

**PUBLIC ACCOUNTS COMMITTEE
1971-72**

(FIFTH LOK SABHA)

FIFTH REPORT

[Audit Report (Civil), 1970 relating to the Ministry of
Works Housing & Urban Development]



**LOK SABHA SECRETARIAT
NEW DELHI**

July, 1971/Asadha, 1893 (Saka)

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CORRIGENDA TO THE FIFTH REPORT OF THE
PUBLIC ACCOUNTS COMMITTEE (1971-72)
PRESENTED TO THE LOK SABHA ON 19-7-1971.

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14-7-1970 (FN)
15-7-1970 (FN)
6-7-1971 (AN)

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

PUBLIC ACCOUNTS COMMITTEE
(1971-72)

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Shri Avtar Singh Rikhy—*Joint Secretary.*

Shri B. B. Tiwari—*Deputy Secretary.*

Shri T. R. Krishnamachari—*Under Secretary.*

*Since resigned from the Committee w. e. f. 17-6-1971.

INTRODUCTION

1. I, the Chairman of the Public Accounts Committee, as authorised by the Committee, do present on their behalf this Fifth Report of the Public Accounts Committee (Fifth Lok Sabha) on Audit Report (Civil), 1970 relating to the Ministry of Works, Housing and Urban Development.

2. The Appropriation Accounts (Civil), 1968-69 and Audit Report (Civil), 1970 were laid on the Table of the House on the 14th April, 1970.

3. The Committee of 1970-71 examined paragraphs relating to the Ministry of Works, Housing and Urban Development at their sittings held on the 14th and 15th July, 1970. Consequent on the dissolution of the Lok Sabha on 27th December, 1970, the Public Accounts Committee (1970-71) ceased to exist with effect from that date. The Committee of 1971-72 considered and finalised the Report at their sitting held on the 6th July, 1971 based on the evidence taken and the further information furnished by the Ministry. The Minutes of the sittings form Part II* of the Report.

4. A statement containing summary of the main conclusions|recommmendations of the Committee is appended to this Report (Appendix XII). For facility of reference these have been printed in thick type in the body of the Report.

5. The Committee place on record their appreciation of the commendable work done by the Chairman and the Members of the Public Accounts Committee (1970-71) in taking evidence and obtaining information for this Report which could not be finalised by them because of the sudden dissolution of the Fourth Lok Sabha.

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

7. The Committee would like to express their thanks to the Officers of the Ministry of Works, Housing and Urban Development for the cooperation extended by them in giving information to the Committee.

NEW DELHI,
July 8, 1971.

Asadha 17, 1893 (Saka).

ERA SEZHIYAN,
Chairman,
Public Accounts Committee.

*Not printed. One copy laid on the Table of the House and five copies placed in the Parliamentary library.

MINISTRY OF WORKS, HOUSING AND URBAN DEVELOPMENT

Heavy outstanding against the allottees of shops

Audit Paragraph

The shops in various markets in Delhi|New Delhi were being allotted by the Directorate on rents fixed by them taking into account prevailing market rent at the time of allotment. The instructions for administration of markets issued by the Directorate provide that allotments of shops are liable to be cancelled for keeping rent|licence fee in arrears for a period exceeding two months, sub-letting, unauthorised encroachment|additions|alterations, etc. and that when the allotment is cancelled damages shall be claimed for the period of overstay at double the rate of the agreed rent|licence fee or 50 per cent more than the market rent prescribed for the respective shop at the time of cancellation, whichever is higher.

1.2. A review of rent accounts of the shops disclosed that—

- (i) due to default in payment of licence fee, unauthorised encroachment—subletting the allotments of 380 shops were cancelled between October 1960 and March 1969. In these cases recovery of Rs. 10.47 lakhs assessed as damages at the prescribed rate was outstanding on 31st March 1969. The balance outstanding on 1st November 1969 was Rs. 9.14 lakhs.
- (ii) in 23 cases the matter has been referred to the Collector, Delhi, for recovery of Rs. 0.65 lakh as arrears of land revenue.
- (iii) in 78 cases licence deed has not been executed by the allottees of shops so far. Of these, 71 shops were allotted prior to 1st April 1958 by the then Ministry of Rehabilitation and in the case of original allottees of these shops it has been decided that no licence deed could be got executed at this stage.

1.3. Shops in five rehabilitation markets, viz. Sarojininagar, Pleasure garden, Kamla, New Central and Raisina Road (since demolished) which were allotted to displaced persons on concessional rent by the Ministry of Rehabilitation were transferred to the administrative control of the Directorate of Estates from 1st April 1958 after

which concessional rent was continued to be charged from the allottees till the allotments subsisted. On eviction of the defaulting allottees of two shops in the rehabilitation markets mentioned below these shops were reallocated after call of tenders at rates which were more than 10 times the concessional rent charged from the old allottees (which resulted in the earning of more revenue by Government).

	Concessional rent originally charged	Rent at which re- allotted after call of tenders
	(Rs.)	(Rs.)
(i) Shop No. 160, Kamla Market .	36 per mensem	412 per mensem
(ii) 113, Pleasure Garden Market .	30 ,,	303.99 ,,

1.4. If allottees of the remaining shops whose allotment had already been cancelled due to default in payment of licence fee, etc. are also evicted and the shops reallocated by call of tenders as in the two cases referred to above, Government could earn more revenue.

1.5. The Department stated (January 1970) that "against the outstanding amount of Rs. 9.14 lakhs cases totalling Rs. 8.46 lakhs are being processed for recovery under Public Premises (Eviction of Unauthorised Occupants) Act, 1958" and that "in view of modified instructions for administration of markets about rate of damages to be levied, the arrears will be considerably reduced."

[Paragraph 42, Audit Report (Civil), 1970].

1.6. The Committee were informed during evidence that Government have allotted in all 3229 shops in various markets. There are three kinds of rental fixed by Government—market rate, economic rate and concessional rate. The Secretary, Department of Works, Housing and Urban Development stated: "The concessional rent is six per cent plus certain other charges on the cost of land plus structure. Market rent is the rent fetched in bidding in free competition."

1.7. Asked about the grounds on which allotments were made on different rates, the Secretary explained: "It is not a case of distinction between individuals but a distinction between certain market shops built at certain times. The shops built for rehabilitation of displaced persons were given at concessional rate. Then there was a period during which shops were allotted to all and sundry on economic rate. From March, 1968, onwards, the policy is, with some minor

exceptions, to allot shops on the basis of tender rates." The Department of Works, Housing and Urban Development indicated the break-up of allotment of 3229 shops on different kinds of rental rates as follows:

Concessional rate	875
Economic rate	2187
Market/tender rate	167
	3229

As on 30.6.70 recoveries of rent were upto date in respect of 1050 shops. The details of arrears in respect of the remaining 2179 shops have been furnished in a note submitted to the Committee:

Period of arrears	No. of cases	Amount due on 30-6-70 (In lakhs of Rs.)
(a) Upto 2 months	917	0.57
(b) *Over 2 months	1262	16.70
TOTAL	2179	17.27

1.8. Government have so far initiated recovery proceedings under Public Premises (Eviction of Unauthorised Occupants) Act, 1958 in 827 cases only for rent alone wherever its amount exceeded two months' rent. The year-wise break-up of these cases is given below:—

Year	No. of cases	Amount (in lakhs of Rs.)
Upto 1968	151	3.51
1969	297	5.40
1970	379	8.36
TOTAL	827	17.27
Less amount realised upto 30-6-70		7.64
Net Balance as on 1-7-70.		9.63

* (This includes 192 cases where in view of the decision dated 30-6-1970 action under Public Premises (Eviction of Unauthorised Occupants) Act, 1958 is to be taken when the amount of arrears exceeds 6 months' rent.

1.9. The Committee desired to know the total number of cases in which cancellation of allotment was made. The Secretary, Department of Works, Housing and Urban Development stated that cancellation had been resorted to in regard to 379 cases. The year-wise break-up of these cases has been furnished by the Department in a note submitted to the Committee:—

Year	Default of Licence fee	Encroachment	Sub-letting
1960	2	..	1
1961	9	10	2
1962	..	3	..
1963	1	2	2
1964	62	..	7
1965	17	..	3
1966	13	5	1
1967	21	3	7
1968	38	10	17
1969	104	27	12
TOTAL	267	60	52

1.10. As for the reasons for non-cancellation of allotment in all the cases of default in payment of rent for over two months, the Department explained that when recovery was pending over 2 months, action for recovery proceedings was taken and when arrears of rent increased to more than 4 months' rent, action for cancellation of allotment was taken as the purpose was to effect recovery of arrears of rent and not to cancel the allotment of shop and recover damages herefor. In the case of encroachments, which had been very minor, cancellation of allotment was not resorted to.

1.11. During evidence the Secretary, Works, Housing and Urban Development stated: "..... it is possible that we have not strictly enforced the step of cancellation in all these cases."

1.12. According to the Audit para, 380 shops were cancelled upto March, 1969. The witness, however, gave the Committee to under-

stand during evidence that the number of shops cancelled was 379. It was stated that out of these, 120 cases were fully settled subsequently. The break-up of the remaining 259 cases was given as follows:—

1960	7
1961	18
1962	5
1963	3
1964	63
1965	20
1966	20
1967	22
1968	52
1969	49
TOTAL	
	259

1.13. Asked when the 120 cases were settled, the witness informed that those were settled after December, 1969 on revising the policy in regard to levy of damages. The break-up of the amount realised during the period February, 1970 to May, 1970 in respect of 120 shops is furnished below:

Rent	Rs. 2,553·01
Damages	Rs. 16,643·22
19,196·23	

1.14. The revised rates of damages were given effect to in the accounts for January, 1970. As a result, the rental arrears in 93 cases were reduced either to a nil amount or to minus amounts. The amount recovered in cash thus pertained only to the remaining 27 cases.

1.15. Explaining the revised policy, the Secretary, Department of Works, Housing and Urban Development added: "In December, 1969, the Government decided that a new policy for the levy of damages and for the restoration of shops should be introduced. As

has probably been known, prior to December, 1969, damages used to be recovered at twice the agreed rent or 50 per cent above the market rent whichever was higher. Now, as a result of considering the position in this matter and partly because of certain judicial pronouncements also in regard to the rate at which damages may be levied, the Government came to review the policy in this matter and fixed a revised scale of damages to be levied and terms to be given for the restoration of shops."

1.16. The Committee wanted to know the precise reasons for the change in policy. The witness stated: "There are (court) decisions from 1966 onwards and the matters were brought to a head by, I believe, a judgement given by the court last year. And we had therefore to review the policy in regard to the damages that may be levied." He further stated: "The judicial pronouncement states that the damages to be levied should have relationship to the losses that Government suffer as a result of delay or non-payment of the rent." Asked whether it was the only reason, he continued: "That was the major reason. The second reason was that it was felt that the terms on which restoration of shops was being made or the rates at which damages were being levied were somewhat excessively harsh. This also was the second consideration in the minds of the Government."

1.17. The Committee desired to know whether there was any evidence to show that the harsh nature of the damages prescribed was considered by Government. The witness stated as follow: "Yes, Sir. As a result of certain initiatives taken by the Minister who received a large number of representations in the matter, a review of this matter was undertaken and in making that review, we took into account the factor of the legal position that was involved. Primarily the initiative arose out of representations made to the Minister and his direction was that the matter should be reviewed in a realistic manner."

1.18. A note giving details of court judgements against damages assessed by the Department, as furnished to the Committee is reproduced at Appendix I. In all the cases mentioned in the note the courts reduced the amount of damages assessed by the Department.

1.19. Government intimated the position of recovery of dues against the shops cancelled as under:

Arrears as on 1-6-1970 against the arrears upto 31-3-1969	Upto to date arrears as on 1-6-1970 including assessment.
Rs. 4,44,935.84p	Rs. 6,86,913 67p

Subsequent to March, 1969 allotment of 57 shops/flats stand cancelled. The position of outstanding dues in respect of these shops/flats is as under:

No. of cancelled shops/flats.	Amount of damages recoverable upto 31-5-70	Amount of damages recovered upto 31-5-70	Outstanding arrears as on 1-6-70		
			Rent	Damages	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
57	52,165.49	23,915.78	14,082.11	28,249.71	42,331.82

1.20. The Committee pointed out that there has been inordinate delay in realising the dues in view of the fact that cases were pending since 1960. The witness deposed: "The process of restoration of shops on recovery of damages has been somewhat slow because of certain representations that have continued to be made from these rehabilitation markets. I would refer to 77 cases in which concessional rentals were being charged. In these cases the new policy prescribes payment of rent at economic rates and we have been under pressure from these people for a review of even this rate and much of these arrears pertain to these cases of the rehabilitation markets."

1.21. Asked whether frequent changes of policy might not encourage the defaulters to postpone payments, the witness stated: "One of our difficulties at the moment is that recovery proceedings which we generally take under the Public Premise Act have been brought to a standstill because this Act again has been held *ultra vires*. Most of our recovery proceedings are taken under the provisions of this Act and this Act was held to be *ultra vires* in March-April, 1970 and that has come as an obstacle to our pursuing recovery proceedings effectively."

1.22. The Committee drew the attention of the witness that even before the court struck down the relevant provisions of the Public Premises (Eviction of Unauthorised Occupants) Act, 1958, the recovery was delayed, the witness admitted: "There is no doubt that recovery proceedings were taken somewhat tardily. It used to take 8-10 months to initiate proceedings. Once in 1968 also, this Act was declared as *ultra vires*."

1.23. In reply to another question, the witness stated: "Determining the rent that is to be charged is linked up with the policy and the policy is changing from time to time. During these years, there have been changes in the policy decision at various levels. For instance, prior to 1963, damages were charged at normal rent. After 1963, it was at double the rent. From March 1964, it was

Rs. 300 per month. Now the latest policy was decided in December, 1969. Then, representations were received at the highest level from various Associations saying that what was being charged was much more than what was originally envisaged. I am only trying to point out that the policy was not as clear as one would like it to be." The Secretary, Department of Works, Housing and Urban Development added: "The major factor has been the changing policy with regard to the levy of damages from defaulters. Almost every 12 months we have enunciated a new policy. A new policy means recalculation of arrears and damages. Invariably this process of recalculation, intimation of damages and action for recovery has taken 8 to 10 months."

1.24. The Committee desired to have a chronological statement of change of policy from time to time with regard to the levy of damages from defaulters. The Department submitted the following note in this regard:

"Upto October, 1963, damages from defaulters used to be charged at the normal rent fixed under FR-45-B.

From October, 1963 onwards it was decided that damages from defaulters may be charged at double the rent under FR-45-B.

In March, 1964 the rate of damages was fixed at *ad-hoc* basis of Rs. 300|- per month for shops and Rs. 100|- per month in case of smaller premises like show window, platforms etc. This element of damages was about 6 to 7 times of the normal rent.

In October, 1965 the market instructions were laid down by/then Minister according to which the rate of damages was revised at double the agreed rent or 50 per cent over the market rent whichever was higher. This rate was made applicable in case of previous cancellations also.

Ultimately from 1.12.69 the rate of damages was further reduced to 7½ per cent of the economic rent in the case of shops which were allotted on economic rent as well as tendered rent. In case of persons who are allottees on concessional rent they have to pay damages at the rate of Economic Rent of the shops and are to continue to pay the same after restoration also."

1.25. Asked if some of the allottees were claiming proprietary rights, the witness stated: "The Ministry of Rehabilitation had given proprietary rights to people who were occupying other shops in areas as Khan Market. There were many other shopping centres

which were built by the Ministry of Rehabilitation. The criterion adopted at that time was that any property which was less than Rs. 10,000 in value should be given over to the tenant to whom the shop was allotted on payment of that money. The Raisina Road market was demolished. The remaining four were; P. G. market, Shanker Market, Sarojini Nagar Market and Kamla Market. P. G. market is opposite the Red Fort and this was not considered feasible to give it to private parties. In the Master Plan of Delhi, Kamla Market area is on open area and so it should be removed from that site. Shanker market is in Connaught Place, the central area. Sarojini Market is amidst Government quarters and it was felt that in these Government colonies private parties should not be given any proprietary rights and the market should remain with the Government. Even today the shop-keepers are pressing for proprietary rights. The shopkeepers from Sarojini market came up with a proposal that since they were allotted shops at a concessional basis they should not be charged damages as economic rent. The concessional rent is Rs. 45 whereas the market rent or economic rent is Rs. 122. If the shop is cancelled for one reason or the other, they have to pay Rs. 122 per month which is too much according to them. They say: You charge either $7\frac{1}{2}$ per cent or give us proprietary rights. But proprietary rights, as has already been explained, could not be given. That is the position."

1.26. As regards the implication of the court judgement declaring the relevant provisions of the 1958 Act *ultra vires*, the witness stated: "In so far as the normal rent is concerned we can proceed. We cannot proceed for damages."

1.27. The Committee enquired whether there was any machinery to detect the encroachments. The Secretary, Department of Works, Housing and Urban Development stated that there was no such machinery. Encroachments were reported by the CPWD through their local staff and sometimes complaints were received. As regards time-lag between the occurrence of encroachments and its detection, the witness stated that it was about 6 months.

1.28. The Committee pointed out to the loss of revenue due to the late detection and desired to know if there was any proposal to appoint an inspectorate for this purpose. The witness stated: "The quantum of this work is small.....only 28 shops have been cancelled as a result of encroachment made in 1969. Perhaps this does suggest the uneconomic nature of any special organisation that we could create for dealing with this problem."

1.29. According to the Audit para, 23 cases have been referred to the Collector as arrears of land revenue. The Committee wanted to know when those cases were originally reported to the Collector and what the latest position of recovery was. A statement showing the position furnished by the Department is reproduced at Appendix II. As against the original demand of Rs. 68,710.81 the revised demand was reduced to Rs. 42,428.88 due to reduction of rates of damages. Out of the revised demand recoveries to the extent of Rs. 18,300.01 have been made. Further processing of proceedings for recovery was held up since March, 1970, as Sections 5 and 7 of the Public Premises (Eviction of Unauthorised Occupants) Act, 1958 stood declared *ultra vires*.

1.30. The Committee referred to the 78 cases, where licence deeds have not been executed by the allottees and desired to know the present position. The witness stated: ".....no formal licence deed has been got executed by the then Rehabilitation Ministry. We have also since been advised by the Law Ministry that it is difficult legally to enforce the execution of these licence deeds unless and until cancellation takes place and renewal of allotment is made."

1.31. There are about 850 cases where licence/lease deeds have not been got executed from the old allottees. Government have decided to allow the *status quo* to continue. The Department subsequently furnished copy of the advice of the Law Ministry which is reproduced in Appendix III.

1.32. The Committee drew the attention of the witness to the fact that some shops which were originally allotted on a lesser rent were cancelled and reallocated at more than 10 times the original rent after calling for tenders. The Committee enquired why similar practice could not be adopted with regard to the rest of the shops. As regards the two cases, the witness stated that in one case the allottee died, leaving none to claim the shop in succession, while in the second case, the allottee had run away and was not to be found. In all other cases the allottees are still in occupation and claim the benefit of continued allotment. The Secretary, Department of works, Housing and Urban Development further stated that this was a policy which had to be decided by the Government. The original allottees were allowed to continue on humanitarian grounds, as otherwise their eviction would nullify the rehabilitation benefit that had been given to them.

1.33. Asked whether there were cases of change of hands, the witness replied in the affirmative but was unable to indicate the

exact number of such cases. He added that a system had been evolved under which the shops could be regularised in the name of the sub-lessee on certain terms laid down in the market instructions of 1965. The Department have subsequently indicated in a written reply that the number of shops regularised in the name of sub-lessees from 1965 onwards in accordance with the market instructions was 541. A copy of the market instructions is given at Appendix IV.

1.34. The Committee find that out of a total number of 3229 shops rented out by Government in various markets, arrears of rent amounting to Rs. 17.27 lakhs as on 30th June, 1970 have accumulated in respect of 2179 shops over a number of years. Recovery proceedings under the Public Premises (Eviction of Unauthorised Occupants) Act, 1958 have been initiated in 827 cases only although according to Government, 1262 allottees defaulted payment of rent for over two months. The Secretary, Department of Works, Housing and Urban Development admitted during evidence that "the recovery proceedings were somewhat tardy." Allotments have been cancelled in 379 cases up to 31st March, 1969 and 57 cases subsequent thereto. Thus as stated by the Secretary, Government have "not rigidly enforced the step of cancellation in all the cases."

1.35. The Committee are perturbed to find that Government have neither promptly pursued the recovery of arrears of rent nor enforced the penal provisions of the rules uniformly. The Committee are, however, in agreement with the view that the emphasis should be on the recovery of dues rather than on eviction.

1.36. Out of 379 cases of cancellations upto 31st March, 1969, 267 cases were for default of licence fees and 112 cases for encroachments and sub-letting which were in violation of the terms of lease. Some of these cases relate to the period as far back as 1960 and yet recovery of arrears of rent and damages amounting to Rs. 10.47 lakhs was outstanding as on 31st March, 1969. The major factor responsible for the delay in recovery has been "the changing policy with regard to levy of damages". The Committee note that the policy underwent change three times in two years between October, 1963 and October, 1965. In 1969 the policy was again revised. To put it in the words of a witness "the policy was not as clear as one would like it to be." The Committee have, therefore, come to the inescapable conclusion without entering into the merit of the changes, that such frequent revisions of policy might have encouraged the defaulters to avoid or postpone payment of dues.

1.37. The Committee are given to understand that subsequent to the revision of the policy in December, 1969, Government were able to settle 120 cases of cancellation and that no further progress could be made due to sections 5 and 7 of the Public Premises (Eviction of Unauthorised Occupants) Act, 1958 having been declared ultra vires. As on 1st June, 1970, the recalculated arrears of rent and damages in accordance with the revised policy in the remaining 316 cases amount to Rs. 7.29 lakhs. The Committee hope that pending follow-up action on the court ruling, Government would take steps to recover the arrears of rent, wherever due, promptly.

1.38. The Committee are not satisfied with the decision taken by Government to allow status quo to continue in regard to as many as about 850 cases of allotments prior to 1958 where licence/lease deeds have not been got executed from the allottees. They desire that the matter should be placed on sound legal basis in further consultation with the Ministry of Law.

Removal of Jhuggies and jhompries in Delhi

Audit Paragraph

1.39. In paragraph 113 of Audit Report (Civil) 1968 mention was made of the slow progress in removal of jhuggies and jhompries in Delhi and non-receipt of certified accounts from the Delhi Municipal Corporation for loans and grants paid to it.

1.40. (a) Rs. 705.58 lakhs were paid by Government as grants to Delhi Municipal Corporation upto February, 1968. Against this the expenditure incurred was Rs. 705.44 lakhs, leaving unspent balance of Rs. 0.14 lakh, which has not been refunded by the Corporation so far (December, 1969).

1.41. (b) From March, 1968 implementation of the scheme was transferred from the Delhi Municipal Corporation to the Delhi Development Authority. Rs. 91.5 lakhs were paid as grants to the Authority from March, 1968 to March, 1969.

1.42. The table below shows the progress of the scheme up to 31st March, 1969 vis-a-vis the approved targets:

	Units to be developed and allotted during the Third Plan	Units developed upto March, 1969	Units allotted upto March, 1969
Camping sites of 25 sq. yards each	25,000	29,786	24,253
Plots of 80 sq. yards each	20,000	3,740	3,552
Small two roomed double storeyed tenements	5,000	3,872	717
TOTAL	50,000	37,398	28,522

1.43. An evaluation conducted by Government in August, 1967 indicated that the scheme which was intended to mitigate the hardships of squatter families squatting on Government and public land in 1960 had actually encouraged growth of squatter population in Delhi and that more than 66,000 ineligible squatters (i.e. post-July, 1960) in addition to 34,000 eligible squatters (i.e. pre-July, 1960) had been found squatting on Government land. "The rehabilitation of squatters is tied up intimately with the problem of migration from rural areas to urban areas and resettlement will not be able to solve the problem."

1.44. (c) Out of 1,896.48 acres of land acquired by the Corporation, only 796.36 acres were brought into use upto 31-3-1969. The remaining land includes 606.90 acres reserved for D.E.S.U. staff quarters, better housing purposes etc. The expenditure of Rs. 126.06 lakhs on this land has, however, been debited to the scheme.

1.45. The Corporation neither maintained any property register nor accounted for the structures, trees and other assets, if any, standing on the land acquired by it.

1.46. (d) Lease deeds for the 28,522 plots/tenements allotted to squatters were executed in the name of the Corporation instead of the President of India although the Corporation functioned merely as Government's agent.

1.47. The Ministry stated (December, 1969) that action was being initiated for re-execution of leases in the name of the President.

1.48. (e) Upto September, 1969 these lessees had made 'Benami' transfers of 2008 plots in eight colonies. The Ministry stated (December, 1969) that instructions have been issued to the Authority for regularisation of 'Benami' transfers for 80 sq. yds. plots and according to those instructions the (unauthorised) occupants of the plots are required to pay market price of land plus penalty of 30 per cent thereof plus ground rent at the rate of two and half per cent of market price from the date of regularisation, the entire recovery being effected in lump sum within two months from the date on which the offer of regularisation is communicated to the party. It has been added that the Authority has also been instructed to tell the unauthorised occupants that if they do not pay the charges claimed by Government, possession of the premises will be taken over and unauthorised structures demolished.

1.49. (f) In August, 1968 certain ineligible squatters were allowed the benefit of the scheme and were allotted 3602 plots in three colonies. These squatters were already in unauthorised occupation of these plots. Rent recoverable from them upto March, 1969 (at the rate of Rs. 8 p.m. provisionally fixed in March, 1968) was Rs. 5.20 lakhs. No recovery has been made from these allottees so far (December, 1969).

1.50. The Ministry stated (December 1969) that suitable revision of the scheme covering recovery of rent from such (ineligible) squatters is under consideration and that a decision is expected to be taken soon.

1.51. (g) Under the scheme, the Corporation was required to collect rents ranging between Rs. 3.50 p.m. and Rs. 32.00 p.m. from the allottees, and, irrespective of the actual recoveries, it had to credit 70 per cent of the rents (demands) to Government, (retaining the balance of 30 per cent towards maintenance, ground rent, administrative charges, etc.). The total rental demand from the allottees upto 1968-69 was Rs. 69.80 lakhs and the rent creditable to Government was Rs. 48.72 lakhs. No payment has been made by the Corporation to Government so far (December, 1969) not with standing the fact that the Corporation had realised Rs. 17.28 lakhs from the allottees during 1961-62 to 1967-68. However, after the transfer of the scheme to it from March, 1968, the Authority deposited with Government (in June, 1969) Rs.4.25 lakhs, out of Rs. 5.93 lakhs realised by it during 1968-69.

[Paragraph 75, Audit Report (Civil), 1970].

1.52. The Committee referred to the slow progress in the execution of the scheme and wanted to know the present position. The Secretary, DDA stated: "In the initial stages, there was always some time which was taken in the implementation of scheme..... The progress has been very much accelerated. After the scheme was transferred to the DDA, we have removed a very large number of jhuggi dwellers.....We do not want to shift the jhompri dwellers unless the land on which the jhompries are put up is required for the purpose of development and there is a sanctioned development scheme for that so that there is no resquatting on the land. Based on this principle, we have cleared the land.....The number of plots developed is 42,426 in March, 1970. The latest figure would be about 47,000. After allotment of 42,000 plots we are having another 5,000. The target is 50,000.....This will show that the rate of removal and the rate of implementation of the scheme has considerably gone up during the last few years."

1.53. As regards the development of 80 sq. yards plots, the witness stated that in 1963 as a result of the review that was made, a decision was taken that the development and allotment of 80 sq. yards plots should be stopped as there was large scale selling of these plots. Then, the Government thought it would be better to develop 25 sq. yds. plots only and hence the total number of plots of 80 sq. yards developed before 1963 stood at 3740.

1.54. Drawing attention of the witness to the observation of the OSD that the land for this scheme had been acquired in excess of the requirements, the Committee wanted to know why it was excessively acquired and how the Department proposed to utilise them. The Committee were informed that the Corporation had always taken a view that the land had to be taken in advance as otherwise the "jhuggi-jhompriwallas" would have to go to a distant place. These lands are now being utilised by the DDA for the purpose of resettlement of the "jhuggi-jhompriwallas."

1.55. Asked if a sizeable amount had been diverted to some other schemes, the witness stated that "fairly large amounts earmarked for the scheme were diverted or reserved by the Delhi Municipal Corporation for DESU; for certain other housing schemes which are not strictly classifiable as jhuggi jhompri schemes. But the cost of that land has entered into this figure of Rs. 705 lakhs..... Another area of 145 acres, which is being diverted for horticulture purposes of the DDA. The cost of that land has also been debited to the scheme, whereas strictly it should not have been."

1.56. The Committee pointed out that expenditure of Rs. 1,26,06 lakhs on 606.90 acres of land which were reserved for the DESU staff quarters was debited to this scheme and enquired whether the sum has been recovered from the MCD. The Secretary, Department of Works, Housing and Urban Development stated that the Delhi Administration had been asked to account for the funds expended on diversions and to give necessary refund or credit to the D.D.A.

1.57. Asked whether the DDA had taken possession of entire land and whether the DDA considered it justified to give the land to DESU for construction of staff quarters, the witness stated: "..... We are going to utilise this land for the low income housing and we are going to adjust this land with the DDA and we are not going to give this land back to the DESU because it was not a valid charge."

1.58. The Committee enquired why the Corporation did not maintain any property register and account for the structures trees and other assets on the land acquired. The witness stated. "I think

there is certainly failure of responsibility so far as the maintenance of proper accounts is concerned and this was one of the factors responsible for the decision to transfer this responsibility from Municipal Corporation to the DDA." The Secretary, DDA added: "When this scheme was transferred, we found that they had not kept the registers.....We have started making registers. There are 44 villages. We have reconstructed the records for 41. Only 3 villages are left. We will complete it by 31st July, we have done 96 per cent of the work."

1.59. In a note, the Department subsequently stated that the property register had mostly been completed. The entire work could not be completed by 31.7.70 as some information had to be gathered from a number of places including the acquisition awards which took some time.

1.60. The Committee desired to be furnished with the yearwise break-up of grants paid to Municipal Corporation of Delhi. The Department furnished the following statement showing the amounts which had been released by Government through the Delhi Administration:

Year	Amount (In lakhs of Rs.)
1960-61	10.26
1961-62	78.96
1962-63	163.84
1963-64	135.73
1964-65	165.13
1965-66	186.66
1966-67	45.00
	705.53

1.61. The Committee drew attention of the witness to the non-receipt of certified accounts from the MCD. The Secretary, Department of Works, Housing and Urban Development stated: "Government has been acting in this matter through the Delhi Administration and the Delhi Administration did try for a long time to get these accounts completed. In spite of their best efforts, these accounts were not completed even upto the time this scheme was

transferred to the DDA.....the scheme was initiated in 1961 and even upto 1968, the Municipal Corporation has not compiled and submitted the accounts." The Secretary, DDA stated: "...we have been in consultation with Accountant General and on his advice we have decided to appoint special officer to compile this. After transfer of schemes to DDA we have had these cases audited and we have given the clarification and we have given certificate of accounts. But for the period this was under the Corporation we have now taken the responsibility on ours with the help of the special cell and one SAS accountant has been sanctioned and we will reconstruct and certify the accounts." Asked why Government continued to release funds despite non-receipt of accounts from the MCD, the Secretary, Department of Works, Housing and Urban Development stated: "Certain sums of money due to the Municipal Corporation has been withhold pending adjustment of certain accounts. Rs. 15.67 lakhs due to Delhi Municipal Corporation is withheld pending the settlement of certain accounts. Otherwise the only action was to stop release of further money. We did not do it because we felt this would come in the way of a very desirable scheme."

1.62. The Committee drew the attention of the witness to the fact that this scheme had actually encouraged more and more people to come to Delhi from adjoining areas and desired to know what preventive steps were taken by Government against further unauthorised squatting on Government lands. The Secretary, DDA stated: "This problem is actually related to the poverty and people will always come over from rural areas to the centre of employment particularly when they hope of getting a plot when they are shifted but there is no other alternative to this."

1.63. What we can do was to give the ineligible persons (squatters after July, 1960) plots at a little harsher rental, say Rs. 8/- and they are taken to distant areas, where they are a little away from the main centres. There the cost of acquisition is less and the scale of amenities provided is smaller than those provided to the squatters who squatted before July, 1960." As regards the steps taken to discourage fresh squatting, he added: "Instructions have been issued by the Lt. Governor of Delhi to all local police stations to ensure that no squatting takes place on public land...But they expressed their helplessness in getting over this problem because there is a legal difficulty to stop it or to arrest a man or prevent him from construction of the houses...The problems still remain." To a question whether any census of the squatters was undertaken the witness replied in the negative. He added: "In 1968 we made a survey on the basis of which some statistics were collected and we found that there were about 1 lakh squatters at that time."

1.64. Asked about the measures taken to minimise the timelag between the development of plots and their allotment to squatters, it was stated in evidence that there was lack of coordination between various agencies operating in Delhi, viz., water electricity, sewerage, etc. and this problem was being tackled at the administrative level by the Lt. Governor by calling the various heads of departments for discussion.

1.65. The Committee enquired whether it was true that there was a general complaint that these allotments were located at far off places. The witness explained that the eligible squatters (squatters before July, 1960) had been settled in a reasonably nearby colonies viz. Naraina, Srinivaspuri, New Friends Colony, Rajouri Garden, Seelampur, etc. It was only in the case of ineligible squatters, the plots were located in distant colonies i.e. Nangloi which was linked by rail with Delhi. Bus services were also provided for such far off places. The witness added that while it was true that some squatters sold away the land, action was taken in cancelling the allotment.

1.66. The Committee pointed out that in August, 1968, certain ineligible squatters were allowed the benefit of this scheme but recovery of rent totalling Rs. 5.20 lakhs upto March, 1969 was not made upto December, 1969. The witness stated: "In the early part of the scheme, they were taken to distant colonies and were charged rents. In the meantime, we sent proposals to the Government on what rent should be charged. . . . Rent has been fixed now and orders have come on 2nd May, 1970 to charge them rent at Rs. 8|-per month. The amount will be recovered from the date of the orders. . . . we are now setting up a machinery. Some posts have already been sanctioned. recovery will start from September but it will be payable from 2nd May, 1970." As regards the arrears of Rs. 5.20 lakhs, it was further stated that it was only an assumed arrears, in view of the fact that though many plots had been allotted Rs. 8|- 1 per plot, it had been decided to charge the rent only with effect from 2-5-1970 Rs| 8|-. A copy of Government's orders dated 2-5-1970 regarding the recovery of rent from ineligible squatters is appended at Appendix V.

1.67. Asked whether there was any justification in charging rent effect from a date much later than date of allotment, the witness stated that initially there was strong resistance to move to the new areas before they were developed. As there were no amenities i.e. roads, schools, etc. at that time, the consideration was not to charge them from the beginning. Besides, not everyone who are occupants

now, had been occupying the place right from the beginning. Hence the number of people who would be benefited by this rent free accommodation for two and a half years would be much smaller.

1.68. The Committee pointed out that lease deeds for the 28,522 plots/tenements allotted to squatters were executed in the name of the Corporation instead of in the name of President of India. The witness stated: "I think the fact that the DMC was functioning in this matter merely as an agent of the President was overlooked. It was assumed that the DMC was the owner of these sites, and under the mistaken impression, the deeds were executed in the name of the Corporation." The Department further stated that they came to know that the lease deeds were being executed in the name of the Corporation in the year 1962. The Secretary, DDA added during evidence: "...meanwhile, the scheme got transferred to the DDA, we have now decided to re-execute the lease in the name of the President of India.....in the type of cases, where only licence fees are to be paid (as they are given on licence basis), there may not be required any change.....It is only with regard to the 1700 plots of 80 sq. yds. for which the DMC entered into leases, that we are now planning to have the lease re-executed in the name of the President of India." As regards the progress made in the re-execution of the lease deeds, the Department of Works, Housing and Urban Development in a note subsequently furnished to the Committee have stated: "The survey of 80 sq. yds. plots has been completed. In view of the large number of cases in which plots have changed hands, the re-execution of leases is linked with the regularisation of changed hand cases. These are done by DDA in consultation with the Delhi Administration. The Delhi Administration are seeking legal advice of their judicial department."

1.69. Regarding regularisation of Benami transfers referred to in sub-para (e) of the Audit para the witness stated: "... (After December, 1969) in all these colonies we undertook a physical survey of the persons who are now in actual occupation, persons who bought the land from the original allottee. The terms and conditions have been approved by the Government of India and we have to examine the legal aspect so that we may know in what form the letters had to be sent. This would be settled in about two months. We have had already informal discussions with those who live there on the terms and conditions. We are examining the legal formalities to be complied with." As regards the amount recoverable from the present occupants, the witness added: "The market rate to which the Government have referred to in their order is Rs. 150 a sq. yard in one colony and Rs. 80 in the other colony. The basic idea in the

principle of regularisation has been to charge the amount of actual market value prevalent in these colonies so that the person does not get any concession. Secondly, he is penalised to the extent of thirty per cent for having entered into an irregular transaction." The Committee wished to know the total amount recoverable in these cases. The Department stated: The total amount of grant recoverable upto 31st March, 1969 in the 2008 cases of benami transactions out of Rs. 6,46,000. Out of this amount, Rs. 5,80,000 relates to the period upto 29th February, 1968 when the schemes were implemented by the M.C.D. The balance amount of Rs. 1,66,000 is in respect of rent recoverable for the year 1968-69 during which the scheme has been implemented by the D.D.A.

1.70. In a written reply, the Department stated that further cases of Benami transfers came to the notice of the DDA from time to time and that suitable action was taken. During evidence, it was stated: "A large number of persons who got land give it to their relations but some have given it to even unknown persons on some monetary consideration. We are not allotting any more plots now; we give them on licence; the idea is to cancel the licence when something irregular comes to our notice. These matters are all being settled administratively. Where buildings have been constructed on 80 sq. yds. plots, we try to regularise them but it is not being done on plots of 25 sq. yards which were given on licence only."

1.71. Drawing attention of the witness to the fact that although 70 per cent of the rents due from the allottees irrespective of collection had to be deposited to Government, no payment had yet been made in spite of the fact that the Corporation had realised Rs. 17.28 lakhs from the allottees during 1961-62 to 1967-68, the Committee asked why it was so. The Secretary, Department of Works, Housing and Urban Development stated: "The Corporation has certainly failed to credit recoveries to the Government as required. . . . in consideration of this failure, Government has held up Rs. 15 lakhs and odd."

1.72. The total demand for 1968-69 and 1969-70 after the scheme was transferred to the DDA was Rs. 35.03 lakhs and the DDA had paid to Government only Rs. 8.25 lakhs. When this was pointed out by the Committee, the Secretary, DDA stated that due to various reasons the recovery was not much. He added: "There is a demand by the jhuggi dwellers to give ownership to them on the basis of long lease and not on rent. They are not willing to pay rent at this stage because they know that Government is considering the question of ownership sympathetically. This is the basic factor which has not enabled us to step up the recovery. Also, the procedure for the recovery is comparatively long. First we have to cancel the lease and start eviction proceedings under the Public Premises Evic-

tion Act. We have given notices to very large number of defaulters. In the meanwhile, the Act has been struck down from March and we are held up. As soon as the Government is able to decide about the ownership, we would be able to show more improvement." He further stated: "Originally it was thought that 80 per cent would be sufficient to meet the cost of running the scheme by the Corporation. But when the actual implementation started, the Corporation found that 30 per cent irrespective of the recovery was not workable.....They have been making representations and there have been discussion about this. After the scheme was transferred to the DDA, we have taken this plea that this condition imposed by the Government of India is not workable, because the actual recovery is not there. Now the Government are considering whether this present arrangement could be modified."

1.73. The Secretary, Department of Works, Housing and Urban Development added: "In retrospect, it is clear that crediting 70 per cent of the demand to Government irrespective of recovery is not workable or realistic having regard to the actual position that prevails in the colonies. So, Government are now considering on what revised basis the collections from these colonies should be utilised.... DDA are actually finding that their expenditure on these colonies is Rs. 30 to 40 lakhs a year. The demand is about Rs. 18 lakhs. Even if all the demands were recovered it would not meet the cost of maintenance of services in these colonies. This is the situation which we have to face today."

1.74. The manner of execution of the scheme of removal of Jhuggies and Jhompries leaves much to be desired. The Committee are distressed to note a number of lapses/irregularities such as non-maintenance of proper accounts, diversion of funds released by Government for the scheme, non-payment of Government's share of dues from the allottees, non-recovery of dues from the allottees, non-execution of proper lease deeds and non-regularisation of 'Binami' transfers made by the allottees.

1.75. The Committee had in paragraph 2.32 of their Seventy-First Report (Fourth Lok Sabha) suggested a comprehensive examination of the working of the scheme with a view to identifying various omissions that occurred and taking steps to avoid their recurrence through planning and close supervision. They were informed that the review had been asked to suggest remedial measures. The Committee trust that the review will be completed expeditiously and follow-up action taken as desired by them in paragraph 1.16 of their Ninety-seventh Report (Fourth Lok Sabha).

1.76. There has been improvement after transfer of the scheme to the DDA in as much as 42,000 plots have been allotted out of 47,000 plots developed up to July, 1970 as against the Third Plan target of 50,000 plots. Government have since sanctioned development of plots of 25 sq. yards on the periphery of Delhi for allotment to 'ineligibles' i.e. post July, 1960 squatters, under the scheme. The Committee desire that Government should take steps to check further squatting as any rehabilitation measure cannot hope to mitigate this problem if it is allowed to perpetuate itself. They would also like Government to speedily implement the scheme as already sanctioned and avoid timelag between the development of plots and their allotment by better coordination among the various agencies connected with water, electricity, sewerage etc.

1.77. The Committee note that the accounts for the period from the inception of the scheme upto 1968 during which the Municipal Corporation of Delhi was executing the scheme, are yet to be rendered. "That the intention was not offer convincing explanation for the continued release of funds year after year aggregating Rs. 705.58 lakhs despite non-receipt of accounts. This, as admitted by the Secretary, Department of Works, Housing and Urban Development, should "not be the practice." The Committee were given to understand that the DDA has created special cell to compile the accounts. The Committee hope that the accounts will be completed early and produced for audit. The Committee would like to watch the results through future audit reports.

1.78. The Committee hope that when the accounts for the earlier period are finalised, the extent of diversion of funds from the Scheme will be assessed and necessary recovery/adjustment made early. They also trust that the reconstruction of property registers which is stated to be nearing completion will be completed early.

1.79. It is disconcerting to note that the progress in the recovery of dues from the allottees had been very poor inasmuch as only a sum of Rs. 23.21 lakhs has been recovered upto 1968-69 out of the total demand of Rs. 69.60 lakhs. According to the witness the basic factor which has not enabled the executing agency to step up recovery has been the demand of 'Jhuggi' dwellers to give ownership of the premises to them on the basis of long lease which is understood to be under the sympathetic consideration of Government. The witness assured the Committee during evidence that as soon as Government were able to decide about the ownership recovery would improve. The Committee do not approve of the prolongation of the

period of uncertainty and would urge Government to come to an early decision in the matter so that recovery of dues may be effected promptly.

1.80. As regards recovery of rent from the ineligible squatters, the Committee note that Government have decided to effect recoveries only from 2nd May, 1970, on the consideration that necessary amenities were not provided from the beginning although rent was provisionally fixed in March, 1968 as Rs. 8 per month. The Committee are of the view that in consideration of lack of amenities Government should have either fixed rent at a concessional rate for the initial period or announced rent-free accommodation till the amenities are provided which would have facilitated removal of a large number of squatter population.

1.81. Another factor which disturbs the Committee is the non-payment of Government's share of dues recoverable from the allottees. Out of Rs. 48.72 lakhs creditable to Government upto the end of 1968-69, only a sum of Rs. 4.25 lakhs has been paid. The Committee were told that Government has withheld a sum of Rs. 15 lakhs from the Delhi Municipal Corporation. The Secretary, Department of Works, Housing and Urban Development pleaded before the Committee that crediting 70 per cent of the demand to Government irrespective of recovery was not workable or realistic having regard to the actual position that prevailed in the colonies and that Government were considering on what revised basis the collections should be utilised by the executing agency to meet the cost of running the scheme. The Committee would like Government to review the position early and recover the amounts creditable to Government on a realistic basis that may be decided upon as a result of the review.

1.82. The Committee are unable to appreciate how Municipal Corporation of Delhi which was executing the scheme, as an agent overlooked this basic fact and under the mistaken impression that it was the owner of the sites, executed 28,522 lease deeds in the name of the Corporation. The Committee are at a loss to know how this fact was overlooked although Government came to know that the deeds were being executed in the name of Corporation as early as 1962. The Committee were, however, informed that in cases where licence fees were to be paid no change would be required and that with regard to 17,000 plots of 80 sq. yards for which the Municipal Corporation of Delhi entered into leases, Government were planning to have the leases re-executed in the name of President of India. There has not been any progress in the re-execution in view of the fact that in a large number of cases plots have changed hands

and that legal advice has been sought for in the matter. The Committee desire that lease deeds wherever necessary should be got re-executed expeditiously.

1.83. As regards "Binami" transfers referred to in the Audit paragraph, the Committee were informed that the legal requirements for regularising these transfers were being checked up. The Committee desire that this should be expedited. Effective measures should also be taken to prevent any occasion for such "Binami" transfers in future.

Unauthorised occupation of public land

Audit Paragraph

1.84. In paragraph 54 of the 35th Report (1964-65) and paragraph 2.88 to 2.97 of the 42nd Report (1965-66), the Public Accounts Committee considered the progress of assessment and recovery of damages from unauthorised squatters. The position of assessment upto 31st March 1969 and of recovery of damages as on 30th November 1969 was as follows:—

(a) Number of squatters	10,070
(b) Number of cases in which first assessment of damages had not been finalised	33
(c) Number of cases in which demands had been assessed	10,037
(d) Amount of demand assessed	Rs. 133.06 lakhs
(e) Amount recovered	Rs. 81.99 ,,
(f) Reduction in assessment due to application of pre-August 1950 rates to Post-August, 1960 residential squatters	Rs. 18.10 ,,
(g) Rebate for lump-sum payments by the assesseees	Rs. 1.50 ,,
(h) Balance recoverable	Rs. 31.47 ,,

1.85. In addition, provisional assessment of damages had been made in 865 cases during 1963—69. No recoveries from the squatters/ex-lessees have been made as these demands are yet to be confirmed by the Estate Officers of the Authority. In 365 cases alone, the provisional assessment of damages was Rs. 24.02 lakhs.

[Paragraph 83, Audit Report (Civil), 1970]

1.86. The position of recovery of damages as on 31-3-70, as furnished by the Department of Works, Housing and Urban Development is as follows:

	Rs. in lakhs
Opening balance of arrears as on 1-4-69	31.47
Total assessment during 1969-70	15.45
	<hr/>
TOTAL	46.92
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Less recovery during 1969-70	11.05
Rebate allowed during the year	0.39
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TOTAL	11.44
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Balance as on 31-3-70	35.48

1.87. The Committee were informed that there were 30 cases where first assessment of damages had not so far been finalised. Asked about the reasons of the delay in those cases, the Department in a note furnished to the Committee state: "The cases of first assessment are mostly of title dispute. As the parties in almost all the cases generally go in appeal full opportunity to adduce evidence in such cases has to be provided to them. Section 7(2) of the Public Premises (Eviction of Unauthorised Occupants) Act, 1958 has been declared *ultra vires* of the Constitution twice, once in May, 1968 and again in March, 1970 and this has also resulted in delay in finalising the cases."

1.88. Referring to the reduction in assessment due to application of pre-August, 1950 rates to post-August, 1950 residential squatters, the Committee drew attention of the recommendation made at para 2.94 of their 42nd Report (Third Lok Sabha) and enquired whether any specific approval of Government was obtained for such a reduction. The Department stated: "The decision to levy damages at pre-August 1950 rates irrespective of the date of occupation was taken by the DDA *vide* its Resolution No. 325 dated 4.6.1964. The DDA in the capacity of Manager of Government land is competent to fix, reduce or enhance the rates of damages in respect of Nazul lands as well as its own acquired land and Government's approval was, therefore, not obtained in this regard".

1.89. The Committee understand from Audit that the DDA intimated in May, 1970 that the actual number of cases of provisional assessment was 861 and not 865. The position of these cases was as follows:—

(1) Cases in which show-cause notices were issued between 1963-64 to 1967-68	533
(2) Cases in which show-cause notices were issued during 1968-69 and 1969-70	328
	<hr/>
TOTAL	861

“The provisional demands in all the 533 cases have been cancelled on account of the fact that section 7(2) of the Public Premises (Eviction of Unauthorised Occupants) Act 1958 in terms of which the damages were charged was declared *ultra vires* in 1968. After the amendment of the said Act (the Law Ministry advised the Authority to start ‘*de novo*’ proceedings in all such cases. While the action was in process, section 7(2) of the Public Premises Act was again declared *ultra vires* by the Delhi High Court. The Authority added that unless section 7(2) of the Public Premises Act is revived, fresh notices in these cases cannot be issued.

Out of the 328 cases mentioned at (2) above, 30 cases have already been decided. As regards the remaining cases no action can be taken unless section 7(2) of the Public Premises Act is revived.”

1.90. The Committee enquired on what grounds section 7(2) of the Public Premises Act was struck down. The Department submitted an extract of para 3 of Government of India, Ministry of Works, Housing and Supply (Department of Works, Housing and Supply) Office Memo in this connection which is reproduced at Appendix VI.

1.90. The Committee enquired on what grounds section 7(2) of revive the relevant section of the Public Premises Act, 1958 and expedite the recovery of damages. The Department stated: “The Public Premises (Eviction of Unauthorised Occupants) Amendment Ordinance, 1968 introducing Section 7(2) of the Public Premises Act, 1958 came into existence on 17th June, 1968. The Ordinance was subsequently repealed by the Public Premises (Eviction of Unauthorised Occupants) Amendment Act, 1968. This Act received the assent of the President on the 16th August, 1968. The effect of

the Ordinance and subsequent amendment Act of 1968 was that all proceedings pending under the Act of 1968 in regard to eviction and recovery of damages (before the promulgation of the Ordinance) had to be dropped and *de-novo* proceedings initiated. Section 7(2) of the amended Public Premises (Eviction of Unauthorised Occupants) Act, 1958 was struck down by a single bench of the Delhi High Court on 10.3.1970. Subsequently, Section 5 of the said Act was struck down by another single bench of the Delhi High Court on 26.4.1970. Letters Patent Appeal was filed against the earlier case. The Appeal is still pending but in another batch of cases, the full bench of the Delhi High Court on 2.9.1970 pronounced the judgement declaring the Act *ultra vires*. Advice of the Ministry of Law is being sought as to the further line of action to be taken."

1.92. Drawing attention to the fact that 30 out of 328 cases of provisional assessment of cases in which show-cause notices were issued during 1968-69 and 1969-70 have already been decided, the Committee desired to be furnished with the details of the completed action in those cases. It was stated: "In the 30 cases already decided, total recovery involved was Rs. 0.34 lakh, out of which a recovery of Rs. 0.09 lakh has already been made. The remaining cases cannot be decided till Section 7(2) of the Public Premises Act is revived."

1.93. The Committee hope that Government will take action to suitably revive the relevant section of the Public Premises (Eviction of Unauthorised Occupants) Act 1958 struck down by the court and expedite the assessment and recovery of damages.

Non-disposal of plots and shops

Audit Paragraph

1.94. In the following cases, plots, shops, etc. developed/constructed by the Authority at a cost of Rs. 685.88 lakhs during January 1962 to December 1968 have not been disposed of by allotment or sale so far (November 1969):—

Nature of property	Number of units developed/constructed	Period during which developed/constructed	Approximate Cost	Remarks
1	2	3	4	5
			(In lakhs of rupees)	
Residential Plots	4,763	January 1962 to December, 1968	381.04	Out of 4,763 plots 3,717 were developed during January 1962 to December, 1967.

1	2	3	4	5
				<p>The Authority has stated (December, 1969) that 2,009 plots are reserved for various purposes and 1,046 plots are not yet fully demarcated, leaving only 1,708 plots which are available for disposal at present. Many of these, it is stated, could not be disposed of because of poor response from the public at the time of auction.</p>
Industrial Plots	1,512 April 1964 to December, 1968		302.00	<p>Out of 1,512 plots 155 were developed prior to May, 1966. The Authority has stated (December 1969) that it has not been possible to dispose of these plots so far due to revision of lay out plans, existence of unauthorised structures on some plots, stay orders from courts, etc.</p>
Shops	166 December, 1968		2.84	<p>It has been stated that the question whether or not the shops should be allotted to evictees covered under the 'Gadgil assurances' is under consideration and that efforts are being made to decide this issue and finalise the allotments early</p>

(Paragraph 84, Audit Report (Civil), 1970.

1.95. The Committee drew attention to the remarks of Audit that many of 1708 plots which were available for disposal, could not be disposed of because of poor response for the public at the time of

auction. The Committee enquired about the reasons for poor response for the public.

The Department have stated that: Out of 1708 plots, 329 have since been disposed of and most of the remaining plots are in Jhilmil and Pankha Road Residential schemes. The following factors have been responsible for the poor response:

- (i) The colonies are at a considerable distance from the main railway station;
- (ii) These are not fully developed. In the case of Pankha Road, the Corporation has not yet supplied water though tube-well water has been arranged. Electricity has also not been supplied. In the case of Jhilmil Tahirpur, there is no arrangement for sewerage so far. This colony is also situated on the other side of the Jamuna which has not proved popular with the public.
- (iii) The prospective buyers of plots here are only interested in the smaller plots upto 200 sq. yds.

1.96. The Committee desired to know the various purposes for which the 2009 plots have been reserved. The Department have submitted a statement showing the details of distribution of reserved plot (Appendix VII). It is seen from the statement that at 1109 plots are yet to be utilised.

1.97. Asked about the present position of disposal of the remaining 2754 residential plots, the Department have furnished a statement indicating the name of the residential scheme, number of plots not disposed of, undemarcated plots, plots available for disposal, those disposed, balance and the reasons for non-disposal of balance plots (Appendix VIII). It is found from the statement that there has been no progress in the demarcation of 1046 plots and that of the remaining plots only 329 could be disposed of.

1.98. Referring to the plots in Jhilmil Tehirpur and Pankha Road, which could not be disposed of as there was poor response from the public, the Committee desired to know the total number of auctions that were conducted during the last six years and also the number

of plots that were offered. The Department have furnished the following data in this regard:

	Pankha Road	Jhilmil Tahirpur
(1) No. of auctions conducted	40	2
(2) No. of plots offered	1323	25
(3) No. of plots disposed	711	4

The Committee were informed that 35 out of 155 industrial plots developed before May, 1966 had been disposed of and the rest were likely to be disposed of before 31.10.70.

1.99. Drawing attention to the statement in the Audit paragraph that due to revision of layout plans etc., it had not been possible to dispose of the industrial plots, the Committee asked when and why the need for the revision of layout plan was felt. The Committee were informed: "The necessity for revising the layout plans was felt from November, 1967, when most of the industrial units who were allotted plots in Okhla Industrial Area wanted a change of plots to nearby schemes. The availability of plots in all the schemes was thereafter examined by the Land Advisory Committee and it was felt that all the allottees of Okhla Industrial Area could not be provided with plots in the schemes applied for by them, i.e., Naraina, Rewari Line, Wazirpur, G.T. Road, Lawrence Road etc. It was, therefore, decided that all bigger size plots be carved out into plots of 400 sq. yds. size so that maximum number of industrial units could be accommodated in the above areas. This general decision was taken by the Land Allotment Advisory Committee in August, 1968 and was approved by the Lieutenant Governor. The revision of the layout plans has been completed in 1969."

1.100. The Committee enquired how the other obstacles i.e., existence of unauthorised structure, court stay orders etc. were proposed to be overcome. The Department, in a note furnished to the Committee, stated: Unauthorised structures are removed with the help of demolition squad. Only in those cases where land has not been acquired, it was not possible to remove such structures. Regarding court stay orders, necessary action is being taken by the legal branch of the Delhi Development Authority."

1.101. Asked about the progress in the work of carving out of larger plots into smaller ones, the Department stated: "So far 362 plots of bigger size have been carved out into 1135 smaller plots of 400 sq. yds. size. Necessary action to dispose of the bigger plots,

which could not be subdivided into smaller ones is being taken and it is hoped that the same will be disposed of within a month or so."

1.102. As regards allotment of shops to evictees covered under the 'Gadgil assurance' the Department explained: "While approving the construction of these shops, the DDA in its resolution No. 8 dated 12-3-1968 had decided that the shops will be allotted to squatters covered under the 'Gadgil Assurances'. It was also decided that the licensed shopkeepers in Jamamasjid be accommodated in these shops. The construction of these shops was completed between December, 1968 and May, 1969."

"Allotments were made to squatters removed from Jama Masjid, G. T. Road, Shadara, Ajmeri Gate Extension, Bagh Raoji and opposite Naaz Cinema. Offers of allotment were also made to 'Khokha walas' squatting near Police Station, Subzimandi and Original Road. The latter declined the offer and instead accepted alternative allotments on portion of the nallahs around recently in Karol Bagh."

"So far only 83 out of a total of 350 shops have been allotted. Since there was delay in the allotment of the remaining shops partly due to offers being declined by those who were offered the allotments and also due to the time involved in scrutinising the cases covered by 'Gadgil Assurances' it has recently been decided to dispose of about 50 shops by auction."

1.103. The Committee regret to note that there has not been satisfactory progress in the disposal of plots and shops developed/constructed at a heavy cost since January, 1962. Of the 2009 residential plots reserved for various purposes, 1109 plots are yet to be utilised. 1046 plots have not yet been fully demarcated and of the remaining plots only 329 could be disposed of so far.

1.104. One of the reasons for lack of response from the public for the residential plots is that, they were not fully developed in the sense that all the necessary ancillary services have not yet been provided, as in the case of Pankha Road Scheme, where 935 plots are still awaiting disposal. Further prospective buyers of plots are stated to be interested in smaller plots upto 200 sq. yards. The Committee would like Government to see that water, sewerage, electricity etc. are provided promptly so that there may not be that undesirable time-lag between the development of plots and their disposal. Further, Government may consider whether it is desirable in the interest of quicker disposal of these plots to carve them into smaller ones for which there appears to be demand.

1.105. As regards industrial plots, the Committee hope that with the revision of layout plans, Government will be in a position to dispose them of early. They would like to be informed of the progress in the disposal.

1.106. The Committee do not find any justification for the delay in allotment of shops to squatters covered under 'Gadgil Assurances' as a decision in that regard was taken in March, 1968. They hope that allotment of shops to the squatters and disposal by auction as already decided upon will be done expeditiously.

Chief Technical Examiner

Audit Paragraph

1.107. In paragraph 60 of Audit Report (Civil) 1967 mention was made of the working of the Chief Technical Examiner's Organisation. A review of working of that Organisation during the three years ending 1968-69 is given below:

1.108 (A). The number of cases taken up for technical examination and the number of cases commented upon were:—

	1966-67			1967-68			1968-69		
	Examined	Commented upon	Percentage	Examined	Commented upon	Percentage	Examined	Commented upon	Percentage
Site examination of work.	805	413	51.3	940	664	70.6	1403	812	57.9
Bills	229	74	32.3	222	57	25.7	329	149	45.3
Contacts	178	8	4.5	189	38	30.1	428	161	37.6
Muster Rolls	80			129	4	3.1	296	98	33.1
TOTAL	1292	495	38.3	1480	763	51.5	2456	1220	49.7

1.109. (B) Overpayments in 469 cases aggregating Rs. 8.22 lakhs were accepted by the C.P.W.D. during the three years ending 1968-69. The overpayments were over Rs. 10,000 each in 15 cases, between Rs. 500 and Rs. 10,000 each in 176 cases and less than Rs. 500 each in the remaining 278 cases. The position of recovery of the

over payments and those accepted during the year is reported to be as follows:—

Period during which overpayment detected/reported for recovery	Overpayments accepted by the C.P.W.D.		Over payments not covered upto March, 1969	
	No. of cases	Amount (In lakhs of Rs.)	No. of cases	Amount (in lakhs of Rs.)
June, 1957 to March, 1966	2397	45.14	145	6.38
April, 1966 to March, 1967	117	1.57	17	0.20
April, 1967 to March, 1968	138	1.70	41	0.67
April, 1968 to March, 1969	214	4.95	175	3.62
TOTAL	2866	53.36	378	10.87

1.110. The overpayments relating to the three years ending with 1968-69 were broadly of the following classes:—

Category	1966-67		1967-68		1968-69	
	No. of cases	Amount (in lakhs of Rs.)	No. of cases	Amount (in lakhs of Rs.)	No. of cases	Amount (in lakhs of Rs.)
Sub-standard work	104	1.14	119	1.54	187	4.27
Incorrect measurements	5	0.39	..	..	9	0.03
Short recovery of cost of material	9	0.04	15	0.15	19	0.65
Other miscellaneous irregularities	..	..	5	0.01	5	0.003

1.111. A study of 774 observation memoranda issued during 1968-69 indicated common defects of repetitive nature, a broad classification of which is given below:—

S. No.	Defects	No. of works in which defects were observed
1.	Lines and levels	181
2.	Wood-work :	
	(i) Bad workmanship	105
	(ii) Warping	73
	(iii) Cracks	65

3. Brickwork :	
(i) Weak mortar	101
(ii) Bricks not soaked	76
(iii) Bad workmanship	49
4. R.C.C. :	
(i) Defective centering and shuttering	83
(ii) Weak rendering	80
(iii) Bad workmanship	51
(iv) Hacking not done	42
5. White/colour work, distempering etc.	68
6. Painting work	55
7. Plaster :	
(i) Weak mortar	54
(ii) Workmanship	43
8. Flooring	48
9. Oversized metal in road works	39

1.112. *Disciplinary Cases*—Of the 76 cases reported to the Ministry of Health, Family Planning, Works, Housing and Urban Development by the Organisation since its creation till March 1969, 68 cases had been finalised upto October 1969. Of the remaining 8, 5 pertain to a period more than 3 years old.

1.113. Of 51 cases referred to the Engineer-in-Chief, C.P.W.D., during the year 1968-69 and earlier years, 17 cases remained to be finalised on 31st March, 1969.

1.114. About sub-paragraph 'B' above Government stated (January 1970) that out of overpayment of Rs. 4.49 lakhs in 233 cases (for the three years ended with 1968-69) not recovered up to March 1969, an amount of Rs. 2.41 lakhs is outstanding in 85 cases; 11 of these cases (Rs. 0.78 lakh) are under arbitration. Against the 145 cases involving overpayment of Rs. 6.38 lakhs (up to March 1969), 28 cases (Rs. 1.08 lakhs) are outstanding; two of them (Rs. 0.70 lakh) are under arbitration.

[Paragraph 54, Audit Report (Civil), 1970].

1.115. At the instance of the Committee, the Department of Works, Housing and Urban Development furnished the number of cases taken up for technical examination and the number of cases commented upon during 1969-70 as follows:—

	Examined	Commented upon	Percentage
Site examination of work	2066	1553	75.17
Bills	360	168	46.66
contracts	390	98	25.13
Muster Rolls	359	91	25.35
TOTAL	3175	1910	60.15

1.116. The Committee pointed out that the percentage of cases commented upon by the Chief Technical Examiner to the number of cases examined by him had increased from 38.3 in 1966-67 to 60.16 in 1969-70 and desired to know the reasons for such deterioration. This Chief Engineer, Central P.W.D., stated: "In 1966-67, the number of cases commented upon was 495 whereas in 1969-70 the number of cases commented upon was 1910. If you see the previous years also, in 1965-66, the percentage was 48 and even in 1967-68 it was 51.5 and in 1968-69, the percentage was 49.7. The year 1966-67 seems to be an exceptional one where the figure was low. Otherwise, it has been roundabout 50 per cent of the number of cases examined by the Chief Technical Examiner.

1.117. During the last two years, in 1968-69 and 1969-70, they got additional staff and there has been some intensification of their activities with the result that they have been taking up more cases. During the year 1969-70, the percentage has gone up comparatively."

1.118. Asked about the specific reasons for the sudden spurt in the year 1969-70, the Secretary, Department of Works, Housing and Urban Development deposed: "The Engineer-in-Chief is not able to explain at the moment why in 1969-70 the percentage has gone up. If you permit we will make a study of this and submit a note in a few days' time. There is one factor I want to comment upon in regard to these cases on which Chief Technical Examiner makes comments. This is in particular due to the inexperience or lack of skill of newly recruited staff and for the purpose of rectifying the situation we have considered the desirability of instituting a comp-

prehensive training programme specially for the Overseers whom we newly recruit. We want to give them a special training course to make them better fitted for inspection of works at site. We give this training to Assistant Engineers newly recruited. They get a year's training. But the Overseers are put straight on the job and it is possible that their lack of experience is one of the factors responsible for the unsatisfactory performance by the contractors and we are trying to remedy this by instituting a programme of training."

1.119. In a written note subsequently furnished to the Committee, the Department had the following to say: "The percentage of the cases commented upon by the C.T.E. has gone up due to the increase in the strength of the staff of the Chief Technical Examiner. It has, therefore, been possible for him to have more frequent inspections of works. Previously the inspection of works was generally conducted once during execution. Works are now inspected during execution more than once....."

1.120. As regards over-payment, the Chief Engineer, CPWD informed the Committee during evidence of the improvement as follows: "During the two years, 1961-62 and 1962-63, the overpayments were to the tune of Rs. 14.65 lakhs, that is, about Rs. 7 lakhs a year. In 1963-64, the amount was Rs. 4.81 lakhs and in 1964-65, it was Rs. 4.22 lakhs. In 1965-66, it came down to Rs. 2.3 lakhs. For the years 1966-67, 1967-68 and 1968-69, the average is Rs. 2.74 lakhs. The latest report which we have got for 1969-70, the figure is Rs. 2.29 lakhs. It means that it has come down from Rs. 7 lakhs to Rs. 2.25 lakhs or so."

1.121. Commenting on the position of irregularities noticed in general, the Chief Technical Examiner added: "Our observation is that in certain sectors of the work, there has been definite improvement as reflected in the overpayment. For example, cases where there was over-measurement of earth work and over-measurement of other items have practically disappeared. They do not exist any more. Similarly items involving structural work like concrete, steel etc. which are susceptible of absolute and correct checking, have tended to be of better standards in recent years. Other items which are somewhat intangible of checking viz. finishing items like wood-work, flooring, etc., have remained substantially the same as were previously."

1.122. The Committee pointed out that the proportion of sub-standard work had gone up and wanted to know the reasons. The witness stated: "The proportion has gone up because previously we

had only 7 Technical Examiners. Now we have got 11. The last PAC made a recommendation that inspection should be intensified. So we are now undertaking inspection of larger number of works. There are more technical examiners. Moreover the number of inspections per technical examiner is also somewhat higher with the result that the number of works inspected has increased."

1.123. To an enquiry whether the number of irregularities would have been more in earlier years had there been adequate number of technical examiners, the witness replied that it was difficult to say so because the work-load of the Department had also increased. The Department furnished the figures of total expenditure of the CPWD during the years 1966-67 to 1969-70 (excluding the expenditure on establishment) as follows:

1966-67	1967-68	1968-69	1969-70 (Provisional)	G. total
(Figures in lakhs of Rs.)				
4264·63	4732·28	4884·55	6071·66	19953·12

The Department informed the Committee in a written note that the name of nine contractors have so far been removed from the list on the basis of CTE's findings. The Committee drew the attention of the witness to the recommendation of the Estimates Committee contained in paragraph 6.13 of their 84th Report (Fourth Lok Sabha) and wanted to know the progress made in obtaining officers for the CTE's organisation from outside the CPWD. The witness replied: "The difficulty in getting people from outside Central PWD was this. There was neither deputation allowance nor special pay. Recently on the recommendation of Estimates Committee, special pay of Rs. 200 has been sanctioned for Executive Engineers who are working as technical examiners. Now we have started getting people from outside. Out of 11 technical examiners now 2 are from Railways and we are likely to get more shortly. We are making efforts with State Governments and other approved sources of recruitments to get names nominated. When names are recommended we screen them; with the approval of UPSC suitable candidates are appointed."

1.124. In a note furnished to the Committee in December, 1970, the Department indicated the present position of the recovery of over-payments as given below:—

	No. of cases	Total amount outstanding
		Rs.
Chief Engineer (NDZ)	19	9,622.71
Chief Engineer (NZ)	15	18,865.82
Chief Engineer (DA)	10	8,0072.36
Chief Engineer (SWZ)	6	34,449.01
Chief Engineer (EZ)	12	11,179.47
Chief Engineer (Food)	4	6,819.22
	66	161,008.59

1.125. In 17 cases involving Rs. 116,699.30, the contractors, against whom recoveries were recommended by CTE, have gone for arbitration.

1.126. The Committee desired to be furnished with the details of the overpayments accepted by the CPWD during the year 1969-70. The Department submitted statement broadly classifying the over-payments as follows:—

	No. of cases	Amount (in thousand of Rs.)
(i) Sub-standard execution of work	152	184.5
(ii) Incorrect measurement	3	1.3
(iii) Less recovery of cost of material issued to the contractor by the department	17	39.6
(iv) Other miscellaneous irregularities	9	4.0
TOTAL	181	229.4

1.127. The Eighteenth Annual Report (1969-70) of the CTE brings out the following position in regard to observation memos issued to the Department which were pending finalisation as on 31.3.70:

Observations over 2 years old	210
Observations over 1 year old but less than 2 years	792
Observations over 3 months old but less than one year	917
Observations under 3 months	414
TOTAL	2333

1.128. Asked to explain the delay in settling the cases, the Engineer-in-Chief, Central PWD, stated that the main reason for the delay was that they were still in correspondence. On being pointed out that personal discussion with the CTE would be helpful, the CTE agreed and stated: "I think there should not be much difficulty in settling these if the old records are examined by the E.Es. and the appropriate replies sent. I myself have been screening those observations which are more than two years old to see whether any of these are substantial objections, so that I can bring these to the notice of the Ministry. I have found that these are not so substantial in nature though numerically they are many. It is only a question of the E.E. getting these discussed with the C.T.E. and disposed of."

1.129. The Committee then pointed out that the Estimates Committee had in Chapter III of their 110th Report (Fourth Lok Sabha) recommended that a reasonable time limit should be laid down for the settlement of cases. The witness admitted: "I gather, upto now no period has been specified but as I said just now, we shall look into the matter, discuss with CTE the ways in which we can expedite this work."

1.130. Regarding 76 disciplinary cases reported to the Ministry by the CTE, the following information was given by the Department: "Charges in general against the delinquent officers involved in the cases referred to by the CTE come under the following broad categories:

- (i) Violation of Codal rules and prescribed procedures.
- (ii) Acceptance of sub-standard work.

- (iii) Over-payment due to failure to record measurements after proper verification.
- (iv) Recording of false measurements with a view to giving undue pecuniary benefit to contractor.
- (v) Allowing pilferage of materials.
- (vi) Awarding of work at high rates.
- (vii) Tempering with official documents|records with a view to giving undue financial benefit to contractor.
- (viii) Submission of bills in colusion with contractor for defective work or work not actually executed.
- (xi) Non-recovery at penal rates for materials issued in excess to the contractor.
- (x) Irregularities in recommending and paying of secured advances.”

1.131. Asked as to what action was taken by the Ministry in the above cases, the Secretary, Department of Works, Housing and Urban Development stated: “Two of the officers involved have been dismissed.....The pension of eight individuals was reduced as a result of disciplinary proceedings. In one case, the pay of the individual has been reduced. In 16 cases, increments have been stopped in 25 cases, warnings or censures have been issued. In two cases, we brought the minor lapses to the notice of the individuals for guidance. In 15 cases, it was not thought necessary or possible to take any action. In this way, out of these 76 cases, 68 have been disposed of and 8 are pending. And in these 3 cases out of 8 cases, proceedings are still under way. One has gone to court. Two cases are pending advice from the UPSC. In one case, the officer concerned was warned. But the CTE has suggested that the matter should be reviewed as the warning proposed is not an adequate punishment. In one case, charge-sheet has been issued.”

1.132. The Committee observe that there has been a significant increase in the percentage of cases commented upon by the CTE in the year 1969-70. The witness explained the spurt as due to strengthening of staff of the CTE’s organisation during 1968-69 and 1969-70 which made it possible to conduct inspection of works during execution more than once. From the data regarding expenditure of the the CPWD in the recent years furnished to them, the Committee find that in 1969-70 the works expenditure has registered an increase of nearly 25 per cent over that of the previous year. The Commit-

tee have no doubt that Government would keep under review strength of the CTE's organisation to ensure that it can exercise effective check on the expanding activities and rising expenditure of CPWD. Government should also ensure that adequate number of officers from outside C.P.W.D. are inducted into C. T. E. to maintain its independence.

1.133. The Committee would like to be apprised of the final decision of Government in regard to imparting training to the newly recruited overseers. As, according to the CTE, there is no improvement over a number of years in the poor quality of wood work, flooring etc., the Committee suggest that the training programme for Assistant Engineers as also for overseers when introduced should be oriented in such a way that they would be capable of detecting such sub-standard works.

1.134. The Committee note that as many as 2333 observation-memos issued by the CTE were pending with the Department as on 31st March, 1970 of which 210 were over 2 years old and 792 were between 1 year and 2 years. They further find that no time limit for the disposal of such cases has yet been fixed by Government. The Committee would like to emphasise that in future all such pending cases should be reviewed by the CTE and important ones should be taken up at the higher level pursuing the rest through personal discussion with the appropriate departmental officers with a view to finalising them within the time limit which should be fixed by Government forthwith.

1.135. Finally the Committee would like to point out the need for expeditious finalisation of disciplinary cases against the delinquent officers as well as action against the contractors as that alone will act as an effective deterrent against recurring irregularities/lapses.

Delay in allotment of shops

Audit Paragraph

1.136. In paragraph 3.37 of its 39th Report (Fourth Lok Sabha) (November 1968) the Public Accounts Committee commented upon the delay in allotment of shops in the markets built by Government. The Committee expressed the hope that with the instructions issued by Government to initiate action sufficiently in advance of completion of market to allot the shops on tender system, instances of the type would not recur.

1.137. Twenty-nine shops in the ground floor of a composite-building at Janpath (shopping centre and office) which were ready

for occupation in January 1969 have not been allotted so far (January, 1970). The delay in allotment of shops has resulted in loss of Rs. 2.06 lakhs (at the rate of Rs. 2.25 per square ft. per month on 7,645 sq. feet suggested by the Ministry of Finance) upto January, 1970 with a further recurring loss of Rs. 17,201 per mensem until the shops are actually allotted.

1.138. According to Government non-allotment of shops so far is due to delay in finalisation of the rent to be charged and in deciding the basis of allotment.

[Paragraph 43, Audit Report (Civil), 1970].

1.139. The Committee enquired when action for allotment of shops at Janpath and fixation of rent was initiated. The Department of Works, Housing and Urban Development stated in a note furnished to the Committee that action for allotment was initiated on 18.3.1968 while that for fixation of rent was initiated on 26.8.1968.

1.140. Drawing attention of the witness to the fact that 29 shops were ready for occupation in January, 1969 but were not allotted to the stall-holders till January, 1970, the Committee enquired what delayed the matter. The Secretary, Department of Works, Housing and Urban Development explained the position as follows:

“The main difficulty in this case has been in the determination of rent that should be charged. There was a decision of the Government that these shops should be allotted to the stall holders on the Janpath after the removal of those stalls. The argument about the rate of rent to be charged had gone on for an inordinately long time. I confess Government took much longer time in arriving at a decision about the rent to be charged. At various times various figures of rent were suggested; these were contested and it was only in May that we were able to arrive at a decision which was agreeable to both the Finance Ministry and our Ministry. At various times rent ranging from Rs. 1.42 per sq. foot to Rs. 4 per sq. foot per month had been suggested and it was really the difficulty in arriving at the rate of rent which is fair and reasonable.

After a decision was taken to charge a rent of Rs. 1.42 per sq. ft., we entered into discussions with the stall holders with a view to getting their agreement to this rent. Their reaction was not favourable. They wanted the rents to be

fixed at even less than half this rate. This rate of Rs. 1.42 is what we termed as economic rent. They wanted 60 paise per ft. and the Government could not accept this. At that point, a view was taken that we should give up the effort to induce the stall holders to go into these shops and that we should dispose of them on a tender basis. We did invite tenders. Meanwhile, the stall holders again approached the Government and said that they were agreeable to reconsider their position. At the same time, they went to a court of law. And I believe, there is a hearing in this matter tomorrow, and we hope a settlement on the differences will be reached."

1.141. Asked for the grounds on which the stall holders went to the court, the Secretary stated that they thought that Government might allot these shops to the tenderers and that they wanted to restrain the Government from allotting the shops to the tenderers. The Department subsequently furnished to the Committee the details of rates of the highest tenders which are reproduced in Appendix IX.

1.142. During evidence the Secretary, Department of Works, Housing and Urban Development informed the Committee that Government shops had been rented out from 1968 on tender basis and that in this case a decision had been taken not to let out the shops on tender basis but to allot to the stall holders. Asked whether rent as finally fixed at the rate of Rs. 1.42. per sq. ft. was the economic rent, the witness confirmed that it was so according to the conventional formula of the CPWD.

1.143. The Committee desire to be furnished with a chronological statement of action taken to allot the shops. The Department submitted a detailed note, which is reproduced in Appendix X.

1.144. The Committee deem it unfortunate that the fixation of rent for the shops constructed at Janpath took nearly 2 years after the decision was taken to allot them to the stall holders in August, 1968. The official representative of the Department of Works, Housing and Urban Development, gave the Committee to understand during evidence that the rate of Rs. 1.42 as finally fixed was the economic rent according to the conventional formula of the CPWD.

1.145. The Committee would like to be informed whether all the shops have since been allotted.

1.146. The Committee would like Government to ensure that the rent at the rate already fixed is recovered in time and no arrears are allowed to be accumulated.

Shopping Centre near INA Colony

Audit Paragraph

1.147. 224 shops near INA colony, New Delhi, construction of which was taken up in July 1965 and completed in May 1966, were handed over to the Director of Estate in the same month for allotment with effect from 1st June 1966. These shops could not be allotted immediately as electric connection had not been provided. Later 120 shops were placed at the disposal of the Super Bazar authorities on 10th August 1966 after providing temporary electricity connection and, on the request of the Super Bazar authorities, the remaining 104 shops were placed at their disposal on 13th October, 1966 without electricity. Out of the 104 shops, the Super Bazar authorities surrendered 76 shops between August 1967 and March 1968 as electricity had not been provided. Of the shops surrendered by the Super Bazar authorities, 41 were lying vacant upto 1st September, 1969; three of these were, however, allotted and were in occupation for short periods ranging from one month and six days to seven months and thirteen days.

1.148. Government stated (October 1969) that four of the 41 shops have been reserved for allotment to backward community and the remaining thirty-seven have been placed on 2nd September 1969 at the disposal of the Chief Controller of Printing and Stationery for use as office accommodation. Loss of revenue for the period these shops remained vacant on the basis of rents fixed in April 1968, is Rs. 1.76 lakhs (August 1969).

1.149. Rs. 2.75 lakhs still remain to be recovered (December 1969) from the Super Bazar authorities as rent of shops. Of that Rs. 1.70 lakhs pertain to the 76 shops surrendered by the Super Bazar authorities between August 1967 and March 1968. The Super Bazar authorities have stated that since they had not been able to utilise a number of shops for want of electricity, rent should not be charged for them for the period the shops were with them. Government stated (January 1970) that "according to the proposals under consideration, a rebate of Rs. 39.132 on account of repairs and maintenance carried out by the Super Bazar authorities has to be allowed to them" and that "recovery proceedings for an amount of Rs. 2.50 lakhs have been started."

1.150. Although more than 2 years have passed, no licence deed has so far been executed by the Super Bazar authorities (June 1969).
[Paragraph 44, Audit Report (Civil), 1970].

1.151. The Secretary, Department of Works, Housing and Urban Development explained the delay in providing electric connection to the shops as follows: "This was really a problem of relations with DESU authorities. As a matter of fact, long before the shops were to be ready, we had taken up with DESU the question of electrification of these shops. But I think, this matter has remained in an unsatisfactory state for over two years."

"DESU was to have built a sub-station for the purpose of supplying power to these shops and the matter regarding location of the sub-station, the costs to be paid for putting up the sub-station, etc. have been subject to various fluctuations from time to time....."

1.152. The Engineer-in-chief, CPWD added: "In this particular case, the work was started in July, 1965 and we approached DESU in September, 1965 for giving an estimate. They did give us an estimate but they changed the formula for charging the amount from Government. Previously they used to meet all the cost on the H.T. line and the sub-station, 50 per cent of the cost of Low Tension line and Government was to meet 50 per cent of the Cost of L.T. line and 100 per cent of the street lighting. But, in this case, they started demanding full cost of the sub-station and L.T. line and 100 per cent of the street lighting. So, the change in the formula of cost was referred to the Ministry and the Ministry addressed the General Manager, DESU. So, it took a long time for this to be settled."

1.153. The Committee wanted to have a chronological history of the case indicating the various changes from time to time. The Department in a note submitted to the Committee stated that it had not been possible to provide permanent electric connection to the shopping centre, in the absence of the sub-station to be constructed by DESU and furnished the history of construction of sub-station a summary of which is given below:

25-9-65	CPWD requested DESU for sending an estimate for providing electric connection to the shopping centre.
24-11-65	Plan of substation submitted by DEDU.
17-1-66	CPWD wrote to DESU for sending the estimates ; location of sub-station finalised near the fire station.

- 19-1-66 }
 20-1-66 }
 27-1-66 } . . . Reminders to DESU for expediting the estimate.
- 16-3-66 . . . Reference made to Government of India for allotting the site for sub-station.
- 29-3-66 . . . DESU submitted the estimate of Rs. 2.69 lakhs for construction of sub-station.
- 15-4-66 . . . Government of India were addressed for sanction of the amount provisionally.
- 1-6-66 . . . Ministry of Works, Housing and Supply addressed DESU for revision of rate in connection with the payment demanded for the construction of the sub-station.
- 27-7-66 . . . Ministry was reminded for sanction of the amount as well as allotment of the required land.
- 23-8-66 . . . Ministry sanctioned allotment of an area of $50' \times 45' = 2250$ sq. ft. to DESU.
- 6-9-66 . . . CPWD wrote to DESU for taking over the land allotted; sanction also issued for construction of an additional lavatory block for INA.
- 20-9-66 . . . DESU informed CPWD that area required for sub-station was $60' \times 40'$ and not $50' \times 45'$ they also wanted the approval of the Town Planner for the sub-station site.
- 28-9-66 . . . DESU submitted a revised estimate amounting to about Rs. 3.28 lakhs in supersession of the earlier one, on account of increase in the cost of land and building.
- 15-10-66 . . . Ministry were addressed to allot plot of land measuring $60' \times 40'$
- 31-10-66 . . . Additional lavatory block constructed at the site shown in the plan for electric sub-station.
- 13-1-67 . . . Alternative site for sub-station suggested by T & CPO after consultation by CPWD.
- 15-2-67 . . . Allotment of land measuring $60' \times 40'$ sanctioned by Government of India.
- 23-2-67 . . . DESU intimated that estimates prepared earlier required revision on account of change of site. Approval of the Town Planner of MCD for the location of the sub-station was also demanded.
- 7-6-67 . . . Copy of plan indicating the sub-station s.t. was sent to DESU.
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6-3-68	Estimate amounting to Rs. 2.51 lakhs excluding cost of land, received from DESU.
25-3-68	. . . . .	DDA approved the location of the sub-station at the alternative site.
30-3-68	. . . . .	Amount of about Rs. 2.51 lakhs was paid to DESU.
3-12-68	. . . . .	DESU was given possession of land.
6-3-69	. . . . .	Construction work of sub-station by DESU suspended as the land belonged to Civil Aviation Department.
6-8-70	. . . . .	Allotment of land measuring 60' x 40' to DESU issued by the Ministry at the site accepted by CPWD, Civil Aviation and DESU.
1-9-70	. . . . .	Town Planner, MCD informed that the proposed site was not acceptable.
19-12-70	. . . . .	After protracted discussions, another area mutually agreed to by Civil Aviation CPWD and Land and Development Office, was allotted.

1.154. The Committee were informed during evidence that all the shops were being utilised either as shops or as storage space. At least half a dozen attempts were made to rent out the shops now occupied by the Chief Controller of Printing and Stationery, but the response had been "either nil or very poor". Asked whether there was no demand for want of electricity, the witness said it was not so.

1.155. To an enquiry whether the shops were not suitably located, the witness stated: "The original plan was that the vegetable sellers who were in that area should be accommodated in this market. The market was built for that purpose.....suddenly the idea was developed that a branch of Super Bazar should be opened in this area and the shops should be allotted to the Super Bazar. I think if the original intention had been pursued, probably all the shops would have been brought under use."

1.156. The Committee wanted to know the reasons for not executing the licence deed with the Super Bazar. The Secretary, Department of Works, Housing and Urban Development stated that there was no such agreement as they had some difficulties of a financial nature. As a condition precedent to agreement, six months rent of Rs. 1.54 lakhs had to be deposited by the Super Bazar. The Super Bazar's request for additional financial assistance was under consideration by the Department of Cooperation and when their financial

position improved they would be in a position to enter into an agreement.

1.157. To another question, the Committee were told that at present the monthly rent of Rs. 25,800 for the shops retained by the Super Bazar was being recovered regularly. Referring to the 76 shops which had been surrendered by the Super Bazar, the Committee desired to know whether rent for these were recovered from them. The Secretary, Department of Works, Housing and Urban Development stated that this question remained to be settled as the shops could not be utilised due to the absence of electric connections. All the shops had since been given temporary electric connections. Asked further whether the Super Bazar would utilise now the shops surrendered by them, the witness stated that they were not desirous of utilising these shops.

1.158. The Committee enquired whether these surrendered shops could not be given to the vegetable sellers as per the original idea. The Secretary, Department of Works, Housing and Urban Development stated: "This may not fit in with the proper utilisation of the market, because if we can accommodate only 35 to 40—about 250 vegetable sellers are there would not serve the purpose of clearing the area. The original idea was clear the area of these temporary vegetable sellers."

1.159. The Committee were informed that five shops were reserved for backward communities and two had taken possession of them.

1.160. The Committee deprecate the delay of four years in providing permanent electric connection to the 224 shops constructed near INA Colony. The delay was mainly due to Government's failure to make available an acceptable plot of land to DESU for purpose of erecting a sub-station. The site which was allotted for the third time in September, 1970 was not approved by the Town Planner, MCD. The Committee are unable to appreciate how the site selected for the sub-station in the first instance could be utilised for the construction of an additional lavatory block in October, 1966. Again the construction work of the sub-station on the second site allotted had to be suspended as it belonged to Civil Aviation Department, who objected to the construction. All these point to lack of proper coordination which the Committee hope will not be allowed to occur in future.

1.161. From the evidence tendered before them, the Committee carry the impression that the Super Bazar had taken more accom-

modation than needed with the result that 76 shops had to be surrendered as even after provision of electricity the Super Bazar is reported to be unwilling to take back these shops. Now Government are faced with a situation in which they are unable either to rent out the shops due to lack of demand from public or to carry-out their original plan of clearing the area of vegetable sellers as all of them could not be accommodated in the shops surrendered by the Super Bazar. The Committee have, in their Tenth Report dealt with the problem of excessive selling space and the disproportionately high rent liability of the Super Bazar.

The Committee would like to know the results of Government's effort to settle the dues of the Super Bazar in respect of the shops surrendered by them as also to get the licence deed executed in respect of shops retained by them.

Delay in utilization of Land

Audit Paragraph

1.162. For construction of Central Government offices and residential accommodation Government decided in April 1963 to acquire 1,500 acres of land between Badarpur-Mehrauli Road and Malviya Nagar, New Delhi. After depositing in March, 1964 Rs. 215.27 lakhs with the Housing Commissioner, Delhi, possession of 821.13 acres of land was taken by the C.P.W.D. on various dates during April, 1965 to April, 1966.

1.163. Due to paucity of funds, development of the land has not been taken up and consequently the land has not been put to use so far for the purposes for which it was acquired.

1.164. The land was, however, placed at the disposal of Delhi Administration in July, 1967 for cultivation. The Administration leased out only 85.47 acres of land during 1968-69 and the revenue earned during this period was Rs. 5,730.

[Paragraph 56, Audit Report (Civil), 1970]

1.165. The Department in a note stated that only 821.13 acres of land between Badarpur-Mehrauli Road and Malviya Nagar, New Delhi, were available for acquisition and were acquired on the following dates:

Date	Land acquired (in acres)
1-4-1965	470.67
29-7-1965	280.56
16-4-1966	69.90
TOTAL	821.13

1.166. The Committee were also informed that funds were not available for acquisition of more land in Delhi for Government servants' housing facilities.

1.167. To a query as to what steps were taken to ward off any encroachment, the Department stated that the Delhi Administration had been made responsible to see that no encroachment was made.

1.168. The Committee desired to know if Government had drawn up plans for development of the area. The Department have stated as follows: "No plans for the development of this area have been drawn up so far as the funds available for the Fourth Five Year Plan are required for the development of and construction of houses in other central areas. The development of the Mehrauli-Badarpur road area and the construction of houses therein can be taken up only in the Fifth Five Year Plan or subsequent Plans depending upon the availability of funds. The Municipal Corporation of Delhi were contacted first in 1965 when they undertook to provide services in 1967 and 1968. However, following the financial stringency in 1967, Government decided to defer the development of the land and placed it at the disposal of the Delhi Administration for leasing it out temporarily for cultivation. In 1969, the Corporation intimated that the sanitary services in the area would be made available in the course of the next 3 to 4 years. However, as explained above, the development of this area cannot be taken up for the present because of the paucity of funds. 50 acres out of these are proposed to be given to the Ministry of Defence for one of their projects. Another 50 acres land is proposed to be developed for the sale of plots to Indians residents abroad."

1.169. It is understood from Audit that during 1969-70, 410 acres were let out for cultivation and Rs. 38,130 realised. The Department informed the Committee that 587 acres had been let out for cultivation in 1970-71.

1.170. The Committee deplore the lack of proper planning revealed in this case. 821.13 acres of land acquired between April, 1965 and April, 1966 have not been utilised as yet for the intended purpose due to "paucity of funds". Out of these, 50 acres are proposed to be given to the Ministry of Defence for one of their projects and another 50 acres are proposed to be developed for the sale of plots to Indian residents abroad. Further 587 acres have been let out for cultivation. In view of these facts, the Committee would like Government to review the scheme as a whole and take action to put the land to best use.

Audit Paragraph**Delay in settlement of claims**

1.171. Under inter-divisional transactions in CPWD, a Division rendering services or making supplies to another Division is required to forward its claims monthly to the responding Division which has to be settled by the latter division within ten days by issue of cheques, bank drafts. This procedure of cash settlement was introduced from April, 1965 with view to ensuring prompt settlement.

1.172. It is noticed that claims aggregating Rs. 174.31 lakhs raised upto March, 1969 by 77 Divisions of the Central Public Works Department in Delhi/New Delhi, etc. remained unsettled at the end of June, 1969. Of that Rs. 35.36 lakhs related to the period upto 1967-68.

1.173. Also payments totalling Rs. 21 lakhs made during 1965-69 by the responding Divisions remained, (June, 1969) unlinked (by the Divisions making the supplies) with the original claims.

1.174. Government stated (December, 1969) that 'clearance to the tune of Rs. 62.85 lakhs has been effected during the months of July to October, 1969' and that 'of the unlinked items it has so far been possible to link only Rs. 1.86 lakhs with the original claims.'

[Paragraph 57, Audit Report (Civil), 1970]

1.175. The Committee pointed out that claims aggregating Rs. 174.31 lakhs raised upto March, 1969 remained unsettled at the end of June, 1969 and enquired about the reason for the delay. The Department of Works, Housing and Urban Development, in a note, stated:—

"The main reasons for non-settlement of such transactions within the prescribed period are as follows:—

- (i) Abolition of certain Divisions as well as merger of records of one Division with an other before the bills are accepted and paid.
- (ii) Transfer of Works from one Sub-Division/Division to another.
- (iii) The new system of payment of Cheque/Bank Draft introduced on 1-4-65. In the initial stages, the staff who were accustomed to working according to the previous procedure took time in grasping and following the new system.

- (iv) Delays in correspondence particularly when the Sections/ Sub-Divisions are situated away from the headquarters of the Division.
- (v) Delays in correspondence between the originating Divisions and the Responding Divisions when they are not located at the same station.

1.176. In a few cases, the following factors are also responsible for delay.

- (i) Due to transfer of persons who had dealt with the transactions in the first instance.
- (ii) Difficulty in verification and payment of claims of Electrical Divisions by Civil Divisions in regard to their charges of Tools and Plants.
- (iii) Non-payment of deposits for depositworks by some Autonomous Bodies."

1.177. Asked to furnish the year-wise break-up of the outstanding amount, the Department indicated up-to-date position in December, 1970 as follows:—

Year	Amount outstanding
	Rs.
1965-66	90,084·28
1966-67	74,038·80
1967-68	9,40,051·58
1968-69	9,24,398·57
	20,28,573·23

1.178. The Committee enquired whether any concrete steps had been taken or proposed to be taken by Government for speedy settlement of claims and linking up of payments. They were informed: "Necessary instructions have been issued by the Central P.W.D. vide their Memo (at Appendix XI) explaining the provisions of the rules on the subject. It has been emphasised therein that if any such delays occur in future due to failure in observation of the codal rules on the subject, the same will be viewed seriously and the responsibility will be placed squarely on the Divisional Officer and the Divisional Accountant."

1.179. The Committee take serious notice of disregard of rules by the Public Works Department officers which has resulted in a huge accumulation of claims in regard to inter-divisional transactions over a number of years. The Committee find that there has been a clearance of Rs. 154.02 lakhs since the matter was included in the Audit Report. This shows that the officers had not been alert in the past. With the issue of strict instructions in July, 1970 the Committee hope that these transactions will be settled promptly in future.

Payment to Architects

Audit Paragraph

1.180. In February 1964 the work of designing of two cycles markets in blocks I and II at Jhandewalan and supervision of its construction was awarded to two architects 'A' and 'B' respectively @ 4 per cent for original work and 2 per cent for repeat work. On a subsequent decision taken in August 1965 to have only the designing done through private architects, the terms of the agreements were revised in July 1968 and March 1968 respectively. According to the revised terms, the architects were to be paid @ 2 per cent of actual cost or negotiated estimated cost*, whichever was less, and the architects 'A' and 'B' were required to submit the working drawings and specifications by 30th September 1968 and 25th May 1968 respectively. The agreements were, however, rescinded by the Chief Engineer (Construction Cell) of the Authority on 28th September 1968 on the ground that submission of the drawings had been considerably delayed by the architects. (The architects submitted a set of working drawings for the two blocks on 8th October 1968 and 4th October 1968 respectively).

1.181. The Planning Cell of the Authority prepared the detailed architectural drawings for block I and the construction work was given on contract on 3rd May, 1969. The Planning Cell had prepared the sketch architectural drawings for block II also and a fresh agreement was entered into on 6th January 1969 with another architect 'C' for preparation of detailed drawings for block II and a sixteen storeyed office block (within the site of the cycle market) for a lump sum fee of Rs. 60,000. The detailed drawings, though required to be furnished to the Authority by architect 'C' by June 1969, were submitted in November 1969.

1.182. An 'on account' payment of Rs. 40,000 was made to the architects 'A' and 'B' in April 1966. A proposal to pay a further

*Rs. 51.90 lakhs in the case of block I and Rs. 52 lakhs in the case of block II.

amount of Rs. 64,000 to them in settlement of their accounts is under consideration of the Authority although the Finance and Accounts Branch of the Authority has stated that "the drawings submitted by the architect will not be of much use to the Delhi Development Authority even at a later stage". The expenditure in this case is thus likely to prove largely infructuous.

1.183. The Ministry stated (January 1970) that "subsequent to the approval of the preliminary drawings and after the execution of agreement with the architects ('A' and 'B'), the Delhi Development Authority decided to increase the floor area ratio permissible in this area from 150 to 300. The drawings prepared by the architects were thus required to be revised as execution of the work according to those drawings would have resulted in gross under utilisation of the available land..... Asking the architects ('A' and 'B') to prepare revised drawings would have cost the Delhi Development Authority another Rs. 3 lakhs on the revised cost of work which is about Rs. 1.5 crores."

1.184. However, before awarding the work to architect 'C' no rate enquiries for preparation of the revised drawings were made from architects 'A' and 'B'.

[Paragraph 85, Audit Report (Civil), 1970]

1.185. The Committee were informed that during 1964-65, before entrusting the work of designing and supervision of construction of two cycle markets in blocks I and II at Jhandewalan, quotations were invited from 17 architects and 14 firms responded; after scrutiny three firms were chosen and out of them two were awarded the contract. The Committee desired to know the basis on which the rate of payment to the architects was fixed. The Vice-Chairman, Delhi, Development Authority, stated that the Institute of Architects had fixed a rate as 5 per cent for the guidance of their architects. When this work was being awarded to architects A and B, there was some kind of negotiation and the rate was reduced to 4 per cent.

1.186. As regards the delay of nearly 3 years in revising the terms of the agreement after the decision was taken to have only the designing done by the architects in August, 1965, the Department of Works, Housing and Urban Development in a note stated as follows:—

"In the agreements originally executed with the architects A and

B, the break-up of the total fee of 4 per cent for original work was mentioned as follows:

For designing	....	3.2 per cent
For complete day-to-day supervision of construction etc.	....	0.8 per cent

1.187. When it was decided to have only the designing work done through the agency of private architects and the actual construction to be done through the CPWD, it was found that the rate of 3.2 per cent for designing work only mentioned in the agreements was too much on the high side. It was, therefore decided to reduce this rate to 2 per cent for which negotiations had to be conducted with the architects. The matter remained under correspondence negotiations with the architects both in regard to the rate of fees as well as the maximum amount of fees payable to them (ceiling of fees) till 1968 when the revised agreements were signed and executed with the architects. The architects, however, continued to do the work during this period."

1.188. During evidence the witness stated that the work of designing was found to be done in the P & T Department at 2 per cent.

1.189. The Committee drew the attention of the witness to the fact that in the case of architect 'A' the drawings were to be submitted by 30th September, 1968, but the contract had been rescinded earlier on 28th September, 1968 on the ground that submission of drawings had been considerably delayed. Justifying the action, the witness deposed: "The word used here is that the Chief Engineer rescinded the contract. They were given cancellation notice of one month. It means it was not cancelled on that date but it would be effective one month hence. It was not only due to the delay in submitting the drawings. There was a change in the FAR prescribed for this area and the space requirement of the whole building was completely revised. It was decided that it was not possible to work on these drawings."

1.190. Explaining the change in the floor area, the witness continued: "The original contract was awarded in 1965. At that time the floor area prescribed in the whole zone called the Jhandewalan Extension Market was 150. Later on this was taken up in another context and FAR of this area was revised to 300. In fact, the Master Plan was amended to this extent. Later on we found that the space requirement that has been given on the basis of 150 FAR was not adequate enough to meet the requirements of the cycle dealers. A deputation of cycle dealers from the area from where

they were to be removed came and saw us." The Committee were also informed that the cycle merchants represented for increase in floor area in September, 1968.

1.191. Asked whether the decision to increase the floor area could not have been taken earlier, the witness stated: "This decision was taken in the context of the Jhandewalan Extension market and as it was represented by a large number of persons that it was a main market and it should be treated as a built up old market. Because it was one of the important construction schemes, it was decided that this market will have a floor area of 300. While this was given a 150 ft. floor area, this market was not mentioned in the list of markets considered as old markets. There were large number of representations both from the people who were holding plots in that area and from other public persons also that this should be reconsidered. The matter was reconsidered and it was found that it should be certainly enumerated along with other built up old markets. DDA thereafter passed a resolution on 13th April, 1967 that we should amend the Master Plan in this respect."

1.192. Clarifying as to why the contracts with architects A and B were not rescinded earlier when the DDA decided to amend the Master Plan in April, 1967, the witness added: "The decision that the FAR should be revised from 150 to 300 was a general decision. It was not necessary that it should be applied to the particular pocket in that zone. At that time there was no necessity to apply the higher rate for this market. It is only when the deputation of cycle people came and the difficulty was pointed out that it was thought that it is not possible to work this whole scheme for the benefit of the cycle merchants, and we must increase the floor area of cycle market. We decided we should take advantage of the FAR. By that time the contract had been rescinded."

1.193. Asked why preparation of a new plan was not entrusted to the architects 'A' and 'B' the witness replied: "We could have asked them, but we would have had to pay extra the same amount of fee as for the work they had already done. Instead of that, we asked for fresh quotations and entrusted part of the work to another architect and part of the work to our own department. Between the two of them the whole work is being done. The total cost involved now after paying off the compensation to the architects for the work done by them is still less than what we would have had to pay otherwise."

1.194. The Committee wanted to know whether fresh quotations were called for before entrusting a part of the work to architect 'C' for a lump sum fee of Rs. 60,000. The witness stated that tenders from some reputable firms of architects-cum-structural Engineers were called for; 7 of them responded and among them the lowest firm 'C' was selected. No negotiations were, however, conducted with architects 'A' & 'B' nor were quotations invited from them at that stage.

1.195. In a note submitted to the Committee, the Department of Works, Housing and Urban Development intimated the amount payable to architects 'A' and 'B' under the revised agreement and the value of the quantum of work done by them as follows:

"According to revised contracts entered into during 1968, fees were payable at 2 per cent of the actual cost or the negotiated estimated cost whichever is less. The maximum amount of fees on this basis worked out to Rs. 2,07,800 as indicated below:

I Block. Estimated cost Rs. 51.90 lakhs	
II Block. Estimated cost Rs. 52.00 lakhs	
	Rs. 103.90 lakhs

2 per cent of Rs. 103.90 lakhs-Rs. 207,800¹-. The value of the quantum of work done by architects 'A' and 'B' was assessed as Rs. 51,900 and Rs. 52,000 respectively, totalling, Rs. 1,03,900"

1.196. As regards the basis for the payment of compensation to architects 'A' and 'B', the Committee were informed during evidence: "They had to do the work in two phases. The first was the submission of preliminary drawings for which they were to be paid $\frac{1}{2}$ per cent. Then, they were to do what is known as the detailed scale drawings and some other work for which they were to be paid $\frac{3}{4}$ per cent. . . . But since there were some lacunae in the work which they had done, the whole thing was evaluated by the Chief Engineer and ultimately a negotiated price was arrived at and compensation was paid to them at the rate of 1 per cent."

1.197. The witness claimed a saving of Rs. 24,000 in entrusting part of the work to architect 'C' and the remaining part to the Department even after taking into account the payment of compensation to architects 'A' and 'B' as follows: "The estimated cost would have worked out to Rs. 2,07,300 if we had to pay them at the rate of 2 per cent which was payable to architects 'A' and 'B'. We got the

same work done and the total payment, including compensation, came to Rs. 1,83,900." The cost of the work done by the Department had been taken as Rs. 40,000 i.e., the rate applicable to the private architect."

1.198. The Committee note that the agreements with the Architects 'A' and 'B' were rescinded due to a decision taken in September, 1968 on a representative from cycle dealers to increase the floor area of the cycle markets to 300'. Earlier in April, 1957 when it was decided to amend the Master Plan to have a floor area of 300' in the Jhandewalan Extension market zone Government did not examine whether increase in floor area was justified in the case of cycle markets. Had this been done, at least a portion of the infructuous expenditure could have been avoided. However, as the Vice Chairman Delhi Development Authority stated that there had been actually a net saving of Rs. 24,000 due to partly awarding the work finally to Architect 'C' and partly carrying out the work departmentally, the Committee would not like to pursue the matter further except to point out that the rate for designing originally settled with Architects 'A' and 'B' was abnormally high. The Committee hope that the Department will be circumspect in future.

STRENGTHENING THE MAIN RUNWAY AT RUPSI AIRFIELD

Audit Paragraph

1.199. In response to an open tender enquiry notice, only two tenders were received in March 1962 from two contractors who were brothers. The lower tender of 35.37 per cent above the estimated cost of Rs. 4.34 lakhs was finally accepted after obtaining the earnest money deposit which the tender had failed to furnish along with the tender. The work which was commenced in December 1962 was completed in February 1966 (total expenditure of Rs. 8.02 lakhs) and it was finally measured in May 1966. But completion certificate has not so far been recorded and the final bill of the contractor awaits settlement since February 1967.

1.200. The work comprised two items, viz., carpeting and depression filling. On the basis of quantities assessed by the Department, it was estimated that there has been over-payment of Rs. 1.09 lakhs to the contractor in this work as explained below. The final position will be known only after the contractor's account for the work is finalised. The over-payment remains to be recovered (April 1969),

Amount of over-payment—(A) Rs. 95,417—Contrary to the instructions given by the Superintending Engineer in December 1963, the work of depression filling was measured, after laying carpet, by

digging holes at intervals of 30 ft. and inserting a foot rule, instead of measuring it by taking levels before laying carpet as required. The Executive Engineer followed the correct procedure upto March 1965 till payment of the contractor's 7th bill but later he revised the mode of measurement retrospectively for the entire work.

Further, under the instructions of the Superintending Engineer, depression filling was to be done in predetermined areas and the areas in which depression filling was done were to be recorded. These instructions were also not followed by the Executive Engineer. According to an assessment made by the Superintending Engineer (March 1968), this resulted in the work being over measured by 29,359 cft.

(B) Rs. 13,430—The specifications of carpeting work were revised by reducing the proportion of sand and bitumen. Instead, provision was made for premixed 'seal coat' over the carpeting work, as extra work, for having smooth surface. Payment for "seal coat" was made by the Executive Engineer at Rs. 3 per 100 sft. without the approval of the Superintending Engineer who subsequently approved the rate of Rs. 1.60 per 100. sft. only.

1.201. The Department stated (October 1969) as under:—

- (i) Audit's presumption that due to change in the mode of measurement, there had been excess payment on a quantity of 29,359 cft. is unrealistic. However, as the changed mode of measurement tended towards increase in the quantity in depression filling as compared with the original mode of measurement, Superintending Engineer has been asked to remeasure the work on the basis of level measurement and recover excess payment, if any, from the final bill of the contractor, which is still under process of examination. The circumstances under which the final measurement could not be recorded according to original and final levels and the disciplinary aspect of the case is being pursued by the Superintending Engineer and the vigilance section of the C.P.W.D.
- (ii) For the item of seal coat the contractor was paid the rate of Rs. 3 per 100 sft. against the rate of 3.05 per 100 sft. proposed by the Executive Engineer. In the final bill the contractor will be paid the rate of Rs. 1.60 per 100 sft. approved by the Superintending Engineer.
- (iii) Full amount due from the contractor will be adjusted during the payment of final bill, from his security deposit of

Rs. 23,325 lying with the Department and the balance recovered, if necessary, through legal action.

[Paragraph 55, Audit Report (Civil) 1970].

1.202. During evidence the Committee were informed that as against the tendered cost of Rs. 5.86 lakhs the final bill of the contractor came to Rs. 6.84 lakhs. In the final bill no amount was due to the contractor; instead a sum of Rs. 76,463 was recoverable from him after adjusting his security deposit.

1.203. The Engineer-in-Chief, CPWD stated that the quantity of depression filling was taken as 79,359 cft, and that on remeasurement it came to about 59,000 cft. The Department of Works, Housing and Urban Development in a note submitted to the Committee stated that the mode of measurement of premix carpet work on the basis of initial and final levels was laid down by the Superintending Engineer Calcutta Central Circle No. 1 in his letter dated 17.12.63. Asked as to how the mode of measurement was changed by the Ex-Engineer the witness informed the Committee during evidence as follows: "The history of this case is that payment was being made to the contractor on the basis of levels taken. On the 12th March, 1965, the contractor wrote to the Ex-Engineer.....It reads as follows:

"It has been observed this morning by checking the measurement with you in digging spot holes over runway that the actual thickness of work did not tally with your prepared level chart. If I would provide with the measurement according to your level chart, then I will be paid a huge less quantity than my actual work. So I did not agree with your measurement which is measuring through the level chart.

Under the above circumstances, I would therefore request you to arrange in such a way so that I can be paid as per the actual work executed."

On receipt of this letter, the Assistant Engineer made a reference to his Ex-Engineer on the same lines confirming that this was so. The Executive Engineer did not make any formal reference to the S.E. but there is a note on this letter on the file in which the Executive Engineer made a remark viz.

'I have informally discussed with Superintending Engineer on 23.3.65 and he has agreed with this method of measurement. The contractor's letter may please be put up for my perusal'.

.....This note of Executive Engineer shows that the Superintending Engineer had informally agreed.....It was due to these reasons that the mode of measurement was changed."

1.204. When the Committee enquired whether the Superintending Engineer had recorded any note confirming this, the witness replied in the negative. To another question the witness stated that no revised estimate was prepared consequent on the change in the mode of measurement.

1.205. As regards the original estimate of quantity of depression filling the Committee were informed that it was approximately 5000 cft. according to the preliminary estimates. In the detailed estimate the quantity was shown as 24,500 cft. Asked how this increased to 59,000 cft. on actual execution, the Engineer-in-Chief, CPWD stated "(The) estimate was received in the Chief Engineer's office was checked by SSW. At that time they pointed out that according to the scheme prepared by the Superintending Engineer the quantity should have been 1,60,000 cu.ft. He suggested certain changes. In his note he has again mentioned that due to the changes quantity would be 66,000."

1.206. The Committee wanted to know why seal coat was not contemplated originally. The witness stated that at that time it was not considered necessary; but he could not give any reasons.

1.207. In a note furnished to the Committee, the Department of Works, Housing and Urban Development explained the action of the Executive Engineer in allowing a rate of Rs. 3|100 sq. ft. for seal coat without the approval of Suprintending Engineer as follows:

"The Executive Engineer had proposed a rate of Rs. 3.87 per 100 sq ft. to the Superintending Engineer vide his letter dated 22.4.65. The Superintending Engineer in his letter dated 26.6.65 informed the Executive Engineer that the rate of Rs. 3.87 proposed by him was on the high side and it should be reviewed. The Executive Engineer proposed a rate of Rs. 3.05 on 10.6.66 and the Superintending Engineer approved the rate of Rs. 1.60 on 11.10.1966.

"It is common practice with the Department for the Executive Engineer to allow part payment upto 75 per cent on extra substituted items proposed by him for sanction to higher authorities after due scrutiny at his own level and responsibility. In this particular case, the Executive Engi-

neer in the first instance had proposed a rate of Rs. 3.87 and against this amount he had paid Rs. 3 keeping a margin of 0.87 paisa."

1.208. As regards present position of disciplinary action in this case, the Department intimated: "The Superintending Engineer has held that the officers concerned committed certain irregularities. The case is further being dealt within the Vigilance Unit. The explanations of the delinquent officers have been called for by the Vigilance Unit on receipt of which further action will be taken."

1.209. The Committee pointed out that it took more than 3 years to complete the work and wanted to know whether any penalty was imposed for the delay in completion. The witness state: "The Superintending Engineer had considered this case and he has given extension of time. The main reasons for extensions were three:

1. Approval of the sample of stone.
2. Arrangement of permit for stone boulder.
3. Heavy monsoon in that area.

Due to the above the work could not be done in time." Although heavy rains in the area was not a new factor according to the witness it was not apparently taken into account originally. To another question he added that approval of sample of stone could not be given as State Government did not give permission for stone boulders. The Committee enquired when the State Government was approached for the permit. The Department of Works, Housing and Urban Development stated in a note that a reference to the forest authorities of the State Government for a permit of boulders was made on 31.12.62 and the same was issued on 15.2.63.

1.210. The Engineer-in-chief informed the Committee that the final bill of the contractor had been finalised and that the completion certificate had been given by the Superintending Engineer.

1.211. The Committee referred to the over-payment of Rs. 76,463 to the contractor and asked how the Department proposed to realise it from him. The witness stated that the matter had been referred to arbitration. The Department in a note intimated that the date of first hearing was fixed for 29.9.70. Further hearings were to take place. In the meanwhile payment due to the contractor in respect of Works undertaken by him in two divisions had been frozen.

1.212. The Committee understand that the irregularities committed by the officers concerned in this case are being looked into by the Vigilance Unit of the CPWD and that on receipt of its findings departmental action will be taken. The Committee would like the investigation to be expedited and the action taken against the delinquent officials intimated to them at an early date.

1.213. The Committee further note that Government's claim for the recovery of overpayment of Rs. 76,463 has been referred to arbitration. The Committee may be apprised of the outcome of the arbitration proceedings.

1.214. One more aspect of this case to which the Committee would like to draw attention of Government is the grant of extension of time to the contractor for the completion of work. None of the three grounds on which extension was given seems to be valid. Firstly heavy monsoon in the area could not have been unforeseen and secondly permit for stone boulders the delay in issue of which reportedly by held up the departmental clearance of stone samples, was actually granted by the State Government in February, 1963. within three months from the date of request. The Committee wonder how extension of time could be granted on such patently untenable grounds. As no penalty could be recovered from the contractor, the Committee would like to be assured that there was no malafide behind the grant of extension. ...

Handling and Transportation contract

Audit Paragraph

1.215. On 16th March, 1965 Government of India Stationery Office, Calcutta, entered into a contract with the Central Road Transport Corporation (a Government of India undertaking) for clearance, handling and transportation of stationery stores from 1st April, 1965 to 31st March, 1966.

1.216. The performance of the Corporation during the contract period was considered by the Department to be unsatisfactory, in that there were several cases of unaccounted for damaged consignments, demurrage, etc. Nevertheless, on 5th February, 1966 a fresh contract for the period April, 1966 to March 1967 was executed with

the Corporation on the assurance from the Corporation that it had "since streamlined..... operations for handling..... transport and clearance work and the Corporation was now in a position to give better service."

1.217. During 1966-67 also the performance of the Corporation was not satisfactory and a total amount of Rs. 5.17 lakhs became due from it on various accounts mentioned above. Out of this, Rs. 0.11 lakh have been recovered leaving a balance of Rs. 5.06 lakhs (October 1969).

1.218. It has been stated by the Department (October 1969) that "the performance of the Corporation was, no doubt, considered to be generally not very satisfactory during the contract period 1965-66 as a whole; but towards the end of that year, some improvement in the performance was noticed. Further it holds assets of the Corporation worth Rs. 0.61 lakh in the shape of unpassed bills and that an arbitrator to adjudicate Government claims/disputes has since been appointed."

[Paragraph 41, Audit Report (Civil), 1970].

1.219. Drawing attention to the past unsatisfactory performance of the Central Road Transport Corporation, the Committee enquired what was the justification in executing a fresh contract with them for the year 1966-67 and also in giving them at rates higher than those obtained from tender. The Chief Controller of Printing and Stationery stated that in November, 1964, there was a general circular that this Corporation should be kept in mind while giving contracts of transport. He further stated: "Towards the end of the first contract, there was some improvement and we were assured of better performance in future.....there was a single tender for 1966-67 contract and his past performance was also not very satisfactory and as this was a cent percent Government organisation, it was felt that it would be safer to give the contract at 2 per cent above the quoted rate."

1.220. The Committee desired to be furnished with a comparative statement showing the rates of tender received for 1966-67 from a private contractor and those of the Central Road Transport Corporation.

1.221. The Department have furnished the following statement in this regard:

		Tender year from 1-4-1966 to 31-3-1967										
S. No.	Distance	Name of Tenderer	Packages of total weight upto (in Kgs.)									
			50	100	400	1000	2000	3000				
			Rs.	Ps.	Rs.	Ps.	Rs.	Ps.	Rs.	Ps.	Rs.	Ps.
1.	To sites within 3 miles radius	M/s.....	10.50	13.75	18.60	18.60	20.50	12.00				
		CRTC	11.00	14.00	19.00	19.00	21.00	12.50				
2.	To sites within 5 miles radius	M/s.....	11.00	14.00	18.60	20.00	20.50	12.00				
		CRTC	13.00	17.00	19.00	20.50	21.00	12.50				
3.	To sites more than 5 miles radius	M/s.....	13.50	16.75	20.00	20.00	22.50	12.25				
		CRTC	14.00	17.00	20.50	20.50	23.00	12.50				

1.222. Asked to state the amount payable private contractor, if the work had been awarded to him for the year 1966-67, the Department stated that Rs. 59,956.95 would have been payable to him as against Rs. 60,448.80 paid to CRTC during the year 1966-67.

1.223. The Committee were informed that short deliveries were first noticed in September 1965. It was only when the Supply had been completed that the fact of short delivery/non-delivery could be known to the Government. That was taken as a breach of contact.

1.224. Asked about the break up of the amount recoverable from the contractor the witness stated: "For demurrage and other charges, the total amount of Rs. 41,765 is due for outgoing consignment shortage, it is Rs. 11,000/- and odd and for incoming shortage it is Rs. 4.63 lakhs. The total comes to Rs. 517 lakhs."

1.225. An arbitrator was appointed in October, 1969, to adjudicate Government claims against the Central Road Transport Corporation. The Committee wanted to know why there was a delay of over 4 years in referring to arbitration.

1.228. The Department submitted a note containing the reasons which have been summarised in chronological sequence as follows:—

27-9-65	.	.	.	Defaults came to notice from this date.
Aug. 1966	.	.	.	CRTC stopped work.
12-9-66	.	.	.	Government preferred claim of Rs. 62,762.78 against Central Road Transport Corporation, after clearing CRTC's bills as per the decision of meeting of 7-9-66.
March, 1967	.	.	.	Central Road Transport Corporation preferred a counter claim amounting to Rs. 1,23,230.20 against Government.
Aug. 1967	.	.	.	Government of India Stationery Office preferred a consolidated claim (amounting to Rs. 5,06,074.64 in respect of all transactions till 31-3-67) and subsequently continued to press Central Road Transport Corporation for payment of its dues.
April, 1968	.	.	.	Government of India Stationery Office referred the matter to CCP & S. to take up the matter at a higher level.
July, 1968	.	.	.	CCP & S approached Department of Works, Housing and Urban Development and the Deptt. of Works Housing in turn wrote to the Ministry of Transport and Shipping to prevail upon the CRTC to settle the dues.
November, 1968	.	.	.	Ministry of Transport and Shipping wrote CRTC meanwhile, GISO obtained legal advice about the fitness of matter for arbitration. The advice was to try to realise the dues from the pending bills of other Government departments, to send a strong reminder to the Ministry of Transport and Shipping and lastly to give CRTC last chance to pay the dues failing which the matter be referred to arbitration.
February, 1969	.	.	.	Department of Works and Housing was informed about the legal advice.
March, 1969	.	.	.	Reminder sent to Secretary, Ministry of Transport and Shipping.
April, 1969	.	.	.	GISO served the CRTC with a formal notice to pay the dues within 15 days.
June, 1969	.	.	.	GISO requested CCP & S for arbitration.
July, 1969	.	.	.	Department of Works, Housing and Urban Development again wrote to Ministry of Transport and Shipping if it would be possible for the CRTC to clear the dues by August, 1969.
October, 1969 (first week)	.	.	.	Department of Works, Housing and Urban Development informed Chief Controller of Printing and Stationery, advising them to appoint an arbitrator.
16-10-1969	.	.	.	Orders were issued for the appointment of an arbitrator.

1.227. To an enquiry about the present position of the arbitration, it was stated that the case was now pending with the sole arbitrator. It is understood that the arbitrator under his orders dated 30th January, 1971 has given time to the claimant (Union of India) to file application, draft issues and admission|denials of respondents documents by the 22nd March, 1971.

1.228. The Committee note that Governments' claim for Rs. 5.06 lakhs against the Central Road Transport Corporation has been referred to arbitration. The Committee would like to be apprised of the outcome.

NEW DELHI;
July 8, 1971.
Asadha 17, 1893 (Saka).

ERA SEZHIYAN,
Chairman,
Public Accounts Committee.

APPENDIX I

[Ref. para 1.18 of the Report]

Details of cases of damages that went to the Court of Law and the decisions were against the orders of the Directorate of Estates

1. Allotment of shop No. 33 Sarojini Market was cancelled and damages were assessed at Rs. 300/- p.m. The party did not agree to this rent and appealed to the Court of Law. The learned Additional District Judge *vide* his orders dated 8.1.65 ordered that the allottee may be charged rent at double the rate recoverable from her before the cancellation of allotment.

2. Allotment of shop No. 4, Sarojini Nagar was cancelled and damages at Rs. 300/- p.m. were claimed from the party for the period of cancellation *i.e.*, 1.2.60 to 31.3.64 the party appealed to the Additional District Judge who accepted the appeal partly and reduced the rate of damages to Rs. 90/- p.m. *i.e.*, double the normal rent. The learned judge further stated that the damages should not exceed twice the agreed rent for the period of unauthorised occupation.

3. Allotment of shop No. 364 Pleasure Garden Market was cancelled and damages were assessed at Rs. 97/- against Rs. 30/- charged from him previously. The party appealed to the Court of Law and the damages were reduced to Rs. 51/-p.m. for the period 1.1.62 to 30.11.64.

4. Allotment of shop No. 95 Kamla Market was cancelled from the name of allottee, Shri Kanshi Ram and he was charged damages at the rate of Rs. 90/- p.m. instead of Rs. 18/- charged from his previously. The party appealed against this order of the Estate Officer and the Additional District Judge, Delhi *vide* his judgment dated 1st December 1969 ordered that the damages may be recovered at Rs. 18/- p.m. The learned judge further ordered that the allottee may not be treated as new allottee and charged economic rent of Rs. 60/- p.m. but may continue to be treated as old allottee and charged concessional rent of Rs. 18/- p.m.

5. Licence of shop No. 155, Nanakpur Market was cancelled with effect from 1.6.1964 and the licensee was assessed damages at the rate of Rs. 84/- per month in place of previous rent of Rs. 42/- per month. The Estate Officer passed orders for the damages at

double the rent i.e. Rs. 84|-per month. But in appeal, the District Judge, Delhi in PPA No. 67 of 1969 *Khazan versus Estate Officer* allowed the appeal to the extent of the excess demand of rent above the rate of Rs. 42.00 p.m. on the ground that in absence of any specific evidence about the prevalent market rate there, there is nothing to take it that the same is more than Rs. 42|- per month. The rationale of the judgement was that in every case where the damages is charged, evidence should be led by the department as to what is the market rent in the locality and that market rent can only be charged as damages.

6. By this time, the judgment of Delhi High Court in the case of *Hindustan Steels (Pvt.) Ltd.—Appellant versus Smt. Usha Rani Gupta*—respondent was pronounced by Delhi High Court reported in *All India Reporter 1969, Delhi* at page 59. In this case, their Lordships held as under:—

“Where the tenant fails to deliver up possession of the premises to the landlord on the expiry of his lease, he is not liable to pay damages at the rate of double the rent if the landlord leads no evidence to prove the actual damages suffered by him for the period during which the tenant holds over.”

“The rule of double the rent was based on English statutes. There is no warrant for extending it to India where in the absence of a statute the Liability of a person wilfully holding over cannot be made to exceed that of a trespasser”

“In the absence of a statutory provision to the contrary, the only liability of a trespasser or a person in wrongful possession of the property is for payment of means profits to the lawful owner or the person lawfully entitled to possession.”

“The problem has, therefore, to be approached from the tenant's end. What has to be seen is what profit he, who is in wrongful possession, has actually received or might with ordinary diligence have received therefrom. *A.I.R. 1930 P.C. 82, Rel. on.*”

7. After the pronouncement of this judgement, it become necessary to modify the earlier policy of the levy of damages at double the normal rent irrespective of evidence in each case. The damage was to be assessed to the actual letting out value of the premises on proper evidence from the side of the Department.

APPENDIX II

[Ref. : Para 1.29 of the Report.]

PARA 42 OF AUDIT REPORT (CIVIL) 1970.

Statement showing position of 23 cases pertaining to recovery of Rent/Damages wherein proceedings for recovery under the Public Premises (Eviction of Unauthorised Occupants) Act, 1958 have been completed.

S. No.	Shop No.	Effective date of cancellation	Period	Amount originally assessed and referred to Collector	Amount now due on the basis of revised rates of damages	Amount received if any.	Remarks.
1	2	3	4	5	6	7	8
SRINIVASPURI MARKET :							
1.	226	1-11-65	1-11-65 to 30-6-68	2688.00	1273.90	..	Originally referred to Collector on 20-12-68. Recovery stayed due to contemplated revision of rates. Revised claim could not be sent to the Collector as the relevant provision of Eviction Act had been declared void by the Delhi High Court.
			1-7-65 to 31-10-65	129.10	129.10	129.10	
2.	120. . . .	1-6-64	1-7-65 to 31-5-68	3552.00	2167.20	..	Originally referred to Collector on 13-12-68. Recovery stayed due to contemplated revision of rates. Revised certificate

									could not be sent to the Collector as the relevant provision of Eviction Act had been declared void by Delhi High Court.
				1-12-62 to 31-5-64	650.00	365.78	..		Originally referred to Collector on 1-2-69 and recovery stayed. Revised certificate referred to Collector on 16-6-70.
3.	202.	.	.	25-1-64	1-10-67 to 30-6-68	1782.00	957.87	957.87	..
4.	205	.	.	1-6-64	1-6-64 to 30-6-68	3822.00	2054.57	..	Originally referred to Collector on 20-12-68. Recovery stayed. Revised certificate referred to the Collector on 31-3-70.
5.	204	.	.	1-6-64	1-6-64 to 30-6-68	3822.00	2054.57	..	Originally referred to Collector on 13-11-68. Recovery stayed. Revised certificate referred to Collector on 31-3-70.
					1-10-63 to 31-5-64	307.00	307.00	..	Referred to Collector on 19-9-66.
6.	8	.	.	1-6-64	1-2-66 to 31-8-66	3288.00	1966.33	1966.33	..
7.	124	.	.	1-6-64	1-7-64 to 31-8-68	3495.00	1888.53	..	Originally referred to Collector on 1-2-69. Recovery stayed. Revised certificate could not be sent to Collector as relevant provision of Eviction Act had been declared void by the Delhi High Court.
8.	121	.	.	1-10-64	1-10-66 to 31-8-68	2484.00	1335.15	336.00	Referred to Collector on

1	2	3	4	5	6	7	8
							20-12-68. Recovery stayed. Revised certificate could not be sent to Collector as relevant provision of Eviction Act had been declared void by Delhi High Court.
			1-4-66 to 30-9-66	308.00	308.00	308.00	..
9.	116	1-6-64	1-6-64 to 31-8-64	3570.00	2149.00	..	The case was at hearing stage when Eviction Act was declared void by Delhi High Court.
			1-4-64 to 31-5-64	55.00	55.00	55.00	..
10.	115	1-6-64	1-6-64 to 31-8-68	4152.00	2009.38	..	Originally referred to Collector on 8-1-69. Recovery stayed. Revised certificate could not be referred to Collector as relevant provision of Eviction Act had been declared void by Delhi High Court.
11.	206	1-6-64	1-7-63 to 31-5-64	448.00	448.00	448.00	..
12.	S. W. opposite shops No. 227-228, Sri- nivaspuri Market		1-5-64 to 30-9-64	37.20	37.20	..	Referred to Collector on 9-1-67.

R. K. PURAM MARKET.

13.	27 SII	1-3-65	1-3-65 to 30-6-67	4256.00	2287.88	2287.88	..
			1-1-65 to 28-2-65	93.14	93.15	93.15	..

BABU MARKET

14.	58	1-11-65	1-1-66 to 30-6-68	2340.00	1085.76	..	Originally referred to Collector on 24-12-68. Recovery stayed. Revised certificate could not be referred to the Collector as relevant provision of Eviction Act had been declared void by D.H.C.
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SAROJINI MARKET

15.	82	1-2-61	1-6-61 to 31-5-65	3613.75	3613.75	603.75	Referred to the Collector on 10-3-66.
			1-6-65 to 28-2-69	5400.00	5400.00	5400.00	..

ANDREWSGANJ MARKET :

16.	6	1-6 -64	1-12-64 to 31-7-68	4714.00	2261.00	..	Originally referred to Collector on 20-12-68. Recovery stayed. Revised claim could not be sent to the Collector as relevant provision of Eviction Act had been declared void by Delhi High Court.
17.	28	1-6-64	1-12-64 to 31-7-68	4049.97	1995.52	1070.93	Originally referred to Collector on 24-12-68. Recovery stayed. Revised certificate referred to Collector on 31-3-70.

1	2	3	4	5	6	7	8
18.	4	1-7-65	1-4-66 to 30-6-68	2788.00	1509.30	1047.91	Originally referred to Collector on 26-11-68. Revised claim referred to Collector on 31-3-70.
19.	34	1-6-64	1-6-64 to 10-3-66	1364.64	865.27	..	Originally referred to Collector on 16-11-68. Revised claim referred to Collector on 21-2-70.
			1-4-64 to 31-5-64	64.00	64.00	..	Referred to Collector on 12-6-67.
20.	2	1-7-65	1-3-66 to 31-7-68	2383.00	1346.67	1214.16	Originally referred to Collector on 24-12-68. Revised certificate could not be referred to Collector as relevant provision of Eviction Act had been declared void by Delhi High Court.
KAMLA MARKET :							
21.	229	1-5-61	1-10-67 to 30-11-68	2232.00	1632.00	1632.00	..
I. N. A. MARKET (PLATFORM ONLY)							
22.	97	1-11-64	1-5-66 to 30-6-68	480.00	480.00	480.00	..
23.	223	1-12-67	1-11-64 to 30-11-67	333.00	333.00	270.00	Referred to the Collector on 9-7-68.
TOTAL				..	68710.81	42428.88	18300.08

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APPENDIX III

[Ref. para 1.31 of the Report]

EXTRACT FROM FILE No. DE/Mkt.5(1)58/II

DIRECTORATE OF ESTATES

(MARKET SECTION)

There are several markets under the administrative control of this Directorate, out of which 4 markets (Sarojini Market, New Central Market, Kamla Market and Pleasure Garden Market) were allotted to displaced persons by Ministry of Rehabilitation prior to 1958. Some of these allotments were made on the basis of terms of tenancy as on p.11/c and others on the basis of declaration as on p.9/c of part (1) of this file, linked below. Terms of tenancy were neither executed on any stamp paper nor were these formally accepted on behalf of the President. Copy of Allotment order is as on p. 10/c-vol.I—Slip 'B'.

2. As these terms and conditions were not considered to be satisfactory, another Lease Deed form was drafted) as per copy on p. 37/C) in consultation with Ministry of Law (*vide* p. 12/ante) and some of the allottees were asked to execute the same, as a test case. They have objected to the same. One of them (allottee of shop No. 8, Kamla Market) stated that he is already a tenant and that execution of fresh Licence Deed amounts to putting new conditions to which he is not agreeable. Another allottee (shop No. 2, Sarojini Mkt.) stated that the Lease Deed varies substantially to his disadvantage. Their and other replies received, are placed below for reference.

3. In view of the above position, Ministry of Law may kindly advise as to what extent we can insist upon execution of Lease Deeds in place of the existing terms of Tenancy and Declaration etc. referred to in para 1 above.

Sd/-

16-2-68
Deputy Director of Estates
(Phone No. 30141)

Ministry of Law (Advice 'A' Branch).

DE U.O. F. No. DE (Mkt.) 5/1/58 Pt. II, dt. 17-2-68.

The execution of a fresh lease also in place of existing leases or allotments on the basis of certain terms cannot be actioned without confirmation of the tenants/allottees as the case be. They cannot be forced to execute a fresh lease deed on new terms.

2. The easier way would be to terminate the tenancy or cancel the allotment of the tenant or allottee who do not agree to new lease by giving the requisite notice and then they would come to terms and in all probability would agree to new terms unless they are very onerous.

3. This is the general position but in case of individual case, we would like reference to be made individually.

Sd-27-2-68

Assistant Legal Adviser,
M/o Law, Deptt. of Legal Affairs

DTE OF Estates

M/Law U.O. No. D31183/68, Adv. W.&H., dt. 28/2/68

J.S. (A) last saw this case at page 38 ante, which relates to consideration of the question of execution of new lease deeds by the old allottees of Rehabilitation markets, who had not executed any formal agreements at the time of allotment of shops. Advice of the Ministry of Law was to the effect that the said allottees could not be compelled to execute the new agreements as entering into an agreement was an act of volition. The course, of first termination the existing tenancies or cancelling the allotments, with a view to bringing them on the new terms, although legally permissible was not favoured administratively. To safeguard Government interests in the matter, communications, as advised by the Ministry of Law, have already been issued to the allottees/tenants.

2. My predecessor, had, however, raised a point whether it would be permissible to insist on the allottees executing lease/licence deeds from a date after 1.4.1958. This point is, in my view, also answered by the previous opinion of the Ministry of Law, and the same is not possible. In view of this, we may allow the matter to rest as they are.

J.S. (A) may kindly see.

Sd/-

24-10-1968

JS. (A).

Please put up a list of these cases.

Sd/-

25-10-1968

D.D. (O).

Ref. orders of J.S. (A) above. In this connection, it may be stated that there are about 850 such cases (where Licence/Lease have not been got executed from the old allottees).

Submitted for further instructions please.

Sd/-

25-11-1969.

D.D. (O).

Sd/-

25-11-1969.

ADDL. D.E.

Sd/-

25-11-1969.

J.S. (A).

The number of such cases is large and the displaced persons have been in possession of these shops for almost 20 years. They are refusing to sign the licence deeds. Normally, action in such a case would be to cancel the tenancy and take proceedings for eviction. This is likely to create major administrative problems and it may not be easy to work out the consequential re-adjustments. In the circumstances there appears to be no option except to allow *status quo* to continue.

Sd/-

28-11-1969.

Secy.

I agree. But in the cases in which parties have, in their replies to our earlier notices, claimed proprietary rights of the shops in their occupation or made any other untenable claims, we should put the record straight by pointing out that they are in the position of tenants of Government.

Sd/-

29-11-1969.

Appendix IV
(Ref. Para 1.33 of the Report)
DIRECTORATE OF ESTATES
INSTRUCTIONS
For Administration of
MARKETS

1. Allotment.—(a) Vacancies would be filled up, as a rule, by inviting open tenders.

(b) All allotments will be made only on leave and licence basis.

The allottee will have to:—

(i) deposit the full amount of security deposit and advance rent; and

(ii) execute a licence deed in the prescribed form on a properly stamped paper, before the occupation slip is issued to him.

2. Security Deposits.—Whenever a fresh allotment is made, two months licence fee determined for the shop shall be taken as security before occupation slip is issued to the party.

3. Rents.—(a) All allottees in the four Rehabilitation Markets (Pleasure Garden Market, Kamla Market, New Central Market and Sarojini Market) who held a valid allotment from a date prior to 1.4.1958 and whose allotments subsist, would normally continue to pay the rent prescribed by the Ministry of Rehabilitation.

(b) In the case of new markets, the licence fee shall be in accordance with the rent formula prescribed by the Government.

(c) Where premises are allotted by tender, the licence fee shall be as offered in the accepted tender.

(d) Rent/licence fee shall be paid by the allottee in advance before the tenth day of each month.

(e) If the rent/licence fee is not paid by the allottee for a period of two months, the allotment shall be liable to be cancelled.

4. Restriction of Trades.—When a shop is allotted for a specific trade (*viz.*, restaurant, halwai shops, atta chakkis and meat/fish and poultry shops), the allottee shall not ordinarily be allowed to change that trade. The allottees of other shops may carry on any trade of their choice. If any one offends against the bye-laws of the local body concerned, it would be for that body to take appropriate action.

5. Additions|Alterations.—Allottees shall not carry out any additions or alterations. Where any addition/alteration is required by an allottee, he should apply to the Directorate of Estate who would examine the request in consultation with the C.P.W.D. Where any addition or alteration is sanctioned by the Directorate of Estates, the work will be carried out by the C.P.W.D. and the allottee charged such extra rent/licence fee as may be determined by the Directorate of Estates.

6. Encroachments.—Encroachments on verandhas and other open spaces within the market shall not be permitted. If any such encroachment is noticed, the allottee of the shop concerned shall be asked to remove the encroachment within a period of one month. If he fails to do so, his allotment will be cancelled and necessary steps taken to evict the allottee.

7. Mutual Exchanges.—Mutual exchanges may be permitted at the discretion of the Directorate of Estates either within the same market or between different markets provided the parties:—

- (i) furnish an affidavit to the effect that the mutual exchange is requested by mutual agreement and consent;
- (ii) specify the trade which they propose to carry on in the mutually exchanged shops. (The trade shall not be such as are likely to offend the bye-laws of the local body); and
- (iii) agree to pay the revised rent/licence fee fixed for the respective shops at the time the exchange is applied for and execute fresh licence deeds.

8. Partnerships.—(a) An allottee may be permitted to enter in to a partnership with one or more persons provided—

- (i) all the arrears of rent/licence fee, if any, in respect of the shop are cleared;

(ii) a fresh licence deed on the revised licence fee fixed for the shop at the time is executed by all the partners; and

(iii) the partnership deed is registered under the Indian Partnership Act.

(b) In the event of a creation or dissolution of the partnership and/or the allottee relinquishing his rights in favour of a third party, the provisions of para 9 below will apply.

9. Subletting.—Sub-letting of a shop by an allottee will give the right to the sub-lettee to apply for the allotment to be regularised in his name and cancellation of the original allotment will follow. The new allottee will have to pay all the outstanding dues and execute a fresh licence deed. The licence fee in such cases will be fixed at an amount 50 per cent. more than the market rent prescribed for the shop.

10. Cancellations.—Allotments are liable to be cancelled for any of the following reasons:—

- (i) keeping rent/licence fee in arrears for a period exceeding two months;
- (ii) sub-letting;
- (iii) encroachment on verandahs and other open spaces.
- (iv) Unauthorised additions/alterations;
- (v) any breach of the terms of the licence/lease deeds.

11. Damages.—When an allotment is cancelled, damages shall be claimed for the period of overstay at double the rate of agreed rent/licence fee or 50 per cent. more than the market rent prescribed for the respective shop at the time of cancellation, whichever is higher.

12. Restoration of allotments.—(a) Requests for the restoration of any allotment which has been cancelled, may be considered where the following conditions are satisfied:—

- (i) the cause of cancellation is removed by the allottee;
- (ii) all the arrears of rent/licence fee or dues from the party on the date of the cancellation are deposited by him with the Directorate of Estates; and

(iii) the allottee (notwithstanding the fact whether he is an allottee of the original Rehabilitation markets referred to in para 3(a) above), agrees to execute, with effect from the date of cancellation a fresh licence deed on revised rent fixed for the shop, at the time of restoration.

(b) Restoration of allotments shall be effected only with the prior approval of the Director of Estates.

13. The above instructions will also apply to flats in the Kamla, New Central and Sarojini Markets.

14. In the event of any dispute between an allottee and the Directorate of Estates arising out of the interpretation of these instructions, the decision of the Director of Estates shall be final.

APPENDIX V

[Ref. para 1.66 of the Report]

GOVERNMENT OF INDIA

MINISTRY OF HEALTH AND FAMILY PLANNING AND
WORKS, HOUSING AND URBAN DEVELOPMENT

(DEPARTMENT OF WORKS, HOUSING AND U.D.)

No. 14014-1-(1)|70-UD

New Delhi, dated 2-5-70

To

The Lt. Governor,
Delhi.

SUBJECT: Review of J. J. R. Scheme

Sir,

I am directed to convey the sanction of the President to the development of plots of 25 sq. yds. each on the periphery of Delhi at a cost not exceeding Rs. 800/- per plot, for allotment to "Ineligibles", i.e. post July, 1960 squatters under the J. J. R. Scheme. This amount includes the cost of land, its development and provision of lavatories, drinking water supply and other essential services according to prescribed standards.

2. Rent at Rs. 8 p.m. per plot will be recovered from the allottees which is inclusive of Re. 1 p.m. for water and conservancy charges.

3. The amount involved is debitable to the sub-head 104-Delhi Capital Outlay-G-1 (4)-Housing Scheme—Jhuggies and Jhompris Removal Scheme (Plan), and should be met from within the sanctioned budget grant for the implementation of the scheme in the Capital Demand of the Delhi Administration administered by the Ministry of Home Affairs.

Yours faithfully,

Sd|-

Under Secretary to the Govt. of India.

APPENDIX VI

[Ref. para 1.90 of the Report]

Extract of para 3 from Office Memorandum No. 21011 (3) |67-Pol. dated 22nd June, 1968 from the Ministry of Works, Housing and Supply (Department of Works and Housing)

3. "It may be pointed out that in Northern India Caterers Private Ltd., Vs. the State of Punjab (A.I.R. 1967 S.C. 1581), the Supreme Court declared section 5 of the Punjab Public Premises and Land (Eviction and Rent Recovery) Act, 1959 void on the ground that the section was discriminatory and violative of Article 14 of the Constitution in as much as it conferred an additional remedy over and above the usual remedy by way of suits and provided two alternative remedies to the Government leaving it to the unguided discretion of the Collector to resort to one or the other. Since the object and the procedure prescribed by the Public Premises (Eviction of unauthorised occupants) Act, 1958 are also similar to those of the Punjab Act, it was felt that in order to meet the objections raised in the aforesaid judgement of the Supreme Court suitable amendment should be made to the 1958 Act. Recently, the Delhi High Court has, in Hukam Chand Vs. S. D. Arya etc. declared section 7(2) of the 1958 Act as *ultra vires* of the Constitution. The Delhi High Court has also observed that section 5 of the Act, 1958 must also be held to be tainted with the same Constitutional infirmity which was held to invalidate section 5 of the Punjab Act."

APPENDIX VII

[Ref. Para. 1·96 of the Report.]

Sl. No.	Purpose of Scheme	Original No. of plots	No. since utilised	Balance	Remarks.
1	2	3	4	5	"
1.	Construction of houses	786	678	108	The construction of houses on the plots is carried out according to the availability of financial resources. Most of the plots have been constructed upon and the houses/flats allotted to the public. The construction work on the remaining plots is likely to be taken up shortly.
2.	Alternative allotment	894	214	680	These plots are reserved for alternative allotment to those persons whose lands have been acquired by the Govt. for development of the colonies. Certain formalities have to be completed before the alternative allotment is made. It is a time consuming problem and the allotment is likely to be completed gradually over a number of years.
3.	Widows of Defence Personnels	83	8	75	Allotment will be made on receipt of recommendations from the Secretary, Land and Building Deptt., Delhi Administration.
4.	Burma Repatriates	30	..	30	Allotment will be made in due course on receipt of demand.
5.	Village redevelopment	140	..	140	These plots have been reserved for villagers in Naraina, Safdarjang and Najafgarh Road Residential Schemes, whose houses are likely to be effected by

the development schemes of the D.D.A. The development plans of the various villages are under consideration and the allotment of these plots will be made only after plans have been finally approved.

6. Displaced persons	13	13
7. Convenient shops	63	63

These plots have been reserved for allotment to the persons evicted under the demolition programme. As the programme is gradual and projected over coming years, the plots have to be reserved to meet the demands for the future.

These plots are available in the various residential colonies developed by the D.D.A. Some of these plots have not yet been properly demarcated. It has been decided to build structures on these plots by the D.D.A. and sell the constructed shops to the public. All these plots are likely to be utilised shortly.

50

2000	900	1109
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APPENDIX VIII

[Ref. : Para 1.97 of the Report.]

S. No.	Name of scheme	No. of plots shown as not disposed of	No. of plots not fully demarcated	Plots actually available for disposal	No. of plots now disposed of	Balance	Remarks
1	2	3	4	5	6	7	8
1.	Safdarjang . . .	111	91	20	11	9	A proposal for their disposal has already been sent to F. M. in file No. F. 1 (20) 70-LSB (R).
2.	Najafgarh Road. . .	19	19	..	..	..
3.	Naraina . . .	161	59	102	69	33	20 plots are upto 150 sq. yds. and 13 plots are 150 to 400 sq. yds. A proposal for the disposal of 125 to 150 sq. yds. has already been sent to F. M. for approval.
4.	Jhilmila Phase I . .	107	39	68	45	23	These plots were put to auction but there was no bid.
5.	East of Kailash . .	14	14	..	..	..
6.	Jhilmila Phase II . .	301	146	155	2	153	A programme for 153 plots taken over was drawn up previously but there wa

no bid and this these plots are lying undisposed of.

7.	Pankha Road	1544	429	1115	180	935	These plots are not being disposed of due to poor response of the public.
8.	Masjid Moth	20	..	20	10	10	A proposal for their disposal has already been sent to F. M.
9.	Friends Colony	61	38	23	12	11	Action for disposal being taken.
10.	Wazirpur Phase I and II	416	211	205	..	205	
		2,754	1,046*	1,708	329	1,379	

*These plots are not fully demarcated. Hence not taken over for disposal.

APPENDIX IX

[Ref. Para 1-141 of the Report.]

JANPATH

Shop No.	Highest Tendered Rent
1.	585.00
2.	725.00
3.	935.50
4.	1550.00
5.	1552.87
6.	841.39
7.	Scheduled Caste.
8.	1230.00
9.	Scheduled Caste.
10.	1310.00
11.	1300.00
12.	2251.00
13.	635.53
14.	625.00
15.	No tender.
16.	600.00
17.	Scheduled Caste.
18.	1310.00
19.	1111.00
20.	1750.00
21.	Scheduled Caste.
22.	1351.00
23.	1285.00
24.	679.00

Shop. No.	Highest Tendered Rent.
25.	2125 ⁰⁰
26.	1464 ⁰⁰
27.	No tender.
28.	750 ⁰⁰
29.	750 ⁰⁰

APPENDIX X

[Ref. para 1.143 of the Report]

A chronological sequences of events that are connected, with fixation of rent of shops at Janpath is given below:—

On 18-8-68 representatives of the stall holders of Janpath saw JS(A) and requested for allotment of the shops built at the composite building to them. They pointed out to the then H. M. that Shri — and P. M. had assured them that these shops would be allotted to them.

2. On 26-8-68, the then H. M. desired that the pre-determined rent may be ascertained. The E. E. (Rents) was asked on 28-8-68 to work out the rents and he intimated rent of Rs. 1.42 per sq. ft. as the economic rent for these shops. The question of charging this economic rent was referred to the Ministry of Finance. Ministry of Finance (on 18-5-68) did not agree to the allotment of shops to stall holders and desired that these shops should be allotted on tender basis. On 8-10-68, Secretary wanted to know whether any commitment had been made to stall holders for allotment of these shops.

3. The then Minister—attended a function held by the Janpath Traders Association on the occasion of Republic Day and assured the Association that the 29 shops would be allotted to them at rents as may be fixed in consultation with the Ministry of Finance. On 17-12-68, a representation was received from P. S. to H. M. asking the detailed note for the P.M. This was sent on 3-1-69 on 29-1-69 H. M. clarified that the stalls will be let out to Janpath stall holders after the rent payable by them is determined by Finance. The basis of rents should be per sq. ft. of carpet area and the question of fixation of rent should be referred to the Ministry of Finance. The file was sent to Ministry of Finance on 31-1-69 and that Ministry agreed that 22 stall holders just in front of the building may be shifted to these shops on the condition that they will pay rent at the rate of Rs. 4/- per sft. taking into account 50 per cent of the loft area. That Ministry wanted the remaining shops to be allotted on tender basis. On 29-1-69, the shops became available for occupation and intimation to this effect was received. On 12-4-69 another representation was received from the staff holders. At this stage, the economic rent for the shops was re-calculated and a rate of Rs. 2.25 per sft. per month was recommended. The matter was

again reviewed and on 18-5-69, Secretary suggested that rent may be charged at the rate of Rs. 1.42 per sft. as worked out earlier by E. E. (Rents) because NDMC had also charged the rent at the rate of 90 paise per sft. for shops in Mohan Singh Place. On 17-5-69, a detailed note was submitted on the file which was referred to the Ministry of Finance for concurrence. The file was received back on 12-6-69 under the signatures of the then Minister in the Ministry of Finance, agreeing to the allotment of 22 shops to the Janpath stall holders on payment of rent at the rate of Rs. 3|- per sft. That Ministry, however, wanted that quota of Scheduled Caste should not be ignored. On 30-6-69, Minister ordered that reservation for Scheduled Caste may be made in this Market also. A meeting was held with the traders on 8-7-69 and as a result of 'on the spot' inspection it was finally decided that 25 stalls bearing Nos. 19 to 43, in front of the building may be shifted. It was decided to refer the case of fixation of rent at lower rates to the Dy. P.M. It was decided that Delhi Administration should recommend the names of 4 Scheduled Caste persons for allotment of these shops who are covered by the Gadgil Assurance. On 2-9-69 the Minister ordered that the question of fixation of rent may be settled as early as possible as shops were lying vacant. Minister took up the matter with the Minister of State in the Ministry of Finance. The traders were called and asked to deposit Rs. 5,000|- as security and occupy the shops leaving the question of rent to be settled later on. The traders, however, did not agree to this and matter was put up to Minister on 15-9-69. On 21-9-69, Minister pointed out that question of rent had been taken up with the Minister of State (Shri Sethi), Ministry of Finance and desired that the matter should be pursued. The Minister further approved proposal to allot 4 shops to Scheduled Caste Community by draw of lots. On 24-9-69, the file was again put up and MS(WH) ordered that since Shri . . . was out of station, the matter may be taken up with Prime Minister. The file was accordingly sent to Prime Minister's Secretariat on 30-9-69. Secretary to the Prime Minister wanted to know how the rent had been worked out. On 24-10-69, Secretary recorded a minute that the matter had been discussed with Shri Sethi who had agreed to finalise the case of Fixation of rent at economic rates. On 14-11-69, file was again submitted and Minister sent a d.o. reminder to Shri Sethi explaining the position of the case. Interim reply to the d.o. letter was received. On 6-12-69, the Minister for Supply and Finance sent a reply agreeing to the rent being charged at the rate of Rs. 2.25 per sft. and allotment of shops to stall Holders. On this communication from Shri Khadilkar, Secretary recorded a note that traders will not agree to this high rent as NDMC had charged much less rent for the shops in Mohan Singh Place.

Secretary suggested that matter may be discussed with the Finance Ministry. On 21-1-70 Minister recorded a minute that he had discussed the case with Prime Minister and she appreciated the point of view of the Ministry. He ordered a shelf-contained note may be sent to Prime Minister. On 31-1-70, a reference was made to the Prime Minister. This was followed by a d.o. reminder on 24-2-70. On 31-3-70 file was again put up to Secretary who recorded a note that he had spoken to Shri Haksar for expediting the case. On 26-3-70 when the file had earlier been submitted, Secretary discussed the case with Finance Secretary and also issued a reminder on 4-4-70. On 17-3-70, P.M. wrote to our Minister that rent may be charged at the rate of 2.25 per sft. This was discussed by Minister with Km. and Secretary recorded a note dated 6-4-70 that he had discussed the case with the officers of the Finance Ministry who appreciated the point of view of this Ministry and would advise their Minister accordingly. On 30-4-70, a letter was received from Jt. Secretary Ministry of Finance, agreeing to the proposal of this Ministry to charge at the rate of Rs. 1.42 per sft. A meeting was immediately arranged with the traders on 2-5-70 and traders did not agree to pay even this rate of rent of Rs. 1.42 per sft. They, however, offered to accept the allotment of the shops on payment of rent at the rate of 55 to 60 paise per sft. There was a dead-lock in the meeting and it was decided that shops (25) may be allotted on tender basis and 4 shops to Scheduled Caste persons on payment of economic rent.

4. Tenders were invited from general public and opened on 26-5-70, but before allotments could be made to highest bidders the Janpath stall Holders obtained a stay order from the High Court, Delhi. The case was heard on 28th and 29th May, 1970 and postponed till re-opening of Court after vacation.

5. The case was heard again on 16th July, 1970 and the learned Judges dismissed the Writ Petition as being premature leaving Govt. free to allot these shops as it desired. It has since been decided at Prime Minister's level that these shops may be allotted to Janpath stall holders on payment of rent at Rs. 1.42 per sft. taking loft area at 25 per cent. The stall holders were called to a meeting to discuss this and they have agreed to pay this rent.

APPENDIX XI

[Ref. Para 1.178 of the Report]

IMMEDIATE

CENTRAL PUBLIC WORKS DEPARTMENT

No. CE/Acctt./422

Dated New Delhi, the 9th July, 1970.

MEMORANDUM

SUBJECT: *Cash settlement—Simplification of financial Rules and Accounting procedure.*

The new system of Financial Accounting for Cash Settlement of Inter Departmental transactions came into force with effect from 1st April, 1965 replacing the old system of transfer between P. W. Officers and adjustment between various departments. The object of the new procedure was to eliminate delay in the adjustment of claims and with this in view the rules were simplified. The rules on the subject contained in paras 17.2.1. to 17.2.9. of the C. P. W. A. Code and Appendix 7 thereto are amply clear.

Recently, the Audit brought out a Draft Para on the subject "Delay in Settlement of claims" which has since figured as an Audit Para in the Audit Report (Civil) 1970. While examining the para, it has been seen that a large number of transactions had remained unsettled and huge amounts have been outstanding in most of the C.P.W. Divisions since 1965-66 although the rules require that these transactions should be settled *within ten days* of the receipt of claims. The reasons for the continuance of such inordinate delays and non-observance of the rules have now been thoroughly investigated. The several difficulties brought to notice have been critically examined and it has been observed that the reasons put forward are not justified. The non-clearance of the claims, it is observed is more due to lack of understanding of the rules.

The salient features of the rules are given below :—

- (i) In respect of materials supplied for work or stock the indenting department/Division prepares 5 copies of

Indent and sends four (4) copies to the supplying Division who in turn sends one copy with the materials and two copies to the responding (indenting) division along with claims which are preferred within one month. On receipt of the copy of the indent with the materials, the sub-division of the indenting (responding) Division should prepare an O.T.E.O., score out the entry in the M.B. or G.R.S. as the case may be by giving reference to the O.T.E.O. and send the O.T.E.O. to the Division. The claims when received from the supplying Division are to be verified on the basis of the O.T.E.O. in the Divisional Office of the responding Division. This has to be done within a period of ten days.

- (ii) It should be noted that under no circumstances the claims are to be passed on to the sub-divisional office for verification.
- (iii) The responding division should examine every transfer/claim advised to it for adjustment/payment, but it may not reject a transfer/claim because the voucher is not in order or is wanting, nor may a transfer/claim advised be partly accepted and partly rejected; it may be rejected altogether if it does not pertain to the division; otherwise it should be accepted provisionally in full and this dispute as to the amount or as to other particulars of the transactions should be settled separately in consultation with the Officer who advised the transfer.
- (iv) In respect of work done, the claims are to be settled immediately on the basis of details furnished in Form 1 of C.P.W.D. Code by the Divisional Officer of the executing Division. The voucher is passed on to the A.G. along with monthly accounts by the executing division.

If after audit any excess payment is observed, the responding division is to raise a counter debit as an originating division. If short payment is pointed out by Audit supplementary cheque should be issued. The objection regarding excess or short payment will be pointed out by A.G. to both the originating and the responding divisions. [Please see para 17.2:6(b) of C.P.W.D. Code].

It would be noticed from the above that the changed procedure is quite simple and easy to operate and there is no reason why the claim should not be settled within the prescribed period of 10 days. Any investigation as to the correctness of the receipt of materials, or work done, if felt necessary, can be conducted after payment.

The Divisional Officers are advised to read the rules carefully and instruct the Divisional Accountants to follow the procedure meticulously.

If any such delays occur in future, due to failure in observation of the codal rules on the subject the same will be viewed seriously and the responsibility will be placed squarely on the Divisional Officer and the Divisional Accountant.

Receipt of this Memorudum should be acknowledged. A copy of this Memorandum (spare copy enclosed) may please be handed over personally to your Divisional Accountant and his acknowledgement taken.

Sd/-
Engineer-in-Chief.

To

All Divisional Officers (by name)
(with one spare copy), etc. etc.

APPENDIX XII

Summary of main Conclusions/Recommendations

S.No.	para No. of the Report	Ministry Deptt. concerned	Conclusions Recommendations
1	2	3	4
1	1-34	Works, Housing & Urban Development	<p>The Committee find that out of a total number of 3229 shops rented out by Government in various markets, arrears of rent amounting to Rs. 17.27 lakhs as on 30th June, 1970 have accumulated in respect of 2179 shops over a number of years. Recovery proceedings under the Public Premises (Eviction of Unauthorised Occupants) Act, 1958 have been initiated in 827 cases only although according to Government, 1262 allottees defaulted payment of rent for over two months. The Secretary, Department of Works, Housing and Urban Development admitted during evidence that "the recovery proceedings were somewhat tardy." Allotments have been cancelled in 379 cases up to 31st March, 1969 and 57 cases subsequent thereto. Thus as stated by the Secretary, Government have "not rigidly enforced the step of cancellation in all the cases."</p>
2	1-35	Do.	<p>The Committee are perturbed to find that Government have neither promptly pursued the recovery of arrears of rent nor enforced the penal provisions of the rules uniformly. The Committee are, however, in agreement with the view that the emphasis should be on the recovery of dues rather than on eviction.</p>

3

1-36

Do.

Out of 379 cases of cancellations upto 31st March, 1969, 267 cases were for default of licence fees and 112 cases for encroachments and sub-letting which were in violation of the terms of lease. Some of these cases relate to the period as far back as 1960 and yet recovery of arrears of rent and damages amounting to Rs. 10.47 lakhs was outstanding as on 31st March, 1969. The major factor responsible for the delay in recovery has been "the changing policy with regard to levy of damages". The Committee note that the policy underwent change three times in two years between October, 1963 and October, 1965. In 1969 the policy was again revised. To put it in the words of a witness "the policy was not as clear as one would like it to be." The Committee have, therefore, come to the inescapable conclusion without entering into the merit of the changes, that such frequent revisions of policy might have encouraged the defaulters to avoid or postpone payment of dues.

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1-37

Do.

The Committee are given to understand that subsequent to the revision of the policy in December, 1969, Government were able to settle 120 cases of cancellation and that no further progress could be made due to sections 5 and 7 of the Public Premises (Eviction of Unauthorised Occupants) Act, 1958 having been declared *ultra vires*. As on 1st June, 1970, the recalculated arrears of rent and damages in accordance with the revised policy in the remaining 316 cases

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		Works, Housing and Urban Dev.	amount to Rs. 7.29 lakhs. The Committee hope that pending follow-up action on the court ruling, Government would take steps to recover the arrears of rent, wherever due, promptly.
5	1-38	Do.	The Committee are not satisfied with the decision taken by Government to allow <i>status quo</i> to continue in regard to as many as about 850 cases of allotments prior to 1958 where licence/lease deeds have not been got executed from the allottees. They desire that the matter should be placed on sound legal basis in further consultation with the Ministry of Law.
6	1-74	Do.	The manner of execution of the scheme of removal of Jhuggies and Jhonpries leaves much to be desired. The Committee are distressed to note a number of lapses/irregularities such as non-maintenance of proper accounts, diversion of funds released by Government for the scheme, non-payment of Government's share of dues from the allottees, non-recovery of dues from the allottees, non-execution of proper lease deeds and non-regularisation of 'Binami' transfers made by the allottees.
7	1-75	Do.	The Committee had in paragraph 2.32 of their Seventy-First Report (Fourth Lok Sabha) suggested a comprehensive examination of the working of the scheme with a view to identifying various omissions that occurred and taking steps to avoid their recurrence

through planning and close supervision. They were informed that the review had been asked to suggest remedial measures. The Committee trust that the review will be completed expeditiously and follow-up action taken as desired by them in paragraph 1.16 of their Ninety-seventh Report (Fourth Lok Sabha).

8

1-76

Do.

There has been improvement after transfer of the scheme to the DDA in as much as 42,000 plots have been allotted out of 47,000 plots developed up to July, 1970 as against the Third Plan target of 50,000 plots. Government have since sanctioned development of plots of 25 sq. yards on the periphery of Delhi for allotment to 'ineligibles' i.e. post July, 1960 squatters, under the scheme. The Committee desire that Government should take steps to check further squatting as any rehabilitation measure cannot hope to mitigate this problem if it is allowed to perpetuate itself. They would also like Government to speedily implement the scheme as already sanctioned and avoid timelag between the development of plots and their allotment by better coordination among the various agencies connected with water, electricity, sewerage etc.

9

1-77

Do.

The Committee note that the accounts for the period from the inception of the scheme upto 1968 during which the Municipal Corporation of Delhi was executing the scheme, are yet to be rendered. "That the intention was not to come in the way of implementing a desirable scheme" does not offer convincing explanation for the continued release of funds year after year aggregating Rs. 705.58 lakhs

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despite non-receipt of accounts. This, as admitted by the Secretary, Department of Works, Housing and Urban Development, should "not be the practice." The Committee were given to understand that the DDA has created a special cell to compile the accounts. The Committee hope that the accounts will be completed early and produced for audit. The Committee would like to be informed of the results of audit.

10

1-78

Do.

The Committee hope that when the accounts for the earlier period are finalised, the extent of diversion of funds from the Scheme will be assessed and necessary recovery/adjustment made early. They also trust that the reconstruction of property registers which is stated to be nearing completion will be completed early.

11

1-79

Do.

It is disconcerting to note that the progress in the recovery of dues from the allottees had been very poor inasmuch as only a sum of Rs. 23.21 lakhs has been recovered upto 1968-69 out of the total demand of Rs. 69.60 lakhs. According to the witness the basic factor which has not enabled the executing agency to step up recovery has been the demand of 'Jhuggi' dwellers to give ownership of the premises to them on the basis of long lease which is understood to be under the sympathetic consideration of Government. The witness assured the Committee during evidence that as soon as Gov-

ernment were able to decide about the ownership recovery would improve. The Committee do not approve of the prolongation of the period of uncertainty and would urge Government to come to an early decision in the matter so that recovery of dues may be effected promptly.

12 1-80

Do.

As regards recovery of rent from the ineligible squatters, the Committee note that Government have decided to effect recoveries only from 2nd May, 1970, on the consideration that necessary amenities were not provided from the beginning although rent was provisionally fixed in March, 1968 as Rs. 8 per month. The Committee are of the view that in consideration of lack of amenities Government should have either fixed rent at a concessional rate for the initial period or announced rent-free accommodation till the amenities are provided which would have facilitated removal of a large number of squatter population.

101

13 1-81

Do.

Another factor which disturbs the Committee is the non-payment of Government's share of dues recoverable from the allottees. Out of Rs. 48.72 lakhs creditable to Government upto the end of 1968-69, only a sum of Rs. 4.25 lakhs has been paid. The Committee were told that Government has withheld a sum of Rs. 15 lakhs from the Delhi Municipal Corporation. The Secretary, Department of Works, Housing and Urban Development pleaded before the Committee that crediting 70 per cent of the demand to Government irrespective of recovery was not workable or realistic having

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regard to the actual position that prevailed in the colonies and that Government were considering on what revised basis the collections should be utilised by the executing agency to meet the cost of running the scheme. The Committee would like Government to review the position early and recover the amounts creditable to Government on a realistic basis that may be decided upon as a result of the review.

14

1-82

Do.

The Committee are unable to appreciate how Municipal Corporation of Delhi which was executing the scheme, as an agent overlooked this basic fact and under the mistaken impression that it was the owner of the sites, executed 28,522 lease deeds in the name of the Corporation. The Committee are at a loss to know how this fact was overlooked although Government came to know that the deeds were being executed in the name of Corporation as early as 1962. The Committee were, however, informed that in cases where licence fees were to be paid no charge would be required and that with regard to 17,000 plots of 80 sq. yards for which the Municipal Corporation of Delhi entered into leases, Government were planning to have the leases re-executed in the name of President of India. There has not been any progress in the re-execution in view of the fact that in a large number of cases plots have changed hands and that legal advice has been sought for in the matter. The Com-

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mittee desire that lease deeds wherever necessary should be got re-executed expeditiously.

15 1-83 Do.

As regards "Binami" transfers referred to in the Audit paragraph, the Committee were informed that the legal requirements for regularising these transfers were being checked up. The Committee desire that this should be expedited. Effective measures should also be taken to prevent any occasion for such "Binami" transfers in future.

16 1-93 Do.

The Committee hope that Government will take action to suitably revive the relevant section of the Public Premises (Eviction of Unauthorised Occupants) Act 1958 struck down by the court and expedite the assessment and recovery of damages.

17 1-103 Do.

The Committee regret to note that there has not been satisfactory progress in the disposal of plots and shops developed/constructed at a heavy cost since January, 1962. Of the 2009 residential plots reserved for various purposes, 1109 plots are yet to be utilised. 1046 plots have not yet been fully demarcated and of the remaining plots only 329 could be disposed of so far.

18 1-104 Do.

One of the reasons for lack of response from the public for the residential plots is that, they were not fully developed in the sense that all the necessary ancillary services have not yet been provided, as in the case of Pankha Road Scheme, where 935 plots are still awaiting disposal. Further prospective buyers of plots are

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stated to be interested in smaller plots upto 200 sq. yards. The Committee would like Government to see that water, sewerage, electricity etc. are provided promptly so that there may not be that undesirable time-lag between the development of plots and their disposal. Further, Government may consider whether it is desirable in the interest of quicker disposal of these plots to carve them into smaller ones for which there appears to be demand.

19

1-105

Do.

As regards industrial plots, the Committee hope that with the revision of layout plans, Government will be in a position to dispose them of early. They would like to be informed of the progress in the disposal.

20

1-106

Do.

The Committee do not find any justification for the delay in allotment of shops to squatters covered under 'Gadgil Assurances' as a decision in that regard was taken in March, 1968. They hope that allotment of shops to the squatters and disposal by auction as already decided upon will be done expeditiously.

21

1-132 Central Vigilance Commission

The Committee observe that there has been a significant increase in the percentage of cases commented upon by the CTE in the year 1969-70. The witness explained the spurt as due to strengthening of staff of the CTE's organisation during 1968-69 and 1969-70

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which made it possible to conduct inspection of works during execution more than once. From the data regarding expenditure of the CPWD in the recent years furnished to them, the Committee find that in 1969-70 the works expenditure has registered an increase of nearly 25 per cent over that of the previous year. The Committee have no doubt that Government would keep under review strength of the CTE's organisation to ensure that it can exercise effective check on the expanding activities and rising expenditure of CPWD. Government should also ensure that adequate number of officers from outside CPWD are inducted into C.T.E. to maintain its independence.

22 I-133 Do.

The Committee would like to be apprised of the final decision of Government in regard to imparting training to the newly recruited overseers. As, according to the CTE, there is no improvement over a number of years in the poor quality of wood work, flooring etc., the Committee suggest that the training programme for Assistant Engineers as also for overseers when introduced should be oriented in such a way that they would be capable of detecting such sub-standard works.

23 I-134 Central Vigilance Commission
Ministry of Works, Housing
Urban Development.

The Committee note that as many as 2333 observation memos issued by the CTE were pending with the Department as on 31st March, 1970 of which 210 were over 2 years old and 792 were between 1 year and 2 years. They further find that no time limit for the disposal of such cases has yet been fixed by Government.

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<u>Central Vigilance Commission</u> <u>Ministry of W, H, & Urban Dev.</u>			<p>The Committee would like to emphasise that in future all such pending cases should be reviewed by the CTE and important ones should be taken up at the higher level pursuing the rest through personal discussion with the appropriate departmental officers with a view to finalising them within the time limit which should be fixed by Government forthwith.</p>
24	I-135	Do.	<p>Finally the Committee would like to point out the need for expeditious finalisation of disciplinary cases against the delinquent officers as well as action against the contractors as that alone will act as an effective deterrent against recurring irregularities/lapses.</p>
25	I-144	Works, Housing & Urban Development.	<p>The Committee deem it unfortunate that the fixation of rent for the shops constructed at Janpath took nearly 2 years after the decision was taken to allot them to the stall holders in August, 1968. The official representative of the Department of Works, Housing and Urban Development, gave the Committee to understand during evidence that the rate of Rs. 1.42 as finally fixed was the economic rent according to the conventional formula of the CPWD.</p>
26	I-145	Do.	<p>The Committee would like to be informed whether all the shops have since been allotted.</p>
27	I-146	Do.	<p>The Committee would like Government to ensure that the</p>

rent at the rate already fixed is recovered in time and no arrears are allowed to be accumulated.

28 I-160 Do.

The Committee deprecate the delay of four years in providing permanent electric connection to the 224 shops constructed near INA Colony. The delay was mainly due to Government's failure to make available an acceptable plot of land to DESU for purpose of erecting a sub-station. The site which was allotted for the third time in September, 1970 was not approved by the Town Planner, MCD. The Committee are unable to appreciate how the site selected for the sub-station in the first instance could be utilised for the construction of an additional lavatory block in October, 1966. Again the construction work of the sub-station on the second site allotted had to be suspended as it belonged to Civil Aviation Department, who objected to the construction. All these point to lack of proper coordination which the Committee hope will not be allowed to occur in future.

29 I-161 Do.

From the evidence tendered before them, the Committee carry the impression that the Super Bazar had taken more accommodation than needed with the result that 76 shops had to be surrendered as even after provision of electricity the Super Bazar is reported to be unwilling to take back these shops. Now Government are faced with a situation in which they are unable either to rent out the shops due to lack of demand from public or to carryout their original plan of clearing the area of vegetable sellers as all of them could not be accommodated in the shops surrendered by the Super

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Works, Housing and Urban Dev,

Bazar. The Committee have, in their Tenth Report (Fifth Lok Sabha), dealt with the problem of excessive selling space and the disproportionately high rent liability of the Super Bazar.

The Committee would like to know the results of Government's effort to settle the due of the Super Bazar in respect of shops surrendered by them as also to get the Licence deed executed in respect of shops retained by them.

30

1-170

Do.

The Committee deplore the lack of proper planning revealed in this case. 821.13 acres of land acquired between April, 1965 and April, 1966 have not been utilised as yet for the intended purpose due to "paucity of funds". Out of these, 50 acres are proposed to be given to the Ministry of Defence for one of their projects and another 50 acres are proposed to be developed for the sale of plots to Indian residents abroad. Further 587 acres have been let out for cultivation. In view of these facts, the Committee would like Government to review the scheme as a whole and take action to put the land to best use.

31

1-179

Do.

The Committee take serious notice of disregard of rules by the Public Works Department officers which has resulted in a huge accumulation of claims in regard to inter-divisional transactions over a number of years. The Committee find that there has been a clear-

108

ance of Rs. 154.02 lakhs since the matter was included in the Audit Report. This shows that the officers had not been alert in the past. With the issue of strict instructions in July, 1970 the Committee hope that these transactions will be settled promptly in future.

32 1.198

Do.

The Committee note that the agreements with the Architects 'A' and 'B' were rescinded due to a decision taken in September, 1968 on a representative from cycle dealers to increase the floor area of the cycle markets to 300'. Earlier in April, 1957 when it was decided to amend the Master Plan to have a floor area of 300' in the Jhandewalan Extension market zone Government did not examine whether increase in floor area was justified in the case of cycle markets. Had this been done, at least a portion of the infructuous expenditure could have been avoided. However, as the Vice Chairman Delhi Development Authority stated that there had been actually a net saving of Rs. 24,000 due to partly awarding the work finally to Architect 'C' and partly carrying out the work departmentally, the Committee would not like to pursue the matter further except to point out that the rate for designing originally settled with Architects 'A' and 'B' was abnormally high. The Committee hope that the Department will be circumspect in future.

601

33 1.2.12

Do.

The Committee understand that the irregularities committed by the officers concerned in this case are being looked into by the Vigilance Unit of the CPWD and that on receipt of its findings departmental action will be taken. The Committee would like the investigation to be expedited and the action taken against the delinquent officials intimated to them at an early date.

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34	I-213	Works, Housing and Urban Dev.
The Committee further note that Government's claim for the recovery of overpayment of Rs. 76,463 has been referred to arbitration. The Committee may be apprised of the outcome of the arbitration proceedings.		
35	I-214	Do.
One more aspect of this case to which the Committee would like to draw attention of Government is the grant of extension of time to the contractor for the completion of work. None of the three grounds on which extension was given seems to be valid. Firstly heavy monsoon in the area could not have been unforeseen and secondly permit for stone boulders the delay in issue of which reportedly by held up the departmental clearance of stone samples, was actually granted by the State Government in February, 1963. within three months from the date of request. The Committee wonder how extension of time could be granted on such patently untenable grounds. As no penalty could be recovered from the contractor for the Committee would like to be assured that there was no <i>mala-fide</i> behind the grant of extension.		
36	I-228	Do.
The Committee note that Governments' claim for Rs. 5.06 lakhs against the Central Road Transport Corporation has been referred to arbitration. The Committee would like to be apprised of the outcome.		

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Sl. No.	Name of Agent	Agency No.	Sl. No.	Name of Agent	Agency No.
DELHI					
24.	Jain Book Agency, Connaught Place, New Delhi.	11	33.	Oxford Book & Stationery Company, Scindia House, Connaught Place, New Delhi-1.	68
25.	Sat Narain & Sons, 3141, Mohd. Ali Bazar, Mori Gate, Delhi.	3	34.	People's Publishing House, Rani Jhansi Road, New Delhi.	76
26.	Atma Ram & Sons, Kashmere Gate, Delhi-6.	9	35.	The United Book Agency 48, Amrit Kaur Market, Pahar Ganj, New Delhi.	88
27.	J. M. Jaina & Brothers, Mori Gate, Delhi.	11	36.	Hind Book House, 8a, Janpath, New Delhi.	95
28.	The Central News Agency, 23/90, Connaught Place, New Delhi.	15	37.	Bookwell, 4, Sant Narakari Colony, Kingsway Camp, Delhi-9.	96
29.	The English Book Store, 7-L, Connaught Circus, New Delhi.	20	MANIPUR		
30.	Lakshmi Book Store, 4a, Municipal Market, Janpath, New Delhi.	23	38.	Shri N. Chacha Singh, News Agent, Ramlal Puri High School Annex, Imphal.	77
31.	Bahres Brothers, 188 Lajpatrai Market, Delhi-6.	27	AGENTS IN FOREIGN COUNTRIES		
32.	Jayana Book Depot, Charparwah Kuan, Karol Bazar, New Delhi.	66	39.	The Secretary, Establishment Department, The High Commission of India, India House, Aldwych, LONDON W.C.-2.	59

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PUBLISHED UNDER RULE 382 OF THE RULES OF PROCEDURE AND CONDUCT OF
BUSINESS IN LOK SABHA (FIFTH EDITION) AND PRINTED BY THE GENERAL
MANAGER, GOVERNMENT OF INDIA PRESS, MINTO ROAD, NEW DELHI.
