

PUBLIC ACCOUNTS COMMITTEE
(1971-72)

(FIFTH LOK SABHA)

THIRTY-THIRD REPORT

[Action taken by Government on the recommendations of the Public Accounts Committee contained in their 108th Report (Fourth Lok Sabha) on Audit Report (Civil), 1970 relating to the Ministry of Health, Family Planning Works, Housing & Urban Development (Department of Works, Housing & Urban Development)].



LOK SABHA SECRETARIAT
NEW DELHI

February, 1972/Pausa, 1893 (Saka)

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PUBLIC ACCOUNTS COMMITTEE
(1971-72)

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Shri Era Sezhiyan

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3. Shrimati Mukul Banerji
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18. Shrimati Vidyawati Chaturvedi
19. Shri Jagadish Prasad Mathur
20. Shri Thillai Villalan
21. Shri Shyam Lal Yadav
22. Shri Sheel Bhadra Yajee

SECRETARIAT

Shri B. B. Tewari—Deputy Secretary.

Shri T. R. Krishnamachari—Under Secretary.

INTRODUCTION

I, the Chairman of the Public Accounts Committee, as authorised by the Committee, do present on their behalf this Thirty Third Report on the Action Taken by Government on the recommendations of the Public Accounts Committee contained in their 108th Report (Fourth Lok Sabha) relating to the Department of Works, Housing & Urban Development.

2. On the 8th July, 1971, an "Action Taken" Sub-Committee was appointed to scrutinise the replies received from Government in pursuance of the recommendations made by the Committee in their earlier Reports. The Sub-Committee was constituted with the following Members:

- | | |
|--|-------------------|
| 1. Shri B. S. Murthy— <i>Convener.</i> | |
| 2. Shri Bhagwat Jha Azad | } <i>Members.</i> |
| 3. Shri Ram Sahai Pandey | |
| 4. Shri C. C. Desai | |
| 5. Shri Thillai Villalan | |
| 6. Shri Shyama Lal Yadav | |

3. The Action Taken Notes furnished by the Government were considered by the Action Taken Sub-Committee of the Public Accounts Committee (1970-71) at their sitting held on 9th December, 1970. Consequent on the dissolution of the Lok Sabha on the 27th December, 1970, the Public Accounts Committee ceased to exist from that date. The Action Taken Sub-Committee of the Public Accounts Committee (1971-72) considered and adopted this Report at their sitting held on the 24th Jan., 1972 based on the suggestions of the Sub-Committee of PAC (1970-71) and further information received from the Ministry of Works & Housing. The Report was finally adopted by the Public Accounts Committee on the 22nd February, 1972.

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

5. The Committee place on record their appreciation of the commendable work done by the Convenor and the Members of the Action Taken Sub-Committee (1970-71) in considering the Action Taken notes and offering suggestions for this Report which could not be finalised by them because of the sudden dissolution of the Fourth Lok Sabha.

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

NEW DELHI;
22nd February, 1972.

3rd Phalgun, 1893 (S).

ERA SEZHIYAN,
Chairman,
Public Accounts Committee.

CHAPTER I

REPORT

1.1. This Report of the Committee deals with action taken by Government on the recommendations contained in their 108th Report (Fourth Lok Sabha) on the Audit Report (Civil), 1969 relating to the Ministry of Health, Family Planning, Works Housing & Urban Development (Department of Works, Housing & Urban Development).

1.2. Action Taken Notes have been received in respect of all the 29 recommendations contained in the Report.

1.3. Action Taken Notes|Statements on the recommendations of the Committee contained in this Report have been categorised under the following heads:—

(i) *Recommendations|observations that have been accepted by Government.*

S. Nos. 11, 13, 14, 15, 16, 18, 25, 26, 28 and 29.

(ii) *Recommendations|observations which the Sub-Committee may not like to pursue in the light of the replies received.*

S. Nos. 21, 22, 23 and 24.

(iii) *Recommendations|observations replies to which have not been accepted by the Committee and which requires re-iteration.*

Nil.

(iv) *Recommendations|observations in respect of which Government have furnished interim replies.*

S. Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 12, 17, 19, 20 and 27.

1.4. The Committee hope that final replies in regard to those recommendations to which only interim replies have so far been furnished will be submitted to them expeditiously after getting them vetted by audit.

1.5. The Committee will now deal with action taken notes received on some of the recommendations.

Construction of godowns—Paragraphs 1.63 and 1.64 (S. No. 10).

1. 6. In paragraphs 1.40 to 1.66 of 108th Report (Fourth Lok Sabha) the Public Accounts Committee had examined a case of construction of shell type godowns at Bombay. Referring to the arbitrator's award on the claims and counter-claims of Government and the contractor in this case, the Committee made the following observations in paragraphs 1.63 and 1.64:—

“The Committee observe that Government have lost their case against the contractor in arbitration. The arbitrator rejected Government's claims that the contractor was liable either for work reported defective or for the portion of it left unfinished and completed by Government at higher cost. Government's claims on this and other accounts aggregating Rs. 9.43 lakhs were therefore turned down.

On the other hand, the arbitrator upheld the contractor's claims for extra cost “due to various hindrances and in-decisions” by the Department, which prolonged the work and kept the contractor's labour and staff ‘idle’. The award on these counts alone amounted to Rs. 6.7 lakhs and the total amount awarded was Rs. 12.08 lakhs against claims amounting to Rs. 45.62 lakhs which were preferred by the contractor.

The Committee note that the arbitrator gave no reasons for his award. They would like Government to take legal opinion and decide whether an appeal should be preferred against the award. In the light of the arbitrator's findings, the Committee would also like Government to investigate the lapses, on the part of the Department at several stages of execution of work, so that responsibility could be fixed. Government should also examine whether, in view of their experience in this case, further dealings with the contractor are desirable.”

1.7. In their reply dated 23rd November, 1970, the Department of Works, Housing & Urban Development have stated:

“The award was challenged by Government in the Bombay High Court after obtaining legal opinion. The petition for setting aside the award was however dismissed by the High Court.

The Engineer-in-Chief, Central P.W.D. was asked to inquire into the lapses on the part of the departmental officers at

various stages of execution of work. His findings were to the effect that primarily the then Executive Engineer (Shri), was at fault. Shri, however, had resigned from Government service towards the end of 1965, and therefore no disciplinary action could be taken against him.

As regards the contractor, the case is still being examined for taking suitable action against him in view of several lapses committed by him in the execution of the work."

1.8. It is understood from Audit that the petition for setting aside the award was dismissed by the High Court as the same could not be filed within the prescribed period of thirty days. The Ministry was requested by Audit on 16th Jan., 1971 to indicate in the Action Taken Note whether any responsibility had been fixed for that failure. The Ministry has not yet submitted any revised note.

1.9. The Committee note that the Department has expressed its inability to take any disciplinary action against the Executive Engineer who was found to be primarily responsible for the lapses at the various stages of execution of work as he has resigned. The Committee are of the opinion that the responsibility of other officials connected with the work should also be examined and appropriate action taken.

1.10. The Committee further note that the petition for setting aside the award had been dismissed by the High Court as the same could not be filed within the prescribed period of thirty days. The Committee desire that responsibility for the failure to file the petition in time should be fixed and intimated to them.

1.11. As regards action against the contractor, the Committee desire that the examination of the case should be completed without further loss of time and on the basis thereof suitable action taken against him.

Lowering sub-soil water in Delhi—Paragraphs 1.93—1.96 (S. No. 13),

1.12. The Public Accounts Committee had, in paragraphs 1.67—1.96 of their 108th Report (Fourth Lok Sabha), dealt with a case of lowering of sub-soil water in Delhi. The Public Accounts Committee, in this connection, had made the following observations in paragraphs 1.93—1.96:—

"The Committee cannot help feeling that Government should have conducted adequate geological investigations before

embarking on this scheme on which the running expenses alone amounted to Rs. 37 lakhs till March, 1968.

The Scheme was undertaken on the basis of the findings of an Ad hoc Committee which reported that the sub-soil water table in New Delhi was rising. That Committee calculated that the net yearly addition to the water-table was of the order of 108 million cft. and that the installation of 100 tubewells, each pumping out 1.15 million cft. of water annually, would be necessary to counter this addition to the sub-soil water-table. In addition, the Ad hoc Committee recommended installation of 203 more tubewells, so that the water-table could be lowered to a depth of 14 ft. below ground level. In all, therefore, 303 tube-wells, pumping out annually 344 million cft. of water, were considered necessary.

The data furnished to the Committee shows that the 303 tube-wells installed have been on an average actually pumping out only 20 per cent to 25 per cent of the quantity estimated by the Ad hoc Committee. Between 1964 and 1969, for instance, the water pumped out annually by all the tube-wells was on an average only 96.87 million cft. per annum, which is substantially less than the net annual addition of 108 million cft. to the water-table estimated by the Ad hoc Committee. In spite of this, the water-table has been effectively lowered and the 'badly affected' areas reduced nearly to a third. What is more, some of the pumps installed in areas which were considered 'badly affected' did not have adequate quantity of water to pump out. It is obvious therefore that the Scheme was undertaken on the basis of estimates of additions to the sub-soil water-table which were quite over-pitched.

The Committee note that Government themselves now recognise the possibility that there is not enough data to establish that the city of New Delhi is threatened with water-logging and have asked the Geological Survey of India to undertake investigations for this purpose. What is surprising is that when this view was expressed by a geologist to the Ad hoc Committee as early as 1959, no cognisance was taken of it. The Committee trust that the geological investigations will be completed early and that on the basis of the findings, Government will come to a considered decision about the lines on which the implementation of this scheme should proceed."

1.13. In their reply dated 23rd November, 1970 the Department of Works Housing & Urban Development have stated:

“The report of the Geological Survey of India has not so far been received. They are being requested to expedite the report so that further action can be taken on the continuance or otherwise of the pumps.”

1.14. The Committee cannot help expressing dissatisfaction over the fact that no periodic reviews of the working of the scheme were undertaken although the actual pumping of sub-soil water had been showing results contrary to its earlier assumptions. They also feel that the expert opinion should have been taken before embarking upon the scheme. The Committee take a serious view of these lapses which caused heavy recurring running expenses.

1.15. The Committee regret to note that the Geological Survey of India has not as yet reported its findings to the Ministry although it was requested to undertake a study in March, 1968. They would like it to be done early, so that the continuance or otherwise of the scheme could be decided upon without further delay.

Utilisation of Rabindra Rangshala constructed in New Delhi—Paragraphs 1.118—1.120 (Sl. Nos. 15 & 16).

1.16. While examining the utilisation of ‘Rabindra Rangshala’ constructed in Delhi and its cost of maintenance, the Committee, in paragraphs 1.118—1.120 of their 108th Report (Fourth Lok Sabha), had made the following observations :

“The Committee are distressed to learn that the Rabindra Rangshala, which was planned with the very laudable object of honouring the memory of a national leader, has turned out to be a costly but little used facility. The construction of the Rangshala was undertaken in the hope that its cost initially estimated at Rs. 10 lakhs, would be entirely defrayed by public donations. This hope was believed and the project ultimately cost Rs. 37 lakhs, out of which as much as Rs. 27 lakhs had to be borne by Government. After having been constructed at such high cost, the Rangshala with a seating capacity of 2,000 to 8,000 persons, so far had been used only twice since its inauguration in October 1968, when Government realised a sum of Rs. 2,000 as rent. On the other hand, the expenditure on its main-

tenance during 1968-69 has been of the order, of Rs. 1.39 lakhs.

In para 4.10—4.11 of their Fourteenth Report (Fourth Lok Sabha) the Committee have already commented on the unsatisfactory manner in which this project was planned and executed. The Committee would readily agree that the Rangshala being a cultural amenity should not be viewed as a financial proposition for Government. At the same time it is incumbent on Government to see that it is popularised and put to good use. The Committee note that Government are seized of this matter and hope that their efforts in this regard will succeed. It seems to the Committee that a Ministry like the Ministry of Information & Broadcasting or the Ministry of Education & Youth Services should take over the administration of the Rangshala as they have a more intimate association with the organisation of cultural and artistic programmes.

The Committee would also like Government to examine how best the maintenance expenditure on the Rangshala could be pruned."

1.17. In their reply dated 27th November, 1970, the Department of Works, Housing and Urban Development have stated:

"The Department of Works Housing and Urban Development are willing to accept the recommendation of the PAC that the Rabindra Rangshala should be administered by the Ministry of Information and Broadcasting or the Ministry of Education and Youth Services as these Ministries have more intimate association with the organisation of cultural and artistic programmes.

The Ministries of Education and Youth Services and Information and Broadcasting have been consulted. The matter is being considered further by Government before a final decision is taken.

As regards the maintenance expenditure on the Rangshala the matter has been examined in consultation with the Chief Engineer (NDZ), C.P.W.D., New Delhi. With a view to effect economy, it has been decided to reduce the maintenance establishment with effect from 1st September, 1970".

1.18. In a further communication dated 6th January, 1972, the Ministry of Works and Housing have stated :

As was indicated by PAC in their recommendation, the question of transferring the management of the Rangshala was taken up with the object of popularising the Rangshala and it has been decided (March 27th 1971) by Government that the administration of Rabindra Rangshala should be transferred to the Ministry of Information and Broadcasting, who will take further necessary action in this matter. The normal maintenance work will however, continue to be done by C.P.W.D.

2. The amounts realised so far by way of rent etc., are as under :

	Rs.
(i) 1-10-68 to March, 1969	Nil
(ii) April, 1969 to March, 1970	12,655.00
(iii) April, 1970 to March, 1971	13,534.00
(iv) April, 1971 to August, 1971	10,480.00

3. As regards pruning of the maintenance expenditure, it may be stated that the expenditure was brought down to Rs. 1,32,000 from Rs. 1,95,000. However, the expenditure for the year 1970-71 was Rs. 1,47,000 as the decision on pruning the expenditure was taken with effect from 1st September, 1970.

4. The reduction of maintenance expenditure was brought about by effecting reduction in the staff.

1.19. The Committee note that their suggestion regarding the transfer of the administration of the Rangshala to either the Ministry of Education & Youth Services or the Ministry of Information & Broadcasting has been accepted and that it has been decided to transfer the administration of the Rangshala to the latter Ministry. The Committee hope that the Information and Broadcasting Ministry will take over the administration of the Rangshala forthwith and make every endeavour to popularise it and utilise it better.

Administration of Community Centres at Kidwai Nagar and Sarojini Nagar in New Delhi—Paragraph 1.135 (Sl. No. 19)

1.20. While examining the delay in the recovery of rent from some Government buildings in Delhi/New Delhi occupied by the Bharat Sewak Samaj, the Public Accounts Committee had made the follow-

ing observations in paragraph 1.135 of their 108th Report (Fourth Lok Sabha) :

“The Committee also note that Government are taking over the administration of the welfare centres previously run by the Samaj. The Committee would like it to be speedily done.”

1.21. In their reply dated the 19th November, 1970, the Department of Works, Housing and Urban Development have stated :

“The question of taking over the two Community Centres at Kidwai Nagar and Sarojini Nagar from the Bharat Sewak Samaj was discussed with the representatives of the Samaj and the Ministry of Home Affairs on 1st April, 1970 in the room of the Minister for Health and Family Planning and Works Housing and Urban Development when the Bharat Sewak Samaj was asked to hand over the Centres to the Ministry of Home Affairs and to settle with them the terms and conditions for running their schools. This matter was again discussed by the representatives of the Samaj with the Deputy Home Minister in the meeting on the 16th July, 1970 when it was agreed that the Bharat Sewak Samaj would vacate the Community Centre at Kidwai Nagar and hand over the premises to the Ministry of Home Affairs for running the welfare activities. The Samaj would be entitled to receive payment for the value of assets such as furniture, equipments etc., which would be handed over to the Ministry of Home Affairs. That Ministry intimated on the 13th July, 1970 that action to get the possession of the Community Centre at Kidwai Nagar was being initiated by them. As regards the Community Centre at Sarojini Nagar, the Ministry of Home Affairs recommended that the Samaj might be permitted to continue welfare activities at these premises by payment of rent till such time the Samaj desired to continue to run the welfare activities there.

The Ministry of Home Affairs (now Department of Personnel) have now stated on 6th November, 1970 that the question of taking over the two Community Centres would arise when vacant possession of the two Centres is given to that Department. They have also stated that they would take over the responsibility of running the welfare activities at these two Centres when possession is given to them.

In view of these altered circumstances the question of taking over the two Centres from the Bharat Sewak Samaj is again under examination in consultation with the Department of Personnel."

1.22. In a further communication dated the 17th November, 1971, the Ministry of Works and Housing have stated:

"The question regarding the handing over of the vacant possession of the Centres to the Department of Personnel was again discussed in a meeting held in the room of the Minister of Works and Housing on the 14th July, 1971. All the relevant questions relating to these two Community Centres were discussed in detail and it was agreed that a survey should be made by the Chief Welfare Officer, Department of Personnel, with a view to ascertain the following :

- (a) The nature of activities being carried out by the Bharat Sewak Samaj in the two Community Centres and whether such activities were useful to the residents of the area.
- (b) In case the Bharat Sewak Samaj was made to vacate these centres, the agency which could take over the present activities in the centres without detriment to the interest of the residents of the localities and the manner in which it could be done.
- (c) In case, it was found that the Bharat Sewak Samaj was carrying on in these centres activities useful to the residents of the area, whether it was possible to associate the representatives of the Association/Unions of the residents of the locality with the management of the centres.

The results of the survey are awaited.

1.23. The Committee note that Government are yet to decide on the taking over of the administration of the Community Centres at present run by the Bharat Sewak Samaj and that the results of the survey undertaken in this connection by the Chief Welfare Officer, Department of Personnel, are awaited. The Committee desire that the survey should be completed expeditiously and a decision in the matter taken without delay.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS THAT HAVE BEEN ACCEPTED BY GOVERNMENT

Recommendation

Two other points arising out of the case need pointed attention, as they will have a bearing on future contracts.

(i) A sum of Rs. 1 lakh was advanced to the contractor, at his request out of his security deposit with the Department against 'indenture' of his machinery. No action could be taken against the contractor when he subsequently removed the machinery, because the legal opinion was that the indenture bond pledging the machinery was itself "open to question", as the machinery was the contractor's and the money advanced also was his. The result of all this was that the Department was deprived of a part of the security deposit without any remedy. The arbitrator did not also uphold Government's claim for recovery of the amount from the contractor. The Committee would like Government to issue instructions so that proposals of this type are not entertained in future. The Committee also desire that Government should examine how an intrinsically unsound proposal of this nature was accepted and whether this was done after obtaining legal advice.

[Sl. No. 11(Para 1.65) of Appendix VIII of the 108 Report
(Fourth Lok Sabha)].

Action Taken

The contractor could not complete the remaining work due to financial difficulties and the balance of the work could not be got executed by the other contractors because of the difficult nature of the work and also of the fact that the rates of all materials, labour, etc., had gone high compared to the estimate framed for the work based on the Schedule of 1953-54. Some financial assistance to the contractor was, therefore, considered necessary to enable him to complete the remaining work.

The release from the security deposit was, therefore recommended by the C.P.W.D. keeping in view the changed rates of deduction

of security deposits to the maximum limit of Rs. 1 lakh only, introduced with effect from 7-9-1962. The security deposit amount available with the Department then was Rs. 4,03,412.

The proposal was accepted by Government after due consideration, and in consultation with the Ministries of Law and Finance.

The observation of the Committee that proposals which are not legally sound should not be accepted in future has been noted for future guidance.

[Department of Works, Housing & Urban Development O.M. No. G-25015/17/70/Bt, dated 29-5-1971].

Recommendation

The Committee cannot help feeling that Government should have conducted adequate geological investigation before embarking on this scheme on which the running expenses alone amounted to Rs. 37 lakhs till March, 1968.

The Scheme was undertaken on the basis of the findings of an *Ad hoc* Committee which reported that the sub-soil water table in New Delhi was rising. The Committee calculated that the net yearly addition to the water-table was of the order of 108 million cft. and that the installation of 100 tube-wells, each pumping out 1.15 million cft. of water annually, would be necessary to counter this addition to the sub-soil water-table. In addition, the *Ad hoc* Committee recommended installation of 203 more tube-wells so that the water-table could be lowered to a depth of 14 ft. below ground level. In all, therefore, 303 tube-wells, pumping out annually 344 million cft. of water, were considered necessary.

The data furnished to the Committee shows that the 303 tube-wells installed have been on an average actually pumping out only 20 per cent to 25 per cent of the quantity estimated by the *Ad hoc* Committee. Between 1964 and 1969, for instance, the water pumped out annually by all the tube-wells was on an average only 96.87 million cft. per annum, which is substantially less than the net annual addition of 108 million cft. to the water-table estimated by the *Ad hoc* Committee. In spite of this, the water-table has been effectively lowered and the 'badly affected' areas reduced nearly to a third. What is more, some of the pumps installed in areas which were considered 'badly affected' did not have adequate quantity of water to pump out. It is obvious therefore that the Scheme was undertaken on the basis of estimates of additions to the sub-soil water-table which were quite over-pitched.

The Committee note that Government themselves now recognise the possibility that there is not enough data to establish that the city of New Delhi is threatened with water-logging and have asked the Geological Survey of India to undertake investigations for this purpose. What is surprising is that when this view, was expressed by a geologist to the *Ad hoc* Committee as early as 1959, no cognisance was taken of it. The Committee trust that the geological investigations will be completed early and that on the basis of the findings, Government will come to a considered decision about the lines on which the implementation of this scheme should proceed.

[Sl. No. 13 (Paras 1.93 to 1.96) of Appendix VIII to 108 Report (Fourth Lok Sabha)].

Action Taken

The report of the Geological Survey of India has not so far been received. They are being requested to expedite the report so that further action can be taken on the continuance or otherwise of the pumps. The Public Accounts Committee will be informed of the further developments.

[Department of Works, Housing & Urban Development O.M. No. G-25015/17/70/Bt, dated 11-2-1971].

Recommendation

The Committee observe that over the past years, the expenditure incurred on the Publications Branch of the Indian High Commission has persistently exceeded the realisations from the sale of Publications. During the period 1962-63 to 1968-69, the net outgo on this account was Rs. 1.48 lakhs. The sale of publications have on the other hand been declining from Rs. 90,918 in 1965-66, they have come down in 1968-69 to Rs. 37,566.

The High Commission have since 1957 taken the view that the Publications Branch should be abolished. However, due to the inability of Government to arrive at suitable arrangements for sale of publications through outside agencies, on which inter-ministerial consultations took place on two occasions over periods from four to five years, the Branch has been allowed to continue. A team of Foreign Service Inspectors who examined the staff strength of the High Commission in June, 1969 came to the conclusion that no 'fruitful' purpose would be served by the continuance of this Branch. They pointed out that the Branch had stocks of publications valued at £10,000 for which there were 'extremely limited'

prospects of sale. The team took the view that intending overseas purchasers could buy their requirements by placing orders on agencies in India and that there was no need for 'meticulous accounting Commission'.

In the light of these suggestions, the Committee would like steps to be immediately taken by Government to abolish the Branch. The Committee have in their 107th Report (4th Lok Sabha) already called attention to the fact that the High Commission carries surplus staff to the extent of 30 per cent of its sanctioned strength. This points to the need for immediate action by Government.

[Sl. No. (Para Nos. 1.105 to 1.107) of Appendix VIII—108th Report of Public Accounts Committee (Fourth Lok Sabha)].

Action Taken

Pursuant to the recommendations of the Committee immediate steps were taken in consultation with the Ministry of Works, Housing & Urban Development for the closure of the Publications Branch of the Indian High Commission, London, and also for the surrender of the entire staff of the Branch. The Publications Branch has since been closed with effect from 1st June, 1970. Out of the actual strength of one Executive Officer three Clerical Officers and One Packer, the posts of Executive Officer and one Clerical Officer were surrendered on 1st April, 1970. The remaining posts of 2 Clerical Officers and one Packer were continued for two months to facilitate disposal of entire stock of publications and surrendered on 1st June, with the closure of the Publications Branch itself from the same date.

[Ministry of External Affairs O.M. No. Q/BF-II/7342/1/69
dt. 30-10-70].

Recommendation

The Committee are distressed to learn that the Rabindra Rangshala, which was planned with the very laudable object of honouring the memory of a national leader, has turned out to be a costly but little used facility. The construction of the Rangshala was undertaken in the hope that its cost initially estimated at Rs. 10 lakhs, would be entirely defrayed by public donations. This hope was belied and the project ultimately cost Rs. 37 lakhs, out of which as much as Rs. 27 lakhs had to be borne by Government. After having been constructed at such high cost, the Rangshala with a seating capacity of 2,000 to 8,000 persons, so far had been used

only twice since its inauguration in October 1968, when Government realised a sum of Rs. 2,000 as rent. On the other hand, the expenditure on its maintenance during 1968-69 has been of the order of Rs. 1.39 lakhs.

In para 4.10-4.11 of their Fourteenth Report (Fourth Lok Sabha) the Committee have already commented on the unsatisfactory manner in which this project was planned and executed. The Committee would readily agree that the Rangshala being a cultural amenity should not be viewed as a financial proposition for Government. At the same time it is incumbent on Government to see that it is popularised and put to good use. The Committee note that Government are seized of this matter and hope that their efforts in this regard will succeed. It seems to the Committee that a Ministry like the Ministry of Information & Broadcasting or the Ministry of Education & Youth Services should take over the administration of the Rangshala as they have a more intimate association with the organisation of cultural and artistic programmes.

The Committee would also like Government to examine how best the maintenance expenditure on the Rangshala could be pruned.

[Sl. Nos. 15 and 16 (Para Nos. 1.118, 1.119 and 1.120) of Appendix VIII to 108th Report (Fourth Lok Sabha)].

Action Taken

The Department of Works, Housing & Urban Development is willing to accept the recommendation of the P.A.C. that the Rabindra Rangshala should be administered by the Ministry of Information and Broadcasting or the Ministry of Education and Youth Services as those Ministries have more intimate association with the organisation of cultural and artistic programmes.

The Ministries of Education & Youth Services and Information & Broadcasting have been consulted. The matter is being considered further by Government before a final decision is taken.

As regards the maintenance expenditure on the Rangshala the matter has been examined in consultation with the Chief Engineer (NDZ), C.P.W.D., New Delhi. With a view to effect economy, it has been decided to reduce the maintenance establishment with effect from 1st September, 1970.

[Department of Works, Housing & Urban Development O.M.
No. G-25015/17/70-Bt, dated 23-11-1971].

Further Information

As was indicated by P.A.C. in their recommendation, the question of transferring the management of the Rangshala was taken up with the object of popularising the Rangshala and it has been decided (27th March, 1971) by Government that the administration of Rabindra Rangshala should be transferred to the Ministry of Information and Broadcasting, who will take further necessary action in this matter. The normal maintenance work will however, continue to be done by C.P.W.D.

2. The amounts realised so far by way of rent etc. are as under:—

	Rs.
(i) 1-10-68 to March 1969—	Nil
(ii) April, 1969 to March, 1970	12,655.00
(iii) April, 1970 to March, 1971	13,534.00
(iv) April, 1971 to August, 1971	10,480.00

3. As regards pruning of the maintenance expenditure, it may be stated that the expenditure was brought down to Rs. 1,32,000 from Rs. 1,95,000. However, the expenditure for the year 1970-71 was Rs. 1,47,000 as the decision of pruning the expenditure was taken with effect from 1st September, 1970.

4. The reduction of maintenance expenditure was brought about by effecting reduction in the staff.

[Ministry of Works & Housing O.M. No. G-25015/17/70
dated 6-1-1972].

Recommendation

The Committee consider it regrettable that over four years after a decision was taken to charge the Samaj, market rent, the question of rent that the Samaj has to pay still remains undecided. Government are still considering the basis on which rents should be charged and have not even been able to work out correctly the rent payable. The Committee would like the matter to be decided without further delay and the rents assessed as payable, to be expeditiously recovered.

[Sl. No. 18 (Para 1.134) of Appendix VIII to the 108 Report of PAC
(Fourth Lok Sabha)].

Action Taken

5. Action to recover the amounts from the Bharat Sewak Samaj is being taken. In some cases, recovery proceedings under the Public Premises (Eviction of Unauthorised Occupants) Act, 1958 have already been taken.

[Department of Works, Housing & Urban Development O.M.
No. G-25015/17/70-Bt, dt. 29-5-1971].

Recommendation

The Committee regret that, due to failure of coordination between different Ministries, indiscriminate dumping of garbage by the Municipal authorities was permitted to continue over a period of seven years in one of the Sectors at R.K. Puram. As a result, Government are now faced with the problem of having to level the dumping site at a cost of Rs. 4.28 lakhs.

The facts of the case make interesting reading. As early as August, 1957, the Central Public Works Department approached the Municipal Authorities to stop "further dumping" at the site. This was followed by another communication in January, 1958 in which the Municipality was asked to ensure that dumping, if it took place did not raise the level of the site above that of the adjacent ground. After a gap of over five years, the authorities became peremptorily seized of the problem again and request was made in December 1963 that the dumping should be discontinued. This the Municipal authorities would not do due to alternative dumping grounds not having been provided to them. The question was then taken up with the Ministry of Health in September, 1964 but it was not till May, 1967 that an alternative site was allotted, when the dumping stopped. The Committee deprecate the unsatisfactory way in which the matter was handled by Government and New Delhi Municipal Committee. A concern for the well-being of the residents of this area should have at least lent the question some urgency instead of letting it linger on for 7 years. The Committee can only hope that Government will not allow repetition of instances of this type.

Another interesting aspect noticed by the Committee is that originally and even up to the date of the Audit paragraph, the removal of garbage from the site was expected to cost Rs. 22.40 lakhs. During evidence, it was maintained that large sums would not be required for removal of garbage and levelling of ground. In the first instance, the cost would be Rs. 4.78 lakhs. The Committee hope

that the actual expenditure would be kept as low as possible when the land is put to effective use.

[Sl. Nos. 25 and 26 (Paras 1.160 to 1.162) of Appendix VIII to 108th Report (Fourth Lok Sabha)].

Action Taken

The observations of the Committee have been noted.

[Department of Works, Housing and Urban Development LS. O.M. No. 25015/17/70 dated 11-2-1971]

Recommendation

The Committee are of the opinion that unspent balances of advances remaining with Land Acquisition Officers at the close of the financial year can be utilised for payment of compensation in the subsequent year only if budget provision has been made in that year under the head of account to which payments of compensation are debited. The fact that unspent advances form part of a personal ledger account which is carried over from year to year does not alter this position or dispense with the need for a vote from Parliament. The Committee would like clear instructions to be issued on this point by the Budget Division of the Ministry of Finance so that the correct procedure may be followed in future.

[S. No. 28. (Para 1.190) of the 108th Report of the P.A.C. (4th Lok Sabha)].

Action Taken

Instructions in this regard will be issued by the Ministry of Finance (Budget Division) to whom the comments of this Department have been communicated.

[Department of Works & Housing and Urban Development O.M. No. G. 25015 17 70-B1. dated 20-11-1970].

Action Taken

Necessary instructions in this regard have been issued, after consultation with the Delhi Administration and the C & A.G.. *Vide* this Ministry's O.M. No.—F.1(22)-B'68 dated 24-11-1970 (Copy enclosed).

[Ministry of Finance (Department of Economic Affairs) No. F.8(49)-B'70 dated 24-11-1970].

No. F.1 (22)-B/68

GOVERNMENT OF INDIA

MINISTRY OF FINANCE

(DEPARTMENT OF ECONOMIC AFFAIRS)

Budget Division

New Delhi, the 24th November, 1970

OFFICE MEMORANDUM

SUBJECT:—*Annual closure, in the accounts, of Personal ledger Accounts opened within the Consolidated Fund of India.*

In continuation of this Ministry's letter of even number dated 21st January, 1969 on the above mentioned subject, the undersigned is directed to state that the Central Public Accounts Committee, while examining the accounting procedure of the scheme of 'Large scale acquisition, development and disposal of land in Delhi have observed as under:—

"1.190 The Committee are of the opinion that unspent balances of advances remaining with Land Acquisition Officers at the close of the financial year can be utilised for payment of compensation in the subsequent year only if budget provision has been made in that year under the head of account to which payments of compensation are debited. The fact that unspent advances form part of a personal ledger account which is carried over from year to year does not alter this position or dispense with the need for a vote from Parliament. The Committee would like clear instructions to be issued on this point by the Budget Division of the Ministry of Finance so that the correct procedure may be followed in future."

2. In this connection it may be stated that, as already pointed out in the letter referred to above, since the annual closure of Personal Ledger Accounts within the Consolidated Fund used to be in accounts only and did not effect the books of the Treasury Bank—particularly in the case of continuing schemes nor did they involve any transfer of cash, it was conveyed that the said annual closure in the accounts should be dispensed within respect of such schemes. It was also clarified that this would not in any way effect the adjustment of expenditure which will be booked in the accounts of the year in which the expenditure is actually incurred and not when the amount was transferred to the P.L. A/c. The transfer of

funds to P.L. A/c. is only an accounting device to provide a facility for drawal of moneys by cheques, without presenting bills at the Treasury, and mere opening of a personal ledger account does not involve any transfer of money from the Consolidated Fund of India. The moneys can be drawn and adjusted in the accounts only against the budget provision sanctioned for a scheme by the Parliament. The change introduced in this Ministry's letter dated 21-1-69 does not obviate the necessity of a Vote of Parliament before incurring any expenditure in a year.

3. The amounts advanced out of the P.L. Accounts to the Land Acquisition Officers for disbursement and remaining undisbursed at the close of the financial year should be refunded to the P.L. Account on or before 31st March of that year. The requisite funds for immediate disbursement in the following year will, however, be placed at the disposal of the Land Acquisition Officers by withdrawal from the P.L. Account at the beginning of that year, or as and when it is required, against the provision made for the scheme in the budget for that year.

4. These instructions may please be noted carefully and the budget provision made accordingly for such schemes.

5. This has been seen by the Comptroller and Auditor General.

Sd/-

(MANJIT SINGH).

Under Secretary to the Govt. of India.

To

1. Financial Adviser, Land & Building Department, Delhi Administration, Vikas Bhavan, Indraprastha Estate, New Delhi-1.
2. Department of Agriculture (Dairy Development Section).
No. F.1(22)-B 68.

Copy forwarded for information and necessary action to:—

1. C.&A.G., New Delhi and all Accountants General and P.A.Os.
2. Ministry of Health and Family Planning and Works, Housing and Urban Development (Departments of Works and Housing and Urban Development).

3. Ministry of Home Affairs.
4. Department of Expenditure (Delhi State Division).
5. Department of Expenditure (Agriculture Finance).

Sd/-

(MANJIT SINGH),

Under Secretary to the Govt. of India.

Recommendations

The Committee note that, as a result of orders having been placed for supplies against rate contracts on firms whose rates were not the lowest, Government incurred on extra expenditure of Rs. 2.8 lakhs. These orders were placed by an officer, against whom disciplinary action had been taken by Government in pursuance of observations made by the Committee in para 2.90 of their 27th Report (Fourth Lok Sabha).

The Committee note that the main reason for not having placed the orders with the lowest rate contracting firm in all these cases was that its performance was not satisfactory. This was not, however, placed on record in most of the cases. The Committee do not wish to pursue the question of extra expenditure, as the data about the performance of the lowest rate contracting firm against certain orders placed with them does give rise to doubts about their performance. However, the Committee would like to impress on Government the need to ensure that reasons for passing over lower offers are invariably placed on record by officers who conclude contracts on behalf of Government.

[Sl. No. 29 (Paras 1.203 and 1.204) of Appendix VIII to 108th Report (Fourth Lok Sabha)].

Action Taken

The observations of the Committee have been noted.

[Department of Works, Housing & Urban Development O.M. No. G-25015/17/70-Bt. dated 11-2-1971].

CHAPTER III

RECOMMENDATIONS/OBSERVATIONS WHICH THE SUB-COMMITTEE MAY NOT LIKE TO PURSUE IN THE LIGHT OF THE REPLIES RECEIVED

Recommendation

The Committee feel that the problem of planned development of cities and towns does not brook further delay. A sum of Rs. 4.39 crores has been provided to the States to the end of 1967-68 under a scheme for preparation of Master Plans for 71 cities. As of now, however, the master plans for 22 cities and interim development plans for 28 cities only have been prepared. Government have also admitted that "not much has been done towards the implementation" of these plans. The Committee feel that the result of non-implementation of these plans would be that with the passage of time, the circumstances and premises on which these schemes are based would become outmoded and further sums would be needed for their revision.

These plans are meant as a step towards directing the growth of urban areas on sound town planning principles. It is a truism that rapid urbanisation has been taking place in the country in the last two decades. A Working Group of the Planning Commission estimated the rate of urbanisation in the country at 3 per cent to 3 per cent per annum and predicted that "even on a conservative basis the urban population of 80 million people in 1961 is likely to be of the order of 112 million in 1971 and 152 million in 1981". In such circumstances, the entire work on preparation of Master Plans on which such substantial expenditure has been incurred, will be rendered infructuous and the plans themselves will become obsolete unless purposeful steps are taken to implement them. As a first step in this direction it will be necessary to ensure that the States enact necessary town planning legislation. A model legislation for this purpose is stated to have been circulated to the States as far back as 1967. The Conference of Ministers of Housing, Urban Development and Town Planning, which considered this problem, recognised that progress in this regard had been "very slow" and that the State Governments should introduce the legislation "latest by September, 1970". The Committee would like the Government of India to take

suitable steps to ensure that appropriate legislation is enacted through by the States expeditiously. The Committee hope that Government will ensure that the Master Plans are also integrated with the annual development plans as recommended by the Conference. Government will also ensure that Master Plans are speedily prepared in cases where they are not yet ready.

A major difficulty in the implementation of the plans seems to be paucity of resources. Several suggestions on this point have been made by the Conference of Ministers. It would be worthwhile seeing how best these Schemes could be made self-financing as suggested by the Conference.

The Committee would also like to point out that qualified Town Planners now being trained out by the four institutions set up in the country are not being fully utilised by the States. It is paradoxical that, on the one hand, the preparation of Master Plans should be impeded by lack of trained staff, while on the other, trained planners available in the country are not fully utilised. It appears to the Committee that Government are going to further complicate and aggravate the already existing unemployment among the Town Planners by their decision to augment the existing training facilities in town and country planning by providing another institution at Ahmedabad. The Committee would like Government to examine this problem in all its aspects before taking any further action in this respect."

[S. Nos. 21 to 24 (Paras 1.148 to 1.151) of Appendix VIII to the 108th Report of the P.A.C. (1969-70) (Fourth Lok Sabha)]

Action Taken

With effect from the 1st April, 1969, the scheme for preparation of master plans for cities and towns has been transferred to the State Sector, for which the State Governments can, at their discretion, utilise funds, to the extent considered appropriate by them, from out of the "Block loans" and "Block grants" that the Government of India place at their disposal for the implementation of their Annual Plans. The initiative and the responsibility for the implementation of the scheme now rest entirely with the State Governments. The recommendations of the Public Accounts Committee have therefore been brought to the notice of all the State Governments for guidance in implementation.

2. It may also be mentioned that the various aspects of development planning, e.g., preparation of master plans, enactment of

comprehensive town and country planning legislation, recruitment etc., of qualified town and country planners, etc., are discussed in the Conferences of Ministers of Housing, Urban Development and Town Planning, the Conference of State Town Planners, and other similar forums. These will continue to be discussed and evaluated in such conferences in future also, and the States urged to make the best use of available resources so that the work already carried out is not allowed to go waste.

[Department of Works, Housing & Urban Development O.M. No. G-25015/17/70-Bt dated 23rd November, 1970].

CHAPTER IV

**RECOMMENDATIONS, OBSERVATIONS, REPLIES TO WHICH
HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND
WHICH REQUIRES REITERATION**

NIL.

CHAPTER V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH GOVERNMENT HAVE FURNISHED INTERIM REPLIES

Recommendation

The Committee observe that a series of lapses occurred in this case.

Orders were passed by Government in June, 1963 for enhancing the market value of land in different areas in Delhi and New Delhi and the enhanced rates were to take effect from 1st July, 1963. Not a single case which was due for revision under these orders was reviewed by the Land and Development Office. In fact, even now, information is "not readily available" with the Organisation about the number of cases due for review under these orders, though it has been stated that "about 225 cases", attracted these orders. The failure of the Land and Development Office to review these cases led to an estimated loss of revenue of Rs. 4.16 lakhs in just 10 out of these 225 cases.

In April 1964, Government passed orders, in supersession of their earlier orders, fixing the market value at lower rates, with the stipulation that cases already decided under the earlier orders would not be re-opened. There was delay in implementing these orders also. When 9 lessees affected by these orders represented against the retrospective enhancement of rents, Government decided that the enhancement in their case would be given prospective and not retrospective effect. The case of 2 other lessees were similarly decided on the "analogy" of these 9 cases. The total revenue that Government had to forgo as a result of these decisions was Rs. 2.54 lakhs. However, in the case of all the remaining lessees, a decision was taken that enhanced rents would be recovered with retrospective effect from the date of the orders.

The Committee strongly deprecate the delay that occurred in the Land and Development Office in implementing the orders of Government, which resulted in a substantial loss of revenue to

Government. They also consider it discriminatory that Government should have taken a decision to give effect to the enhanced rents prospectively, from the date of demands, in 11 cases, while giving retrospective effect to the enhancement in other cases. The giving of this gratuitous benefit in 2 out of 11 cases where the parties had not even represented is further disconcerting. The Committee also regret the non-availability of a file relating to one of the 11 cases as reported by the Land and Development Office.

The Committee have later in this Report, recommended that a fact-finding Committee should comprehensively investigate the working of the Land and Development Office. That Committee should investigate all the foregoing cases to ascertain how far there was slackness on the part of the Land and Development Office in implementing the orders of Government and the circumstances under which it was decided to give prospective effect to the orders in a few cases, while denying this benefit to a large number of other affected parties.

The Committee get a very depressing impression of the state of affairs in the Land and Development Office from the date that has been furnished to them.

In the first place, the Land and Development Office does not have full information about the various categories of Rehabilitation leases it is administering. There are as many as 57,933 rehabilitation properties under the control of the Organisation. Documents relating to only 48,208 of these properties are available with the Organisation, the rest being still with the Rehabilitation Department, which was previously administering these properties. Information about the nature of the lease executed for these properties (e.g. business, residential etc.) is also not available except in regard to 2668 of these properties.

Secondly, in 28 cases where properties were leased "30/40 years back", even lease deeds have not been executed, with the result that revision of ground rent, normally due after 30 years, has not been undertaken in these cases.

Thirdly, out of 810 cases, where revision of ground rent was due on various dates between 1947 and 1969, applications for revision have been filed with the competent authority (i.e. the Collector) only for 429 leases. Except for 14 cases filed in 1959, the rest were instituted between November, 1968 and July, 1969. The inordinate delay in filing these cases has occurred in spite of the Organisation having adequate staff for this purpose.

Fourthly, even after the revised letting value had been fixed by the Collector in 14 cases (this incidentally took about nine years), the Organisation has not, for more than 2 years, claimed the revised ground rent from 7 of the lessees (the other 7 having gone up in appeal).

Lastly, the Organisation which is spending annually about Rs. 10 lakhs on its staff and contingencies, does not have any regular procedure for inspecting leased sites to find out whether there have been 'breaches' of lease terms. On the expiry of 30 years, the Organisation "take up the file and find out if there is any breach in the terms". The Organisation is apparently content during the period of 30 years to let lessees bring up these matters before them voluntarily if they so desire for regularisation. The existence of these 'breaches' has, apart from making execution of lease deeds difficult in cases where the deeds don't exist, also interfered with the process of revision of ground rents from 1947 onwards in as many as 209 cases, because of the legal opinion, that any action in this regard, without prior regularisation of the breaches, would operate "as waiver of the breach".

Earlier in this Report, the Committee have reviewed certain case in Land and Development Office where there would appear to have been discrimination as amongst various lessees in giving effect to certain orders regarding revision of ground rents. The Committee have, therefore, a doubt whether all is well with the Land and Development Office. They would like an independent-fact finding Committee to be constituted to investigate comprehensively the working of the Land and Development office. This Committee should, *inter alia* be asked to go into the following matters:

- (i) To what extent there has been slackness in the Organisation—
 - (a) in getting lease-deeds executed.
 - (b) in filing applications for revision of ground rents and recovering revised ground rents.
 - (c) in investigating and regularising breaches in lease.
- (ii) To what extent there has been discrimination, in giving effect to orders for enhancement for ground rent, particularly in respect of cases dealt with in the previous section of this Report.

- (iii) How best the present procedure for determination of ground rent, which is protracted, can be rationalised and whether any principles could be laid down for determination of rental value.
- (iv) Whether the Land and Development Office is organisationally capable of coping with its work, and whether in the interests of simplicity and uniformity, the work relating to administration of land in Delhi which is at present being done by three different agencies, viz. Land and Development Office, Municipal Corporation of Delhi and Delhi Development Authority can be conveniently centralised in one agency.

The Committee would like immediate steps to be taken to constitute this fact-finding Committee which should be asked to submit its report as expeditiously as possible, but not later than one year from the date of its constitution.

[S. Nos. 1 to 9 (Paras 1.8 to 1.12 and 1.32 to 1.39) of Appendix VIII to 108th Report of the PAC (Fourth Lok Sabha)].

Action Taken

The fact-finding Committee has since been set up on 16th/20th January 1971. The Public Accounts Committee will be informed of further developments in the matter in due course.

[Department of Works, Housing & Urban Development O.M. No. G. 25015/17/70/Bt dated 31-3-1971].

Recommendation

The Committee observe that Government have lost their case against the contractor in arbitration. The arbitrator rejected Government's claim that the contractor was liable either for work reported defective or for the portion of it left unfinished and completed by Government at higher cost. Government's claim on this and other accounts aggregating Rs. 9.43 lakhs were therefore turned down.

On the other hand, the arbitrator upheld the contractor's claim for extra cost "due to various hindrances and indecisions" by the Government, which prolonged the work and kept the contractor's labour and staff "idle". The award on these counts alone amounted to Rs. 6.7 lakhs and the total amount awarded was Rs. 45.62 lakhs which were preferred by the contractor.

The Committee note that the arbitrator gave no reasons for his award. They would like Government to take legal opinion and decide whether an appeal should be preferred against the award. In the light of the arbitrator's findings, the Committee would also like Government to investigate the lapses, on the part of the Department at several stages of execution of work, so that responsibility could be fixed. Government should also examine whether, in view of their experience in this case, further dealings with the contractor are desirable.

[S. No. 10 (Paras 1.63 and 1.64) of Appendix VIII to 108th Report (Fourth Lok Sabha)].

Action Taken

The award was challenged by Government in the Bombay High Court after obtaining legal opinion. The petition for setting aside the award was however dismissed by the High Court.

The Engineer-in-Chief, Central P.W.D. was asked to inquire in to the lapses on the part of the departmental officers at various stages of execution of work. His findings were to the effect that primarily the then Executive Engineer (Shri M. A. Abraham), was at fault. Shri Abraham, however, had resigned from Government service towards the end of 1965, and therefore no disciplinary action could be taken against him.

As regards the contractor, the case is still being examined for taking suitable action against him in view of several lapses committed by him in the execution of the work.

[Department of Works, Housing & Urban Development O.M.
No. G-25015/17/70/Bt dated 23-11-1970].

Another point is that the sanction in this case made payment conditional on the contractor removing defects in the work. However, without getting the defects removed, the payment was made to the contractor on the strength of an undertaking obtained from him, which could not be, however, enforced in arbitration. The Committee would like Government to investigate how payment was made in violation of the terms of the sanction and fix responsibility therefor.

(ii) A bank guarantee for Rs. 1.15 lakhs was given by the contractor as part of security deposit. A view was expressed by the Ministry of Law at one stage that for invoking this guarantee, "it would first be necessary to establish the liability of the contractor in terms of the contract by means of an award, a suit or the like". This view

would effectively imply that enforcement of bank guarantees can proceed on the basis of court orders. As this would cause needless difficulty to Government in realising their claims, the Committee would suggest that Government examine this matter, in consultation with the Ministry of Law, and devise appropriate remedies for safeguarding their interests.

[Sl. No. 12 (Para. 1.66) of Appendix VIII to the 108th Report (Fourth Lok Sabha)].

Action Taken

Sanction for the release of a sum of Rs. one lakh to the contractor in relaxation of provisions of clauses 1 and 17 of the agreement was issued by the then Ministry of Works & Housing on 12th November, 1965. At that time only six godowns were completed which were handed over to the Ministry of Food. These completed godowns had not shown any defect up to the time the amount of Rs. 1 lakh was released to the contractor. As such, there was no violation of the terms of the sanction for the release of the security deposit and the question of fixing responsibility, therefore, does not arise.

(ii) The point raised in para (ii) is under examination and will be finalised in consultation with the Ministries of Law and Finance.

[Department of Works, Housing & Urban Development OM No. G-25015|17|70|-Bt dated 23-11-1970].

Recommendation

The Committee are not happy that Government have still not come to a final decision on the question of rents payable by the Bharat Sewak Samaj in respect of certain Government buildings occupied by it in Delhi. The Samaj was informed by Government in May, 1965 that it would be liable to pay market rent for the buildings with effect from July, 1965. It took Government nearly one and a half years thereafter to work out the market rent and communicate it to the Samaj (October, 1966). The demands aggregating Rs. 4.2 lakhs upto the end of May, 1969 were contested by the Samaj on several grounds. A writ petition was filed by the Samaj in respect of demands amounting to Rs. 1.25 lakhs while the balance of the demands was challenged in Departmental adjudication. Government have stated that the bulk of the recovery amounting to Rs. 3.2 lakhs relates to two buildings where the Samaj has been running Government Welfare centres and that there is "some force" in the view that these buildings should not attract market rent in the circumstances. And now the Committee have

been informed that "there has been some error" in calculating the rent in respect of the community centre.

[S. No. 17 (Paragraph 1.133) of Appendix VIII to the 108th Report of PAC (4th Lok Sabha)].

Action Taken

The rate of rent to be recovered from the Bharat Sevak Samaj for the accommodation under their occupation has been fixed.

In garages Nos. 109—11, North Avenue a nursery school is being run for the benefit of the children of the Members of Parliament as well as others in the locality. The Joint Committee of the Chairman of the House Committee of both the Houses of Parliament in their meeting held on 13th February, 1970 reiterated their earlier recommendation that nominal rent of Rs. 1/- per month may be charged from the Bharat Sewak Samaj for running the school. As the relevant records are with the Commission of Enquiry relating to the financial affairs of the Bharat Sewak Samaj, this matter could not be examined further. As soon as the records are available the question will be examined and a decision taken. Public Accounts Committee will be informed of further developments.

The amounts of rent outstanding against the Bharat Sewak Samaj as on 30th April, 1970 are as under:—

Name of Building	Amount due
	Rs.
(a) Club building (Community Hall) in Sarojini Nagar	42,791.50
(b) Community Hall at Kidwai Nagar	1,20,988.00
(c) Garages Nos. 109, 110 & 111 at North Avenue	6,786.00
(d) Garage No. 45/24-32 Janpath	19.55
(e) L-26 Baisakha Singh Building, Connaught Place	299.22

In addition to the above the following amounts are also outstanding against the Samaj:—

1. Office accommodation occupied by Delhi Pradesh Branch of Samaj at Theatre Communication Building, New Delhi (upto 31-12-69) (vacated on 1-1-1970)	27,221.61
2. Office accommodation occupied by Bharat Sewak Samaj (Central) at Theatre Communication Building New Delhi (upto 31-12-69) (vacated on 1-1-1970)	74,130.10
3. Nanakpur, B-179 (partly occupied by Samaj)	1,013.70

Previously recovery was being pressed from Shri B. R. Kishore allottee of the said quarter. It was decided in January 1970 to effect recovery from the Samaj.

4. The periods to which the outstanding amounts shown above and the outstanding amount as on 30th September, 1970 are shown in the attached statement.

[Department of Works, Housing & Urban Development O.M. No. G-25015/17/70-Bt dated 16.3.1971].

Statement showing details of amounts outstanding against Bharat Sevak Samaj

Particulars of Building	Arrears outstanding as on 30-4-70	Period to which it relates	Amount outstanding as on 30-9-70	Period to which it relates
	Rs.		Rs.	
a. Club Bldg. in Sarojni Nagar	42,791.50	1-7-65 to 30-4-70	46,494.00	1-7-65 to 30-9-70
b. Community Centre at Kidwai Nagar	1,20,988.00	Do.	1,31,418.00	Do.
c. Garage No. 109, 110 & 111 at North Avenue	6,786.00	Do.	7,371.00	Do.
d. Garage No. 45/24-32 Janpath	19.55	4/70	19.55	9/70
e. L-26, Baisakha Singh Bldg. Connaught Place	229.22	3/70 & 4/70 (Rs. 55/- Disputed claim)	141.56	For 9/70 & Rs. 55/- (Claim on account of repairs by B. S. S. (Disputed claim)
Office accommodation occupied by Delhi Pradesh Branch of Samaj at T.C. Building	27,221.61	1-4-66 to 31-12-69	27,221.00	1-4-66 to 31-12-69
Office accommodation occupied by B. S. S. (Central) at T. C. Bldg.	74,130.00	1-4-67 to 31-12-69	74,130.10	1-4-67 to 31-12-69
Nanakpur, B-179 (Party occupied by Samaj)	1,013.70	6-10-65 to 31-1-67	1,013.70	6-10-65 to 31-1-67
	<u>2,73,179.68</u>			

NOTE :—There are no arrears outstanding in respect of 9-Queensway. It was vacated on 21-1-70.

Recommendation

The Committee also note that Government are taking over the administration of the welfare centres previously run by the Samaj. The Committee would like this to be speedily done.

[S. No. 19 (Paragraph 1.135) of Appendix VIII to the 108th Report of PAC (Fourth Lok Sabha)].

Action Taken

6. The question of taking over the two Community Centres at Kidwai-Nagar and Sarojini Nagar from the Bharat Sewak Samaj was discussed with the representatives of the Samaj and the Ministry of Home Affairs on 1st April, 1970 in the room of the Minister for Health and Family-Planning and Works Housing and Urban Development when the Bharat Sewak Samaj was asked to hand over the Centres to the Ministry of Home Affairs and to settle with them the terms and conditions for running their schools. This matter was again discussed by the representatives of the Samaj with the Deputy Home Minister in the meeting on the 16th July, 1970 when it was agreed that the Bharat Sewak Samaj would vacate the Community Centre at Kidwai Nagar and hand over the premises to the Ministry of Home Affairs for running the welfare activities. The Samaj would be entitled to receive payment for the value of assets such as furniture, equipments etc. which would be handed over to the Ministry of Home Affairs. That Ministry intimated on the 13th July, 1970 that action to get the possession of the Community Centre at Kidwai Nagar was being initiated by them. As regards the Community Centre at Sarojini Nagar, the Ministry, of Home Affairs recommended that the Samaj might be permitted to continue welfare activities at these premises by payment of rent not market rent till such time the Samaj desired to continue to run the welfare activities there.

Ministry of Home Affairs (Now Department of Personnel) have now stated that the question of taking over the two Community Centres would arise when vacant possession of the two Centres is given to that Department. They have also stated that they would take over the responsibility of running the welfare activities at these two Centres when possession is given to them.

In view of these altered circumstances the question of taking over the two Centres from the Bharat Sewak Samaj is again under examination in consultation with the Department of Personnel.

[Department of Works, Housing & Urban Development O.M. No. G. 25015/17/70/- dated 16-3-1971].

Further Information

The question of transfer of Community Centres at Sarojini Nagar and Kidwai Nagar from the Bharat Sewak Samaj to the Ministry of Home Affairs was discussed in a meeting held in the room of Minister (HFWHU) on the 1st April, 1970, when the representatives of the Ministry of Home Affairs and of the Bharat Sewak Samaj were also present. In that meeting the Chief Welfare Officer had stated that about a thousand residents of Kidwai Nagar had represented to the Ministry of Home Affairs that the Community Centre at Kidwai Nagar should be run by the Residents themselves under the aegis of the Ministry of Home Affairs. On the other hand, the representatives of the Bharat Sewak Samaj argued that they were running schools and other Welfare activities in the two centres and had created certain assets and that they should be allowed to continue with their Welfare activities. After some discussions, the Minister (HFWHU) had urged the representatives of the Bharat Sewak Samaj that they should immediately arrange to hand over the two premises to the Ministry of Home Affairs and settle with them the terms and conditions for running their schools during specific hours.

The representatives of the Bharat Sewak Samaj discussed this matter further with the Deputy Minister for Home Affairs in July, 1970 and the Ministry of Home Affairs informed this Ministry vide their D.O. letter No. 1/11/69—G.K.K. dated the 30th July, 1970 that as a result of those discussions the following decisions had been taken:—

- (1) Bharat Sewak Samaj will vacate the occupation of Community Halls at Kidwai Nagar and hand over the premises to the Dy. Secretary (Welfare) for running the Welfare activities.
- (2) The Bharat Sewak Samaj will be entitled to receive payment for the value of assets such as furniture equipment which will be handed over to the Ministry of Home Affairs.
- (3) The Ministry of Home Affairs agreed to recommend to the Ministry of Works, Housing & Urban Development a proposal of Bharat Sewak Samaj for allotment of land for conducting Welfare activities in the Kidwai Nagar area.
- (4) The Bharat Sewak Samaj may be permitted to continue welfare activities at Sarojini Nagar Community Hall by

payment of rent till such time Bharat Sewak Samaj desires to continue to run the welfare activities.

- (5) Since Bharat Sewak Samaj have built their own structure on the land at that Community Hall at Sarojini Nagar, it was agreed to recommend the proposal of Bharat Sewak Samaj to purchase the land of the Community Hall.
- (6) It was decided to request the Ministry of Works, Housing & Urban Development to construct a well equipped Community Hall in Sarojini Nagar where Ministry of Home Affairs will conduct the Welfare activities of the residents of that locality particularly class IV employees.

Moreover, later on, the Ministry of Home Affairs resiled from the above mentioned decisions and stated that the question of their taking over the administration of these centres will arise when the vacant possession thereof was given to that Department.

The Question regarding the handing over the vacant possession of the Centres to the Department of personnel was again discussed in a meeting held in the room of the Minister of W.H. on the 14th July, 1971. All the relevant questions relating to these two Community Centres were discussed in detail and it was agreed that a survey should be made by the Chief Welfare Officer, Department of Personnel, with a view to ascertain the following.

- (a) The nature of activities being carried out by the Bharat Sewak Samaj in the two Community Centres and whether such activities were useful to that residents of the area.
- (b) In case the Bharat Sewak Samaj was made to vacate these centres, the agency which could take over the present activities, in the centres without detriment to the interest of the residents of the localities and the manner in which it could be done.
- (c) In case, it was found that the Bharat Sewak Samaj was carrying on in these centres activities useful to the residents of the area, whether it was possible to associate the representatives of the Associations/Unions of the residents of the locality with the management of the centres.

The result of the survey are awaited.

[Ministry of Works & Housing O.M. No. G. 25015/17/70 dated 17-11-1971].

Recommendation

The Committee would also like Government to fix responsibility for the delay that occurred in this case in communicating the rent to the Samaj as also for the lapses that rendered the figures of rent ultimately worked out incorrect.

(Serial No. 20) (Paragraph 1.136) of Appendix VIII to the 108th Report of PAC (4th Lok Sabha)].

Action Taken

In so far as the question of fixing responsibility for the delay that occurred in communicating the rent to the Samaj as also for the lapses that rendered the figures of rent ultimately worked out as in correct is concerned, the matter is under examination. The Public Accounts Committee will be informed of the results in due course.

[Department of Works, Housing & Urban Development O.M. No. G-25015/17/70-Bt. dated, 16-3-1971].

Recommendation

The Committee consider it regrettable that 932 acres of land acquired by Government in Ghaziabad at a cost of Rs. 120.81 lakhs in September, 1965—January, 1966, have not been put to any use so far. The proposals for acquisition of this land were mooted as early as 1963 on the basis of a Master Plan which envisaged a Government township at Ghaziabad. However, so far no definite plans in this regard have been drawn up due to paucity of resources. In the meanwhile original owners of about 50 per cent of land have been permitted to cultivate the land acquired by Government.

[S. No. 27 (para 1.177) of Appendix VIII to 108th Report of the P.A.C. (4th Lok Sabha)].

Action Taken

It has been decided to evict the cultivators from the land. Necessary instructions to this effect have been issued to the C.P.W.D. in June, 1970. The P.A.C. will be informed of further developments.

[Department of Works, Housing & Urban Development O.M. No. G-25015/17/70-Bt. dated 14-1-1971].

Recommendation

While the Committee agree that in the matter of urban development, it will be necessary to look ahead and protect Government against the effects of speculative increases in land prices, they would also like to point out that plans for acquisition should be carefully drawn up, having regard to the prospects of sufficient resources being available to Government for implementation of any plans for the development of the land acquired. Where proposals for acquisition would mean uprooting of small cultivators, as in this case, it would be necessary to exercise extra care.

[S. No. 27 (Para 1.178) of Appendix VIII to 108th Report of the PAC (4th Lok Sabha)].

Action Taken

Noted.

[Deptt. of Works, Housing & Urban Development O.M.
No. G-25015/17/70-Bt. dated 14-1-1971].

Recommendation

The Committee would like to be informed whether any steps are proposed to be taken for development of the land in this case under the Master Plan during the Fourth Plan period. The Committee would also like to be apprised of the outcome of the writ petitions in regard to some of the cases covered by this acquisition which are stated to be pending in courts.

[S. No. 27 (Para 1.179) of Appendix VIII to the 108th Report of PAC (4th Lok Sabha)].

Due to the paucity of resources, no provision could be included in the Fourth Five Year Plan for the development and utilisation of the land. However, the question is being considered in the context of dispersal of Central Government offices from the Capital.

On enquiry, the Chief Standing Counsel, High Court, Allahabad, has informed that against 29th notices for writ petitions, only 22 writ petitions were actually filed by the parties and these were ulti-

mately dismissed. In the remaining 7 cases, no writ petition has been filed. No writ petition is pending in the High Court.

[Deptt. of Works, Housing & Urban Development O.M.
No. G-25015/17/70-Bt. dated 14-1-1971].

ERA SEZHIYAN,
Chairman,
Public Accounts Committee.

NEW DELHI;
22nd February, 1972.

3rd Phalguna, 1893 (S).

APPENDIX

Summary of main conclusions/Recommendations

S. No.	Para No.	Ministry/Department concerned	Recommendations conclusions
1	2	3	4
1	1.4	Works & Housing	The Committee hope that final replies in regard to those recommendations to which only interim replies have so far been furnished will be submitted to them expeditiously after getting them vetted by audit.
2	1.9	do	The Committee note that the Department has expressed its inability to take any disciplinary action against the Executive Engineer who was found to be primarily responsible for the lapses at the various stages of execution of work as he has resigned. The Committee are of the opinion that the responsibility of other officials connected with the work should also be examined and appropriate action taken.
3	1.10	do	The Committee further note that the petition for setting aside the award had been dismissed by the High Court as the same could not be filed within the prescribed period of thirty days. The Committee desire that responsibility for the failure to file the petition in time should be fixed and intimated to them.

1	2	3	4
4	I. 11	do	As regards action against the contractor, the Committee desire that the examination of the case should be completed without further loss of time and on the basis thereof suitable action taken against him.
5	I. 14	do	The Committee cannot help expressing dissatisfaction over the fact that no periodic reviews of the working of the scheme were undertaken although the actual pumping of sub-soil water had been showing results contrary to its earlier assumptions. They also feel that the expert opinion should have been taken before embarking upon the scheme. The Committee take a serious view of these lapses which caused heavy recurring running expenses.
6	I. 15	Works & Housing steel Mines & Fuel	The Committee regret to note that the Geological Survey of India has not as yet reported its findings to the Ministry although it was requested to undertake a study in March, 1968. They would like it to be done early, so that the continuance or otherwise of the scheme could be decided upon without further delay.
7	I. 19	Information & Broad- casting	The Committee note that their suggestion regarding the transfer of the administration of the Rangshala to either the Ministry of Education & Youth Services or the Ministry of Information & Broadcasting has been accepted and that it has been decided to transfer the administration of the Rangshala to the latter Ministry. The

Committee hope that the Information and Broadcasting Ministry will take over the administration of the Rangshala forthwith and make every endeavour to popularise it and utilise it better.

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1.23 Works & Housing

The Committee note that Government are yet to decide on the taking over of the administration of the Community Centres at present run by the Bharat Sewak Samaj and that the results of the survey undertaken in this connection by the Chief Welfare Officer, Department of Personnel, are awaited. The Committee desire that the survey should be completed expeditiously and a decision in the matter taken without delay.

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