

**PUBLIC ACCOUNTS COMMITTEE  
(1975-76)**

(FIFTH LOK SABHA)

**TWO HUNDRED AND THIRTEENTH REPORT**

**BANGLA DESH REFUGEES**

**DEPARTMENT OF REHABILITATION**

[Action taken by Government on the recommendations contained in their 149th Report (Fifth Lok Sabha)]



**LOK SABHA SECRETARIAT  
NEW DELHI**

*April, 1976/Vaisakha, 1898 (S)*

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LIST OF MEMBERS OF PUBLIC ACCOUNTS COMMITTEE  
(1975-76)

CHAIRMAN

Shri H. N. Mukerjee

MEMBERS

2. Shri T. Balakrishniah
3. Shri Chandulal Chandrakar
4. Shri Chandrika Prasad
5. Shri Darbara Singh
6. Shri C. C. Gohain
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- \*18. Shri V. B. Raju
19. Shri Gulabrao Patil
- \*20. Shri T. K. Srinivasan
- \*21. Dr. K. Mathew Kurian
22. Shri Rabi Ray

SECRETARIAT

Shri H. G. Paranjpe—*Chief Financial Committee Officer.*

Shri N. Sunder Rajan—*Senior Financial Committee Officer.*

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\*Ceased to be Member of the Committee consequent on retirement from  
Rajya Sabha w.e.f. 2-4-1976.

## INTRODUCTION

I, the Chairman of the Public Accounts Committee as authorised by the Committee, do present on their behalf this Two Hundred and Thirteenth Report on the action taken by Government on the recommendations of the Public Accounts Committee contained in their Hundred and Forty-Ninth Report (5th Lok Sabha) on Bangla Desh Refugees (Department of Rehabilitation).

2. On the 3rd June, 1975 an 'Action Taken Sub-Committee', consisting of the following Members, was appointed to scrutinise the replies received from Government in pursuance of the recommendations made by the Committee in their reports:

Shri H. N. Mukerjee— <i>Chairman</i>	}	<i>Members</i>
*Shri V. B. Raju— <i>Convener</i>		
Shri Priya Ranjan Das Munsi		
Shri Darbara Singh		
Shri N. K. Sanghi		
Shri Rabi Ray		
Shri Raja Kulkarni		
*Dr. K. Mathew Kurian		

3. The Action Taken Sub-Committee of the Public Accounts Committee (1975-76) considered and adopted the Report at their sitting held on the 14th April, 1976. The Report was finally adopted by the Public Accounts Committee on the 21st April, 1976.

4. For facility of reference the conclusions/recommendations of the Committee have been printed in thick type in the body of the Report. For the sake of convenience, conclusions/recommendations of the Committee have also been appended to the Report in a consolidated form.

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\*Shri V. B. Raju and Dr. K. Mathew Kurian ceased to be Members of the Committee consequent upon retirement from Rajya Sabha w.e.f. 2 April, 1976.

(vi)

5. The Committee place on record their appreciation of the assistance rendered to them in this matter by the Comptroller and Auditor General of India.

NEW DELHI;  
April 21, 1976  

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Vaisakha 1, 1898 (S).

H. N. MUKERJEE,  
Chairman,  
Public Accounts Committee.

## CHAPTER I

### REPORT

1.1. This Report of the Committee deals with the action taken by Government on the Committee's recommendations/observations contained in their 149th Report (Fifth Lok Sabha), presented to the Lok Sabha on 23 April 1975, on 'Bangla Desh Refugees', commented upon in paragraph 35 of the Report of the Comptroller & Auditor General of India for the year 1972-73, Union Government (Civil), relating to the Department of Rehabilitation.

1.2. The earlier 149th Report contained in all 50 recommendations/observations. Though, in accordance with the time schedule prescribed for the furnishing of Action Taken Notes in the Committee's 5th Report (Fourth Lok Sabha), the Action Taken Notes on these recommendations/observations were due from Government latest by 22nd October 1975, the Department of Rehabilitation had been requested, on 14 May 1975, to furnish the Notes latest by 16 August 1975, so as to facilitate the work of the Committee.

1.3. Acknowledging this communication on 16/17 May 1975, the Department had, however, *inter alia*, stated as follows:

"Most of the recommendations contained in the Report relate to States and other agencies from whom material for reply would have to be obtained. As you are aware, the printed copies of the Report have not yet been made available to us. Appendices mentioned in the cyclostyled Report are not complete. We are, therefore, somewhat handicapped in processing the recommendations with the various State Governments etc. However, we shall make every effort to submit the 'Action Taken Notes' in time. In case a few of the notes get delayed due to non-receipt of full information from the State Governments, we trust that the Committee will extend the time for submission of 'Action Taken Notes' beyond 16-8-75. As mentioned by you, 'Action Taken Notes' on each recommendation as and when ready would be furnished to the Lok Sabha Secretariat." . . . . .

1.4. By 16 August 1975, however, the Department had not furnished any Action Taken Note. In a communication dated 18



August 1975, the Department, *inter alia*, informed the Committee as follows:

“Despite all possible efforts, it is regretted, it has not been possible for us to forward any of the ‘Action Taken Notes’ in respect of the recommendations contained in the 149th Report of the PAC. In fact, we were able to finalise the Action Taken Notes in respect of 6 recommendations. The Action Taken Notes together with the relevant files were referred to Audit for vetting. These are still awaited from them. Similarly, Action Taken Notes in respect of 3 more recommendations have since been finalised and are being referred to the Audit.

As regards the remaining 12 recommendations, these are still under examination in consultation with the State Governments and other authorities concerned. The matter is being pursued with them and we expect to receive further information/clarification on the various points shortly, on receipt of which further action will be taken expeditiously.” ....

The Secretary of the Department was again personally requested on 26 August 1975, to ensure that the Action Taken Notes in respect of all the recommendations/observations were made available at the earliest to facilitate the Committee’s work. In the reply dated 2 September 1975, the Department had, *inter alia*, stated:

“In reply to Shri..... d.o. letter of 14th May 1975, referred to in your abovementioned d.o. letter, we have already informed the Lok Sabha Secretariat about certain difficulties in furnishing Action Taken Notes by 16-8-1975. All the same we gave an assurance that we shall make every effort to submit these notes in time. In this connection kindly refer to..... d.o. letter No. G-25015/175-Bud. dated 16th May 1975. The latest position in this regard was explained in our d.o. letter No. 5(2)/75-FABD, dated 18th August 1975, expressing our inability to forward any of the Action Taken Notes to the Lok Sabha Secretariat by due date, i.e., 16-8-1975. As would be seen therefrom, we had finalised notes in respect of six recommendations which along with the relevant files had been referred to Audit for getting these vetted. These files have not so far been received back. Since then, we have referred four more such notes to the

Audit. As soon as the same are received back, the required number of copies of these notes will be sent to the Lok Sabha Secretariat. All possible efforts are being made to finalise similar notes in respect of the remaining 11 recommendations.”

1.5. Subsequently, Action Taken Notes on 5 recommendations/ observations contained in the Report were furnished by the Department on 22 September 1975, on 1 recommendation on 20 October 1975 and in respect of 8 recommendations/observations on 4 November 1975. In view of the fact that, even in the normal course, all the Action Taken Notes in respect of the Report should have been received by 22 October 1975, the Department's attention was specifically drawn, on 23 December 1975, to the delay in the receipt of the Notes with a request that the remaining Notes may be furnished immediately. In response thereto, the Department, in their communication dated 29/30 December 1975, had, *inter alia*, stated:

“We very much regret the delay in finalising all the action taken notes within the prescribed schedule, despite all possible efforts. In fact, we initiated the action immediately on receipt of cyclostyled copies of the Report of the PAC and were able to prepare action taken notes in respect of 39 out of 50 recommendations. These were sent to Audit for vetting by them. As against this, the Audit have by now vetted notes in respect of 15 recommendations, which have already been furnished to the Lok Sabha Secretariat. As regards the 24 recommendations, the present position is indicated below:

- |   |    |
|---|----|
| (i) Still to be vetted by Audit   | 13 |
| (ii) Vetted by Audit; but the case referred to the Department of Health for confirmation in respect of certain points.  | 1  |
| (iii) Returned by Audit, seeking further information/clarification etc. The matter being pursued with the Ministry of Home Affairs and the State Governments concerned. | 10 |

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As regards the remaining 11 recommendations (50—39), it has not been possible for us yet to prepare action taken notes as information/confirmation on certain points is still awaited from the Food Corporation of India/State Trading Corporation and the Ministry of Finance. They are being reminded regularly and we hope to be able to obtain the requisite information from them shortly, on receipt of which necessary action taken notes will be prepared and referred to Audit for being vetted by them.

As will be seen from the position explained above, we have been following up these cases with utmost expedition with a view to finalising action taken notes in respect of the remaining recommendations as early as possible. The various Ministries/State Governments concerned are also being impressed upon the urgency of the matter and requested to expedite their views/information etc. on the various points.”

1.6. Action Taken Notes on 5 more recommendations/observations were subsequently furnished by the Department on 27 February 1976 and in respect of another 4 recommendations/observations on 5 March 1976. Thus, till the finalisation of this Report of the Committee, Notes relating to only 23 of the 50 recommendations/observations contained in the 149th Report had been received from the Department of Rehabilitation and Notes indicating the action taken on the following recommendations/observations were still awaited:

Sl. Nos. 2 to 18, 21, 25 to 29, 39 and 42 to 44.

1.7. The Action Taken Notes so far received have been categorised as follows:

(i) *Recommendations/observations that have been accepted by Government:*

Sl. Nos. 35, 36 and 40.

(ii) *Recommendations/observations which the Committee do not desire to pursue in the light of the replies received from Government:*

Sl. Nos. 20, 22, 23, 33 and 38.

(iii) *Recommendations/observations replies to which have not*

*been accepted by the Committee and which require re-iteration:*

Sl. Nos. 1, 19, 46, 47 and 48.

(iv) *Recommendations/observations in respect of which Government have furnished interim replies:*

Sl. Nos. 24, 30, 31, 32, 34; 37; 41; 45; 49 and 50.

1.8. The Committee take a serious view of the non-receipt, even after the lapse of nearly a year since the presentation of their Report, of Action Taken notes on as many as 27 out of the 50 recommendations/observations contained in the 149th Report (Fifth Lok Sabha) that this should be so despite a specific request made by the Committee that all the notes may be furnished to them latest by 16 August 1975 is regrettable. Even in the normal course, in accordance with the time schedule prescribed in this regard in the Committee's 5th Report (Fourth Lok Sabha), these notes were due at the latest by 22 October 1975, and it is disturbing that even this routine schedule has not been substantially—let alone fully—adhered to by the Department of Rehabilitation. The Committee, thus, are unable to assess meaningfully the action taken or not taken by Government on their recommendations/observations. Parliamentary usage and propriety require that such recommendations receive prompt attention and the Committee would like the Cabinet Secretariat to issue instructions to all Ministries/Departments to ensure that Action Taken Notes are supplied, save in extraordinary circumstances, within the prescribed time-limit.

1.9. Even in cases where Action Taken Notes have been furnished, the Committee find that all necessary action called for is yet to be completed and a final report remains to be furnished in respect of as many as 10 recommendations/observations. As pointed out in paragraph 1.4 of their 201st Report (Fifth Lok Sabha), the Committee need to be informed expeditiously of the final action taken on their recommendations if they are to discharge the responsibilities cast on them by Parliament. The Committee therefore, require that final action taken notes on those recommendations/observations in respect of which only interim replies have so far been furnished, as well as all the outstanding Action Taken Notes, should be furnished to them forthwith, so as to enable them to examine the adequacy of the action taken by Government on these recommendations and present their Report thereon.

1.10. The Committee will now deal with the action taken by Government on some of their recommendations/observations.

**Recruitment of staff for relief operations (Paragraph 1.46—  
Sl. No. 1).**

1.11. Dealing with the administrative arrangements for refugee relief operations, the Committee, in paragraph 1.46 of the Report, had observed:

“The Committee note that to cope with the influx of refugees, a Branch Secretariat of the Ministry of Rehabilitation, headed by the Additional Secretary (Col. Luthra) was set up in Calcutta in April 1971 and an expenditure of Rs. 37.35 crores was incurred by the Central Government upto March 1973; through that Secretariat the expenditure incurred on the establishment of the Branch Secretariat upto June, 1973 was Rs. 39.08 lakhs. One of the items of work allotted to the Branch Secretariat was ‘all administrative matters relating to the running of both Central and State Camps including creation of posts and making appointments’. The Committee have also been informed that for managing camps in West Bengal a total number of 12,025 camp staff of various designations were engaged on a purely temporary/casual basis at a cost of nearly Rs. 3 crores. Despite the maintenance of large establishment at Calcutta and the engagement of an equally large number of camp staff of various designations gross irregularities of various kinds came to the notice of Audit and these have been highlighted in relevant portions of this report. It is surprising that in the matter of recruitment of staff, the normal recruitment rules were given a go-by and, as pointed out by the Commissioner, Jalpaiguri Division, in his letter dated 30-6-1971 to the Refugee Relief and Rehabilitation Commissioner, Calcutta, the procedure for appointment was overtly political. While the Committee appreciate the courage of the Commissioner, Jalpaiguri Division in pointing out the serious lacunae in the methods of recruitment of the camp staff, they deplore this highly improper action on the part of Government.

The Divisional Commissioner's letter was not even acknowledged by the R. R. Commissioner, not to speak of making a probe into the methods of recruitment and putting a stop to this malpractice. It is also surprising that the Branch Secretariat, which was specially enjoined to attend to all administrative matters relating to the running of both Central and State Camps, including the creation of posts and making appointments, did not take note of the dubious procedures prescribed by the Government of West Bengal for camps in West Bengal."

1.12. In their Action Taken Note dated 1 November 1975, the Department of Rehabilitation have stated:

"The Government of West Bengal have reported that it was a matter of overriding importance to manage a large number of camps set up to shelter lakhs and lakhs of evacuees from Bangladesh in deepest misery in the proper manner, appointment of staff therefore, as quickly as possible, was an imperative necessity. The selection and appointment of staff through normal recruitment rules was not considered practical proposition in consideration of volume of work and the very great urgency involved. The normal rules could not be followed in view of the recruitment of thousands of camp staff of different categories needed within a short time and as a measure of solution to the problem arising out of the unprecedented influx of evacuees, the State Government had to introduce an *ad hoc* set of recruitment rules to be followed by the appointing authorities.

These recruitment rules were issued by the State Government as per their letter No. 3752-Estt. dated 15-6-1971 addressed to the State A. G. with copies to D.Cs/D.Ms.

For certain categories of posts the method of recruitment laid down in the new recruitment rules was 'on the recommendations of the selection committee set up by Government or Cabinet Sub-Committee or Refugee Relief & Rehabilitation Department'. The lists of persons considered suitable by the Cabinet Sub-Committee according to the method of recruitment mentioned above, were sent to the DCs/D.Ms by the State Chief Secretary along with his letter No. 5454P dated 30-6-1971.

A copy of the order of the functions of the Branch Secretariat of the Department of Rehabilitation of the Government of India as given in Office Order No. 14/71 dated 8-6-1971 has already been made available to the Public Accounts Committee. The Branch Secretariat does not appear to have been endorsed a copy of the Chief Secretary, West Bengal's letter in question No. 5454-P dated 30-6-1971.

The State Government have reported that the d.o. letter No. 535/C dated 30-6-1971 from the then Commissioner, Jalpaiguri Division, addressed to the Refugee Rehabilitation Commissioner, West Bengal, could not be traced in spite of repeated searches. Possibly, it was mislaid and as such could not be replied to. They have pointed out further that the new recruitment rules were framed after considering all aspects of the selection and with a view to appointing thousands of camp staff as quickly as possible. The State Government consider that their action was neither unjustified nor improper and that the question of making a probe into the methods of recruitment did not, therefore, arise."

1.13. The Committee have carefully considered the elaborate explanation now furnished for giving the go-by to the normal recruitment rules in the matter of recruitment of staff for refugee relief operations and refugee camps in West Bengal. While conceding that it was imperative that the staff necessary for the purpose had to be appointed as quickly as possible to deal with the large influx of refugees from erstwhile East Pakistan, the Committee feel that the recruitment rules ought to have been framed with greater care and circumspection, in consultation with the Central Government, so as to safeguard against the charges of favouritism in appointments and to allay the doubts and misgivings in the minds of senior officials like the Divisional Commissioner, Jalpaiguri, who with unusual vehemence, had dubbed the procedures 'overtly political'. What is even more surprising is that the Branch Secretariat of the Department of Rehabilitation, which had been specifically set up at Calcutta for planning and coordinating relief operations, had not even been taken into confidence by the State Government in the matter of recruitment of staff. Since the manner in which this entire question was handled had also apparently been objected to by many Commissioners and District Magistrates as well, the Committee

wish that a probe should be initiated into the methods of recruitment and appointment of staff for relief operations in West Bengal, and its results intimated to them.

1.14. The Department's reply is also, for the most part, only a resume of the views of the Government of West Bengal and does not indicate the Central Government's views, if any, on this matter. The Committee would like to know the reaction of the Department of Rehabilitation to the procedures followed.

*Investigation into non-maintenance of muster rolls for Rs. 1.85 crores (Paragraph 1.156—Sl. No. 19).*

1.15. Reviewing the action taken by the Department of Rehabilitation on the Audit objection relating to the non-maintenance of muster rolls for the distribution of foodstuff and other essential commodities, valued at Rs. 1.85 crores, to refugees in the Central camps, the Committee, in paragraph 1.156 of the Report, had recommended :

“It is surprising that although Audit had reported more than two years back that muster rolls for Rs. 1.85 crores for distribution of foodstuff and other essential commodities to refugees in the Central Camps were not available, the Department of Rehabilitation did not take any action whatsoever to conduct investigations in the matter. It was only when the Committee took the evidence of the representatives of the Department of Rehabilitation on 17th December 1974, that they promised to undertake an enquiry into the matter. The written note furnished by the Department in January 1975 is most disappointing. It has been stated that the question of non-maintenance of muster rolls was discussed in a meeting held in the Branch Secretariat on 21st May 1973 wherein in the Agenda Note it was indicated that ‘due to heavy influx of evacuees, maintenance of muster rolls was not possible’. The Department have also stated: ‘It has now been decided to conduct an inquiry into the matter. An officer has been appointed to conduct the inquiry’. The Committee take serious note of the dilatoriness displayed by the Department of Rehabilitation in conducting prompt enquiry into a matter which involved the disbursement of over a crore of rupees. They desire that responsibility for the lapse should be fixed. The Committee would also like



that the results of investigations should be furnished to them without any further delay."

1.16. In the relevant Action Taken Note dated 26 February 1976, the Department of Rehabilitation have stated:

"The Officer appointed to conduct the inquiry into the alleged non-maintenance of muster rolls for Rs. 1.85 crores for distribution of foodstuffs and other essential commodities to refugees in the Mana Group of Central camps, has not yet completed his enquiry. The question of fixing responsibility and taking action against the defaulters for these lapses will be examined as soon as the final report in the matter is received."

1.17. The Committee regret that the reply now furnished by the Department of Rehabilitation is not quite relevant to the Committee's earlier recommendation that responsibility should be fixed for the lapse on the part of the Department in not initiating action, for more than two years, to investigate the non-maintenance of muster rolls for the distribution of foodstuff and other commodities to refugees in Central camps. Admittedly, no action had been taken by the Department on the receipt of the Audit objection and it was only after the Committee's examination was set in motion that the representatives of the Department promised to enquire into the matter. The Committee would, therefore, reiterate their earlier recommendation that responsibility for the dilatoriness displayed by the Department of Rehabilitation in not promptly investigating a matter involving the disbursement of over a crore of rupees should be fixed.

*Rendering of accounts by voluntary organisations. (Paragraphs 1.261 to 1.263—Sl. Nos. 46 to 48).*

1.18. Dealing with the conduct of relief operations through the agency of various voluntary organisations, the Committee, in paragraphs 1.261 to 1.263 of the Report, had observed:

"1.261. To cope with the influx of refugees, assistance of voluntary organisations was sought. It has been stated that in view of the urgency and unprecedented situation created by the sudden influx of refugees, the District Officers had to accept the services of philanthropic organisations and verification of antecedents of the organisations etc. was always possible."

"1.262. Audit has pointed out that Rs. 5.85 crores were paid to voluntary organisations in cash besides food articles worth Rs. 7.18 crores. It has been stated by the Department of Rehabilitation that accounts were still to be rendered for a total sum of Rs. 15,80,786.84 and accounts of the value of Rs. 2,73,42,974.96 had been objected to by the Internal Audit. Subsequently, it was stated that on a test check of the expenditure incurred other than reimbursement/advances made to non-official organisations and suppliers of dietary articles, the Internal Audit Wing of the Relief and Rehabilitation Directorate of West Bengal had raised objections to the value of Rs. 537.62 lakhs which could not be met by production of documents, sanctions, orders for regularisation, etc. Objections to the extent of Rs. 5.06 lakhs only have since been settled. The Committee are greatly perturbed by the above facts which seem to suggest that misappropriation of public money and stores has taken place on a large scale. It would appear that large amounts of money were advanced to many non-official organisations whose credentials were not verified. No action, legal or otherwise, has been taken against these organisations which have not rendered any accounts. The Committee consider it necessary that wherever adequate evidence exists appropriate legal action should be taken against the organisation concerned promptly. Further inquiry should also be conducted immediately to verify the authenticity and reliability of the accounts kept by these organisations."

"1.263. Indeed the Committee are so disturbed by the situation that is disclosed in regard to the voluntary organisations and their failure to render satisfactory accounts that they would recommend strongly that the entire case should be gone into exhaustively by a special commission of inquiry to be appointed under the Commission of Inquiry Act. This would be fair also to such of the voluntary organisations as had maintained proper standards in the conduct of the affairs."

1.19. The Action Taken Note dated 1st November 1975 furnished on the above observations by the Department of Rehabilitation is reproduced below:

"It has been reported by the State Government that in order to meet the challenge unprecedented in the history of

mankind, it was considered necessary to feed these hungry evacuees with the help of non-official organisations. Relief work was initially entrusted to the reputed philanthropic organisations like Rama Krishna Mission, Bharat Sevashram Sangha etc. Owing to their inability to cope with the situation due to sudden heavy influx of unfortunate victims of Pak aggression, the other voluntary organisations including local clubs who came forward to help the administration were also associated with the relief work.

The State Government have clarified that the amount of Rs. 2,73,42,974.06 which had been held under objection by the Internal Audit, includes the amount of Rs. 15,80,786.84 for which accounts are still to be rendered by six voluntary organisations against the cash advances received by them. With reference to the figures of Rs. 5.85 crores and Rs. 7.18 crores representing respectively advance in cash and kind to voluntary organisations which were furnished to the Accountant General, West Bengal in October 1973, the State Government have clarified that, as a result of further scrutiny by Internal Audit, these figures have undergone changes and now stand at Rs. 5,93,08,393.19 for cash advance and Rs. 7,34,10,573.91 for advance in kind.

As regards the objections raised by Internal Audit relating to non-production of documents, sanctions etc. amounting to Rs. 537.62 lakhs (and not Rs. 557.62 lakhs as reported earlier and mentioned in the PAC's Report), the State Government have pointed out that these pertain to the transactions other than those relating to non-official voluntary organisations. Action for the regularisation of this expenditure is already being vigorously pursued by the State Government with the District authorities concerned.

Necessary legal action has been/is being taken by the State Government for effecting recovery from the voluntary organisations concerned.

The State Government have reported that they have decided that the question of setting up of a Special Commission of Inquiry under the Commission of inquiry Act, as recommended by the PAC, would be considered after knowing the results of the proposed legal action against the defaulting voluntary organisations."

1.20. The Committee are unable to appreciate the logic of the State Government for postponing a decision on the Committee's recommendation that the failure of the voluntary organisations to render satisfactory accounts should be gone into exhaustively by a special commission of enquiry. As had been pointed out earlier by the Committee, the non-production of the relevant documents and non-rendering of accounts for large sums of money seem to suggest that misappropriation of public money and stores had taken place on a rather large scale. Apparently, large sums had also been advanced to many non-official organisations whose credentials were not even verified. Since all this is disturbing, the Committee would reiterate their earlier recommendation in this regard that the entire case should be gone into exhaustively by a special commission of enquiry to be appointed under the Commission of Enquiry Act, irrespective of the results of the proposed legal action against the defaulting voluntary organisations. Since delay in this kind of matter is extremely undesirable, the Committee would ask Government to act as promptly as possible.

## CHAPTER II

### RECOMMENDATIONS/OBSERVATIONS THAT HAVE BEEN ACCEPTED BY GOVERNMENT

#### Recommendation

The Committee note that even after completion of 100 barracks in October 1971 at Iradatganj, hired tents were retained for 6 months more for which Rs. 1.12 lakhs were paid as hire charges. The Department of Rehabilitation have explained that against 121 barracks which were required to be put up, only 100 were established for refugees and 10 were put up for hospitals and residences of staff. The remaining 10 barracks were not built at all. Thus there was a saving by not undertaking the construction of some of the barracks to the extent of Rs. 1.43 lakhs. This explanation of the Ministry does not appear to be correct in view of the facts brought out in evidence. The real reason for the retention of the tents for longer period than required was that some of the barracks were leaking and the refugees refused to move therein.

#### Recommendation

The Department of Rehabilitation has informed the Committee that "the Camp Commandant appears to have sent a report about the defective barracks to the Superintending Engineer on 21st August, 1971 but there is no record to show whether the Superintending Engineer had sent his comments." The Committee have also been told that "a Joint inspection undertaken by the Camp Commandant with the Executive Engineer, CPWD, Allahabad, revealed that some of the latrines became unserviceable having not been cleaned and not used properly but not due to defective construction." Had better supervision been exercised and prompt action taken when the defects first came to notice, it might not have been necessary to have continued the hiring of tents for as long—a period as it became necessary.

[S. Nos. 35 & 36 (Paras 1.212 & 1.213) of Appendix VII to  
149th Report (5th Lok Sabha)].

**Action Taken**

Noted for future guidance.

[Ministry of Supply and Rehabilitation (Department of Rehabilitation) O.M. No. 5(2)/75-FA&BD dated 22-9-1975]

**Recommendation**

It has been pointed out by Audit that dismantled materials from the structures constructed in the Salt Lake Camp were disposed of for Rs. 1.90 lakhs only although the shelters were constructed at a cost of Rs. 1.85 crores. The Committee were informed by the Department of Rehabilitation that the case was referred to the CBI on 28th October, 1972. No report has so far been furnished by the C.B.I. in this matter. The Committee would urge that the investigations should be conducted expeditiously and the results communicated to them.

[S. No. 40 (Para 1.235) of Appendix VII to 149th Report (5th Lok Sabha)].

**Action Taken**

At the instance of the CBI who have been investigating into the matter, the State Government have communicated to CBI, their sanction for prosecuting the then Chief Commandant, Salt Lake camp, in a Court of Law. Further action in the matter is now being taken by CBI whose final report is awaited.

[Ministry of Supply and Rehabilitation (Department of Rehabilitation) O.M. No. 5(2)/75-FA&BD dated 5.3.1976]

## **CHAPTER III**

### **RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE REPLIES OF GOVERNMENT**

#### **Recommendation**

The explanation of the Department in regard to the observations of Audit that in Gamarbani Camp Rs. 1.48 lakhs were paid to various suppliers for supply of vegetables to refugees in lieu of cash doles is not convincing. As far back as February, 1974 Audit had pointed out to the Ministry that cash book of the camp showed that payments against the bills for the supply of vegetables to refugees in lieu of cash doles was made to the suppliers and not to the society formed by the refugees. The Department was asked to re-check the position and confirm the same which they did in March, 1974 with the following additional information: "Instead of cash doles they (refugees) received tokens showing cash doles paid to them. On presentation of these tokens, they received their essential commodities from the agency (society). So direct payments were made to the contractors from whom the society purchased the commodities instead of to these refugees." This explanation appears to be labour-ed and is unsatisfactory. The fact remains that private contractors were benefited and there appears to have been collusion with the staff. No explanation has been furnished by the Department as to why the camp did not maintain any account or muster rolls showing distribution of articles to the refugees.

[S. No. 20 (Para 1.157) of Appendix VII to 149th Report  
(5th Lok Sabha)].

#### **Action Taken**

The camp at Gamarbani, not being a safe place, the refugees at the initial stage did not like to handle cash doles themselves; so they formed a society of their own for purchase and set up a separate store and purchased their essential requirements through the agency from the market which was 20 K. M. away. Instead of cash doles, they received tokens showing cash doles paid to them. On presentation of these tokens they received their essential commodities from the agency. So direct payments were made to the contractors from

whom the society purchased the commodities instead of to these refugees. This procedure was, however, later on regularised on an *ex post facto* basis with the concurrence of the Ministry of Finance.

It is, however, not possible, at this belated stage to make any further probe in the matter. The observations of the Committee have, however, been noted for future guidance.

[Ministry of Supply and Rehabilitation (Department of Rehabilitation O.M. No. 5(2)/75-FA&BD dated 27-2-1976].

### **Recommendation**

Audit has pointed out that in Tripura (in Halflong, Madhupur and Kamalpur camps), Rs. 1.09 lakhs were shown as disbursed as cash doles and that Government of Tripura has been investigating whether the refugees, to whom the amounts were shown as disbursed, were actually in the camps on the dates of disbursement of the cash doles.

### **Recommendation**

In this connection, the Committee note that the Department of Rehabilitation in their written note have stated: "As regards the disbursement of cash doles of Rs. 0.78 lakh in Halflong camp on 16th January, 1972, the State Government have stated that it appears from the cash book maintained in the camp that an amount of Rs. 99,725.56 was disbursed on different dates during the period from 24th December, 1971 to 16th January, 1972 but the entry in the cash book was made on 16th January, 1972." This procedure appears to the Committee to be extraordinary inasmuch as transactions for a day ought to be recorded in the cash book on the same day. The reply that the transactions for 24th December, 1971 to 16th January, 1972 were recorded in the cash book on 16th January, 1972 indicate that the prescribed procedure was not followed. Unless other documents namely receipts from payees obtained on each date are available, it may not be possible to verify the payments. The matter needs further examination.

[S. Nos. 22-23 (Paras 1.159—1.160) of Appendix VII to 149th Report (5th Lok Sabha)].



### Action Taken

The matter has been examined further by the State Government who have now reported as under:—

- (a) *Halfong camp*—(Rs. 0.78 lakh).—All the camp staff was heavily engaged during the period in connection with repatriation of refugees to Bangladesh. Due to such heavy pressure of work it was not possible to make day to day entry in the cash book; but the amount actually disbursed during the period from 24th December 1971 to 16th January 1972 had been entered in the cash book on 16th January 1972 showing datewise payment separately. It further appears that money required for disbursement of cash doles to the refugees was drawn on A.C. Bills. The D.C.C. bills in support of the money so drawn were duly prepared and submitted to audit duly supported by payees' receipts and other sub vouchers. Thus payees' receipts in token of disbursement of cash doles to the refugees were duly obtained as per normal procedure.
- (b) *Madhupur camp*—(Rs. 0.20 lakh).—It has been confirmed that the refugees from the sub-camp actually returned to Bangladesh on 27th December 1971 after they had received payment made to them on that date.

[Ministry of Supply and Rehabilitation (Department of Rehabilitation) O.M. No. 5(2)/75—FA&BD dated 27-2-1976].

### Recommendation

According to Audit, Public Health Engineering Divisions spent, between June 1971 and November 1971, on the construction of 4—seated and 8—seated dugwell latrines in the camps in Nadia and Behrampur, Rs. 25.88 lakhs more than what would have been necessary had trench latrines approved by Chief Engineer, Public Health Engineering Department of the State been constructed. The Committee observe from the noting recorded by the Deputy Secretary, Health Department, Government of West Bengal that “to safeguard against the loss of super-structures and also for durable structures, the Public Health Engineering Directorate took up the construction of dug-well latrines.” The Committee are not satisfied with this explanation. The Committee, however, have not as yet been told by the Department of Rehabilitation that the amount sanctioned for the revised project had actually been spent. The Committee would like the Department of Rehabilitation to investigate this matter further with a view to (a) establish that there was a definite need for the

dug-well latrines and (b) see that the cost incurred on dug-well latrines had in fact been proper and justifiable.

[S. No. 33 (Para 1.197) of Appendix VII to 149th Report  
(5th Lok Sabha)].

#### Action Taken

The matter has been investigated further in consultation with the State Government who have confirmed that:

- (a) the dug-well latrines had actually been constructed where trench latrines were unsuitable;
- (b) there was a definite need for the dug-well latrines in such places and that the amount of Rs. 25.88 lakhs spent on this account had been proper and justified.

2. A copy of the State Government's letter No. SC. 193/RC/CAO/103 (8) dated 27th June 1975 is enclosed.

[Ministry of Supply & Rehabilitation (Department of Rehabilitation) O.M. No. 5 (2) /75—FA&BD dated 22-8-1975].

GOVERNMENT OF WEST BENGAL

REFUGEE RELIEF & REHABILITATION DEPARTMENT  
WRITERS' BUILDINGS, CALCUTTA-1.

No. SC-193|RC|CAO|103(8)

*Dated the 27th June, 1975.*

To,

The Secretary to the Government of India,  
Ministry of Supply & Rehabilitation,  
Department of Rehabilitation,  
Jaisalmar House, Mansingh Road,  
New Delhi.

SUBJECT.—149th Report of the PAC (5th Lok Sabha) on paragraph 35 (Bangladesh refugees) of the report of the C&A. G. for the year 1972-73 Union Government (Civil) relating to the Ministry of Supply and Rehabilitation (Deptt. of Rehabilitation).—Expenditure on Relief for Refugees—

*Excess expenditure in construction of latrines in the camps in Nadia and Behrampore districts.*

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Sir,

I am to invite a reference to the Ministry's letter No. 7 (65) |74-FA&BD dated 26|27th May, 1975 forwarding an extract from the 149th Report of the PAC (5th Lok Sabha) on paragraph 35 (Bangladesh Refugees) of the C & A.G's Report for the year 1972-73--Union Government (Civil) relating to excess expenditure in construction of latrines in the camps in Nadia and Behrampore districts and to furnish below the observations of the State Government on the recommendations of the PAC so far as they relate to this State.

It is confirmed by the Chief Engineer of the Directorate in charge of construction that the dug-well latrines had actually been constructed where trench latrines were unsuitable.

It is also confirmed that there was a definite need for the dug-well latrines in such places and that the amount of Rs. 25.88 lacs spent on this account had been proper and justified.

Yours faithfully,  
sd|-  
(T. B. SINGH)

*Refugee Relief & Rehab. Commissioner & Secretary.*

**Recommendation**

The Audit has pointed out that tents and tarpaulins worth Rs. 30.00 lakhs became unserviceable in the Central camps in West Bengal. The Committee trust that the Department of Rehabilitation would have this matter further probed.

[S. No. 38 (Para 1.233) of Appendix VII to 149th Report (5th Lok Sabha)].

**Action Taken**

The matter relating to the tents/tarpaulins worth Rs. 30.00 lakhs, reported to have become unserviceable, in the Central camps in West Bengal, has already been examined in detail.

These tents were received at Pear-Doba railway station between August and November, 1971 for housing the refugees in the Central

transit camp at Gamarbani. Most of the wagons were received during heavy rains without railway receipts. The stores were booked 'freight to pay'. These wagons were unloaded at the railway yard to avoid demurrage. There was no covered accommodation at the said railway station which is a way-side station. The camp was then at the construction stage under the supervision of the West Bengal Construction Board and no storage accommodation for the tents was available. Due to lack of accommodation the tents etc. were covered with tarpaulins and kept at the station. The tents were pitched as and when required for accommodating the refugees. Heavy rains in late August and September, 1971 were followed by storm and gale which resulted in damage to a number of tents.

During November-December, 1971 refugees were transferred to the hutments. Thereafter, tents were removed and dried on the runway of the deserted air-strip located in the area. They were, therefore, bundled and kept on the tarmac on dunnage of tarfelt rolls covered with waterproof covers. As per report from the District Magistrate, Bankura, all the tents were used and there were no unused, unserviceable tents. The wear and tear was mainly due to the heavy rains, storm, partly due to bad handling by the inmates who were not accustomed to camp life and partly due to lack of covered accommodation.

A Board consisting of Defence personnel subsequently went into the question of selection of tents. It was mainly to assess the suitability of the tents for Defence use. Their observations did not indicate that these were unserviceable for civil use also.

These tents etc. were allotted to different Departments of State Government of West Bengal, Defence authorities, Border Security Force and/or disposed of by public auction.

As will be seen from the position explained above, there was no case of unused tents etc. which became unserviceable and no further probe in the matter would appear necessary.

[Ministry of Supply and Rehabilitation (Department of Rehabilitation O.M. No. 5(2) |75-FA&BD dated 5-3-1976].

## CHAPTER IV

### RECOMMENDATIONS/OBSERVATIONS REPLIES TO WHICH HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION

#### Recommendation

The Committee note that to cope with the influx of refugees, a Branch Secretariat of the Ministry of Rehabilitation, headed by the Additional Secretary (Col. Lutra) was set up in Calcutta in April, 1971 and an expenditure of Rs. 37.35 crores was incurred by the Central Government upto March, 1973; through that Secretariat the expenditure incurred on the establishment of the Branch Secretariat upto June, 1973 was Rs. 30.08 lakhs. One of the items of work allotted to the Branch Secretariat was "all administrative matters relating to the running of both Central and State Camps including creation of posts and making appointments." The Committee have also been informed that for managing camps in West Bengal a total number of 12,025 camps staff of various designations were engaged on a purely temporary/casual basis at a cost of nearly Rs. 3 crores. Despite the maintenance of large establishment at Calcutta and the engagement of an equally large number of camp staff of various designations gross irregularities of various kinds came to the notice of Audit and these have been highlighted in relevant portions of this report. It is surprising that in the matter of recruitment of staff, the normal recruitment rules were given a go-by and, as pointed out by the Commissioner, Jalpaiguri Division, in his letter dated 30-6-1971 to the Refugee Relief and Rehabilitation Commissioner, Calcutta, the procedure for appointment was overtly political. While the Committee appreciate the courage of the Commissioner, Jalpaiguri Division in pointing out the serious lacunae in the methods of recruitment of the camp staff, they deplore this highly improper action on the part of Government. The Divisional Commissioner's letter was not even acknowledged by the R. R Commissioner, not to speak of making a probe into the methods of recruitment and putting a stop to this malpractice. It is also surprising that the Branch Secretariat, which was specially enjoined to attend to all administrative matters relating to the running of both Central

and State Camps, including the creation of posts and making appointments, did not take note of the dubious procedures prescribed by the Government of West Bengal for camps in West Bengal.

[S. No. I (Para 1.46) of Appendix VII to 149th Report  
5th Lok Sabha].

### Action Taken

The Government of West Bengal have reported that it was a matter of overriding importance to manage a large number of camps set up to shelter lakhs and lakhs of evacuees from Bangladesh in deepest misery in the proper manner, appointment of staff therefore, as quickly as possible, was an imperative necessity. The selection and appointment of staff through normal recruitment rules was not considered practical proposition in consideration of volume of work and the very great urgency involved. The normal rules could not be followed in view of the recruitment of thousands of camp staff of different categories needed within a very short time and as a measure of solution to the problem arising out of the unprecedented influx of evacuees, the State Government had to introduce an *ad hoc* set of recruitment rules to be followed by the appointing authorities.

These recruitment rules were issued by the State Government as per their letter No. 3752-Estt. dt. 15-6-71 addressed to the State A.G. with copies to D.Cs/D.Ms.

For certain categories of posts the method of recruitment laid down in the new recruitment rules was "on the recommendations of the selection committee set up by Government or Cabinet Sub-Committee or Refugee Relief & Rehabilitation Department". The lists of persons considered suitable by the Cabinet Sub-Committee according to the method of recruitment mentioned above, were sent to the D.Cs/D.Ms. by the State Chief Secretary alongwith his letter No. 5454-P, dated 30-6-71.

A copy of the order of the Functions of the Branch Secretariat of the Department of Rehabilitation of the Government of India as given in office order No. 14/71, dated 8-6-71 has already been made available to the Public Accounts Committee. The Branch Secretariat does not appear to have been endorsed a copy of the Chief Secretary, West Bengal's letter in question No. 5454-P, dated 30-6-71.

The State Government have reported that the d.o. letter No. 535/C, dated 30-6-71 from the then Commissioner, Jalpaiguri Division, addressed to the Refugee Rehabilitation Commissioner, West Bengal, could not be traced in spite of repeated searches. Possibly, it was mislaid and as such could not be replied to. They have pointed out further that the new recruitment rules were framed after considering all aspects of the selection and with a view to appointing thousands of camp staff as quickly as possible. The State Government consider that their action was neither unjustified nor improper and that the question of making a probe into the methods of recruitment did not, therefore, arise.

[Ministry of Supply and Rehabilitation (Department of Rehabilitation O.M. No. 5(2) |75-FA & BD dated 1-11-1975)].

### **Recommendation**

It is surprising that although Audit had reported more than two years back that muster rolls for Rs. 1.35 crores for distribution of foodstuff and other essential commodities to refugees in the Central camps were not available, the Department of Rehabilitation did not take any action whatsoever to conduct investigations in the matter. It was only when the Committee took the evidence of the representatives of the Department of Rehabilitation on 17th December, 1974, that they promised to undertake an enquiry into the matter. The written note furnished by the Department in January, 1975 is most disappointing. It has been stated that the question of non-maintenance of muster rolls was discussed in a meeting held in the Branch Secretariat on 21st May, 1973 wherein in the Agenda Note it was indicated that "due to heavy influx of evacuees, maintenance of muster rolls was not possible." The Department have also stated: "It has now been decided to conduct an inquiry into the matter. An officer has been appointed to conduct the inquiry." The Committee take serious note of the dilatoriness displayed by the Department of Rehabilitation in conducting prompt enquiry into a matter which involved the disbursement of over a crore of rupees. They desire that responsibility for the lapse should be fixed. The Committee would also like that the results of investigations should be furnished to them without any further delay.

[S. N. 19 (Para 1.156) of Appendix VII to 149th Report (5th Lok Sabha)].

### **Action Taken**

The Officer appointed to conduct the inquiry into the alleged non-maintenance of muster rolls for Rs. 1.80 crores for distribution of foodstuffs and other essential commodities to refugees in the Mana Group of Central camps, has not yet completed his enquiry. The question of fixed responsibility and taking action against the defaulters for these lapses will be examined as soon as the final report in the matter is received.

[Ministry of Supply and Rehabilitation (Department of Rehabilitation) O. M. No. 5(2)/75-FA & BD dated 27-2-1976.]

### **Recommendation**

To cope with the influx of refugees, assistance of voluntary organisations was sought. It has been stated that in view of the urgency and unprecedented situation created by the sudden influx of refugees, the District Officers had to accept the services of philanthropic organisations and verification of antecedents of the organisations etc. was not always possible.

### **Recommendation**

Audit has pointed out that Rs. 5.85 crores were paid to voluntary organisations in cash besides food articles worth Rs. 7.18 crores. It has been stated by the Department of Rehabilitation that accounts were still to be rendered for a total sum of Rs. 15,80,786.84 and accounts of the value of Rs. 2,73,42,974.06 had been objected to by the Internal Audit. Subsequently it was stated that on a test check of the expenditure incurred other than reimbursements| advances made to non-official organisations and suppliers of dietary articles, the Internal Audit Wing of the Relief and Rehabilitation Directorate of West Bengal had raised objections to the value of Rs. 537.62 lakhs which could not be met by production of documents sanctions, orders for regularisation, etc. Objections to the extent of Rs. 5.06 lakhs only have since been settled. The Committee are greatly perturbed by the above facts which seem to suggest that misappropriation of public money and stores has taken place on a large scale. It would appear that large amounts of money were advanced to many non-official organisations whose credentials were not verified. No action, legal or otherwise, has been taken against these organisations which have not rendered any accounts. The Committee consider it necessary that wherever



adequate evidence exists appropriate legal action should be taken against the organisation concerned promptly. Further inquiry should also be conducted immediately to verify the authenticity and reliability of the accounts kept by these organisations.

### **Recommendation**

Indeed the Committee are so disturbed by the situation that is disclosed in regard to the voluntary organisations and their failure to render satisfactory accounts that they would recommend strongly that the entire case should be gone into exhaustively by a special commission of inquiry to be appointed under the commission of inquiry Act. This would be fair also to such of the voluntary organisations as had maintained proper standards in the conduct of the affairs.

[S. Nos. 46, 47 & 48 (Paras 1.261, 1.262 & 1.263) of Appendix VII to 149th Report (5th Lok Sabha)]

### **Action Taken**

It has been reported by the State Government that in order to meet the challenge unprecedented in the history of mankind, it was considered necessary to feed these hungry evacuees with the help of non-official organisations. Relief work was initially entrusted to the reputed philanthropic organisations like Rama Krishna Mission, Bharat Sevashram Sangha etc. Owing to their inability to cope with the situation due to sudden heavy influx of unfortunate victims of Pak aggression, the other voluntary organisations including local clubs who came forward to help the administration were also associated with the relief work.

2. The State Government have clarified that the amount of Rs. 2,73,42,974.06 which had been held under objection by the Internal Audit, includes the amount of Rs. 15,80,786.84 for which accounts are still to be rendered by six voluntary organisations against the cash advances received by them. With reference to the figures of Rs. 5.85 crores and Rs. 7.18 crores representing respectively advance in cash and kind to voluntary organisations which were furnished to the Accountant General, West Bengal in October, 1973, the State Government have classified that, as a result of further scrutiny by Internal Audit, these figures have undergone changes and now stand at Rs. 5,93,08,393.19 for cash advance and Rs. 7,34,10,573.91 for advance in kind.

3. As regards the objections raised by Internal Audit relating to non-production of documents, sanctions etc. amounting to Rs. 537.62 lakhs (and not Rs. 557.62 lakhs as reported earlier and mentioned in the PAC's Report), the State Government have pointed out that these pertain to the transactions other than those relating to non-official voluntary organisations. Action for the regularisation of this expenditure is already being vigorously pursued by the State Government with the District authorities concerned.

4. Necessary legal action has been|is being taken by the State Government for effecting recovery from the voluntary organisations concerned.

5. The State Government have reported that they have decided that the question of setting up of a Special Commission of inquiry under the Commission of Inquiry Act, as recommended by the P.A.C. would be considered after knowing the results of the proposed legal action against the defaulting voluntary organisations.

[Ministry of Supply and Rehabilitation (Department of Rehabilitation) O.M. No. 5(2)|75-FA & BD dated 1-11-1975]

## CHAPTER V

### RECOMMENDATIONS|OBSERVATIONS IN RESPECT OF WHICH GOVERNMENT HAVE FURNISHED INTERIM REPLIES

#### Recommendation

The Committee have been informed by the Department of Rehabilitation that investigation is under way by the State Government of Tripura in regard to payment of cash doles worth Rs. 0.11 lakh by Camp Supervisor, Kamalpur between the period from 9th to 13th January, 1972. The Committee desire that the matter should be pursued vigorously.

[S. No. 24 (Para 1.161) of Appendix VII to 149th Report (5th Lok Sabha)]

#### Action Taken

The matter has been examined further by the State Government who have now reported as under:—

- (a) and (b):           \*       \*       \*       \*       \*       \*
- (c) *Kamalpur Camp—(Rs. 0.11 lakh).*

The investigation into the matter by State Vigilance Department is still in progress. They have been reminded to complete the investigation as early as possible.

[Ministry of Supply & Rehabilitation (Department of Rehabilitation) O.M. No. 5(2) |75-FA&BD dated 27-2-1976]

#### Recommendation

The Committee are surprised to note that the contractors were paid Rs. 12.04 lakhs on account of higher prices. The Committee have been informed that a Committee of Engineers was set up to examine the question of payment of 20 per cent above the schedule of rates to contractors although they failed to complete the works within the stipulated period. The Committee have also

been told that in pursuance of the report of the Committee of Engineers, it has been decided to refer the case to the Central Vigilance Commission, including the point whether 20 per cent extra above the schedule of rates was justified. The Committee would like to be informed about the results of investigation conducted by the Central Vigilance Commission in this regard.

[S. No. 30 (Para 1.81) of Appendix VII to 149th Report  
(Fifth Lok Sabha)].

### **Action Taken**

The matter has been examined in consultation with the Central Vigilance Commission who have advised that:

“...the case relating to procedural irregularities etc., may also be referred to the State Vigilance Commission of West Bengal and may be referred to the Commission again after receipt of their report.”

The case is accordingly being referred to the West Bengal Vigilance Commission for further investigation and report.

[Ministry of Supply and Rehabilitation (Department of Rehabilitation) O.M. No. 5(2) |75-FA & BD, dated 1-11-1975]

### **Recommendation**

According to Audit, in certain Central camps although very ordinary wood was actually used, payment was made for better quality wood at higher rates, the extra cost being Rs. 5.97 lakhs. The Committee were informed during the course of evidence by the representative of the Department of Rehabilitation that the case had been referred to the Vigilance Commission of West Bengal, as a similar case had been referred to them earlier. Subsequently, in a written reply, the Department informed the Committee that the relevant papers are with the State Vigilance Commission and it is not possible to consult the original records but from some of the collateral records, it appears that they have also stated, that in May, 1972 it came to the notice of the Branch Secretariat that no recovery had been made for hard wood which had been used in place of sal wood in the construction of Central Transit Camp of Salboni while making the final payments to the contractors and there was dereliction of duty on the part both of the Executive Engineer and Superintendent Engineers who were involved in the construction. These officers who had been taken

on deputation from the cadre of the State Government had been reverted to their parent cadre. The Department of Rehabilitation also informed the Committee that the P.W. Department of West Bengal Government intimated that the case had been taken up with the State Vigilance Commission for framing draft charge-sheets along with a statement of allegations. The matter was allowed to rest there by the Department of Rehabilitation in view of the fact that the persons involved were officers of the State Government. It has been reported to the Committee that the wood samples used in the construction of Gambarbani Central Transit Camp were tested by the Forest Research Institute, Dehra Dun who have the opinion that none of the samples were sal wood and that the timbers represented by the samples were not included in the list of timbers used for constructional purposes.

#### **Recommendation**

The Committee understand that the entire matter has now been referred to the Central Vigilance Commission. The Committee desire that the investigations should be completed expeditiously.

[S. No. 31 & 32 (paras 1.191 & 1.192) of Appendix VII] to  
149th Report (Fifth Lok Sabha)].

#### **Action Taken**

The matter has been examined in consultation with the Central Vigilance Commission who have advised that:

“The case may be resubmitted to us after the report of the State Vigilance Commission as well as the action taken thereon by the State Government becomes available.”

The matter is accordingly being pursued with the West Bengal Vigilance Commission/Government of West Bengal.

[Ministry of Supply & Rehabilitation (Deptt. of of Rehabilitation)  
O.M. No. 5(2)/75-FA&BD, dated 1-11-1975].

#### **Recommendation**

The Committee note with concern that tents and tarpaulins worth Rs. 6.64 lakhs purchased for Central and State camps did not reach the consignees. They are surprised to be told that “All that the State Government have done is that claims were preferred with Railways.” More than one year has passed since the publication of the Audit Report and the matter has still to be settled with Railway Authority.

The Committee would like that prompt action to settle the claims is taken under intimation to them.

[S. No. 34 (Para 1.201) of Appendix VII to 149th Report (Fifth Lok Sabha)].

#### **Action Taken**

The matter continues to be pursued vigorously with the Railway authorities by the State Governments concerned. A representative from the railway authorities concerned recently visited the State Government Rehabilitation Department, Calcutta for verification of the State Government records. A final decision in this regard is expected soon. The matter is also being pursued by the Government of India (Department of Rehabilitation) with the Ministry of Railways (Railway Board), to ensure the expeditious settlement of the outstanding claims by the railway authorities concerned.

[Ministry of Supply & Rehabilitation (Department of Rehabilitation) O.M. No. 5(2)/75-FA & BD, dated 1-11-1975].

#### **Recommendation**

The Committee have been told that the Central Bureau of Investigation is investigating the allegation that favours were shown to certain firms in the award of contracts for supply of tents/tarpaulins to Government of West Bengal and that the necessary papers relating to the purchase of tents are with them (C.B.I.). The Committee have also been told that pending the completion of the C.B.I. enquiry as well as settlement of Accountant General's objections, 50 per cent of the amount billed have been paid to the suppliers. This matter has been already delayed considerably and the Committee desire that the enquiry should be completed expeditiously.

[S. No. 37 (Para 1.232) of Appendix VII to 149th Report (Fifth Lok Sabha)].

#### **Action Taken**

The Government of West Bengal have reported that the CBI have not yet informed them whether the suit filed against the defaulters concerned in the Special Judge's Court, Alipore, has since been disposed of. The papers/files seized by the CBI have also not yet been returned.

[Ministry of Supply and Rehabilitation (Department of Rehabilitation) of O.M. No. 5(2(2)/75-FA & B.D. dated 5-3-1976]

### Recommendation

The Committee are deeply concerned at the inordinate delay in finalising investigations into the thefts of dismantled materials at Jalpaiguri and Berubari. They would like to be apprised about the results of investigations and the action by Government in the light of the same.

[S. No. 41 (Para 1.236) of Appendix VII to 149th Report (Fifth Lok Sabha)].

### Action Taken

Final Police reports in respect of the theft of camp structures at Berubari and Sakhati camps, have not yet been received. On the basis of interim Police reports received in this connection, the four National Volunteer Force personnel, who were on duty in these two camps during the period of occurrence, were discharged from service.

[Ministry of Supply and Rehabilitation (Department of Rehabilitation) O.M. No. 5(2) |75-FA and BD dated 5-3-1976].

### Recommendation

The Committee note that repatriation doles to the extent of Rs. 10.08 lakhs were drawn in excess on false ration cards issued under forged signatures of the issuing authority. The matter was first brought to the notice of the State Govt. by Audit inspection report on 9th January, 1973. It is surprising that the case was referred to the State Vigilance Commission after about two years and there is no explanation for the delay. The report of the Vigilance Commission is still awaited. The Committee regret that the Department of Rehabilitation did not consider it necessary to conduct an enquiry themselves into the matter with the help of the C.B.I. The Committee desire that the investigation should be expedited and a report submitted as soon as possible.

[S. No. 45 (Para 1.252) of Appendix XII to 149th Report 5th Lok Sabha]

The State Government have reported that the alleged malpractices of drawing repatriation doles on false ration cards occurred in Salt Lake camp during 1971-72 when the District Magistrate 24 Parganas and his officers were heavily occupied with giving relief assistance to lakhs of unfortunate refugees from Bangladesh. The entire machinery of the District administration was geared up to

this relief work. As such all these cases of malpractice could not be enquired into in time. As per practice obtaining with the State Govt., in the cases of malpractice, corruption etc. a preliminary enquiry was held by the District Magistrate concerned to find out if a *prima facie* case could be made out before the matter was reported to Vigilance Commission for necessary action. In the present case, also, in pursuance of this practice, preliminary enquiries were held and when the *prima facie* case was made out, a reference to the Vigilance Commission was made in December, 1974.

2. In addition, the State Government thought it expedient to have departmental investigations in the matter. The Explanations of the Ex-Chief Commandants etc. were accordingly called for and the same were forwarded to the State Vigilance Commission.

3. The State Govt. have confirmed that registers exist, showing issue of ration cards to evacuees authorised to draw ration from camps. Since the entire issue relating to excess drawal of repatriation doles etc. has been referred to the State Vigilance Commission, action will be taken if the allegation of existence of such an organised gang is established by the Commission. The report of the State Vigilance Commission is awaited.

[Ministry of Supply and Rehabilitation (Department of Rehabilitation) O.M. No. 5(2)|75-FA & BD dated 22-9-1975]

#### **Recommendation**

The Committee regret to observe that investigation into the reported thefts|loss of 608 tube wells of the value of Rs. 3.91 lakhs has not yet been completed by the Special Investigating Officer appointed by the State Government of Tripura. The Committee desire that investigation into the loss of tubewells should be completed without further loss of time under advice to the Committee within three months.

[S. No. 49 (Para 1.266) of Appendix VII to 149th Report (5th Lok Sabha)]

#### **Action Taken**

The Government of Tripura have reported that investigation into the matter by the Special Investigating Officer appointed by



them, is still in progress. He has, however, been asked to complete the investigation as early as possible.

[Ministry of Supply and Rehabilitation (Department of Rehabilitation) O.M. No. 5(2) [75-FA &BD dated 22-9-1975]

### Recommendation

The Committee note that there are as many as 33, cases pending before the courts of law in connection with the arrangements made for the refugees of which as many as 31 cases pertain to West Bengal. The Committee have also been informed that prior to the receipt of the audit objection the State Governments concerned had investigated cases of shortages, corrupt practices, pilferages etc. The number of such cases is 106 in West Bengal, 2 in Assam, 16 in Tripura, 2 in Meghalaya and 2 in Central camps. Out of 128 cases which have come to the notice of the State Governments concerned, 86 cases are at present said to be under investigation. The Committee would like to be informed about the results of investigation in all the 86 cases within 3 months.

[Serial No. 50 (para 1.270) of Appendix VII to 149th Report (Fifth Lok Sabha)].

### Action Taken

The present position of the cases involving shortages, corrupt practices, pilferages etc., as reported by the State Governments concerned, is indicated below:

- |                        |    |          |
|------------------------|----|----------|
| (1) <i>West Bengal</i> | .. | 68 cases |
|------------------------|----|----------|
- (a) Police cases: 56—Out of these 37 cases have since ended in Final Report True and the remaining cases are still under investigation.
  - (b) Vigilance cases: 8—One case has been disposed of as not being established. The remaining 7 cases are still under investigation.
  - (c) Other agencies: 4—Three cases are still under investigation. In the fourth case, sanction of the State Government for prosecuting the then Chief Commandant,

has been issued on 6th May, 1975 at the instance of the C.B.I.

(2) *Tripura*

26 cases

(earlier reported only 15).

(a) Police cases : 24—(earlier reported 13)—Police have submitted Final Report True in 18 cases. The remaining 6 cases are still under investigation.

(b) Vigilance cases: 1 }  
 (c) Other agencies: 1 } Both the cases are still under investigation.

(3) *Meghalaya*

2 cases

Both these cases under the category "other agencies" are still under investigation by the Deputy Commissioner, Khasi Hills. His final report is still awaited. The State Government have, however, appointed an Enquiry Officer to make a complete enquiry into all the irregularities appearing in the CAG's Report and to submit his report by 15th September, 1975.

(4) *Central Camps*

1 case

The Investigation of this case, in so far as it relates to the supply of ordinary wood for better quality wood at higher rates in the construction of two Central camps, has since been completed by the West Bengal Vigilance Commission to whom this case was referred. The Commission have advised the competent disciplinary authority in the PWD (Construction Board) Government of West Bengal to draw up departmental proceedings against the then Superintendent Engineer and two Executive Engineers for their lapses.

In regard to the other aspect of the case, namely, payment to contractors on account of higher prices including 20 per cent extra above the schedule of rates for construction of two Central camps, the matter has been referred to the Central Vigilance Commission for advice which is awaited.

NOTE: *Audit's observation on Department's file "Note on paragraph 1,270 has not been verified by Audit."*

[Ministry of Supply and Rehabilitation (Department of Rehabilitation) O.M. No. 5 (2) |75-FA&BD dated 20-1-1975].

NEW DELHI;  
*April 21, 1976*

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*Vaisakha 1, 1898 (S).*

H. N. MUKERJEE,  
*Chairman,*  
*Public Accounts Committee.*

## APPENDIX

### *Consolidated Statement of Conclusions/Recommendations*

Sl. No.	Para No. of the Report	Ministry/Department concerned	Conclusion/R: commendation
1	2	3	4
1	1.8	Department of Rehabilitation/Cabinet Secretariat/All Ministries	<p>The Committee take a serious view of the non-receipt, even after the lapse of nearly a year since the presentation of their Report, of Action Taken Notes on as many as 27 out of the 50 recommendations/observations contained in the 149th Report (Fifth Lok Sabha). That this should be so despite a specific request made by the Committee that all the notes may be furnished to them latest by 16th August 1975 is regrettable. Even in the normal course, in accordance with the time schedule prescribed in this regard in the Committee's 5th Report (Fourth Lok Sabha), these notes were due at the latest by 22nd October 1975, and it is disturbing that even this routine schedule has not been substantially—let alone fully—adhered to by the Department of Rehabilitation. The Committee, thus, are unable to assess meaningfully the action taken or not taken by Government on their recommendations/observations. Parliamentary usage and propriety require that such recommendations receive prompt attention and the Committee would like the Cabinet Secretariat to issue instructions to all 7 Ministries Departments to ensure that Action Taken Notes are supplied, save in extraordinary circumstances, within the prescribed time-limit.</p>
2	1.9	Department of Rehabilitation	<p>Even in cases where Action Taken Notes have been furnished, the Committee find that all necessary action called for is yet to be completed and a final report remains to be furnished in respect of as many as 10 recommendations/observations. As pointed out in paragraph 1.4 of their 21st Report (Fifth Lok Sabha), the Committee need to be</p>

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informed expeditiously of the final action taken on their recommendations if they are to discharge the responsibilities cast on them by Parliament. The Committee, therefore, require that final action taken notes on these recommendations/observations in respect of which only interim replies have so far been furnished, as well as all the outstanding Action Taken Notes, should be furnished to them forthwith, as to enable them to examine the adequacy of the action taken by Government on these recommendations and present their Report thereon.

3 I-13

Department of Rehabilitation

The Committee have carefully considered the elaborate explanation now furnished for giving the go-by to the normal recruitment rules in the matter of recruitment of staff for refugee relief operations and refugee camps in West Bengal. While conceding that it was imperative that the staff necessary for the purpose had to be appointed as quickly as possible to deal with the large influx of refugees from erstwhile East Pakistan, the Committee feel that the recruitment rules ought to have been framed with greater care and circumspection, in consultation with the Central Government, so as to safeguard against the charges of favouritism in appointments and to allay the doubts and misgivings in the minds of senior officials like the Divisional Commissioner, Jalpaiguri, who with unusual vehemence, had dubbed the procedures 'overly political'. What is even more surprising is that the Branch Secretariat of the Department of Rehabilitation, which had been specifically set up at Calcutta for planning and coordinating relief operations, had not even been taken into confidence by the State Government in the matter of recruitment of staff. Since the manner in which this entire question was handled had also apparently been objected to by many Commissioners and District Magistrates as well, the Committee wish that a probe should be initiated into the methods of recruitment and appointment of staff for relief operations in West Bengal, and its results intimated to them.

4 I-14

Do.

The Department's reply is also, for the most part, only a resume of the views of the Government of West Bengal and does not indicate the Central Govern-

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ment's views, if any, on this matter. The Committee would like to know the reaction of the Department of Rehabilitation to the procedures followed.

5 1-17

Department of Rehabilitation

The Committee regret that the reply now furnished by the Department of Rehabilitation is not quite relevant to the Committee's earlier recommendation that responsibility should be fixed for the lapse on the part of the Department in not initiating action, for more than two years, to investigate the non-maintenance of muster rolls for the distribution of food-stuff and other commodities to refugees in Central camps. Admittedly no action had been taken by the Department on the receipt of the Audit objection and it was only after the Committee's examination was set in motion that the representatives of the Department promised to enquire into the matter. The Committee would, therefore, reiterate their earlier recommendation that responsibility for the dilatoriness displayed by the Department of Rehabilitation in not promptly investigating a matter involving the disbursement of over a crore of rupees should be fixed.

6 1-20

Do.

The Committee are unable to appreciate the logic of the State Government for postponing a decision on the Committee's recommendation that the failure of the voluntary organisations to render satisfactory accounts should be gone into exhaustively by a special commission of enquiry. As had been, pointed out earlier by the Committee, the non-production of the relevant documents and non-rendering of accounts for large sums of money seem to suggest that misappropriation of public money had stores had taken place in a rather large scale. Apparently, large sums had also been advanced to many non-official organisations whose credentials were not even verified. Since all this is disturbing, the Committee would reiterate their earlier recommendation in this regard that the entire case should be gone into exhaustively by a special commission enquiry to be appointed under the Commission of Enquiry Act, irrespective of the results of the proposed legal action against the defaulting voluntary organisations.

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Since delay in this kind of matter is extremely undesirable, the Committee would ask Government to act as promptly as possible.

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