

**PUBLIC ACCOUNTS COMMITTEE
(1978-79)**

(SIXTH LOK SABHA)

EIGHTY-FOURTH REPORT

(MINISTRY OF EXTERNAL AFFAIRS)

[Action taken by Government on the Recommendations of the Public Accounts Committee contained in their 44th Report (Sixth Lok Sabha).]

*Presented in Lok Sabha on 23-8-1978
Laid in Rajya Sabha on 23-8-1978*



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PUBLIC ACCOUNTS COMMITTEE
(1978-79)

Shri P. V. Narasimha Rao—*Chairman*

MEMBERS

Lok Sabha

2. Shri Halimuddin Ahmed
3. Shri Balak Ram
4. Shri Brij Raj Singh
5. Shri C. K. Chandrappan
6. Shri Asoke Krishna Dutt
7. Shri K. Gopal
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Rajya Sabha

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19. Dr. Bhai Mahavir
20. Smt. Leela Damodara Menon
21. Shri B. Satyanarayan Reddy
22. Shri Gian Chand Totu

SECRETARIAT

1. Shri H. G. Paranjpe—*Joint Secretary.*
2. Shri T. R. Ghai—*Senior Financial Committee Officer.*

INTRODUCTION

I, the Chairman of the Public Accounts Committee as authorised by the Committee, do present on their behalf this Eighty-Fourth Report on the action taken by Government on the recommendations of the Public Accounts Committee contained in their Forty-Fourth Report (Sixth Lok Sabha) relating to Ministry of External Affairs.

2. On 31 May, 1978 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 earlier Reports:

1. Shri P. V. Narasimha Rao—*Chairman*
 2. Shri Asoke Krishna Dutt—*Convener*
 3. Shri Vasant Sathe
 4. Shri M. Satyanarayan Rao
 5. Shri Gauri Shankar Rai
 6. Shri Kanwar Lal Gupta
- } MEMBERS

3. The Action Taken Sub-Committee of the Public Accounts Committee (1978-79) considered and adopted the Report at their sitting held on 10 August, 1978. The Report was finally adopted by the Public Accounts Committee (1978-79) on 18 August, 1978.

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

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;
August, 18, 1978

Sravana 27, 1900 (S)

P. V. NARASIMHA RAO,
Chairman,
Public Accounts Committee.

CHAPTER I

REPORT

1.1. This Report of the Committee deals with the action taken by Government on the conclusions/recommendations of the Committee contained in their 44th Report (6th Lok Sabha) presented to the Lok Sabha on 14th December, 1977 on paragraphs 29 and 52 of the Report of the Comptroller and Auditor General of India for the year 1974-75, Union Government (Civil) relating to the Ministry of External Affairs.

1.2. Action Taken Notes in respect of all the 13 conclusions/recommendations contained in the Report have been received from the Government and these have been categorised as follows:

- (i) Conclusions/Recommendations that have been accepted by Government:

Sl. Nos. 3, 8, 9—13.

- (ii) Conclusions/Recommendations which the Committee do not desire to pursue in view of the replies received from Government:

Sl. No. 4, 5—7.

- (iii) Conclusions/Recommendations replies to which have not been accepted by the Government and which require reiteration:

Sl. No. 1-2.

- (iv) Conclusions/Recommendations in respect of which Government have furnished interim replies:

NIL

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

Residential Accommodation (Paragraphs 1.19 and 1.20)—Sr. No. 1 & 2.

1.4. Commenting on a case where the Government had to incur an additional expenditure on the stay of an officer in a Mission abroad at a hotel as he could not move into the already hired house due to

the large cracks developed in it, the Committee in paragraphs 1.19 and 1.20 of the Report had observed as follows:—

“The Committee note that a two hundred years old house taken on lease by a Mission in 1967 remained vacant for over five months (27 January to 6 July, 1973) because Shri ‘B’ who was posted as First Secretary in the Mission in December, 1972 could not be relieved from the Ministry for administrative reasons. The Mission did not seek the assistance of any outside expert or undertake a critical examination of the house before recommending to the Ministry of External Affairs its retention in January, 1973. Again in May, 1973 when the Mission enquired from the Ministry whether the house may be further retained, they did not consider it necessary to inspect the premises. However, in July, 1973 after Shri ‘B’ had moved into the House, he reported that the building had developed large cracks and was dangerous to live in. He was given permission to move to a hotel and the building was surrendered to the owner after giving notice for premature termination of the lease. Government had to pay Rs. 14,441 as rent for about five months period although it was under the occupation of Shri ‘B’ for only three weeks. Government had also to bear hotel accommodation charges amounting to Rs. 19,270 for Shri ‘B’s stay there (with family) for 62 days. In addition, Government had to pay to Shri ‘B’ Rs. 20,533 more than what would have been payable had he not stayed there. The accommodation that was eventually hired cost 100 Swiss Francs (Rs. 185/- approx) more per month due to delay on the part of the Ministry of External Affairs in conveying their sanction to an earlier proposal of the Mission.

The Committee fail to understand how the building all of a sudden “developed cracks all over both inside and outside, on room ceilings and the side walls, making it dangerous for habitation”. Indeed, as will be seen from Para 1.16, there is some contradiction between the information furnished to Audit in October, 1975 and that reported in the Mission’s letter dated 24 January, 1974 addressed to the Ministry of External Affairs. This needs to be explained. Assuming that the house owner did carry out repairs in April, 1972 when the cracks had first been reported by Indian official living there the conclusion that the house

was in a stage of good repair fit for continued habitation was a facile one in the absence of any critical inspection as to the extent of repairs and the actual state of the house. Considering that the house was over 200 years old and cracks had been reported the Mission should not have been complacent in the matter but taken measures to check the condition of the house as soon as it fell vacant in January, 1973 before recommending its retention to the Ministry to meet the future requirements of the new official. The Mission would have then realised in January, 1973 itself that the house was not fit for habitation and utilised the intervening period before the arrival of the new incumbent to search out suitable alternative accommodation at competitive rent."

1.5. In their Action Taken Note dated 23 June, 1978 the Ministry of External Affairs have stated as under:—

"Conclusions/recommendation of the Public Accounts Committee have been noted.

The lease of the house which was renewed by the Mission in September, 1972 was valid up to 4th September, 1973 but Shri 'A' who was in occupation of the house had to proceed urgently on transfer in January, 1973. On his vacating the house, the Mission recommended on 18th January, 1973 its retention for Shri 'A's' successor, the considerations which weighed with the Mission being as follows:

"We are paying rental of Swiss Francs 1450 per month inclusive of heating and garage. According to Diplomatic Break Clause of lease one month's advance notice is required for giving up apartment. As you are already aware the rentals of accommodation in Geneva had gone up by 16 per cent and similar accommodation will not be available for less than Swiss Francs 2200. Ministry is already aware that accommodation is extremely difficult to find. If we give up this accommodation new incumbent may have to stay in a hotel for anything up to six months. This would cost Government considerable amount. It will be economical to retain this accommodation. We recommend the retention of the apartment."

The Mission's proposal for leasing an apartment on Swiss Francs 2750 inclusive of heating, garage and servant room

was received on 29 August, 1973 with no indication of a target date for sanction; however, sanction was conveyed on 7th September, 1973 but the Mission replied on 12th* September, 1973 that the accommodation in question was no longer available. Subsequently, on 15 September, 1973 Government sanction for leasing another apartment at Swiss Francs 2850 p.m. was sought by 19 September, 1973 and sanction was conveyed by the stipulated date, namely 19th September, 1973.

The small increase of Swiss Francs 100 had relevance to the reason given for the variation in rents in the lease deed, namely, high rise in the rental and also of the fact of August being a holiday all over Europe most of the Regies were out of town on holiday and response being very poor. It may be added that the rent "is not higher than other officers of the same rank and family size in the Mission. . . . while others have independent houses, Shri 'B' has the ground floor of a double storeyed house as before".

The building which was 200 years old was leased in 1967 and was in possession of the Mission till it was surrendered in August, 1973. It was not only in July, 1973 that the cracks in the house were noticed but in May, 1971, and also in April, 1972, the deteriorating condition of the house and development of cracks in the building were brought to the notice of the landlady. But the Mission itself renewed the lease under the delegated powers from 4th September, 1972 for a period of one year on the same terms and conditions when the lease expired on 4th September, 1972. This would show that the house was at that time in a reasonable state for continued leasing. The cracks noticed in part of the house in 1972 looked minor in nature at that time but the "house remained locked up for almost six months during which its condition seemed to have deteriorated quite a bit." On his arrival in July, 1973, Shri 'B' found that the house looked in dilapidated condition; he surveyed the whole house and discovered large cracks and bulgings in the bedroom walls which had been covered and nailed with a cheap painted cloth by the landlady; this indicated that the repairs undertaken in response to the Mission's letter dated 6th April, 1972 were minor

*Correct date according to Audit is 10th September 1973.

and superficial and that the replacement of certain items mentioned in the letter were not also undertaken. The observation made in the Mission's letter dated 24th January, 1974 that "the landlady had not bothered to do so" has to be viewed in this context.

As regards the depth of the cracks in the house, the question of hiring some technical agency to ascertain the nature of the cracks engaged the attention of the Mission. However, these cracks were also seen by some of the officers of the Mission. The view taken was "to all appearances they do not appear to be superficial cracks as they were both inside as well as outside the house which does not have these cracks. Some of these cracks and the resulting caving in of roofs at places appears menacingly dangerous and even if large chunks of the plaster were to fall, they could cause serious injury to the occupants, especially children." The landlady did not undertake repairs which would involve an expenditure of Swiss Francs 1 lakh and "she on her own initiative seems to have consulted some technical experts on the 25th July, 1973. On 27th July, she came to the Mission to say that she had no objection to our terminating the lease and leaving the house."

It was in these circumstances that the lease was prematurely terminated without involving any additional expenditure on 1st August, 1973.

The need to exercise proper and fruitful checks before recommending the retention of the accommodation of the relieved officer for his successor has been high-lighted in the instructions issued by the Ministry of External Affairs appended as Appendix 'A'.*

The Mission had also stated that "the Head of Mission did not feel it necessary to get the house examined by any experts because first he had satisfied himself by personal enquiries and secondly the hiring of an expert was considered by him to be avoidable expenditure and finally the landlady, apparently after getting the house examined and surveyed had agreed to take over the house, thereby accepting our contention regarding the condition of the house."

1.6. The Committee note from the reply that the repairs undertaken by the landlady in response to the Mission's letter dated

*See Page 7.

6 April, 1972 were minor and superficial and that the replacement of certain items mentioned in the letter were also not undertaken. It is also seen that the condition of the house was not at all taken into consideration while recommending the retention of the house in January, 1973. What is surprising is the fact that knowing the unsatisfactory condition of the house it was not at all considered necessary by the Mission to inspect the house for a period as long as six months from January, 1973 to July, 1973 during which it remained locked up and its condition seemed to have deteriorated further. This also indicates that prior inspection of the house was not made to ensure that the house was fit for occupation by the incoming officer. The Committee would like that responsibility for this lapse be fixed. The Committee also feel that the intervening period of these six months between the departure and the arrival of the two officers should have been utilised in getting the house repaired or in searching out alternate accommodation. This could have helped the Government save the avoidable expenditure incurred on the hotel stay of the officer.

The Committee note that instructions have been again issued on 27-4-78 to all the Missions/posts abroad to exercise proper and fruitful checks before recommending the retention of the accommodation and to see that the officers on first arrival move into the available accommodation even if it is slightly below entitlement. The Committee trust that the instances of the type referred to in para 29 of the C&AG's Report for the year 1974-75 will not recur in future.

CHAPTER II

CONCLUSIONS/RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY GOVERNMENT

Recommendation

The Committee fail to understand why Shri 'B' could not be accommodated in the vacant accommodation already available with the Mission on a temporary basis instead of allowing the officer to shift to a hotel without obtaining the prior concurrence of the Ministry and thus committing Government to unnecessary heavy expenditure.

[S. No. 3 Para 1.21 of Appendix to 44th Report of PAC
(6th Lok Sabha)]

Action taken

The observation of the PAC has been noted. It is explained in this connection that "in view of officers entitlement, requirement and the representational nature of his functions, the then Head of Mission did not find it proper to shift the officer and his family in apartment of former C.R.O. which was vacant for the part of the officer's stay in hotel and under surrender to the Regie". The instructions issued by the Ministry of External Affairs *vide* Appendix 'A' *inter alia* provide that officers on first arrival should move into the available accommodation even if it is slightly below entitlement.

[Ministry of External Affairs, O.M. No. Q/Accts-I/7342/1/77,
dated 23rd June, 1978]

APPENDIX "A"

Copy of letter No. Q/Accts-I/7342/1/77, dated 27-4-78, from Foreign Secretary to all Heads of Mission.

With a view to minimise the stay of our officers and their families in hotels on first arrival, the Missions are now being given sufficient advance intimation by the Ministry about all postings abroad with details of size of the families, so as to enable them to make suitable residential arrangements for them in advance. In spite of the Ministry's detailed instructions, already incorporated in IFS (PLCA)

Rules, instances of stay in hotels continue to occur. A more vigorous effort is, therefore, necessary to reduce such instances in future. Public Accounts Committee in its 44th Report in December 1977, has adversely commented on this matter, and desired that the practice of putting up of officers in hotels may be avoided as far as possible. In any case, Ministry's prior sanction must be secured invariably before involving additional expenditure. I would, therefore, request you to ensure that the undermentioned procedure is strictly followed henceforth:

- (i) On receipt of the advance intimation about the size of the family of the officer on transfer, the Mission should examine whether the accommodation already rented for the relieved officer, may be retained for the officer if the terms of the lease so permit and the accommodation is in conformity with the prescribed scale. If the lease cannot be extended or the scale of entitlement is significantly different from that of the relieved officer, the Mission should look for alternative accommodation within the ceiling rental or at the existing rent whichever is less, synchronising the lease with the arrival of the incoming official to the maximum extent possible.
- (ii) In case the Mission finds it difficult to arrange accommodation in time, the Personnel Section in the Ministry should be immediately informed to defer the departure of the incoming officer.
- (iii) In case of difficulty in finding entitled accommodation within the prescribed rental ceiling, a formal proposal should be immediately submitted to the Property I Section of the Ministry for sanctioning the rent proposed or for raising the rental ceiling.
- (iv) In case where the relieving officer is likely to arrive after the departure of the relieved officer, the desirability of retaining the accommodation of the relieved officer for the intervening period may be examined in detail and the proposal referred to the Ministry. In particular, it may be checked that the accommodation proposed to be retained is fit from all points of view for his successor.

2. It is the primary responsibility of the Chancery to find accommodation for the officers and staff. The Chancery should maintain a record of all action taken in each individual case to obtain residential accommodation. I may add that it is not for the officers to pick

and choose their accommodation, even if the accommodation is slightly below their entitlement, and it is otherwise found suitable by the Chancery, the officer concerned should move into it in the overall interest of Government.

Recommendation

The Committee would like to emphasise that the practice of putting up officers in hotels at considerable public expense may be avoided as far as possible. In any case, prior sanction of the Ministry of External Affairs may be obtained before committing Government to additional expenditure.

[S. No. 8, Para 1.26 of Appendix to 44th Report of PAC
(6th Lok Sabha)]

Action taken

The recommendation has been noted. Suitable instructions emphasising the need to avoid the practice of putting up officers/staff in hotel as a matter of course have been issued (*vide* Appendix 'A').

[Ministry of External Affairs, O.M. No. Q/Accts-I/7342/1/77,
dated 23rd June, 1978]

Recommendation

The Committee observe that most of the Missions/Posts abroad "continue to submit their cash accounts late as a rule rather than as an exception". During the years 1974-75 and 1975-76 as many as 861 and 1,499 cash accounts, respectively, had to be excluded from the regular monthly accounts because of delay in their receipt the extent of delay ranging between 15 days to over six months. The position during 1976-77 appears to be no better in so far as 1,047 such cases had already come to notice upto December, 1976.

The Committee regret to point out that in spite of detailed instructions issued by the Ministry in October and December, 1975 to all Missions/Posts followed by another communication in April 1976 stressing the need for timely submission of accounts, the position has hardly shown any improvement. As rightly pointed out by the Ministry, delay in submission of accounts by the due date apart from

upsetting proceedings in the Audit and Accounts Office, leads to dilution of accounting and financial controls enforceable by the Missions and may even "facilitate 'window dressing' of accounts in such a way that detection of frauds and defalcation is rendered difficult".

The Committee cannot, therefore, too strongly emphasise the need for prompt rendering of accounts by the Missions/Posts abroad. The Committee note that Heads of Chanceries have been made responsible to ensure that the financial and accounting procedures/instructions of the Government are strictly observed and enforced. The extent instructions also enjoin fixing of responsibility whenever submission of accounts by due date is delayed for reasons other than those beyond the control of the individual officials. The Committee would stress that these instructions should be followed in letter and spirit and the defaulting officials suitably taken up for their lapses, if any.

[S. No. 9 to 11, Para 2.15 to 2.17 of Appendix to 44th Report of PAC
(6th Lok Sabha)]

Action taken

The recommendations of the Committee have been noted for guidance.

The Missions have been exhorted to comply with the orders relating to timely submission of cash accounts and strict enforcement of financial and accounting procedure in respect of which the Head of Chancery is to be held responsible for lapses in this regard (*vide* Appendix 'C').

[Ministry of External Affairs, O.M. No. Q/Accts-I/7342/1/77,
dated 23rd June, 1978]

APPENDIX "C"

A copy of the letter No. Q/Bud/734/1/77, dated 27-4-78 from Foreign Secretary to all Heads of Missions and Posts.

The Ministry has issued several instructions for the timely submission of monthly Cash Accounts as the delay in their submission apart from upsetting the schedule of their compilation leads to dilution of accounting and financial controls enforceable by the Missions

themselves and may even facilitate 'window dressing' of accounts in such a way that detection of frauds and defalcations is rendered difficult. The Public Accounts Committee, in its 44th Report published in December 1977, has observed that most of the Missions/ Posts abroad "continue to submit their Cash Accounts late as a rule rather than as an exception." They have, therefore, strongly emphasised that the Ministry's instructions should be followed in letter and spirit and the defaulting officials responsible for the delay in submission of accounts may be taken up for their lapses, if any. Extracts of the Report of the PAC containing their recommendations are enclosed for your information. I would, therefore, like you to ensure that the Cash Accounts of your Missions are sent promptly so as to reach the office of the Controller of Accounts by 15th of the following month at the latest.

2. The Public Accounts Committee was apprised of the introduction of the scheme of Departmentalisation of Accounts in a phased manner and was assured that with the implementation of the new arrangements it was expected that the delays would by and large be eliminated. I find that the Cash Accounts/material for compilation of Cash Accounts continue to be received late in spite of repeated instructions from the Ministry. Since Heads of Chancery have been made responsible to ensure that the financial and accounting procedures/instructions of the Government are strictly observed and enforced, I would like you to impress upon the Heads of Chancery for strict enforcement of Government's instructions and caution them that lapses in this regard will render them liable for disciplinary action. Firm action will be taken against Heads of Chancery who do not fulfil the requirements of submission of cash returns in time. Extract of lapses would be made and kept in their personal files.

Recommendation

The Committee understand that the present system of compilation and submission of cash accounts by the Missions has been simplified under the scheme of departmentalisation of accounts introduced with effect from 1st October, 1976. Under the revised arrangements Missions are required to submit monthly a simple account of receipts and payments supported by the extracts of cash book and vouchers for detailed compilation by the Principal Account Office at the Ministry's headquarters (Controller of Accounts), thus doing away with the time consuming procedures presently obtaining both in the Missions and in the Accounts Office, without impairing the

efficacy of the prescribed controls and checks. The Committee have been informed on 13th July, 1977 that the question of fully and adequately manning the Accounts Office and relieving the Missions from the preparation of Cash accounts is being implemented in a phased manner from 1st April, 1977. The Committee hope that with the implementation of the new arrangements the delays in rendition of accounts would be reduced considerably.

[S. No. 12, Para 2.18 of Appendix to 44th Report of PAC
(6th Lok Sabha)]

Action taken

The recommendation of the Committee has been noted.

Further instructions rationalising the accounting arrangements have been issued, *vide* Appendix 'D'.

[Ministry of External Affairs, O.M. No. Q/Accts-I/7342/1/77,
dated 23rd June, 1978]

APPENDIX "D"

Copy of the letter No. COA/MEA/Book/77-78, dated 6-4-1977 from Financial Adviser to all Heads of Missions and Posts.

SUBJECT: *Departmentalised Accounting System—Submission of Accounts by Missions/Posts Abroad other than CAO-London and CAO-Washington.*

According to the instruction contained in this Ministry's letter No. Q/PAO/551(1)/76, dated 9th November, 1976, the implementation of para 9.1 of the Scheme of Departmentalisation of Accounts was postponed till 1st April, 1977 and, accordingly the Missions other than the Centralised Missions have been rendering compiled cash accounts instead of the extracts of Cash Book, with supporting vouchers, to the Principal Accounts Office (Controller of Accounts).

2. The position has now been reviewed. The Principal Account Office is insufficiently staffed even now and is not in a position to take over *ab initio* compilation of accounts from the extracts of Cash Book in respect of all of the 122 missions/Posts. At the same time, speedy rendition of accounts data and their timely compilation are also essential objectives to be achieved. Taking the various aspects

into consideration, it has been decided to make the following arrangements operative from 1st April, 1977:—

- (i) The thirty Missions listed in the Annex I will continue to render Cash Accounts as at present.
- (ii) All the other Missions will submit monthly extracts of cash book supported by vouchers indicating the accounts both in foreign currency as well as in rupees.
- (iii) All the Missions (including the Centralised Missions) will render every month a progressive expenditure statement in the proforma as in Annex II to the Budget Section of the Ministry. The progressive expenditure statement will be prepared from the control registers to be maintained by the Missions in accordance with the provisions of Rule 66 of the General Financial Rules.

3. It may be noted that the Principal Accounts Office is required to prepare the consolidated monthly account of the Ministry by the 25th of the following month. For this purpose, it is most essential that the Mission accounts should reach that office well in time. The Missions rendering cash accounts should send them by the first available bag after the 5th of following month. The other Missions which will render extracts of cash books should despatch them by the first bag after the close of the month. Progressive expenditure statements may be sent separately by the first bag after the 5th of the following month.

Missions are requested to extend their co-operation in giving effect to the above arrangements.

ANNEXURE I

LIST OF MISSIONS WHICH WILL RENDER COMPILED CASH ACCOUNT

1. Colombo
2. Dacca
3. Kabul
4. Kathmandu (E.I.)
5. Kathmandu (ICM)
6. Rangoon

7. Islamabad
 8. Bonn
 9. Paris
 10. Moscow
 11. Newyork (PMI)
 12. Newyork (CGI)
 13. Cairo
 14. Rome
 15. Nairobi
 16. Jeddah
 17. Kuwait
 18. Baghdad
 19. Geneva (PMI)
 20. Tehran
 21. Bangkok
 22. Jakarta
 23. Kualalumpur
 24. Singapore
 25. Tokyo
 26. Brussels
 27. Ottawa
 28. Hongkong
 29. Warsaw
 30. Accra
-

ANNEXURE II

Major head 261

Name of the Mission/Embassy/H.I.C./C.G.I. of India _____
 Progressive Expenditure statement for the month of _____ 1977

B. External Affairs
 C. 1. Embassies
 C. 2. High Commissions

| Particulars | Budget allocation | Expenditure upto previous month | Expenditure during the month of | Book debits during the month of | Total Exp. upto and including the month of | Expected Liabilities | Remarks |
|-------------|-------------------|---------------------------------|---------------------------------|---------------------------------|--|----------------------|---------|
| : | 2 | 3 | 4 | 5 | 6 | 7 | 8 |

I—SALARIES

- (i) Salary of .
 - (a) India based officers & staff
 - Diplomatic
 - non-Diplomatic
 - (b) Local Based .
- (ii) Foreign Allowance .
- (iii) Rep. Grant .
- (iv) Medical Assistance .
- (v) Other Allowances .
- Total Salaries*

II—WAGES

1

2

3

4

5

6

7

8

III--TRAVEL EXPENSES

- (i) Local Travels
- (ii) Courier Service
- (iii) Passages including T.G. & O.A.

Total Travel Expenses

IV--OFFICE EXPENSES

- (i) Communication
- (ii) P & R of Cars
- (iii) P&R of Furniture
- (iv) H. & C.W. Charges

V--RENT & MAINTENANCE OF

BUILDINGS

- (a) Owned--Residential
Non-Residential
- (b) Leased--Residential
Non-Residential

VI--PUBLICITY

VII--OTHER OFFICE EXPENSES

Total Office Expenses

GRAND TOTAL

Recommendation

In this connection the Committee would like to draw attention to the following observations made by the Estimates Committee (1975-76) in their 38th Report on "Delegation of Financial Powers":—

"5.30. The Committee feel that this opportunity of separation of Accounts from Audit should be put to effective use by proceeding with the process of rationalisation, modernisation and mechanisation so as to make the accounting units result-oriented and forward looking. In fact, the accounting units to be set up under administrative Ministries being the latest should be models of efficiency and compactness. These should be wellknit organisations where the accent right from the very beginning is on quality and minimum staff.

5.31. The Committee note the decision of the Government that each Ministry|Department should be made responsible for maintenance of its own accounts and for effecting payments which means the Secretary to each Ministry|Department would virtually be the Principal Accounting Officer also. The Committee attach great importance to the objective underlying the separation of accounts and audit and stress that this opportunity should be put to full use by rationalising the accounting heads so as to make performance budgeting meaningful as an aid to management to achieve best results for the money expended.

5.34. It is imperative that the accounts are not only prepared and presented in time but that they are kept upto-date and exhibit a meaningful correlation of expenditure with the units of performance. It is only then that the head of the Department|Ministry would be able to exercise effective check on performance by comparing the quantum of anticipated work output with the financial provision asked for in the budget and identify the weaker links of the chain which need to be strengthened."

The Committee stress that the Ministry of External Affairs should keep in view the recommendations of the Estimates Committee while rationalising and streamlining the system of maintenance of accounts by their Missions| Posts abroad in pursuance of the decision

to departmentalise accounts. The Committee would like to be apprised of the precise action taken and the improvement effected in the timely submission and finalisation of the accounts of Indian Missions/Posts abroad.

[Sl. No. 13 Para 2.19 of Appendix to 44th Report of PAC (6th Lok Sabha)].

Action Taken

The recommendations of the Committee have been noted for guidance.

The need for further rationalisation and streamlining of the system of maintenance of accounts by the Missions and Posts abroad to achieve efficiency in accounting operations, to exercise fruitful budgetary and expenditure controls and effect economy in effort and expenditure through elimination of duplication of effort and routine processes is constantly kept in view. It is hoped that experience gained in the field of departmentalisation of accounts will facilitate adoption of labour saving devices, and effective measures with accent on efficiency in maintenance of accounts and efficacy of controls designed to subserve the financial interests of Government.

Conclusions/Recommendations of the PAC contained in paras 1.19 to 2.19 have been broadcasted to all concerned for guidance vide Appendix 'E'.

[Ministry of External Affairs, O.M. No. Q/Accts-I/7342/1/77 dated 23rd June, 1978]

APPENDIX "E"

Copy of the letter No. Q/Accts-I/7342/1/77, dated 31-5-78 addressed to all Heads of Missions and Posts

SUBJECT: *Conclusions/Recommendations of Public Accounts Committee in its Forty Fourth Report of the Public Accounts Committee (Sixth Lok Sabha) for 1974-75.*

Statement containing conclusions/recommendations of the Public Accounts Committee as per their the 44th Report (Sixth Lok Sabha 1977-78) Committee on paragraph 29 and 52 of the Report of the Comptroller and Auditor General of India for the year 1974-75 is enclosed. These may be brought to the notice of all concerned with specific directions to ensure that purposeful steps are taken to prevent recurrence of the cases of the type specified therein.

The following guidelines patterned in the light of conclusions/ recommendations mentioned above may be kept in view while dealing with similar cases in future:—

(a) *ACCOMMODATION*

- (i) On transfer of an officer critical examination of the house occupied by him should be made to determine whether it is fit for continued habitation, before recommending the proposal for its retention to the Ministry. If technical examination is considered necessary, the likely expenditure on this account may also be included in the proposal.
- (ii) Vacant accommodation available with the Mission whether it is within entitlement or otherwise must be utilised, instead of permitting an officer to shift to a hotel.
- (iii) The accommodation available with the Mission may be kept in a good state of maintenance and equipped with furniture etc. so that it could be made available to the new incumbent on arrival at the station.
- (iv) The practice of putting up officer in hotels as a matter of course at considerable expense, must be avoided as far as possible. In cases where it is unavoidable to do so, Ministry's prior sanction should be obtained before committing Government to additional expenditure. The procedure indicated in the Foreign Secretary's letter No. Q/Accts-I/7342/1/77 dated 27-4-78 to all Heads of Missions must be strictly observed in all such cases.
- (v) Proposals for retention, renting or extension of leases must invariably be complete in all respect and conform to the Ministry's instructions issued from time to time so as to avoid delay in its examinations and facilitate arriving at expeditious decisions.

(b) *SUBMISSION OF CASH ACCOUNTS*

- (i) Cash Accounts of the Mission must be sent promptly and should reach the Controller of Accounts by the prescribed date invariably.
- (ii) Lapses in the observance and enforcement of financial and accounting procedures/instructions will render the head of Chancery liable to disciplinary action in terms

of the Foreign Secretary's letter No. Q|Bud|734|1|77 dated 27-4-78.

2. It may please be noted that the Public Accounts Committee is an august body of Parliament and Government attach great importance to the recommendations made by the Committee. It is therefore, imperative that the above instructions/guide lines are scrupulously followed both in letter and spirit in the financial interest of Government and in the service interest of the Head of Chancery and other concerned officials.

CHAPTER III

CONCLUSIONS/RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE REPLIES RECEIVED FROM GOVERNMENT:

Recommendation

The Committee deplore the delay on the part of the Ministry of External Affairs in conveying their sanction to the Mission's proposal to lease alternative accommodation asked for through their most immediate telex message of 23th August, 1973. Had the Ministry's sanction been conveyed at least then Government would have secured the appropriate accommodation at 100 Swiss Francs (Rs. 185/- approx.) per month lower than the eventual accommodation arranged by the Mission. That this inordinate delay in conveying approval was not an isolated case is also revealed by the Mission's letter of 24th January, 1974. This underlines the need for prompt processing and conclusive action being taken on communications from Missions abroad to the Ministry of administrative nature, particularly those with financial implications.

[S. No. 4 Para 1.22 of Appendix to 44th Report of PAC
(6th Lok Sabha)]

Action Taken

Conclusions and recommendations of the Committee have been noted for guidance. The position in this regard has been explained in detail under para 1.19 and 1.20.

Detailed instructions to Missions laying down the information required for consideration of proposals for renting of residential accommodation, guidelines to be kept in view for hiring, retention/surrender of accommodation have been issued by the Ministry of External Affairs (Appendix 'B').

[Ministry of External Affairs O.M. No. &/Accts-I/7342/1/77
dated 23rd June, 1978].

APPENDIX "B"

Copy of letter No. Q|Prop.I|861|115|76 (EAI|76,38) dated 1-4-76 to all Missions and Posts.

SUBJECT.—*Hiring of residential/office accommodation by our Missions abroad—Instructions to be followed.*

Proposals received from our Missions abroad relating to hiring of residential/office accommodation are often incomplete or need a decision to be communicated at a very short notice. It is appreciated that in a number of stations rentals have become erratic and that, therefore, it is not always possible for a Mission to send proposals well in time.

2. At the same time we do require details to properly appreciate and examine all rental proposals where the expenditure involved is in excess of the prescribed ceilings. In 1966 a booklet was prepared and circulated to all Missions, giving details of information that should be forwarded to us. For your ready reference the details are summed up as follows:—

(i) *Hiring of residential accommodation for officers (other than HOM) and staff.*

- (a) Full financial implications including information on rent for present apartment, rent proposed for new apartment/ (or increased rent for existing apartment) whether payment in other currency (other than local currency) is involved whether advance rent is required to be paid and if so for what period and whether provision exists in the budget allocation of the Mission;

(NOTE.—Wherever figures in local currency are shown their rupee equivalent should be shown in brackets).

- (b) Whether rent is inclusive or exclusive of heating and any other charges;
- (c) Period for which lease is available;
- (d) Number of rooms available and whether accommodation is more or less than scale entitlement of the officer/staff member;
- (e) Whether furnished/unfurnished.

(ii) *Hiring of accommodation for HOM.*

Details at (a) (b) and (c) above; and

- (d) As there is no prescribed scale of accommodation for HOM, the details of principal rooms (number, dimensions etc.).
- (e) Location of Embassy residence (*vis-a-vis* the chancery, foreign office and other Embassies);
- (f) whether provision exists for garage, servants quarters (details);
- (g) Size of garden, estimated expenditure on maintenance whether it is the responsibility of Govt. of India to maintain the garden under the lease (with data, on existing Embassy residence).
- (h) Furnishings.

(iii) *Hiring of office accommodation.*

- (a) Sanctioned strength and existing strength of officers/ members of staff;
- (b) Effective area available in the present and new premises (area available excluding corridors, passages and other conveniences);
- (c) Whether effective area available is more or less than the scale of accommodation prescribed in MEA circular letter No. GI'53/1111-a dated 29-7-54 (EAI'54);
- (d) Whether provision exists for accommodation of Security guards, if not, estimated expenditure on additions/ alterations);
- (e) whether provision exists for (i) cryptocentre and (ii) Public counter for consular services etc. (If not, estimated expenditure on additions/alterations);
- (f) Full financial implications [as in (i) a above].

3. You are requested to take note of the above instructions and to ensure that in future all proposals that require Ministry's prior approval are sent well in time and with the fullest details as required.

Copy of the letter No. Q/Prop.I/861/115/76 (EAI/76/I/106) dated 18-12-76 to all Heads of Missions/Posts abroad.

SUBJECT.—*Renting of residential accommodation.*

We have come across cases where Missions have, without approval from the Ministry, rented residential accommodation for officers and staff members at either very high rentals or beyond the prescribed rental ceiling. In some instances, rents for accommodation for single officials are almost the same as for married ones (the officials being of the same status). Some Missions, in trying to secure accommodation according to scale entitlement, have hired apartments/villas at exorbitant rents. All this has occasioned critical comment from Finance—and justifiably so.

2. May we emphasise once again that the scales of accommodation laid down in the IFS (PLCA) Rules do not confer a right on officials to claim them without any variation? Where rentals are very high, we would suggest earnest attempts be made to hire accommodation smaller than scale entitlement, if circumstances permit. Heads of Chanceries may please be instructed to observe these guidelines, so that the important consideration of economy remains in sight always.

3. We solicit your co-operation in this matter.

Copy of letter No. Q/Prop. I/861/346/73 (EAI/77/I/8) dated 8-2-1977 to all Heads of Missions/Posts.

SUBJECT.—*Renting of residences for Heads of Missions abroad.*

Great care goes into the selection of our HOM's residences abroad, and frequently we pay extremely high rents for them. Also, when there is a change of Heads, the need for alternate accommodation is sometimes felt, and the result is further increase in rents paid. The overall financial commitment in this respect, therefore, becomes considerable. Our attempt should be to keep a strict check on it.

2. We recently came across a case where the residence of the outgoing HOM was surrendered before his successor's arrival. As a result, the latter had to be lodged in a hotel at heavy expenditure to Government and a new house found at a highly increased rental

when the previous residence could have been retained by extending the lease.

3. To avoid situation of this kind, it has been decided that residences of outgoing of Heads of Missions should not be surrendered till the arrival of their successors. Where the lease is due to expire within a few days of the departure of the outgoing Head of Mission, every possible effort should be made to get it extended for a short duration to enable the new HOM to take a decision in the matter. (He may then either further extend the lease or locate suitable alternative accommodation). Such a short duration extension will have to be negotiated by the outgoing HOM, since his successor will not be in a position to handle it. The exact period for which extension is required will naturally depend on circumstances. If the new HOM is scheduled to arrive soon after his predecessor's departure, the extension need be minimal. In uncertain cases, it would be advisable to have a margin of at least 3 months so that any gap between HOM's is covered.

Copy of the letter No. Q/Prof.I/861/311/63(EAI/76/I/107) dated 20-1-1977 to all Heads of Missions/Posts.

SUBJECT.—Issue of formal sanction in respect of renting official residential accommodation in Indian Missions/Posts abroad.

We have noticed that in a large number of cases copies of lease deed, rough sketch of the accommodations rented, renting proforma and other relevant documents required for issue of formal financial sanctions are furnished by some of our Missions long after accommodation has been hired. This has resulted in inordinate delays in issue of formal sanctions and has thus attracted adverse criticism from the authorities concerned.

2. It is requested that in future all relevant documents required for issue of Government sanctions once rental ceilings are approved in respect of residential/office accommodation should be furnished to the Ministry within one month of the signing of lease deeds.

Recommendation

The Committee note that out of 122 Missions with about 2000 India-based personnel, only six Missions have reported 9 cases in

which hotel stay was arranged on first arrival of the officers concerned during the years 1973—75 even though accommodation lower than their scale was available. With the exception of three cases, hotel stay had to be arranged as the residential accommodation available was not ready for occupation due to unavoidable reasons. In the three cases pertaining to Sofia, Pyongyang and Kathmandu hotel stay lasted for 70, 68 and 55 days and the additional expenditure incurred was Rs. 19739.60, Rs. 3671.99 and Rs. 8272.57 respectively.

The Committee further note that in the case pertaining to Sofia, the local Government agency could not make available in the first instance accommodation as per the entitlement of the officer. In the other case pertaining to Pyongyang, even though accommodation was made available by the local Government agency, the officer could not move into it due to non availability of furniture.

In the third case pertaining to Kathmandu the hotel stay of the officer concerned became unavoidable as the house which was occupied by his predecessor was to be vacated within fifteen days after his moving to the hotel.

As regards the cases pertaining to Sofia and Pyongyang, the Committee are of the view that when the Missions concerned knew that the accommodation of the prescribed scale was not available the matter should have been taken up in advance at a fairly high level with the foreign Government so that the requisite accommodation was secured and furnished before these officers arrived or soon thereafter so as to obviate the heavy expenditure incurred in putting them up in hotels. Similarly, in the case pertaining to Kathmandu, efforts should have been made in advance by the Mission there to search alternative accommodation, when it was known that the house had to be de-hired soon after the arrival of the officer.

(Sl. No. 5 to 7 Paras 1.23 to 1.25 of Appendix to 44th Report of PAC (6th Lok Sabha).

Action Taken

The position of the cases involved is explained below:—

(i) SOFIA

Approval for renting of accommodation for First Secretary and PA at a monthly rental not exceeding Leva 500/- and Leva 350/-

respectively was obtained in September 1975. The Mission then requested the Dy. Minister, Ministry of Foreign Affairs and Chief of BODK of the Government of Bulgaria for their assistance in securing suitable accommodation. The Joint Secretary concerned also spoke to the Charge d'Affaires of the Bulgarian Embassy in New Delhi and advised the Mission to take up the matter with the Chief of the South Asia Division of the Govt. of Bulgaria. The Charge d'Affaires again called on the Deputy Minister of the Government of Bulgaria in December, 1975 who promised to find suitable accommodation and stated that the first available flat would be allotted. In view of the assurance, Shri 'C' arrived at Sofia on 7-11-75. He and the Charge d'Affaires called on the Dy. Chief of BODK on 18-11-75 who also promised to offer accommodation as soon as possible. The Ambassador subsequently called on the Chief of BODK on 26-11-75 who again promised immediate action. The Mission kept reminding the BODK on a daily basis, and eventually towards end of December, 1975 BODK offered an apartment. Though the accommodation offered was inadequate, the Mission agreed to accept it. The apartment was not handed over to the Mission till 23rd January 1976. To avoid further expenditure on hotel rent and to spare Shri 'C' and family of the hardship of stay in hotel they were shifted to Ambassador's residence where they stayed for 8 days. Shri 'C' and family moved to their apartment immediately even though the most essential items of furniture like beds, which had been ordered three months in advance, had not yet been received by then.

From the above facts it is evident that the Mission made all possible efforts to secure accommodation without any delay. There is only one organisation in Bulgaria which allot accommodation to Foreign Diplomatic Missions etc.

(ii) *Pyong-Yong*

Shri 'D' formerly First Secretary in the Embassy of India, Pyongyong joined the Mission on 15-6-73 and was accommodated in the residence vacated by Head of Mission (CGI) who had left Pyongyong on transfer, on 23-5-73. Accommodation for Shri 'D' was hired on 30-11-73 but could not be occupied on account of non-availability of furniture which was to be supplied by DPRK authorities of the Govt. of North Korea. No other source exists in North Korea for procurement of furniture by the foreign Missions. Shri 'D' had therefore to be moved to a hotel on the arrival of the HOM (Ambassador).

(iii) Kathmandu

The Mission had advertised in local press and tried through agents from March 1975 onwards for hiring suitable accommodation for Shri 'E'. The house occupied by his predecessor had to be vacated as it, according to reports, required extensive and major repairs. It was hired in 1958 and with passage of time its condition had deteriorated. According to the estimates of the Asstt. Engineer, ICM, Kathmandu, the repairs would cost Rs. 9450 (NC), but the landlord was not prepared to get the necessary repairs of the house done at his own cost. There was no alternative for the Mission except to accommodate Shri 'E' in a hotel till suitable accommodation for him could be rented.

[Ministry of External Affairs O.M. No. Q/Accts.-E/7342/1/77 dated
23rd June, 1978].

CHAPTER IV

CONCLUSIONS/RECOMMENDATIONS REPLIES TO WHICH HAVE NOT BEEN ACCEPTED BY THE GOVERNMENT AND WHICH REQUIRE REITERATION

Recommendation

The Committee note that a two hundred years old house taken on lease by a Mission in 1967 remained vacant for over five months (27 January to 6 July, 1973) because Shri 'B' who was posted as First Secretary in the Mission in December 1972 could not be relieved from the Ministry for administrative reasons. The Mission did not seek the assistance of any outside expert or undertake a critical examination of the house before recommending to the Ministry of External Affairs its retention in January 1973. Again in May 1973 when the Mission enquired from the Ministry whether the house may be further retained, they did not consider it necessary to inspect the premises. However, in July 1973 after Shri 'B' had moved into the House, he reported that the building had developed large cracks and was dangerous to live in. He was given permission to move to a hotel and the building was surrendered to the owner after giving notice for premature termination of the lease. Government had to pay Rs. 14,441 as rent for about five months period although it was under the occupation of Shri 'B' for only three weeks. Government had also to bear hotel accommodation charges amounting to Rs. 19,270 for Shri 'B's stay there (with family) for 62 days. In addition, Government had to pay to Shri 'B' Rs. 20,533 more than what would have been payable had he not stayed there. The accommodation that was eventually hired cost 100 Swiss Francs (Rs. 185/- approx.) more per month due to delay on the part of the Ministry of External Affairs in conveying their sanction to an earlier proposal of the Mission.

The Committee fail to understand how the building all of a sudden "developed cracks all over both inside and outside, on room ceilings and the side walls, making it dangerous for habitation". Indeed, as will be seen from Para 1.16, there is some contradiction between the information furnished to Audit in October 1975 and that reported in the Mission's letter dated 24 January, 1974 addressed to the Ministry of External Affairs. This needs to be explained.

Assuming that the house owner did carry out repairs in April 1972 when the cracks had first been reported by Indian official living there the conclusion that the house was in a state of good repair fit for continued habitation was a facile one in the absence of any critical inspection as to the extent of repairs and the actual state of the house. Considering that the house was over 200 years old and cracks had been reported the Mission should not have been complacent in the matter but taken measures to check the condition of the house as soon as it fell vacant in January 1973 before recommending its retention to the Ministry to meet the future requirements of the new official. The Mission would have then realised in January 1973 itself that the house was not fit for habitation and utilised the intervening period before the arrival of the new incumbent to search out suitable alternative accommodation at competitive rent.

[S. No. 1 & 2 Para 1.19 and Para 1.20 of Appendix to 44th Report of PAC (6th Lok Sabha)].

Action Taken

Conclusions/recommendations of the Public Accounts Committee have been noted.

The lease of the house which was renewed by the Mission in September, 1972 was valid up to 4th September 1973 but Shri 'A' who was in occupation of the house had to proceed urgently on transfer in January, 1973. On his vacating the house, the Mission recommended on 18th January 1973 its retention for Shri 'A's successor, the considerations which weighed with the Mission being as follows:

"We are paying rental of Swiss Francs 1450 per month inclusive of heating and garage. According to Diplomatic Break Clause of lease one month's advance notice is required for giving up apartment. As you are already aware the rentals of accommodation in Geneva had gone up by 16 per cent and similar accommodation will not be available for less than Swiss Francs 2200. Ministry is already aware that accommodation is extremely difficult to find. If we give up this accommodation new incumbent may have to stay in a hotel for anything up to six months. This would cost Government considerable amount. It will be economical to retain this accommodation. We recommend the retention of the apartment."

The Mission's proposal for leasing an apartment on Swiss Francs 2750 inclusive of heating, garage and servant room was received on 29th August 1973 with no indication of a target date for sanction; however, sanction was conveyed on 7th September, 1973 but the Mission replied on 12th* September, 1973 that the accommodation in question was no longer available. Subsequently, on 15th September, 1973 Government sanction for leasing another apartment at Swiss Francs 2850 p.m. was sought by 19 September, 1973 and sanction was conveyed by the stipulated date, namely, 19th September, 1973.

The small increase of Swiss Francs 100 had relevance to the reason given for the variation in rents in the lease deed, namely, high rise in the rental and also of the fact of August being a holiday all over Europe most of the Regies were out of town on holiday and response being very poor. It may be added that the rent "is not higher than other officers of the same rank and family size in the Mission... while others have independent houses. Shri 'B' has the ground floor of a double storeyed house as before."

The building which was 200 years old was leased in 1967 and was in possession of the Mission till it was surrendered in August, 1973. It was not only in July, 1973 that the cracks in the house were noticed but in May, 1971, and also in April, 1972. the deteriorating condition of the house and development of cracks in the building were brought to the notice of the landlady. But the Mission itself renewed the lease under the delegated powers from 4th September, 1972 for a period of one year on the same terms and conditions when the lease expired on 4th September, 1972. This would show that the house was at that time in a reasonable state for continued leasing. The cracks noticed in part of the house in 1972 looked minor in nature at that time but the "house remained locked up for almost six months during which its condition seemed to have deteriorated quite a bit". On his arrival in July, 1973, Shri 'B' found that the house looked in delapidated condition; he surveyed the whole house and discovered large cracks and buildings in the bedroom walls which had been covered and nailed with a cheap painted cloth by the landlady; this indicated that the repairs undertaken in response to the Mission's letter dated 6th April 1972 were minor and superficial and that the replacement of certain items mentioned in the letter were not also undertaken. The observation made in the Mission's letter dated 24th January, 1974 that "the landlady had not bothered to do so" has to be viewed in this context.

As regards the depth of the cracks in the house, the question of hiring some technical agency to ascertain the nature of the cracks

*Correct date according to Audit is 10th September, 1973.

engaged the attention of the Mission. However, these cracks were also seen by some of the officers of the Mission. The view taken was "to all appearances they do not appear to be superficial cracks as they were both inside as well as outside the house which does not have these cracks. Some of these cracks and the resulting caving in of roofs at places appears menacingly dangerous and even if large chunks of the plaster were to fall, they could cause serious injury to the occupants especially children." The landlady did not undertake repairs which would involve an expenditure of Swiss Francs 1 lakh and "she on her own initiative seems to have consulted some technical experts on the 25th July, 1973. On 27th July, she came to the Mission to say that she had no objection to our terminating the lease and leaving the house".

It was in these circumstances that the lease was prematurely terminated without involving any additional expenditure on 1st August, 1973.

The need to exercise proper and fruitful checks before recommending the retention of the accommodation of the relieved officer for his successor has been highlighted in the instructions issued by the Ministry of External Affairs appended as Appendix 'A'.*

The Mission had also stated that the Head of Mission did not feel it necessary to get the house examined by any experts because first he had satisfied himself by personal enquiries and secondly the hiring of an expert was considered by him to be avoidable expenditure and finally the landlady, apparently after getting the house examined and surveyed had agreed to take over the house, thereby accepting our contention regarding the condition of the house.

[Ministry of External Affairs O.M. No. Q Accts-I/1/77 dated 23rd June, 1978].

*See page 7

CHAPTER V

**CONCLUSIONS|RECOMMENDATIONS IN RESPECT OF WHICH
GOVERNMENT HAVE FURNISHED INTERIM REPLIES**

—NIL—

NEW DELHI;
August 18, 1978.
Sravana 27, 1900 (S).

P. V. NARASIMHA RAO,
Chairman,
Public Accounts Committee.

APPENDIX

Consolidated Statement of Conclusion/Recommendations

| Sl. No. | Para No. of the Report | Ministry concerned | Conclusion Recommendation |
|---------|------------------------|------------------------------|---|
| 1 | 2 | 3 | 4 |
| 1 | 1.6 | Ministry of External Affairs | <p>The Committee note from the reply that the repairs undertaken by the landlady in response to the Missions's letter dated 6 April, 1972 were minor and superficial and that the replacement of certain items mentioned in the letter were also not undertaken. It is also seen that the condition of the house was not at all taken into consideration while recommending the retention of the House in January, 1973. What is surprising is the fact that knowing the unsatisfactory condition of the house it was not at all considered necessary by the Mission to inspect the house for a period as long as six months from January, 1973 to July 1973 during which it remained locked up and its condition seemed to have deteriorated further. This also indicates that prior inspection of the house was not made to ensure that the house was fit for occupation by the incoming officer. The Committee would like that responsibility for this lapse be fixed. The Committee also feel that the intervening period of these six months between the departure and the arrival of the two officers should have been utilised in getting the house repaired or in search-</p> |

ing out alternate accommodation. This could have helped the Government save the avoidable expenditure incurred on the hotel stay of the officer.

The Committee note that instructions have been again issued on 27-4-78 to all the Missions|posts abroad to exercise proper and fruitful checks before recommending the retention of the accommodation and to see that the officers on first arrival move into the available accommodation even if it is slightly below entitlement. The Committee trust that the instances of the type referred to in para 29 of the C&AG's Report for the year 1974-75 will not recur in future.
