73	II to IV	22,419	53.30	33.36
	V to VIII (including M.P.s. Flats)	3,257	28.69	23.83

*The figures in column 5 do not include expenditure on maintenance and repairs of the electrical and horticultural portion of the capital cost of building.

1.125. It should be seen from the above that the shortfall of the actual expenditure (on maintenance and special repairs) from that permissible has been much more for types II to IV than for types V to VIII.

1.126. In addition to annual expenditure on ordinary repairs and maintenance, expenditure is also incurred on additions and alterations to residences.

1.127. Such expenditure on types I to VIII during 1968-69 to 1972-73 was as follows:—

Type	(Lakhs of rupees)
I	1.91
II to IV	9.72
V	5.27
VI	1.61
VII	2.10
VIII	13.52
Total	34.13

[Sub-para of paragraph 38 to the Report of C&AG for 1972-73 (Civil)]

1.128. During evidence, the Secretary, Ministry of Works and Housing inform the Committee, "There is a schedule for maintenance purposes. If the building was constructed before March 1942, the permissible expenditure is 5.4 per cent whether it is for Type VIII or Type I. If it was built between April 1942 and 14th August 1947, it is 3.2 per cent. If it was built between 15th August 1947 and 31st March 1962, it is 2.20 per cent. If it was built after 1st April 1962, it is 1.9 per cent. Quite a lot of the houses in the lower categories have been built after 14th August 1947 and more particularly after 1952."

1.129. In reply to a question as to the basis for fixation of permissible expenditure on ordinary repairs and maintenance, the witness stated: "The basis was the total floor area. You will appreciate that old houses will be needing greater maintenance than new houses. Similarly, temporary houses will need greater maintenance than permanent houses."

1.130. Subsequently in a note furnished at the instance of the Committee, the Ministry explained:

"Expenditure on annual repairs and special repairs to buildings is prescribed as a percentage of the capital cost of the buildings structure taking into consideration the following factors:—

- (a) Year of construction;
- (b) Nature of construction, i.e., whether permanent or temporary;
- (c) Expenditure required to be incurred on day to day maintenance and upkeep with the help of workcharged staff and departmental materials and casual labour employed when necessary;
- (d) Annual repairs to be carried out to the buildings such as white-washing, colour washing, distempering of walls, etc. and painting of woodwork;
- (e) Special repairs of heavy nature to be carried out to the buildings, such as replacement of doors and windows, replacement of floors, repairs to plaster, renovation of wall finish, renovation of electrical wiring, replacement of sanitary fittings, etc.

2. As the buildings become older and the prices of labour and materials rise, percentages for repairs have to be revised at suitable intervals. As a general rule, older the building, higher will be the percentages for repairs. For determining the percentages for repairs, cost of workcharged staff and materials is assessed, taking into consideration the pay scales of staff and cost of materials and the yardsticks prescribed for employment of different categories of workcharged staff. For annual repairs like white-washing and painting and periodical repairs like replacement of floors, replacement of doors and windows, replacement of electric wiring etc., typical detailed estimates are framed.

3. Percentages for annual repairs and special repairs were last revised in 1969 in case of civil works and in 1971 in case of electrical works. These are indicated in para 55 of Chapter 1 of CPWD Manual Vol. II (page 40), (Annexure 56(1)).

1.131. It is seen from the Audit paragraph that the actual expenditure on maintenance and special repairs has been more in respect of quarters in types V to VIII than in respect of quarters in types I to IV. As to the reasons for this difference, the Ministry have in a note explained:

"During the period under consideration the expenditure on repairs and maintenance was generally below the permissible percentage in all types of houses. This was due to financial stringency. The ban on annual white-washing and colour-washing was imposed in November 1971. The ban was lifted on 1st March 1973 but was again reimposed on 9th August 1973. The expenditure was less because full maintenance work could not be done due to shortage of funds and imposition of bans.

The expenditure on the higher types, i.e., type V to VIII has been comparatively high, because of the following factors:—

1. Change in occupancy is more in the higher types than in the lower ones. Persons occupying lower types of houses are generally not transferable. A change in occupancy invariably necessitates white-washing and other essential repairs.
2. The ratio of old houses in the higher types is far higher than in the lower types. No type VIII house was built, after independence, and, even in the other higher types, the addition of new houses has been at a slow rate. The overall position is as follows:
 - (a) Of the 21,202 type II to IV quarters, shown in the Audit Report as available in 1970-71, 19,569, i.e., 92 per cent were built after 1951 and of those 8,630 were built during the third plan or later. Thus, the bulk of the houses in the lower categories is less than 10 to 20 years old, whereas of the 3,226 type V to VIII houses, shown in the Audit Report, as available in 1970-71 only 2,031, i.e., 62 per cent were built after 1951 and the rest are all very old. The old houses require greater expense for maintenance and special repair work.

Although the permissible percentage fixed for maintenance and special repairs varies with the age of the building, the fact is that these percentages have been laid down as limits for general guidance; but in actual practice some variation takes place. Special repair, in any case, will depend on the condition of the houses and will have to be done on "as required basis". The older houses require greater expense for special repairs of roofs, plaster and flooring.

Moreover, these percentages have been worked out on a slab basis. For quarters constructed before 1942, irrespective of their age, the slab rates are 5.4 per cent for ordinary repairs and maintenance and 1.8 per cent for special repairs. For the quarters constructed between 1932—1947, the slab rates are 3.2 per cent for ordinary repairs and 1.2 per cent for special repairs. For houses built after 1947, the slab rates are 3.2 per cent and 0.73 per cent

respectively. For all houses built from 1962 onwards the slabs are 1.9 per cent and 0.63 per cent. It is thus clear that for older house larger expense has been contemplated by Government while sanctioning the maintenance cost limits. Furthermore, for special repairs even the instructions provide that the permissible amount can be accumulated upto a period of five years and spent in one lot depending upon actual requirement."

1.132. In addition to annual expenditure on ordinary repairs and maintenance, expenditure is also incurred on additions and alterations to residences. It is seen that between 1968-69 to 1972-73 the expenditure on additions and alterations to 182 type VIII residences was Rs. 13.52 lakhs against Rs. 9.72 lakhs spent on 25,406 residences in types II to IV. The Committee desired to know the reasons for such a huge difference. In a note on the subject, the Ministry have stated:

"The number of type VIII quarters on which the expenditure on additions and alterations was incurred during the period 1968-69 to 1972-73 was 182 and not 27 as indicated in the questionnaire.

The reasons for the comparatively high expenditure on these quarters are as follows:—

1. All these are very old, pre-independence quarters, requiring not only substantial repairs but also extensive special repair to make them functionally suitable.
2. The houses are occupied by Ministers, Vice-President, the Speaker of the Lok Sabha, Supreme Court Judges, Chiefs of the Defence Services, etc., who, in keeping with the offices they hold, have to be provided with bungalow-offices, space for visitors, security arrangements like barbed wire, gate and compound lights, guard rooms etc. The Houses had not been built with these things in view. Hence additions and alterations have to be made from time to time.
3. Except where accommodation is rent free the persons requiring additions and alterations have to pay additional rent based on the cost of the additions/alterations. Requests for such additions and alterations, therefore, come only from those who are willing to pay the additional rent. Such requests are very few from the occupants of the lower types of houses who belong to the lower income group. Moreover, their houses/flats are group houses located side by side and there is very little scope for additions/alterations whereas in the higher types, particularly in bungalows of type VIII there is scope, as well as, willingness to pay additional rent.

In the lower types, requests are generally received not on individual basis, but on group basis for the provisions of certain additional amenities in all the houses falling in that group. These proposals have to be examined not only from the point of view of their reasonableness; but also from the point of view of their likely repercussions, since facilities or amenities like this, for which the occupants do not pay any additional rent, cannot be sanctioned for one group or cluster of houses; without raising similar demands elsewhere. Hence such proposals are accepted on a very selective basis, and, if sanctioned, are executed. The details of sanctions given and the works executed or in progress during the period under review are given in annexure 51/1.

1.133. The Committee note that the actual expenditure on maintenance and special repairs has been more in respect of quarters in types V to VIII than in respect of quarters in types II to IV which were occupied by employees in lower salary ranges. The Committee are not convinced with the argument advanced by the Ministry that "although the permissible percentage fixed for maintenance and special repairs varies with the age of the building, the fact is that these percentages have been laid down as limits for general guidance, but in actual practice some variation takes place." The Committee would like that the expenditure on maintenance and special repairs to houses should be made on fixed norms and not at the behest of the individual occupants of the houses.

1.134. The Committee note that between 1968-69 to 1972-73, the expenditure on additions and alterations to 182 type VIII residences was Rs. 13.52 lakhs against Rs. 9.72 lakhs spent on 25,406 residences in types II to IV. The Committee are surprised at the disparities in so far as the expenditure on additions/alterations to residences is concerned. The Committee would like the Government to examine whether costs for all alterations and additions in types VIII quarters should not be borne by the occupants themselves as more augmentation of the rent due to such alterations is not enough. The Committee would also like the Government to see that uniform facilities and amenities are provided to all houses in the same group in so far as lower types of accommodation are concerned.

Shops and Commercial Premises

Audit paragraph

1.135. The Directorate has under it 30 Government markets of which Sarojini Nagar, Pleasure Garden, Kamla and New Central are rehabilitation markets. The number of shops and other commercial premises under the administrative control of the Director of Estates from the year 1966-67 onwards is shown below:—

	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73
(i) Shops	2,137	2,137	2,160	2,184	2,213	1,168	2,173
(ii) Flats	260	260	266	278	278	273	273
(iii) Stalls	126	126	126	162	162	162	167
(iv) Platforms	604	604	592	592	592	592	592
(v) Other commercial premises	80	80	72	74	75	65	65
Total	3,207	3,207	3,216	3,290	3,320	3,260	3,270
Number of markets	25	25	31	32	33	32	

Pleasure Garden Market (414 shops), Kamla Market (272 shops), New Central Market (110 shops), Sarojini Market (200 shops), Srinivasपुरi Market (111 shops), Nanakpur Market (124 shops), Babu Market (120 shops), Lodi Road Market (152 shops), R. K. Puram (combined) 267 shops and I.N.A. Market (224 shops) together account for 1.5 per cent of the total number of shops.

1.136. From 1965 the shops in the Government markets are being allotted after calling tenders. Prior to 1965 rents were being charged at economic rates (a prescribed percentage of the capital cost inclusive of the cost of land plus local taxes). However, when the shops change hands, the licence fees are enhanced by stages up to a maximum of twice the economic rates. Allotment of shops reserved for members of the scheduled castes (present reservation being 12.8 per cent of the total availability) is made by inviting applications and by drawing lots subjects to payment of licence fee at economic rates. Most of the shops in the markets are paying rents at economic rates.

1.137. The licence deeds of shops in the non-rehabilitation markets provide that the licensee shall pay every month a licence fee at the rate stipulated or at such other rate to be fixed by Government from time to time. In December 1969 Government issued orders prescribing the principles for fixation of licence fees for shops and

fuel depots in Government owned shopping centres. It was provided therein that these orders would apply to cases where licence fees are to be calculated for the first time and are to be revised for any reason.

1.138. The question whether the licence fee of all the shops should be revised in accordance with the December 1969 orders is under Government's consideration (October 1973). The original licence fees of the shops have not undergone an revision so far. On an average annual assessed rent of markets during the five years ending 1972-73 was Rs. 25.74 lakhs. The average arrears of rent at the end of each of these years were Rs. 9.17 lakhs which were about 75.5 per cent of the average assessed annual rent. Out of Rs. 48.56 lakhs recoverable in 1972-73 (current Rs. 28.14 lakhs and arrears Rs. 20.42 lakhs) Rs. 28.84 lakhs were recovered in that year leaving Rs. 19.72 lakhs in arrears. As on 31st December 1973 the arrears of Sarojini Market, R. K. Puram Sectors VIII and XII, Srinivaspuri Market and Mohan Singh Market (inclusive of Super Bazar) accounted for Rs. 1.64 lakhs Rs. 3.09 lakhs, Rs. 3.28 lakhs, Rs. 1.27 lakhs and Rs. 2.05 lakhs respectively totalling Rs. 11.33 lakhs i.e., 60 per cent of the total outstandings (Rs. 16.37 lakhs).

Sample Study

1.139. One rehabilitation market (New Central) and one non-rehabilitation market (R. K. Puram, Sector XII) were selected for a comparative study of the present level of rents per square metre of the plinth area. The rent per square metre of shops in the non-rehabilitation market was about Rs. 19.80 per square metre as against Rs. 1.40 per square metre of the shop in the rehabilitation market.

[Sub-para of paragraph 38 of the Report of C&AG for the year 1972-73 (Civil)]

1.140. In regard to fixation of rents at economic rates for shops in different Government markets, the Ministry of Works and Housing have in a note explained:

"Prior to 1964, economic licence fees for shops used to be fixed under F.R. 45-8. In the year 1964 a new formula for the determination of economic licence fees was evolved. The economic licence fees fixed under F.R. 45-B were accordingly, revised under the 1964 formula. In 1965, it was decided to allot future vacancies as well as newly constructed shops only on tender basis. In 1969, the 1964 formula was modified. A study by the CPWD showed that the revised economic licence fees

under the 1969 formula would be much higher in some cases even 10 times. The following two issues are under consideration at present:—

- (i) Whether the formula laid down for the fixation of economic licence fees for shops under the control of the Directorate of Estates in December, 1969 needs review; and
- (ii) Whether the economic licence fee for shops should be revised periodically.

As regards (i) above the question whether the 1969 formula would need any review has been under consideration in consultation with the Ministry of Finance. The Ministry of Finance have agreed to modify the 1969 formula to the extent that the area of land for calculation to licence fee should be that much as under the building bye-laws is appurtenant to the structure of the shop concerned, as against double the plinth area provided in the 1969 formula. That Ministry also agreed with us to take into account only 25 per cent of the area of the loft as against 50 per cent of the area prescribed in the 1969 formula in case of lofts of over 6 ft. in height. The Ministry of Finance did not, however, agree to our suggestion in regard to apportionment of the land value over different floors in the case of multi-storeyed and single-storeyed constructions. Our preference was for the 1964 formula where the land value was to be divided between the ground and the first floor in the ratio of 2 : 1 respectively. The Ministry of Finance, however, insisted on the implementation of the 1969 formula under which the entire land value is to be recovered from the ground and first floors in the ratio of 2 : 1 and additional land value at half the rate for the first floor is to be recovered in respect of other floors in the case of multi-storeyed constructions. In the case of single-storeyed constitution, the entire land value will be recovered from the ground floor.

As regards the question whether licence fee already fixed under 1964 formula for the shops should be revised, the Ministry of Finance have insisted that the licence fee should be revised on the basis of the 1969 formula. That Ministry also desired that the practice followed in this regard by the NDMC may be ascertained. The NDMC allot shops on purely temporary basis and allotments are revoked at the will of the licensor, except in the case of shops at Yashwant Place where the licence is for a period of five years to be renewed thereafter on the terms and conditions to be mutually agreed upon. The allotment of shops at other

places is made for a period of one year and continues unless the allottee surrenders its possession or the shop is got vacated by the Committee on the violation of the terms of the licence. There is no periodical revision of the licence fee for the shops under the N.D.M.C.

The present policy is to allot shops on tender basis except in the case of Scheduled Castes and Scheduled Tribes to whom allotments are made on pre-determined economic licence fee. The formula is of no real significance in the case of shops allotted on tender. There are also 845 shopkeepers in the four rehabilitation markets who are paying concessional rates of licence fee as the original allotments had been made by the Ministry of Rehabilitation to displaced persons as a measure of rehabilitation and the licence fee in their case cannot be revised. In fact, the revision of licence fee made as a result of the 1964 formula was not made applicable to them. The rehabilitation shops were allotted to refugees on concessional licence fee without execution of any lease or licence deeds. Those licence fee continue and we are advised that these cannot be enhanced since it is not possible to execute lease/licence deeds now with the allottees or their legal successors, providing for upward revision of licence fees.

This leaves us with the question of the remaining shops which have been given on economic licence fee fixed under the 1964 formula. The number of shops involved is about 2,181 at present. It is unlikely that the shopkeepers would agree to pay any enhanced licence fee for their existing shops and this might result in huge accumulation of arrears. The only course left to us would be to cancel the allotments and to take recourse to eviction and recovery of dues under the Public Premises (Eviction of Unauthorised Occupants) Act, 1971 *en masse*. Such a course of action would create unprecedented legal as well as public relation difficulties and Government may be placed in an awkward position. It is relevant to point out that the NDMC do not revise the licence fee for their shops periodically.

It is, however, proposed to go ahead with the revision of economic licence fees for the shops in spite of the situation which we may have to face and enforce them. A final decision is still to be taken.

1.141. During evidence the Committee enquired whether the auctioning of the commercial shops had ever been thought of. The Secretary, Ministry of Works and Housing stated: "From 1965 we have been putting these shops on tender. I do not think the idea of putting them on auction had been followed."

1.142. On being pointed out that Government could earn lot of money from this source by way of initial payment and by way of additional rent, the witness stated: "I agree. At one time the policy was framed to attract people. The second stage was large number of refugees from West Punjab had to be re-settled. But now, I think, the time has come when a third policy should be evolved."

1.143. The Committee were informed that during the last 5 years i.e., from the years 1969 to 1973, 625 shops changed hands. Asked whether the licence fee of such shops was revised at the time of charge over, the Ministry of Works and Housing in a note stated:

"Shops in Rehabilitation markets as well as in other Markets under the administrative control of the Directorate of Estates have changed hands except the shops allotted to members of the Scheduled Castes and Scheduled Tribes communities, and the licence fee of shops, which have changed hands, has been revised at the time of change-over, except in the following cases:—

- (i) Due to the death of original allottee, in which case, the shop is regularised in the name of the applicant, if he/she is the widow, son (including adopted son) or unmarried daughter of the deceased allottee, on receipt of an Affidavit (duly sworn before a first class magistrate) from the remaining legal heirs to the effect that they have no objection to such allotment/regularisation.
- (ii) Shops vacated by the previous allottees and then allotted to members of the Scheduled Castes and Scheduled Tribes communities (in which case shops are allotted on economic licence fee even if the same had been allotted to the previous allottees on tender rates).
- (iii) Mutual exchange of shops within the same market or between different markets (in which case parties are to pay the licence fees fixed for the respective shops).

2. Enhanced licence fee is charged at the following rates in respect of shops allotted on economic/concessional rent/licence fee:

- (a) 50 per cent more than the economic rent prescribed for the shop on first transaction;
- (b) 20 per cent more than the licence fee mentioned at (a) above on the second transaction; and

- (c) 10 per cent more than the licence fee mentioned at (b) above on the third and subsequent transactions successively:

Provided that the licence fee paid by an allottee/allottees in respect of a shop shall not exceed two times the economic rent fixed by Government from time to time for that shop.

3. In regard to shops allotted on tender basis, the rent licence fee is charged at the following enhanced rates:

Time of transaction	Rate of licence fee
(i) When the transaction takes place in the first year.	Tendered licence fee plus 10% or economic licence fee 50% thereof, whichever is higher.
(ii) When the transaction takes place in the 2nd year.	Tendered licence fee plus 15% or economic licence fee 50% thereof, whichever is higher.
(iii) When the transaction takes place in the third year.	Tendered licence fee plus 20% or economic licence fee 50% thereof, whichever is higher.
(iv) When the transaction takes place in the fourth or subsequent years.	Tendered licence fee plus 25% or economic licence fee 50% thereof, whichever is higher.

In case of an allotment made on tender basis after its vacation by the previous allottee, the enhanced rate of licence fee is normally the maximum amount of licence fee which is offered by tenderer."

1.144. The Audit paragraph brings out that on an average the annual assessed rent of markets during the five years ending 1972-73 was Rs. 25.74 lakhs and the average arrears of rent at the end of each of these years were Rs. 19.17 lakhs which were about 74.5 per cent of the average assessed annual rent. The Committee were informed that the total outstanding in respect of shops for the period ending 31-3-1973 was Rs. 19,72,226.98 and as on 31-3-74 this figure came down to Rs. 15,43,532.91. The Committee desired to know the steps taken and proposed to be taken to effect recoveries of the outstandings. In a note, the Ministry of Works and Housing stated:

"A sum of Rs. 15.43 lakhs was due as on 31-3-1974. As regards action taken against defaulters to realise the arrears, when a shopkeeper falls in arrears for four months or more, show-cause notice is issued to him. This is followed by a notice of cancellation of allotment if he fails

to pay the amount. If the party remains a constant defaulter for six months or more, action under the Public Premises (Eviction of Unauthorised Occupants) Act, 1971 is initiated against him to realise the dues and, after cancellation becomes effective, eviction proceedings are also initiated. On cancellation, Shopkeepers are to pay damages @ 7½ per cent over and above the licence fees in case of shops allotted at economic or tendered licence-fees and @ 50 per cent in addition to the licence-fees in respect of shops on concessional licence-fee."

1.145. During evidence, the Committee enquired why such huge amounts were allowed to remain in arrears. In this connection the Secretary, Ministry of Works & Housing replied: "So far as markets are concerned, we do agree that the arrears have been very heavy. There was a time when 9 months rent was in arrears. Now it has come to less than 6 months. We are certainly trying to bring it down to three months. After that we will see to what extent it could be further reduced. We will have to re-shape things." He further stated: ".....We had allowed in the past people to have more or less interest free loans from the Government. We have brought it down from nine months to six months. Our target is to bring it to three months."

1.146. In reply to a question the witness added: "They do not pay the rent, they invest it in business." As to the measures proposed to be taken to ensure recoveries of rents the Secretary, Ministry of Works and Housing informed the Committee that they were considering to charge penal interest on the arrears. He added that the rate of such interest will be much higher than the banks lending rate so that it has the deterrent effect.

1.147. It is seen from the Audit paragraph that as on 31st December, 1973, the arrears of (i) Sarojini Market, (ii) R. K. Puram Market Sectors VIII & XII, (iii) Srinivasapur market and (iv) Mohan Singh Market (inclusive of Super Bazar) amounted to Rs. 11.33 lakhs i.e., 69 per cent of the total outstandings (Rs. 16.37 lakhs) on that dates. In regard to the arrears in respect of Sarojini Nagar Market, the Ministry have in a note stated:

"Sarojini Market was constructed in 1951 and was under the control of Ministry of Rehabilitation till 1-4-1958 when it was transferred to the Directorate of Estates along with other Rehabilitation markets. The flats above the shops in the market were constructed in 1955. There were 68 shopkeepers who occupied the flats above their shops without proper authority from Government and

they were treated as unauthorised occupants when the market was transferred to this Directorate. Subsequently, in the year 1966, a decision was taken to regularise the allotments of such unauthorised occupants who came in occupation before 1-4-1958. Accordingly, offers were issued and allotments were regularised in most of the cases where they complied with the conditions of offer and also cleared the arrears of rent.

There are 8 corner shops and 8 fuel depots in the market. The shopkeepers of these corner shops and fuel depots had been objecting to the payment of water charges on the ground that they did not have any water connection in their premises. There were other shopkeepers who were representing and avoiding payment of Government dues on one pretext or other. Their Association had also taken up the cases.

(a) The main points raised by them were:

- (i) The shopkeepers, whose allotments were cancelled by the Ministry of Rehabilitation for non-payment of Government dues relating to the period prior to 1-4-58, the date on which the market was transferred to the Directorate of Estates, may be given one more chance to clear the arrears by some specified date and their allotments restored;
- (ii) The allottees of 8 corner shops and 8 fuel depots should also be given one more chance to clear the water charges by some target date and their allotments also restored after they clear the arrears;
- (iii) The shopkeepers, who actually came in occupation of the shops/flats in the said market and in whose name the allotments could not be regularised for some reasons, should be given the benefit of concessional rent which would have been charged from them had the allotments been regularised in their names by the M/O Rehabilitation; and
- (iv) The remaining occupants out of the unauthorisedly occupied 68 flats in Sarojini Market, should be given one more opportunity to clear the arrears in respect of their flats by some specified date and thereafter the allotments of these flats also regularised in their names.

(b) All these points were examined and also discussed with representatives of the Sarojini Market Association at a

meeting held on 30-10-1971 under the chairman of Shri I. K. Gujaral, the then Minister of Works and Housing and the following decisions were taken in consultation with the Ministry of Finance:

- (i) Where allotments had been cancelled in respect of shops and flats in Sarojini Market on account of arrears of rental dues pertaining to the period prior to 1st April, 1958, the parties concerned should be given a chance to clear all the rental arrears at the pre-cancellation rates of rents upto 22nd December, 1971, and if they should do so, their cancellation letters should be treated as withdrawn and the shops regularised in their names. In case they failed to do so, the cases should be proceeded within the normal course, according to the cancellation letters already issued.
- (ii) In respect of the 8 corner shops and 8 fuel depots in Sarojini Market, the parties concerned should be given a chance to clear the arrears of water charges by 22nd December, 1971, and in case they did so, the shops should be regularised in the names of the respective parties and the cancellation letters issued on account of default in payment of water charges should be ignored. In case any party failed to clear the dues as stipulated above, normal action for recovery of Government dues and eviction should proceed in terms of the cancellation letters already issued, if any.
- (iii) These shopkeepers, as were in possession of shops/flats etc., in Sarojini Market from dates prior to 1-4-1958, but were deprived of the benefit of the concessional rents on account of allotments having been made to them after 1-4-58, should be given the benefit of payment of the original concessional rents, provided they produce convincing proofs to the satisfaction of the Directorate of Estates that they were actually in possession of the shop/flats etc., from dates prior to 1-4-1958 and that they were displaced persons from West Pakistan.
- (iv) The remaining unauthorised occupants of the 68 flats in Sarojini Market should be given a chance to clear all their rental dues at the originally offered rates of rents by 22-12-1971. In case, they did so, their occupation should be regularised. In cases of failure, eviction and recovery proceedings against the parties concerned should proceed in the normal course.

A decision was taken by the Minister of State in May, 1973 whereby the shopkeepers in Sector VIII and XII R. K. Puram Markets were allowed to liquidate the arrears in easy instalments.

Allotments of shops in these markets were made by calling tenders. The allottees pleaded that they had quoted rather high rates of licence fee but they could not stabilise themselves in business and were incurring loss. In the circumstances, they fell into arrears of licence fee. They requested for clearance of the arrears in easy instalments. The Minister considered their request and allowed them to clear the arrears in instalments. The rates of instalments were Rs. 500 p.m. in respect of shops whose licence fee was upto Rs. 500 and Rs. 1,000 p.m. in respect of shops whose licence fee was more than Rs. 500. The instalments of arrears were payable in addition to the licence fee for the current months."

1.148. The Committee note that according to the findings conducted by C.P.W.D., the revised economic licence fees under the 1969 formula in respect of shops in different Government markets would be much higher in some cases even 10 times. The Committee also note that the question whether the 1969 formula would need any review for the fixation of licence fee has been under consideration in consultation with the Ministry of Finance. The Committee regret to note that so far no positive action has been taken to revise the licence fee which was fixed in 1964 although the question of revising the rent in the market was mooted out as far back as 1969. The Committee desire that steps should be taken for the upward revision of the licence fees in the markets as early as possible.

1.149. The Committee have been informed that during the last five years, i.e. from 1969 to 1973, 625 shops had changed hands and that the licence fees of shops which have changed hands have been revised at the time of change over except in certain specified cases. The Committee would like the Government to examine whether any legal action can be taken to evict those occupants who were not the original allottees or compel them to execute proper lease deeds providing for increase in licence fees.

1.150. The Committee are surprised to note that a sum of Rs. 15.43 lakhs was due as arrears of rent of markets as on 31-3-1974. The Committee are unhappy that though the Ministry "do agree that the arrears have been very heavy" the steps taken by the Ministry for liquidation of the arrears have been utterly inadequate. Since

realisation of arrears of rent from the various shopping centres has not been very significant inspite of the extension of time given to the owners from time to time, the Committee would like the Government to take penal action under the Public Premises (Eviction of Unauthorized Occupants) Act, 1971 against all the occupants of Government shops who have failed to make payment of the licence fees for more than six months and responsibility should be fixed for appropriate action against the officials who were responsible for such a high accumulation of arrears.

Building research

Audit Paragraph

1.151. The Central Building Research Institute, Roorkee, and the Structural Engineering Research Centre, Madras, undertake research in building materials, structures etc. The National Buildings Organisation (which is a part of the Works and Housing Ministry and on which about Rs. 20 lakhs are being now spent annually) disseminates the results of research. Four improvements suggested as a result of research are discussed below:—

(i) Fly-Ash

Fly-ash has binding properties and can be used as replacement of cement to the extent of twenty per cent in mortars and concrete, improving the properties and reducing the cost. About 4 million tonnes of fly-ash are available annually in our country as industrial waste from thermal power stations. Over Rs. 12 million are now being spent annually on its disposal at an average cost of Rs. 3 per ton.

Fly-ash has been used by the Central Public Works Department in some blocks as an experimental measure. Its use on a large scale has not been possible because standard quality fly-ash in useable form is not being marketed at present. Unless fly-ash of standard quality which is inspected and supplied in standard containers for ready use like cement, is made available it will be difficult to use fly-ash on building works by construction agencies in a big way. Moreover, fly-ash being much lighter than sand or cement, mixing has to be carefully controlled under strict supervision to attain uniform strength in concrete and to avoid malpractices. The Cement Research Institute is carrying out experiments to determine how best fly-ash can be used so as to ensure quality control.

(ii) Single brick thick load bearing walls

Single brick thick load bearing walls, are generally adopted upto two storeys only. By use of better quality bricks and rationalised designs, single brick thick walls can be adopted for 4 storeyed residential buildings instead of R.C.C. (reinforced cement concrete) framed structures resulting in about five per cent saving in cost.

Single brick thick load bearing walls have been successfully used in construction of 96 four storeyed quarters by the Central Public Works Department and also by the Military Engineer Service in Delhi resulting in savings in consumption of cement and steel.

(iii) High strength deformed bars

Use of new type of steel reinforcing bars-high strength deformed bars-in concrete structures and designing structures on the basis of ultimate load theory results in,

- (a) saving upto thirty per cent in consumption of steel; and
- (b) saving upto 10 percent in cost of construction.

High strength deformed bars are being used by construction departments of Central and State Governments. There is, however, scarcity of these bars. It is estimated that about 1 million tonnes of plain mild steel reinforcing bars are being produced annually. If this steel is made available in the form of high strength deformed bars, it can serve a demand equivalent to about 1.3 million tonnes of plain mild steel bars.

(iv) Waffle shells for roofs and floors

These are precast funicular shells of square, rectangular or any other suitable shape used for roofs and floors of residential and industrial buildings. Because of the structurally efficient shape, the shells do not require reinforcement in their body. Reinforcement is required only in the edge beams and in the supporting structures. According to the Structural Engineering Research Centre, Madras this system of roofing results in savings in steel upto 30 per cent depending on the size and shape of the building. These shells have been used for building single and multi-storeyed residential buildings and workshop floors during the past 14 years. Some of the projects on which these shells have been employed are:

- (i) Defence Department's Amar housing project at Ambala over 1,600 houses).

- (ii) Four-storeyed residential housing blocks for Tamil Nadu Slum Clearance Board in Madras (250 houses).
- (iii) Two-storeyed staff quarters for Bharat Heavy Electricals Ltd., Tiruchirapalli (about 700 houses).
- (iv) Workshop floors at the National Institute of Design, Ahmedabad.
- (v) Heavy-duty transit shed for Madras Port.

The above technique has also been employed by the Central Public Works Department in some recent constructions. However, this technique has not been employed by the Central Public Works Department in construction of residential units.

[Sub-para of Paragraph 38 of the Report of C&AC for the year 1971—73 (Civil).]

1.152. While pointing out that a sum of Rs. 20 lakhs was being spent annually on the research in building materials, structures etc., the Committee desired to know what has been the concrete achievement of the research efforts. During evidence the Secretary, Ministry of Works & Housing deposed: "What we are trying to do, and we hope, we would be able to do within the next two|three months is to introduce totally standard specifications for buildings upto 15 meters, five-storeys. There the foundation would be 4-5 ft. We are laying down certain specifications, which would be very much different from the specifications already laid."

1.153. The Committee enquired about the steps taken so far for using fly-ash as a substitute for cement. In this connection, the Secretary, Ministry of Works and Housing stated: "As we know, Sir, ash of the coal does not have a standard specification. Some coal has got a higher percentage of ash, while some other coal will have lower percentage of ash. The second is that the composition of the ash is not uniform. Some are high-silica ash and some high-aluminium ash. It will vary with the composition of the ash. So, mixing of this ash with cement will have to be done under controlled conditions, after testing it to find out what the composition of the ash is. This is an operation which has to be done very carefully.

Secondly, fly-ash, as you know, is very light and transportation of this particular item happens to be very difficult because it starts flying all over the place (as its very name implies) if you put it in an open wagon and by the time it reaches the other end you will not get enough.

I had made a study, when I was in the Industries Department, as to how to utilise this fly-ash and the decision we took over there (and which I followed up in this Ministry) is that the mixing of fly-ash with cement should be at the fly-ash point rather than at the cement making point. In other words, cement will have to be transported to the vicinities of thermal power stations so that the mixing can be done there. We have taken a decision to allot a plot of land near a power station to a Cement Corporation so that it can start this operation of mixing fly-ash with cement there.

So, this is one use of fly-ash and the difficulties attendant on such use are as I have mentioned.

Again, if you want to make pozzolana cement, then only a certain percentage of fly-ash should be used, which is of the order of 20 to 25 per cent. depending on the nature of the fly-ash.

There are other uses also, but we have not progressed very far with them. Some research work is taking place for using fly-ash with gypsum and lime to make building blocks which would be as good as bricks or even better than bricks. If this particular experiment is successful we can consume a lot of fly-ash in this way, whereas the consumption of fly-ash for making pozzolana cement would not be much. A larger quantity of fly-ash can be consumed if this experiment gets off the stage and we are able to manufacture building blocks."

1.154. In regard to specifications and standards of fly-ash, a representative of the Ministry of Works & Housing stated during evidence: "There are only two contents which limit its use in construction: one is the carbon constituent and the other is the sulphur constituent. The carbon content for using fly-ash for concrete reinforcements has to be limited to 6 per cent while for mortar and other plastering uses the carbon content limit can be raised to 18 per cent. The sulphur content that we find in coals from which we get fly-ash is so low that it does not exceed the limit in the fly-ash all over the country."

1.155. The Committee drew attention to the following observations made by the National Buildings Organisation in one of their publications, in regard to the use of fly-ash:—

"It has been stated in the second para of this clause that the "quality of fly-ash, as a by-product from burning of coal, differs from plant to plant and even at the same plant from time to time depending upon the quality of the coal burnt and the efficiency of the burning process." We do not agree with this view. There is no doubt that

with the change in quarry (supplying coal) has fly-ash will differ but quality/chemical analysis of the fly-ash will not differ considerably. N.B.O. has collected data about fly-ash available at various power stations and it has been found that even though different grades of coal are used at different power stations, the chemical analysis of most of fly-ash conform to the prescribed standard i.e. IS:3812 Specification for fly-ash.

As regards the loss in ignition i.e. per cent of unburnt carbon content, it depends more upon the burning efficiency of the power station and has nothing to do with the change of coal/quarry.

Similarly, it has been stated in the same para that "moreover fly-ash being much lighter than sand or cement, mixing has to be carefully controlled to attain uniform strength in concrete and to avoid weak pockets". We feel that mixing of fly-ash (even though it has low density) is not a very serious problem. It can be done efficiently in a concrete mixer. However, strict supervision will be required, while mixing fly-ash, to avoid malpractices."

"Indigenous fly-ashes for replacement of cement and for use with lime as an admixture for concrete and as fine aggregate for mortar and concrete have already been successfully tried out and greater attention is now being paid to fully exploit the potentialities of fly-ash as a construction material."

1.156. While commenting on these observations the Secretary, Ministry of Works & Housing stated during evidence: "ISI did accept in 1967 as one of the alternative standards for the use of fly-ash along with cement for building purposes. At that point of time, cement was available for priority construction. After that, as I tried to explain on the previous occasion, that the engineers, particularly when they were entrusted with the job of public building construction—engineers by nature of their being conservative—at that point of time, they did not switch over to the use of fly-ash with cement in building construction on a large scale. A certain amount of housing work on experimental basis has been done by CPWD and other public works departments where fly-ash has been used along with cement for construction purposes and some more is going to be used. Orders have been placed over the last few months for the supply of port land cement which is a mixture of port land cement and fly-ash. These orders have been placed by CPWD for construction work in port and other areas. I

have been discussing this matter with my engineers of CPWD and they have a few points to make. (1) Even though this was accepted as one of the alternative standards by the ISI, there were other alternatives also, particularly with the use of port land cement. At that point of time, they did not think that they should switch over from port land cement for RCC work, because cement was partly available. Then this was a new thing for them and they did not want to switch over for a public building with four-storeys. Then there was a question of mixing, that is, where it should be mixed and to what extent it should be mixed." ".....if the mixing was allowed at the work site by the contractor or even under the supervision of the engineer, a certain amount of malpractice was likely to be there. Because the percentage that they mixed and the type of things that would be mixed would be uncontrolled. So there is a very strong view among the engineers, whether it is a right view or wrong view, I am not in a position to comment. that mixing should be done in such a manner that the contractors do not have a hand in doing any further mixing. As you know, the contractors have been mixing all sorts of things in the cement."

1.157. The Committee desired to be furnished with a detailed note indicating the concrete steps so far taken to use fly-ash as a substitute for cement and also the steps taken for marketing standard quality ash in ready usable form. The note furnished by the Ministry of Works & Housing is reproduced below:—

"Steps taken to promote the use of fly-ash as a substitute for cement.

- (i) Information about the quality and quantity of fly-ash produced at various thermal power stations in the country was collected and the areas identified where fly-ash can be utilized with economic benefits.
- (ii) Seminars|get-togethers attended by construction agencies, producers of fly-ash, research organisations builders etc. were organised at Delhi and Madras for the promotion of use of fly-ash in civil engineering construction and to sort out the technical and allied problems in the use of fly-ash.

Technical Notes on Fly-ash

- (1) A technical note on 'Use of fly-ash as an admixture for concrete and mortar's was prepared and circulated widely to PWDs, Housing Boards etc. The note gives the advantages of using fly-ash in concrete and mortar and provides guidance for preparation of fly-ash concrete and mortars.

- (2) An information brief on 'Adoption of Fly-ash in construction' highlighting the economy achieved by using fly-ash was prepared and widely circulated.
- (iv) To promote the use of fly-ash in concrete and mortar as partial replacement of cement upto 20 percent, seven experimental construction projects mentioned below, sponsored by various construction agencies like the Central PWD, Military Engineers Service, Delhi Development Authority and Tamil Nadu Housing Board have been undertaken under the NBO's Experimental Housing Scheme.
- (1) 32 Staff Quarters at the Hindustan Housing Factory, Delhi (Completed).—Cost of the project is Rs. 5,41,800/-. The Project has been sponsored by the Hindustan Housing Factory. Fly-ash has been used in concrete for making precast RC components for the roofing/flooring slabs, beams etc.
 - (2) 50 dwelling units for the low income group at Pankha Road, New Delhi (completed).—Cost of the project is Rs. 5,40,600. The Project has been sponsored by the Delhi Development Authority. Fly-ash has been used in the foundation concrete, floor base and plastering.
 - (3) 8 type II double storeyed quarters at R.K. Puram New Delhi (4 type II quarters have been completed).—Cost of the project is Rs. 67,800. The Project has been sponsored by the Central PWD. Fly-ash has been used in lean concrete (1:5:10) for foundation and cement mortars (1:3 and 1:6) for the masonry and plaster.
 - (4) A single storeyed building at Kashmir House, New Delhi (completed).—Cost of the project is Rs. 12,694. The Project has been sponsored by the Army Headquarters. Fly-ash has been used in cement concrete (1:2:4) for preparing cellular units for the roof.
 - (5) 4 storeyed block of 16 type III quarters at Dhaula Kuan, New Delhi (completed).—The cost of the project is Rs. 3,89,500. The Project has been sponsored by the Army Headquarters. Fly-ash has been used in cement concrete for RC channel adopted for flooring/roofing slabs.
 - (6) A 2 storeyed building at the SER(C), Madras (completed).—Cost of the project is Rs. 2,50,151. The pro-

ject has been sponsored by the Structural Engineering Research Centre, Roorkee. Fly-ash was used in reinforced and pre-stressed concrete channel units for roofing/flooring slabs and also in masonry mortar and plaster.

- (7) 144 middle income group flats adopting large panel pre-fabrication in Madras (under construction).—Cost of the project is Rs. 30,33,400. The Project has been sponsored by the Tamil Nadu Housing Board. Fly-ash will be used in cement concrete for manufacturing prefabricated panels for the walls of the building.

1.158. The Committee enquired whether any efforts had been made to make use of Surkhi. A representative of the Ministry of Works & Housing informed the Committee during evidence: "The clay pozzolana which is manufactured Surkhi, and which is not prepared by grinding bricks, is now being manufactured at two places in the country according to the process developed by NBO. One plant has been established in Jammu, which has gone into production. The other is under erection in Calcutta."

1.159. In reply to a question the representative of the Ministry stated: "In our future constructions, we propose to make use of it. In the past we have not done it. We are using lime along with cement."

1.160. The Committee were informed that the Indian Standards have already laid down specifications for clay pozzolana (Surkhi).

1.161. The Committee desired to know whether any steps had been taken by the Ministry to reduce the use of cement and steel in the construction of buildings in the context of the shortage of these commodities and their high prices. The Secretary, Ministry of Works & Housing stated: "Sir, we have now prepared certain new model laws, which we propose to make applicable to all types of constructions. These would be applicable to CPWD also. The use of cement in certain cases is going to be completely cut down."

1.162. A representative of the Ministry of Works & Housing stated during evidence: "Regarding the use of certain specifications so as to eliminate the use of cement and steel, we had some joint discussion." In a note on the subject, the Ministry of Works & Housing have stated:

"The question of conserving scarce building materials was considered in a meeting under the Chairmanship of Sec-

retary, Ministry of Works and Housing on July 26, 1974 which the representatives of the Ministry of Railways (Railway Board), Ministry of Defence, Ministry of Industrial Development, Ministry of Communications, Department of Steel, Planning Commission, Prime Minister's Secretariat and the Ministry of Law were present. In this meeting, the Director, National Buildings Organisation, explained that the issue of cement and steel for construction of various types of buildings was at present being made on a liberal scale and this could be reduced if more economic specifications were followed. A Sub-Committee consisting of the Engineer-in-Chief, Central P.W.D., and the representatives of the Ministry of Defence, Railways, Communications and Law along with the Director, National Buildings Organisation discussed the matter and submitted draft specifications for buildings intended to be used for the purpose of residence. The specifications have been sent to the Chief Ministers of States and Lt. Governor, Delhi for giving directions to the Local Bodies to sanction plans on the condition that these specifications would be followed."

1.163. The Committee were informed during evidence that a regular committee consisting of various officials had been constituted for advising alternatives for cement and steel. Asked about the decisions arrived at by this committee so far and the action taken by Government on the Committee's recommendations, the Ministry of Works & Housing have in a note stated:

"The question of reduction in the cost of construction and effecting economy in the use of cement and steel in public buildings construction was considered in a meeting held in the Planning Commission on May 10, 1974, when the Minister of State for Works and Housing and officers of this Ministry were present. It was decided that a Technical Committee should examine the present PWD Codes and specifications with reference to the National Building Code and make recommendations with a view to achieving economy and efficiency in public construction activity. The Committee was accordingly set up by the Ministry Vide Order No. N-16012/1/73-PS dated July 8, 1974 (copy enclosed) with the Engineer-in-Chief, C.P.W.D. as Chairman. The Committee was requested to submit its report within six months. According to the indications given by

the Chairman of the Committee, the final report of the Committee itself is likely to be submitted to Government by the end of November, 1974."

1.164. The Committee enquired about the steps taken to increase the production of better quality bricks and for manufacture of hollow bricks out of mud. In a note on the subjects the Ministry of Works & Housing have stated:—

- "(i) NBO in collaboration with All India Bricks and Tiles Manufacturers Federation, Research Organisations and I.S.I. had organised Brick Forums at Lucknow and Bangalore to acquaint the industry with the improved techniques of production such as better methods of clay preparation, moulding handling, drying and firing of bricks, so that better quality bricks could be produced.
- (ii) NBO in collaboration with research institutions and industry had studied the working of the kilns and as a result of knowledge gathered in the studies the improved kilns, which require less coal and produce better quality bricks, have been designed and installed at a few places. For producing better shaped bricks simple machines, which fit in the present manufacturing practice and which are within the financial resources of the brick manufacturers have been studied. Efforts are being made to introduce such machines in the brick industry.
- (iii) NBO has prepared feasibility reports for production of bricks by mechanised means at various places for improving the quality and increasing production, and also supervised best evaluation of clays available at various places by conducting factory trials by producing a few thousand bricks from the clays available in some of the mechanised brick plants. Due to efforts of NBO 7 mechanised brick plants—3 at Madras and one each at Delhi, Calcutta, Naharkatia (Assam) and Srinagar, have been established in the country. One more is being established at Madras. Plans for 3 plants—one each at Bombay, Chandigarh and Calcutta are under finalisation. Mechanisation will enable production of good quality bricks from soils which are not suitable for production of good quality bricks by the present method and also enable utilisation of non-agriculture land which otherwise is not suitable for production of bricks by the conventional methods. The requirement of land for brick production will also be reduced to one third by mechanisation

- (iv) Survey of clay deposits around Hyderabad, Bangalore, Bombay and Delhi was carried out for locating suitable clay deposits for production of bricks. It was observed that by mechanisation good quality bricks having strength over 100 Kg. per sq. m. could be produced from poor quality soil available in Bombay, Banaglore and Hyderabad. By the present methods of production the bricks have only a strength less than 30 Kg. per sq.cm. and hence the bricks are not used for load bearing purposes for 3-4 storeyed construction. With better quality bricks (strength having 100 Kg. per s.cm.) 4 storeyed buildings used 9" load bearing walls could be constructed saving considerable quantity of cement and steel as to RCC framed structures."

1.165. As regards the steps taken to increase the production of high strength deformed bars, the Ministry of Works & Housing have stated:

"The National Buildings Organisation was associated with the Technical Groups meetings organised by the Ministry of Steel for economy in the use of steel in Civil Engineering Construction. Due to the efforts of National Buildings Organisation the capacity of the re-roller mills for production of high strength deformed bars has increased from 7 lakhs tonnes (1970-71) to 1.16 million tonnes (1973-74). The present production of deformed bars is 3.9 lakh tonnes (1973-74) as against 1.25 lakh tonnes (1970-71). The production is much below the capacity because of non-supply of enough tested billets for production.

1.166. The Committee desired to know whether any efforts had been made to increase the use of waffle shells for roofs and floors. In this connection, the Ministry of Works and Housing have in a note stated:—

"Efforts have been made to promote the use of waffle shells for roofing|flooring to experimental construction projects as mentioned below under the National Buildings Organisation's Experimental Housing Scheme.

- (i) *Construction of 144 middle income group flats in Madras adoption panel pre-fabrication (under construction)*

Cost of project is Rs. 30,33,400|-. The project, has been sponsored by the Tamil Nadu Housing Board.

- (ii) *Construction of an office-cum-laboratory building at Madras for the ISI (under construction).*

Cost of the project is Rs. 4.51,500/-. The project has been sponsored by the Indian Standards Institution, New Delhi."

1.167. The Committee have been informed that research is undertaken by the Central Building Research Institute, Roorkee, and the Structural Engineering Research Centre, Madras in building materials, structures, etc. The National Buildings Organisation disseminates the results of research. As a result of research it has been suggested that fly ash which has binding properties, can be used as replacement of cement to the extent of twenty per cent in mortars and concrete, improving the properties and reducing the cost.

1.168 By use of proper quality bricks, single brick thick walls can be adopted for four-storeyed residential buildings instead of R.C.C. framed structures, resulting in saving of cost and materials which are greatly in short supply. The Committee suggest that a conference of engineers representing Public Works Department, Public Undertakings, the Railway Ministry and the Municipalities may be convened for the purpose of acceptance of this specification at the earliest. The specification should be made applicable to all Government and non-Government constructions throughout the country to relieve the acute shortage of housing. The Municipal bodies should also follow this specification. The action taken by the Department in this regard should be intimated to the Committee and also reflected in the Annual Reports of the Ministry.

1.169. Use of high strength deformed bars—which material however is at present in short supply, results in saving of 30 per cent in steel consumption and 10 per cent in cost of construction. Use of waffle shells for roofs and floors results in savings in steel upto 30 per cent depending on the size and shape of the buildings. The possibility of the use of these materials in building construction should be explored.

1.170. The Committee regret that the Department did not take any significant steps to implement the recommendations of National Building Organisation for the use of fly-ash instead of cement in the construction of residential quarters. So far only seven experimental construction projects sponsored by various construction agencies like the CPWD, MES, DDA and Tamil Nadu Housing Board have been undertaken under the NBO's Experimental Housing Scheme in which use of flyash in concrete and mortar as partial replacement of cement upto 20 per cent has been recommended. The Committee have also been informed that some research work is taking place for using fly-ash with gypsum and lime to make build-

ing blocks which would be as good as bricks or even better than bricks. The Committee would like that the results of research should be publicised and specifications laid down for use of fly-ash along with cement for building constructions.

1.171. The Committee note that the question of conserving scarce building materials was considered at a meeting under the Chairmanship of Secretary, Ministry of Works and Housing on 26th July, 1974. At this meeting the Director, NBO, explained that the use of cement and steel for construction of various types of buildings could be reduced if ore economic specifications were followed. A Sub-Committee submitted draft specifications for buildings intended to be used for the purpose of residence. The Committee would like that the specifications should be finalised expeditiously and released for adoption by the construction authorities. The Committee would also like to be informed about the findings of the Technical Committee which was set up by the Ministry on 8th July 1974, for examining the present PWD Codes and specification with reference to the National Building Code and for making recommendations to achieve economy and efficiency in public construction activity.

NEW DELHI;
April 28, 1975.
Vaisakha 3, 1897 (S).

JYOTIRMOY BOSU.
Chairman, PAC.

APPENDIX I

(See para 1.5)

Statement showing demand, availability and percentage of satisfaction

Type	Category as per emoluments	1970-71			1971-72			1972-73				
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
				Demand	Availability	Percentage of satisfaction	Demand	Availability	Percentage of satisfaction	Demand	Availability	Percentage of satisfaction
<hr/>												
			Rs.									
I.	Less than	.	175	26,335	12,682	48.20	26,335	12,961	49.20	27,769	12,382	44.5
III.	From	.	176	39,799	10,040	25.2	39,799	10,315	26.02	39,738	10,147	25.5
	to		349									
III.	From		350	14,631	6,648	45.0	14,631	7,018	48.65	14,895	7,494	50.0
	to		499									
IV.	From		500	9,353	5,832	62.6	9,353	6,036	64.54	10,142	5,836	57.5
	to		799									
V.	From		800	5,107	3,473	68.0	5,107	3,481	58.00	5,278	3,769	70.0
	to		1299									
VI.	From		1300	1,376	1,032	75.0	1,376	1,035	75.0	1,435	1,303	90.0
	to		2249									

Rs.

I. Less than 175 26,335 12,682 48.20 26,335 12,961 49.20 27,769 12,382 44.5

III. From 176 39,799 10,040 25.2 39,799 10,315 26.02 39,738 10,147 25.5

to 349

III. From

350 14,631 6,648 45.0

to

499

IV. From

500 9,353 5,832 62.6

to

799

V. From

800 5,107 3,473 68.0

to

1299

VI. From

1300 1,376 1,032 75.0

to

2249

to

VII. From & above (Except those eligible for Type VIII)	2250	421	334	79.3	421	325	77.00	424	330	77.8
VIII. Officers of the status of Secretary . . .	..	112	101	90.2	112	98	88.00	147	136	92.5
Total . . .		97,134	40,142	41.3	97,134	41,269	42.48	99,828	41,337	41.5

APPENDIX II

(See Para 1.66)

Statement showing chronological background of the ineligibility Rule for Government Accommodation of Government Servants owning houses at the station of their posting

Period	Conditions applicable
Prior to 1-2-1950	Government servants owning houses at the station of their posting were eligible for Government accommodation on payment of normal rent.
From 1-2-50 to 23-12-55	<p>Officers who owned houses in Delhi or New Delhi whether in their own names or in the names of their wives or children, were not eligible for allotment of residences, except in the following cases :—</p> <ul style="list-style-type: none"> (i) Such a house had been requisitioned or taken on lease by Government, or (ii) It was proved to the satisfaction of the Estate Officer that such a house was given out on lease by the officer before being posted to New Delhi or Delhi and that he was unable, for reasons beyond his control, to obtain vacant possession of the house.
From 24-12-55 to 14-5-63	<p>An officer owning a house in full or in part, whether in his own name or in the name of any other person or, a house in Delhi or New Delhi located within six miles of the place of his duty and in which he could, in the opinion of the Central Government, reside consistently with his official position or owning houses in the name of his wife or any dependent child or whose father, mother or any other dependent relation owns a house located within six miles of the place of his duty and where the officer could reside with his official position without undue inconvenience either to himself or to the owner thereof, was not eligible for allotment of Government accommodation.</p> <ul style="list-style-type: none"> (i) A government servant acquiring a house while occupying Government accommodation was required to communicate the fact to the Estate officer, the allotment made was cancelled and the officer was required to vacate the accommodation forthwith. (ii) Central Government could reallot the Government accommodation to an officer or could allow retention of accommodation if : <ul style="list-style-type: none"> (a) the house owned by him, his wife, any dependent child or by his father, mother or any other dependent relation had been requisitioned by Government, or (b) it was proved to the satisfaction of the Central Government that such house was given on lease, before his posting to Delhi/New Delhi or before the requisition of such house by the officer concerned, his wife, any dependent child or by his father, mother or other dependent relation or before 24-12-1955 or with the express approval of the Govt. of India and the Government was satisfied that it was not possible for the lessor, for reasons beyond his control, to obtain vacant possession of the house: (iv) Where any Government accommodation had been allotted or reallotted to an officer under item

(ii) above, the officer was liable to pay standard rent under F.R. 45-B or standard rent under F.R. 45-A plus 33 1/3 % thereof or pooled, standard rent under F.R. 45-A plus 33 1/3 % thereof, whichever was the highest till such time as he was unable to obtain vacant possession of the house.

(v) Where the Government was satisfied the sincere efforts were not being made to obtain the vacant possession of the house, the Government could cancel the allotment and force the allottee to vacate the Government Accommodation forthwith or charge rent for Government accommodation under Government of India's decision No. 2 below F.R. 45-B or twice the standard rent under F.R. 45-A or twice the pooled standard rent under F.R. 45-A or 15% of the emoluments, whichever was the highest.

(vi) The allotment of an officer to whom provisions of Rule 3 above applied and in whose case the house was let out after 24-12-1955 and before 29-4-57, the house was required to be cancelled with effect from the dates specified in the order of cancellation. It was open to Government to allot or realLOT Government accommodation to such an Officer on payment of rent as specified under item (v) above.

From 15-5-63 to 10-7-64

(i) No officer was eligible for allotment of government accommodation or, if he was already in occupation of such accommodation to its continuation if:

He owned a house or acquired a house since the allotment of government accommodation in full or part in his own name or in the name of any other person located within six miles of the place of his duty and his wife, dependent child, father, mother, etc. as stated in (iii)—(a), (b) above.

(ii) Government could allot or realLOT Government accommodation to an officer if :

(a) the house owned by him, his wife, dependent child or by his father, mother or any other dependent relation had been requisitioned by the Government, or

(b) if it was proved to the satisfaction of the Government that such house was given out on lease, before the posting of the Officer to Delhi or before the acquisition of such house by him, his wife, etc. or before 24-12-55 or with the express approval of the Government of India and Govt. was satisfied that it was not possible for the lessor for reason beyond his control to obtain vacant possession of the house.

(iii) The rent was to be charged as mentioned in item (iv) & (v) at page 2.

From 20-7-64 to 12-1-66

(i) The above rule was modified by revising the definition of the house the distance which instead of six miles, was changed to 16 kilometres, from the place of duty of the officer by the shortest route and by changing the definition of family, restricting it to his wife or husband, as the case may be, or dependent child.

(ii) On acquiring a house, the Govt. servant was required either to surrender the Govt. accommodation or pay the rent under F.R. 45-B or pooled standard rent under F.R.-45-A, whichever was higher.

(iii) The provision was not applicable in the following cases or if the officer was occupying Government accommodation, he could be allowed to retain under F.R.-45-A in the following cases :—

(a) Where the house became vested in a trust created by the officer after obtaining the permission of Government under the Conduct Rules;

(b) Where the house belonged to the officer as a member of a Hindu undivided family and where the Director of Estates was satisfied that the partition of the house by means and bounds was not feasible to make it fit as an independent residence ;

(c) If the plinth area of the house was less than one-third of the plinth area of the house to which the officer was eligible.

From 13-1-66 to 30-4-66

(i) Government servants owning houses at the station of posting were made eligible for allotment / retention on payment of rent under F.R.-45-B or the pooled standard rent under F.R.-45-A, whichever was higher.

(ii) The rule was not applicable to such Government servants as fulfilled the conditions mentioned under (a), (b) and (c) of item (iii) above.

From 1-5-66 to-date.

Government servants owning houses were treated at par with those who do not own houses and are required to pay normal rent.

APPENDIX III

(See para 1.66)

Note on the eligibility rule

As is clear from the information given in Appendix II to the explanatory-note for this item, not much change in the policy took place from 1st February, 1950 to 12th January, 1966. During this period, the rules have slightly been modified to change the definition of the family of the Government servant or the definition of the house or its distance from the place of duty, etc. This was done mainly for streamlining the rules in order to plug the loopholes which came to notice while operating the rules.

2. Government servants owning houses at the station of their posting were not eligible for allotment of general pool accommodation till 12th January, 1966. The position was reviewed in 1965 as the Ministry of Defence did not implement the decision of the Cabinet in so far as Defence Service officers were concerned and pointed out that the provision of accommodation to them was a condition of service. The other Ministries also represented that the rule of ineligibility could not be enforced in the case of certain essential categories of staff who were required to reside within the office premises in public interest. Many of the Government servants who were declared ineligible for Government accommodation on the ground that they owned houses represented that there was an invidious distinction between those who were in occupation of Government accommodation prior to 20th July 1964 when the new rule was notified and those who had not been allotted Government accommodation till that date. The former category of officers could retain Government accommodation under F. R.—45-B while the latter were ineligible. Further according to rent control law, a house owner cannot easily evict his tenant and the process of eviction takes several years.

3. The main considerations which weighed with the Government in declaring those owning houses at the station of their posting as ineligible for Government accommodation were:—

- (i) Those who own a house either in their own name or in the name of their dependents, whether in whole or in part, should live in those houses so that Government residences could be made available to other officers who do not have a house of their own.

- (ii) Provision of Government accommodation for residential purposes is an amenity and not an essential condition of service. In the prevailing shortage of Government accommodation, those who do not have a house of their own deserve preferential treatment over those who own a house.
- (iii) The house owners are realising handsome rents for their own buildings and as such they have less claim on Government accommodation which are given at concessional rates of rent.

4. It was felt that the above mentioned considerations were counterbalanced by the arguments given below in support of the view that Government servants owning houses should be treated as eligible for Government accommodation, the Government took a major policy decision in 1965 to revise the policy by declaring Government servants owning houses at the station of their posting as eligible for allotment of Government accommodation on payment of rent under F.R.-45-B:—

- (i) In the case of service officers, as pointed out by the Ministry of Defence, it is a part of their terms and conditions of service that they should be provided with accommodation by Government on payment prescribed rent. The position in respect of civilian officers is not identical but in principle it is the same. Although the provision of a house at a rent not exceeding 10 per cent of emoluments is not a part of the terms and conditions of service of a civil officer, it has come by tradition to be taken as perquisite and amenity of service. In their case also, taking away this amenity operators as a distinct withdrawal of what must officials have come to accept as a part of their terms and conditions of service and has caused considerable disappointment and discontentment;
- (ii) The present policy has the effect of discriminating against those Government servants who invest in residential accommodation vis-a-vis those who invest in other ways, as for example purchase of shares. Investment in a house is a laudable and legitimate investment and no odium or handicap should be attached to those Government servants who put their investments in housing;
- (iii) A Government servant who owns a house, pays land dues and municipal taxes as well as income-tax at slab rates above the income from his salary, leaving a net income

after payment of loans and interest of a very moderate figure. In several cases where the houses are old or small, the rent realised by the owners is very small;

- (iv) Almost all Government servants owning houses have constructed these by obtaining loans and advances. It would be impossible for them to repay these heavy loans were they to be compelled to live in them themselves. In fact, a number of them have, since the house owning rule was brought into effect, postponed construction or have signified their intent to sell off the residential houses already built or inherited by them.
- (v) Construction of private houses by Government servants ought to be encouraged in view of the great dearth of residential accommodation throughout the country. Government have themselves introduced a number of schemes offering inducements for such construction. If Government servants find themselves economically at a disadvantage by being declared ineligible for Government accommodation for reasons of owning private houses or higher rents are charged for government accommodation allotted to them, private construction of houses by Government servants is bound to receive a setback. The existing rule operates as a great damper to house building activity on the part of Government servants;
- (vi) Revisions of salaries of Government servants have not kept pace with the rising cost of living and increased taxation. It, therefore, entails particular hardship on Government servants owning houses to deprive them of the allotment of Government residences or require them to pay higher rents if they continue to live in them;
- (vii) Out of the allottees of the 36,000 or so units of Government accommodation in Delhi (in 1965-66) under the administrative control of the Ministry of Works and Housing, there are only about 350 house owning cases. The administrative effort involved in screening them and in determining the suitability of accommodation in individual cases is considerable and not commensurate with the results to be expected; and
- (viii) Government servants owning houses are driven to resort to various means to obtain exemption from the house owning rule. It is not in the interests of good administration that Government servants should be placed in a

position in which they are forced under a sense of injustice and discontentment to seek ways and means of circumventing the rules on the excuse or another.

5. In view of the considerations mentioned above, it was subsequently decided in May, 1966, that the Government servants owning houses be treated at par with those who did not own houses or own houses in place other than the station of posting, and be charged rent for Government accommodation at normal rates.

APPENDIX IV

Summary of main conclusions recommendations

S. No.	Para No.	Ministry Department concerned	Conclusions recommendations
1	2	3	4
1	1.27	Minv. of Works & Housing	<p>The Committee note that the total number of units/residences in the General Pool as on 31st December, 1973 was only 49223 as against the demand for 1,63,725 units/residences, i.e. the percentage of satisfaction was to the extent of 30.1 per cent. While the percentage of satisfaction for Delhi was 41 per cent, for Bombay, Calcutta and Madras the percentage of satisfaction was as low as 10.9, 9.6 and 7.8 respectively. The net addition to the General Pool during the Fourth Plan period was 2879 quarters i.e. a yearly addition of only 576. The Secretary, Department of Works and Housing has informed the Committee during evidence that the major bottlenecks in the construction of additional quarters in the General Pool during the last two years, i.e. 1972-73 and 1973-74 were financial stringency and scarcity in the supply of cement, steel and other building materials.</p>
2	1.28	—do—	<p>The Committee are constrained to observe that the performance of the Department of Works and Housing in the matter of construction of residential units for the Government servants is anything but satisfactory. It cannot be denied that there is a crying demand for accommodation from low-paid Government employees those entitled to types I to III quarters. These categories constitute the largest</p>

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number of Government employees. But strangely enough in Delhi itself, only 40.0 per cent of these employees have been provided with accommodation. The total allocation of funds for the construction of new quarters for Central Government employees during the Fourth Plan period in Delhi, Bombay, and Madras was Rupees 1048.08 lakhs, 341.50 lakhs, and 200.50 lakhs, respectively. For Calcutta the allocation was as low as Rs. 83.44 lakhs. The glaring disparity between the four major cities should not be allowed to continue. Considering the present over-all shortages with reference to total demands, the allocations are disappointingly low. The Committee expect that allocations during the Fifth Five Year Plan period will be suitably enhanced so as to provide increased percentage of satisfaction, specially for Types I to III which are meant for low paid employees.

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3 1.29 W. and H.

The Committee note that the Department have undertaken a programme of demolition of quarters in areas such as Minto Road, DIZ Areas in New Delhi for construction of new colonies in accordance with the Master Plan. It has also been stated that the demolition of the existing quarters is done only when they come in the way of development of colonies or reconstruction of new quarters after their demolition. The Secretary, Department of Works and Housing, has informed the Committee during evidence that normally the work (of construction) starts soon after demolition but certain hurdles come up which delay the work. He has also informed the Committee: "I do not feel very

happy about it and I have been conducting some studies." The Committee would like that the formalities regarding the acquisition of sites, procurement of building materials, preparation of lay-out plans, etc. should be completed well in advance and there should be proper synchronisation of demolition and construction works. The Committee would like the Department to conduct detailed studies in regard to the delays in the demolition of houses and construction of new ones in their places so as to take remedial measures. Care should also be taken to see that demolition of quarters should not be resorted to unless they are unsafe.

4 1.30 —do—

The Committee have noted the present variations in providing Government accommodation in Delhi and other places. The Committee desire that a phased programme for the construction of residential quarters for Government employees at various regional stations should be drawn up and implemented.

5 1.39 —do—

The Committee are surprised to find that as many as 3,016 employees who were entitled to Type II accommodation have not been provided with quarters despite their putting in as long as 20 years of service. There are 815 more Government employees who have rendered service for even more than 20 years and are without Government accommodation. Similarly in regard to Type III quarters, as many as 352 persons who have rendered service for more than 22 years and upto 24 years, are without accommodation. In regard to Type IV accommodation, there are as many as 1670 employees who have put in more than 24 years and upto 30 years of service but have not got Government accommodation. There may be a good number of Government employees who could not get accommodated.

tion during their entire period of service. This indeed is a most unsatisfactory position. The Committee are not satisfied with the laconic reply given by the Secretary, Department of Works and Housing that proliferation in the lower categories has been a little too rapid. The Committee fail to understand why the Department of Works and Housing did not consider it necessary to provide accommodation to low paid Government employees who have not been provided accommodation for more than 20 years or so. It was for the Department to take up the matter of providing finances for construction of quarters with the Ministry of Finance or with the Planning Commission so that the percentage of satisfaction of the above categories could have shown some positive improvement. If there is shortage of fund the Government should consider to borrow money from institutions like L.I.C., etc. High priority should be given to provide Government accommodation to low paid employees as best as possible.

The Committee see no justification for having an exclusive 'Tenure Pool' accommodation only for the All India Services Officers who came to the Central Secretariat on deputation from the States for prescribed tenures. The argument of the Ministry for not extending the tenure pool accommodation to officers of other Central Services is not acceptable to the Committee. Though some of the Central Services Officers may be retained in Delhi itself on the completion of their tenure in the Central Secretariat the Ministry cannot oversimplify this issue by such a generalisation. The Com-

mittee understand that not all the officers of the Central Services on deputation to the Secretariat or posted to other Central Government offices for a certain period are posted in Delhi on completion of their tenure and that, in fact, a large percentage of such officers are transferred out of Delhi. Considering the fact that officers will have to wait a long time for allotment of accommodation from the regular pool and that, in the process, many of them do not get allotment during their tenure in Delhi, the Committee recommend that the officers of the Central Services also should be eligible for the allotment of Tenure Pool accommodation and no distinction should be made in this regard between two classes of officers.

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I.48

—do—

The Committee have been informed that the Committee of Secretaries have already considered the question of extending this concession to other Central Services Officers who are required to be posted to Delhi for a fixed tenure, and that the magnitude of this problem is being assessed in the first instance, in consultation with various Ministries and Departments. The Committee desire that this should be examined expeditiously and the concession extended in the least possible time, so that there is no discrimination in the matter of allotment of accommodation from the Tenure Pool.

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I.54

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According to the information furnished by Audit, 11,131 persons were in occupation of next below type of quarters as in December 1972, the largest number being in Type III (4,967), followed by Type V (2,127) and Type IV (1,848). 2090 more persons were staying in quarters of types lower than the next below type. The Committee fail to appreciate the rationale of the decision of the Department that the officers who were satisfied with the lower

types of accommodation and have not applied for their entitled types or when they did not want to move to their entitled types, should not be compelled to move to accommodation of their entitled types, are to pay rent of entitled accommodations, when offered, even if they continued in the lower type of accommodation. As a result of the intransigence on the part of officers to refuse to accept quarters of their entitled types when offered and to continue in lower types of accommodation, a large number of prospective employees are deprived of allotment to entitled classes. The Committee would like that the desirability of continuing this rule should be examined on a priority basis so as to remove the existing anomaly.

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The Committee note that there are already rules in force in respect of sharing of accommodation allotted to Government servants. Under S.R. 317-B-an allottee of the general pool accommodation can share his residence with Central Government employees, staff of semi-government organisations, staff of public undertakings, retired Government servants, etc. No permission is required to be taken for sharing such accommodation but the particulars of sharers are required to be sent to the Directorate of Estates within two months from the commencement of the date of sharing. The Committee note that under Rule SR 317(b). 21, Government can take action against any person who sublets his accommodation at rates which are considered excessive by the Directorate of Estates

or utilises any portion of his residence for other than the purpose for which it is meant. The Committee have been informed that during 1973-74, there were as many as 74 instances where, due to unauthorised sub-letting, allotments of individuals were cancelled and there were also 67 cases where Government officers were debarred from sharing Government accommodation for a specified period. The Committee note that such cases are indeed very few.

The Committee are surprised that 4,646 Government servants who have constructed their own houses in New Delhi either with or without Government loans have been allotted Government quarters of various types upto 17th December, 1972. It is astonishing that the Government policy in this regard is vacillating. Prior to 1950 there was no restriction to such allotment. In 1950 restriction was first introduced and such Government servants who had houses at the station of their posting were declared ineligible. In 1962, there was another change and by virtue of that Government servants having their own houses became eligible for Government quarters but they had to pay higher rents for the same. In 1966, that restriction was withdrawn and it was decided that there should be no distinction between Government servants possessing houses in the station of posting and those not possessing houses. In this connection, the Committee note that in reply to a parliamentary question on the 20th August, 1973, it was stated that Government was reviewing the present policy of allowing those Central Government employees to retain Government quarters who have constructed their own houses or purchased ready built flats from the Delhi Development Authority with the advances granted by Government. The

Committee regret to note that although 20 months have elapsed since the Government reply was given no final decision has yet been taken by the Department in this matter. All that the Committee have been informed is that "a note is likely to be ready in consultation with the Ministry of Finance in about a month's time" for the consideration of the Cabinet. The Committee have not yet been informed as to what decision has been taken by the Cabinet in the matter. The Committee would like the Government to examine the matter in depth keeping in view the imperative necessity of providing accommodation to those Government servants who have neither their own houses in Delhi nor have been provided with any Government accommodation so far from the General Pool.

II 1.75 W & H

The Committee are surprised that the number of out-of-turn allotment has registered a sharp increase. In 1970, 625 such *ad hoc* allotments were made whereas in 1973 the number has swelled to 918. It has been admitted by the Secretary of the Department that the situation was worse in 1973. The Committee note that all cases of out-of-turn allotment are referred to a Committee presided over by the Joint Secretary who scrutinises and puts up the cases to the Minister himself. The Committee do not consider this procedure to be adequate. They would like that all cases of out-of-turn allotment made on medical grounds or special grounds should be scrutinised by a committee of Joint Secretaries representing the Ministries/Departments of Personnel Health, Finance and Works and Housing. The unanimous recommendations of this Committee

117 do

should be put up to the Minister of Works and Housing for his orders. The Committee would also like that the guidelines for the allotment of quarters on medical or special grounds should be made known to the Government employees. The number of out-of-turn allotments made under each category during a year should be published in the Annual Reports of the Ministry of Works and Housing.

The Committee find that while calculating the standard licence fee of Government accommodation, under F.R. 45-A. II, the cost of land and expenditure on its preparation are not taken into consideration. Consequently the real cost of the Government accommodation is not reflected. Since land has a very high value in most of the major cities in the country, the Committee feel that the cost of land and the expenditure on its preparation should rightly be taken into account for the calculation of standard rent. The Committee desire that this should be examined immediately and the rules in force in this regard amended appropriately.

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13 I.118 do

The Committee are also distressed to note from the sample study conducted by Audit that the average rate of return on capital for all types of Government residences in Delhi was only about 3 per cent in 1971-72. It is also significant from the study that the rates of return are the highest for residences of types II (meant for low paid employees) and IV which was respectively 3.43 per cent and 4.19 per cent in 1971-72 and are the lowest for type III, VI and VII. While the Committee can appreciate the low return of 2.33 per cent in respect of type III residences; the Committee can see no justification for the low return of 2.46 per cent and 2.29 per cent respectively in the case of type VI and type VII residences (for highly paid

officers). It is an admitted fact that better facilities are provided in the higher type of quarters and the unit cost of construction of types VI and VII residences is also much higher than the lower types. As such, the return on these residences should be adequate enough to absorb the higher cost of construction. The Committee desire that the reasons for the lower return on the capital cost of higher type of residences should be investigated into immediately and it should be ensured that the return from better type residences is improved. This examination should be completed expeditiously and the action taken on the basis of the examination reported to the Committee within three months.

14 I.119 W & H

The Committee observe that the pooling of different types of accommodation for the calculation of rent has also resulted in disparities, particularly among the lower paid categories of employees. For instance, the Committee are unable to appreciate the logic of pooling quarters of types II, III and IV. Since better specification was adopted for the construction of type IV quarters than in type II quarters, the unit cost of construction of the higher type of quarter (type IV) is more than that of the lower type (type II). Consequently, the inclusion of type IV quarters with type II quarters in the same group results in the transfer of a part of the higher unit cost of construction of the higher type of quarters to the lower type of quarters. It would appear that this is not a sound and equitable method of determining the licence fee. Even though F.R. 45-A IV-C (i) provides for the grouping of residences for the purpose of

calculation of licence fee, the Committee feel that it is necessary to calculate the unit rate for each type of accommodation separately instead of different categories of residences. In the opinion of the Committee this would be a more realistic method of calculating the unit rate.

15 L.120 W & H

The Committee are also surprised to find from the sample study conducted by Audit to ascertain what percentage of the emoluments was actually being paid as rent by allottees of types V to VIII residences that 66 2/3 per cent of the officers occupying type VII quarters, covered by the sample survey, were only paying rent above 5 per cent and upto 6 per cent of their pay. Similarly more than 50 per cent of the officers in occupation of type VI quarters pay rent only upto 7 per cent of their pay. In some cases, the Committee find that the amount paid as rent is only 4 per cent or less. In respect of officers of the All India Services officers also only about 31.25 per cent of the officers covered by the study pay rent above 7 per cent and upto ten per cent of their pay. What is more distressing to the Committee is the fact revealed by the sample study that about 50 per cent of the government servants occupying government residences of types V, VI and VII pay, as rent, a percentage of their emoluments which is less than that of those occupying Type I residences which are mostly occupied by class IV employees. That such a situation should prevail would indicate that the present method of recovering rent for Government quarters is heavily weighted in favour of those in the higher income brackets. This, in the opinion of the Committee, is a most unsatisfactory state of affairs.

16	I.121	W & H	
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The Committee see no reason why the basis of recovery of rent should not be changed to ensure that the recovery of rent corresponds to the percentage of his salary a government servant is expected to pay as rent. The Committee note that a similar recommendation had been made by the Cabinet Committee on Accommodation in 1968 and it is extremely distressing that this suggestion is being complied with only in the case of lower type of accommodation and no positive steps have been taken by the Ministry to implement this recommendation in the case of residences of types VI to VIII. This would only strengthen further the apprehension of the Committee that the Ministry of Works and Housing is only interested in safeguarding the interests of the better paid officers.

17	I.122	W & H	
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Even though it has been expected that in the case of residences of types VI to VIII, where the recovery falls short of 10 per cent of the emoluments of the allottees, the target of 10 per cent would be reached with the subsequent upward quinquennial revision of licence fees, the Committee find that no proper study even has been conducted by the Ministry to see after how many quinquennial revisions, Government servant's would have to pay 10 percent of their emoluments toward licence fees. Therefore, the Committee must necessarily recommend that officers occupying accommodation of the type to which they are entitled to should be made to pay 10 per cent of their emoluments as rent irrespective of the fact whether the standard rent works out lower. In respect of officers occupying a lower type of accommodation, however, the rent may continue to

be recovered on the basis of the standard rent or 10 per cent of the emoluments, whichever is lower till they are offered entitled accommodations. In this context, the Committee consider it pertinent to mention that in the payment of House Rent allowance to employees not in occupation of Government accommodation, only the rent paid in excess of 10 per cent of the emoluments is reimbursed subject to prescribed ceilings which vary according to the class of cities. The Committee, therefore, find no justification for the differential treatment between employees allotted government accommodation and those who have to fend for themselves, in the context of the present hard times and rising prices. The Committee desire that the recommendation should be given effect to immediately and a report submitted to the Committee within three months. The outcome should be reflected in the Annual Report of the Ministry.

III

18 L133 W & H

The Committee note that the actual expenditure on maintenance and special repairs has been more in respect of quarters in Types V to VIII than in respect of quarters in types II to IV which were occupied by employees in lower salary ranges. The Committee are not convinced with the argument advanced by the Ministry that "although the permissible percentage fixed for maintenance and special repairs varies with the age of the building, the fact is that these percentages have been laid down as limits for general guidance, but in actual practice some variation takes place." The Committee would like that the expenditure on maintenance and special repairs to houses should be made on fixed norms and not at the behest of the individual occupants of the houses.

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19	I.133	W&H	<p>The Committee note that between 1968-69 to 1972-73, the expenditure on additions and alterations to 182 type VIII residences was Rs. 13.52 lakhs against Rs. 9.72 lakhs spent on 25,406 residences in types II to IV. The Committee are surprised at the disparities in so far as the expenditure on additions alterations to residences is concerned. The Committee would like the Government to examine whether costs for all alterations and additions in type VIII quarters should not be borne by the occupants themselves as mere augmentation of the rent due to such alterations is not enough. The Committee would also like the Government to see that uniform facilities and amenities are provided to all houses in the same group in so far as lower types of accommodation are concerned.</p>
20	I.138	W&H	<p>The Committee note that according to the findings conducted by C.P.W.D., the revised economic licence fees under the 1969 formula in respect of shops in different Government markets would be much higher in some cases even 10 times. The Committee also note that the question whether the 1969 formula would need any review for the fixation of licence fee has been under consideration in consultation with the Ministry of Finance. The Committee regret to note that so far no positive action has been taken to revise the licence fee which was fixed in 1964 although the question of revising the rent in the market was mooted out as far back as 1969. The Committee desire that steps should be taken for the upward revision of the licence fees in the markets as early as possible.</p>

- 21 I.149 W&H The Committee have been informed that during the last five years, i.e. from 1969 to 1973, 625 shops had changed hands and that the licence fees of shops which have changed hands have been revised at the time of changeover except in certain specified cases. The Committee would like the Government to examine whether any legal action can be taken to evict those occupants who were not the original allottees or compel them to execute proper lease deeds providing for increase in licence fees.
- 22 I.150 W&H The Committee are surprised to note that a sum of Rs. 15.43 lakhs was due as arrears of rent of markets as on 31-3-74. The Committee are unhappy that though the Ministry "do agree that the arrears have been very heavy" the steps taken by the Ministry for liquidation of the arrears have been utterly inadequate. Since realisation of arrears of rent from the various shopping centres has not been very significant in spite of the extension of time given to the owners from time to time, the Committee would like the Government to take penal action under the Public Premises (Eviction of Unauthorised Occupants) Act, 1971, against all the occupants of Government shops who have failed to make payment of the licence fees for more than six months and responsibility should be fixed for appropriate action against the officials who were responsible for such a high accumulation of arrears.
- 23 I.167 W&H The Committee have been informed that research is undertaken by the Central Building Research Institute, Roorkee, and the Structural Engineering Research Centre, Madras in Building materials, structures, etc. The National Buildings Organisation disseminates
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			the results of research. As a result of research it has been suggested that fly ash which has binding properties, can be used as replacement of cement to the extent of twenty per cent in mortars and concrete, improving the properties and reducing the cost.
24	I.161	W&H	<p>By use of proper quality bricks, single brick thick walls can be adopted for four-storeyed residential buildings instead of R.C.C. framed structures, resulting in saving of cost and materials which are greatly in short supply. The Committee suggest that a conference of engineers representing Public Works Department, Public Undertakings, the Railway Ministry and the Municipalities may be convened for the purpose of acceptance of this specification at the earliest. The specification should be made applicable to all Government and non-Government constructions throughout the country to relieve the acute shortage of housing. The Municipal bodies should also follow this specification. The action taken by the Department in this regard should be intimated to the Committee and also reflected in the Annual Reports of the Ministry.</p>
25	I.169	W&H	<p>Use of high strength deformed bars—which material however is at present in short supply, results in saving of 30 per cent in steel consumption and 10 per cent in cost of construction. Use of waffle shells for roofs and floors results in savings in steel upto 30 per cent depending on the size and shape of the buildings. The possibility</p>

of the use of these materials in building construction should be explored.

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I.170 W&H

The Committee regret that the Department did not take any significant steps to implement the recommendations of National Building Organisation for the use of fly-ash instead of cement in the construction of residential quarters. So far only seven experimental construction projects sponsored by various construction agencies like the CPWD, MES, DDA and Tamil Nadu Housing Board have been undertaken under the NBO's Experimental Housing Scheme in which use of fly-ash in concrete and mortar as partial replacement of cement upto 20 per cent has been recommended. The Committee have also been informed that some research work is taking place for using fly-ash with gypsum and lime to make building blocks which would be as good as bricks or even better than bricks. The Committee would like that the results of research should be publicised and specifications laid down for use of fly-ash along with cement for building constructions.

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I.171 W&H

The Committee note that the question of conserving scarce building materials was considered at a meeting under the Chairmanship of Secretary, Ministry of Works and Housing on 26th July 1974. At this meeting the Director, NBO, explained that the use of cement and steel for construction of various types of buildings could be reduced if more economic specifications were followed. A Sub-Committee submitted draft specifications for buildings intended to be used for the purpose of residence. The Committee would like that the specifications should be finalised expeditiously and released

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			<p>for adoption by the construction authorities. The Committee would also like to be informed about the findings of the Technical Committee which was set up by the Ministry on 8th July 1974, for examining the present PWD Codes and specifications with reference to the National Building Code and for making recommendations to achieve economy and efficiency in public construction activity.</p>

