## PUBLIC ACCOUNTS COMMITTEE (1968-69)

### FOURTH LOK SABHA

#### FIFTY-FIRST REPORT

[Action taken by Government on the recommendations of the Public Accounts Committee contained in their 15th Report (Fourth Lok Sabha) Appropriation Accounts (Defence Services) 1965-66 and Audit Report (Defence Services), 1967]



#### LOK SABHA SECRETARIAT NEW DELHI

336.3951 P. March, 1969/Phalguna, 1890 (Saka)
Price: Re, 0,75 p.

## LIST OF AUTHORISED AGENTS FOR THE SALE OF LOK SABHA SECRETARIAT PUBLICATIONS

Si. No.	Name of Agent	Agency No.	SI. No.	Name of Agent	Agency No.
1.	ANDHRA PRADESH Andhra University General Cooperative Stores Ltd., Waltair (Visakhapatnam)	8	12.	Charles Lambert & Company, 101, Mahatame Gandhi Road, Opposite Clock Tower, Fort, Bombay.	30
2.	G. R. Lakshmipathy Chetty and Sons, General Mer- chants and News Agents, Newpet, Chandragiri, Chitteor District.	94	13.	The Current Book House, Maruti Lane, Raghunath Dadaji Street, Bombay-1.	60
	ASSAM		14.	Deccan Book Stall, Ferguson College Road, Poons-4.	65
3.	Western Book Depot, Pan Bazar Gauhati. BIHAR	7	15.		5
4.	Amar Kitab Ghar, Post Box 78, Diagonal Road,	37		MYSORE	
	Jamshedpur. GUJARAT		16.	M/s. Peoples Book House Opp. Jaganmohan Palace, Mysore-1.	16
5.	Vijay Stores, Station Road, Anand.	35		RAJASTHAN	
6.	The New Order Book Company Ellis Bridge, Ahmedabad-6.	63	17.	Information Centre, Government of Rajasthan, Tripolia, Jaipur City.	38
	HARYANA			UTTAR PRADESH	
7.	M/s.Prabhu Book Service, Nai Subzimandi, Gurgaon, (Haryana).	14	18.	Swastik Industrial Works, 59, Holi Street, Meerut City.	2
	MADHYA PRADESH		19.	Law Book Company, Sardar Patel Marg,	48
8.	Modern Book House, Shiv Vilas Palace, Indore City.	13		Allahabad-1. WEST BENGAL	
_	MAHARASHTRA		20.	Granthaloka, 5/1, Ambica Mookherjee Road, Belgha-	10
У.	M/s.SunderdasGianchand, 601, Girgaum Road, Near Princess Street, Bombay-2.	6	21	ria, 24 Parganas.  W. Newman & Company	44
10.	The International Book	22	21.	Ltd, 3, Old Court House Street, Calcutta.	•
	House (Private) Limited, 9, Ash Lane, Mahatma Gandhi Road, Bombay-1.	•-	22.	Firma K.L.Mukhopadhyay, 6/1A, Banchharam Akrur Lane, Caclutta 12.	82
11.	The International Book Service, Deccan Gymkhana, Poona-4.	26	23.	M/s. Mukherji Book House, 8B, Duff Lane, Calcutta-6.	

CORRIGENDA TO 51st REPORT OF P.A.C. (1968-69) PRESENTED TO LOK SABHA ON 1gth APRIL, 1969.

Page Para		<u>line</u>	for	read		
4	-	2	authirities	authori- ties		
11	1 <b>.1</b> 9	1	Wherther	whether		

#### CONTENTS

									Page
COMPOSITION	OF THE PUBL	ic Accou	NTS C	TTIMMO	LE (19	68- <del>6</del> 9)		•	(ir <b>i</b> )
Introductio	on							•••	(v)
CHAPTER I	Report						.,	•••	1
CHAPTER II	-Recommen Governmen		servati 	ons the	at have	bcen a	ccepte	d by	12
CHAPTER III	Recommendesire to								29
CHAPTER IV	-Recommer been acception								32
CHAPTER V	Recommer ment have					of whi	ch Gov	ern-	42
APPENDIX	Summary	of main	Conclus	sions/R	ecomm	endati	ons		45

PARLIAMENT SHARY
(Lib. a.) A inference Service)
George Core Publications.
And No. R. SIC 55.

#### PUBLIC ACCOUNTS COMMITTEE

(1968-69)

#### CHAIRMAN

#### Shri M. R. Masani

#### **MEMBERS**

- 2. Shri Syed Ahmed Aga
- 3. Shri K. Anirudhan
- 4. Shri S. M. Banerjee
- 5. Shri C. K. Bhattacharyya
- 6. Shri K. G. Deshmukh
- 7. Shri V. Krishnamoorthi
- 8. Shri D. K. Kunte
- 9. Shri N. R. Laskar
- 10. Shri K. K. Nayar
- 11. Shrimati Sushila Rohatgi
- 12. Shri Narendra Kumar Salve
- 13. Shri Ram Awtar Sharma
- 14. Shrimati Tarkeshwari Sinha
- 15. Shri Tayappa Hari Sonavane
- 16. Shri A. P. Chatteriee
- 17. Shri K. Damodaran
- 18. Shri Shanti Kothari
- 19. Shri S. S. Mariswamy
- 20. Shri G. H. V. Momin\*
- 21. Shri N. R. M. Swamy
- 22. Shri Tarkeshwar Pandey

#### SECRETARIAT

Shri Avtar Singh Rikhy—Joint Secretary. Shri K. Seshadri—Under Secretary.

<sup>\*</sup>Declared elected on 19th August, 1968 vice Shri M. M. Dharia who resigned from the Committee.

#### INTRODUCTION

- I, the Chairman of the Public Accounts Committee, as authorised by the Committee, do present on their behalf this Fifty-first Report on the action taken by Government on the recommendations of the Public Accounts Committee contained in their 15th Report (Fourth Lok Sabha) on Appropriation Accounts (Defence Services) 1965-66 and Audit Report (Defence Services), 1967.
- 2. On 12th June, 1968, 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 following Members:
  - 1. Shri D. K. Kunte—Convener.
  - 2. Shri C. K. Bhattacharyya.
  - 3. Shri K. K. Nayar.
  - 4. Shri Narendra Kumar Salve.
  - 5. Shrimati Tarkeshwari Sinha.
  - 6. Shri N. R. M. Swamy.
- 3. The draft Report was considered and adopted by the Sub-Committee at their sitting held on 17th February, 1969 and finally adopted by the Public Accounts Committee on 3rd March, 1969.
- 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 assistance rendered to them in this matter by the Comptroller and Auditor General of India.

M. R. MASANI,

Chairman,

Public Accounts Committee.

New Delhi; March 11, 1969 Phalguna 20th 1890 (Saka)

#### CHAPTER I

#### REPORT

This Report of the Committee deals with action taken by Government on the recommendations contained in their 15th Report (Fourth Lok Sabha) on Appropriation Accounts (Defence Services), 1965-66 and Audit Report (Defence Services), 1967 which was presented to the House on 29th February, 1968.

- 1.2. Out of 18 recommendations contained in the Report action taken notes/statements have been received in respect of 17 recommendations. A reply to the recommendation at S. No. 18 is still outstanding.
- 1.3. The action taken notes/statements on the recommendation 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.—5, 7, 8, 9, 11, 13, 14, 16 and 17.
  - (ii) Recommendations observations which the Committee do not desire to pursue in view of the replies of Government:

    S. No.—3.
  - (iii) Recommendations observations replies to which have not been accepted by the Committee and which require reiteration;
    S. Nos.—1, 2 and 12.
  - (iv) Recommendations observations in respect of which Government have furnished interim replies:
    - S. Nos.—4, 6 and 15.
- 1.4. The Committee hope that reply to the outstanding recommendation and the final replies in respect of 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 propose to pursue the recommendations contained in S. No. 10 regarding review of the surplus properties held by the Defence Services through their Report on the Appropriation Accounts (Defence Services), 1966-67 and Audit Report (Defence Services), 1968.
- 1.6. The Committee will now deal with action taken by Government on some of the recommendations.
- Non-preference of claims in time for stores short landed in a damaged condition—Paragraphs 1.13 to 1.17 & 1.25 (S. Nos, 1 and 2)
- 1.7. The Embarkation Commandant is responsible for clearing and forwarding stores received at the Port of Bombay. During the period January, 1962 to December, 1965, there were 4876 cases of military stores short landed or landed in damaged condition. Of these, in 419 cases valued at

- Rs. 37.25 lakhs, the Headquarters did not either prefer claims at all (155 cases) or in time (265 cases) against the steamer agents within the prescribed time-limit.
- 1.8. The Committee made the following observations in paragraphs 1.13, 1.14, 1.15, 1.16, 1.17 & 1.25:
  - 1.13. "The Committee feel that Government should have geared their machinery at the ports, particularly the Embarkation Headquarters, to cope with the expected increase in the imports of Defence equipment and machinery following the Chinese aggression in 1962. The Committee desire that the Ministry should now examine whether the Embarkation Commandant could not be delegated some more powers for deployment of additional staff upto a certain limit to meet with any sudden spurts in the number of packages received at the Port. The Committee also feel that it should have been possible for the Defence authorities, in consultation with the consignors and the Indian Missions abroad, to arrange matters so that all documents connected with imports were received without delay.
  - 1.14. The Committee stress that there should be close coordination between the Embarkation Headquarters and the Port authorities in the matter of identification and delivery of Defence consignments so as to obviate any delay.
  - 1.15. The Committee also feel that adequate warehousing facilities should be made available at Bombay and other major Ports where the Defence consignments could be stored in a secure condition pending their clearance by the Embarkation Commandant in order to avoid delay in tracing them and to save them from damage by rain. The Committee would like the Minister to examine this further in consultation with the Port Trust authorities.
  - 1.16. The Committee suggest that Government should make a comprehensive review of the arrangements for the handling of Defence goods, particularly machinery and other sensitive equipment required for Ordnance factories and the Armed Forces so as to ensure their expeditious and safe delivery and the prevention of any damage through rain or mishandling.
  - 1.17. The Committee also recommend that the Defence authorities should keep a close watch on the preferring of claims and their settlement so as to ensure that claims do not become time-barred and that they are settled expeditiously."

With regard to a case of delay in clearing 4 machines costing Rs. 0.91 lakhs which resulted in damage of one of the machines due to corresion caused by exposure to weather, the Committee made the following observation in Paragraph 1.25:

1.25. The Committee have already recommended in paras 1.15 and 1.16 that adequate shed facilities should be provided in Bombay Port and other major ports for ensuring the safe handling of machinery and other sensitive equipment imported for Ordnance Factories and Armed Forces and for their prompt onward despatch to the consignees. The Committee would like to know, in particular the action taken to improve the handling and shed facilities for Defence consignments at Bombay Port.

1.9. In their reply dated the 4th September, 1968, the Ministry of Defence stated:

"Consequent on the Chinese aggression in late 1962 there was a heavy influx of imported Defence store from 1963 onwards. The augmentation of the staff and equipment position in Embarkation Headquarters Bombay, did unfortunately take some time to be completed. The observations of the Committee that in an emergency of the type that occurred, the staff and equipment should be quickly matched with the expected work-load have been noted for guidance. However, the staff position has now improved very considerably. As against 211 personnel authorised before the Chinese aggression, the present authorised strength of Embarkation Headquarters, Bombay, stands at 833 per-Additional equipment for handling stores has also been sanc-, tioned and in addition, the Embarkation Headquarters have been authorised to hire special equipment as and when required. As mentioned earlier, the staff position at the Embarkation Headquarters, Bombay has been subject to constant review in the light of experiences gained in handling the heavy influx of stores consequent to the Chinese aggression. The powers of the Embarkation Headquarters were also reviewed from time to time and the Embarkation Commandant now possesses power to deploy the staff at his command as he considers necessary for efficient performance of his duties. In view of the fact that the present authorised strength of Embarkation Headquarters stands at 833 personnel and is considered to be adequate, no delegation of powers for employment of additional staff is considered necessary."

"It is the responsibility of the Supply Missions abroad to make available all necessary shipping documents to Embarkation Headquarters well before the arrival of the vessel bringing the stores to which the documents relate, so that the Embarkation Headquarters are in a position to take prompt action for the clearance of the stores. Instances of late receipt of shipping documents have on various occasions in the past been brought to the notice of the Department of Supply (now under the Ministry of Works, Housing and Supply) for the issue of necessary instructions to the Supply Missions abroad to ensure timely despatch of shipping documents. As a result, the situation has now improved considerably. Nevertheless, with a view to gain further improvement, the Department of Supply were approached again in December, 1967 and they have once again taken up the question with the India Supply Mission, London."

"The Committee's recommendation in regard to the necessity of close coordination between the Embarkation Headquarters and the port authorities in the matter of identification and delivery of Defence consignments has been noted for guidance. It may, however, be mentioned that Embarkation Headquarters do work in close coordination with the port The port authorities also extend cooperation in this regard authorities. to the Embarkation Headquarters and any unresolved matters are taken up at a higher level. In the light of experience gained in handling Defence consignments since 1962, a special mode of marking for easy identification of Defence stores was devised in 1965. All Defence stores are marked with a red rectangle on four sides with the letter 'D' painted in black inside the rectangle. This helps in identification Defence consignments from amongst the commercial stores arriving the port. Instructions have once again been issued to the Embarkation Headquarters in March 1968 (copy enclosed) pointing out the necessity of close coordination with the port authirities. The Ministry of Transport and Shipping have also now been requested to ask the Port authorities to extend their fullest cooperation to the Embarkation Headquarters in the matter of identification and expeditious clearance of imported Defence stores vide Ministry of Defence OM No. 26(2)[68/D(Mov), dated 13th August, 1968 (See page 36)]."

"As regards warehousing facilities, efforts were made in the past for obtaining additional storage capacity for Defence consignments pending clearance at the Bombay Port. In 1965, the port authorities allotted an additional shed to the Embarkation Headquarters Bombay by requisitioning the area occupied by a private firm and this has greatly relieved the pressure. As suggested by the Committee, the Ministry of Transport have been requested in April, 1968 to move the port authorities at Bombay, Calcutta and Madras to give over-riding priority to Defence requests for additional storage sheds as and when requested for by the Embarkation Commandants stationed at those ports."

"The following steps have been taken for the expeditious clearance of Defence stores and for avoiding damage through rain or mishandling:—

- (a) Embarkation Headquarters have been instructed in April 1968 to take expeditious action for the safe clearance of Defence stores, particularly machinery, and other sensitive and valuable equipment, in all cases where advance intimation with regard to the arrival of the stores is received by them either from the shippers abroad or from the Defence indentors in this country.
- (b) Defence indentors have also been requested in April, 1968 to give advance intimation about the arrival of all the important, valuable and fragile/sensitive stores which require careful handling, direct to Embarkation Headquarters so that special attention may be paid by the latter in regard to handling and onward despatch of such stores.
- (c) Details are also being collected of stores which generally require special handling at the port and in transit; and as soon as those details are available, a comprehensive list will be prepared and forwarded to Embarkation Headquarters for enforcing special handling arrangements whenever such stores are imported.
- (d) For avoiding damage to stores by rain, the Defence indentors have been requested in April 1968 to ensure that a suitable clause is inserted in the indents to ensure proper packing with water-proof material of all imported Defence stores susceptible to damage by sea water/rain. It has also been already impressed upon Defence indentors that consignments of machinery and precision instruments likely to reach India during the monsoon season (June-September) should be diverted preferably to Madras/Kandla port with a view to reducing the risk due to corrosion etc.
- (e) Posting of an officer holding appointment of Manager in the Directorate General of Ordnance Factories against one of the

appointments of Captains in Embarkation Headquarters, Bombay, has been sanctioned in December 1967, to facilitate the handling of Ordnance Factories stores. Naval and Air Force elements have also been included in the establishment of Embarkation Headquarters; and this has helped quick location and clearance of Naval and Air Force stores."

"Subsequently to the consideration of the matter by the Public Accounts Committee in October, 1967 and as a continuing result of the steps taken to equip the Embarkation Headquarters with staff and equipment, the position regarding preference of claims in respect of short landings and damage to imported stores for the years 1962-65 has improved further, as will be clear from the following table which gives the position as on 12-2-1968:—

Year			Claims due	Claims settled	Claims pending	Claims not yet preferred	
1962	 	 	391	824	67(21)w	NIL(8)	
1963	 	 	1,066	847	204(313)w	15(25)*	
1964	 	 	1,975	1,634	310(423)Œ	31(74)*	
1965	 	 	1,497	1,295	(202(246Œ	NIL(2)*	

<sup>\*</sup>Figures in brackets represent claims pending during October, 1967.

Figures in brackets represent claims not preferred upto October, 1967.

"Necessary instructions have also been issued to Embarkation Headquarters in January 1968 to ensure timely preference of claims for losses/damages and for expeditious settlement of the claims preferred. The Defence indentors have at the same time been instructed to furnish whatever information and documents are called for by Embarkation Headquarters in this connection, on top priority basis. Also, as already indicated above steps have been taken to ensure timely despatch of shipping documents from abroad to the Embarkation Headquarters."

"The various steps to improve handling of Defence consignments at Bombay Port have already been enumerated above. Similarly, the steps taken to ensure safe handling of machinery and other sensitive equipment imported for Ordnance Factories and Armed Forces and their prompt onward despatch to the consignees, as well as to obtain additional storage sheds for Defence consignments, have also been mentioned. However, in a large organisation handling complex work, difficulties and problems do arise from time to time, and these are overcome in the best manner possible. With the augmentation of the manpower in Embarkation Headquarters, Bombay, and various other measures taken, the situation has improved considerably and it is hoped that the type of delays commented upon by the Committee will become rare."

- 1.10. The Committee desired to be furnished with the following further information:
  - (i) the latest position of pending claims;
  - (ii) the value of pending claims;
  - (iii) the break-up of pending claims between (a) suppliers and (b) shippers.

(iv) whether the claims against the shippers were preferred within the time-limit prescribed in the Maritime agreement called 'Gold Clause Agreement'.

Incorrect assessment of requirements of aircrast spares—Paragraphs 2.33-to 2.36 (S. No. 12)

- 1.11. The Committee regret that the requisite information has not been furnished by the Ministry of Defence. They would like Government to investigate whether, either as a result of delay in holding survey or in preferring claims, Government claims against shippers/suppliers were prejudiced. The Committee would also like Government, to evolve in the light of the findings adequate procedures to ensure timely preferring of claims.
- 1.12. The Committee note that various measures have been taken by the Ministry of Defence to improve the handling of Defence consignments at Bombay Port and their prompt onward despatch to the consignees. These measures include increase in staff and equipment at the Embarkation Headquarters and additional warehousing facilities at the Port, and closer coordination between the Embarkation Commandant and indentors. The Committee hope that as a result of these measures delay in clearance of Defence stores and damage caused by exposure to weather and mishandling after landing will be avoided.

Incorrect assessment of requirements of aircraft spares—Paragraphs 2.33 to 2.36 (S. No. 12).

- 1.13. On the basis of an indent received from Air Headquarters, the India Supply Mission London entered into a contract in December, 1963 for supply of 134 numbers of a spare part of a certain type of aircraft. It was decided in May, 1965 to obtain only 6 numbers of the spare part to meet the life of type requirements and to cancel the order for the remaining 128 numbers. The manufacturer could be persuaded to agree to the cancellation only on the payment of a compensation of Rs. 1 lakh, as the production was in an advanced stage. In paragraphs 2.33 to 2.36, the Committee made the following observations:
  - 2.33 "The Committee are constrained to note that this is yet another case (see also para 2.14) where an incorrect assessment of the requirements of aircraft spares was made and this resulted in an avoidable expenditure of Rs. 1,00,000. If Air Headquarters had scrutinised the indent properly, this infructuous expenditure could have been avoided.
  - 2.34. "It is also disquieting of note that, even though the lapse which led to the over-provisioning was detected by Air Headquarters in September, 1964, a Court of Enquiry was ordered only in November 1966, after Audit had drawn the attention of Government to the matter. The Committee feel that the Court of Enquiry should have been set up immediately the lapse was detected.
  - 2.35. "As regards the general procedure of provisioning for spares for aircraft, the Committee are left with the impression that the procedure for the scrutiny of indents at Air Headquarters requires to be tightened. The Committee hope that the Ministry of Defence will take suitable measures to streamline the procedure prevalent in this respect at Air Headquarters."

- 2.36. "The Committee also stress that, in the estimates of provisioning of spares, due allowance should be given to the actual experience of operations in India as that would indicate the behaviour of the aircraft in Indian conditions and the necessity of replacement of different parts. The Committee hope that the Ministry of Defence would be able to evolve a system for the provisioning of spares which will be an adaptation of the commercial system taking into consideration the special requirements of the Air Force."
- 1.14. In their reply dated the 21st June, 1968, the Ministry of Defence stated:

"First and Second Line spares required by the Operational Units are worked out at Air Headquarters by applying Forecast Factor duly approved by Government. As regards the spares required by repair agencies including Hindustan Aeronautics Limited *i.e.* Third and Fourth Line spares, the requirement is worked out by repair agencies on the basis of the overhaul task in hand and likely future arisings. The requirements are vetted by Air HQrs. before obtaining Government approval and taking procurement action. To avoid errors in the transmission of the requirements of H.A.L. and Overhaul Spares Depots to the provisioning branches, instructions have been issued by Air HQrs. that these requirements must be reflected on a proper review sheet. It is expected that with the issue of these instructions, there will be no occasion for a lapse of this nature to recur."

"Procedure for holding Courts of Inquiry has been reviewed and necessary instructions have been issued to all concerned fixing the time limits for assembling Courts of Inquiry and finalisation of their reports etc. Service Headquarters have also been directed to submit quarterly reports to Government for scrutiny with a view to ensuring that the faults pointed out by P.A.C. do not recur."

"Provisioning Procedure in the Air Force is constantly under review. Internal correctives are applied as and when found necessary. Provisioning System has been reviewed recently and a reference to this has already been made in our note to P.A.C. vide Ministry of Defence u.o. No. F4(1)/67/D(Air-I), dated 16-12-67. In addition to the information made available earlier, special mention may be made of the following:—

- (i) With the introduction from 1-2-67 of Forward Supply System at all units holding of spares in the flight lock-ups has been eliminated. Issues of stores are now made across the counter against actual requirements. On the basis of such issues, replenishment of stocks are obtained from the depots, which provides a true consumption data for provisioning. This system would ultimately help to relieve the user sections from carrying large inventories which in turn lead to a shorter inventory in the I.A.F.
- (ii) A system of checks and counter-checks at various levels has been introduced to ensure accuracy in provisioning. It has been decided to carry out a 100% check of provisioning reviews at various stages before submitting the draft indents to Government for approval. Indents are required to be sponsored at specified levels depending on the cost.

- (iii) For better coordination, Equipment and Technical Staff have been made to sit next to each other to enable them to discuss various problems, thereby reducing the inter-sectional notings and movement of files. Similarly at policy level, a conjointed approach is ensured for all maintenance problems.
- (iv) Reduction in pipe-line and delays in provisioning has been effected by authorising despatch of repairable rotables to repair agencies by quicker means to reduce turn-round time and thereby reducing the need for fresh imports.
  - Formation of Overhaul Spares Depots alongside the repair agencies will reduce the pipe-line between the Overhaul Spares Storage Unit and Repair Agencies in addition to reducing the time-lag between actual consumption and provisioning reviews.
- (v) High Value Control System with the aim of selective high-value management to control centrally, high value items for better supply capability as also to reduce expenditure wherever possible, has been introduced in the IAF. This system applies to high value items selected by Air Hqrs. Issue of these items from Equipment Depots are subject to release by Air Hqrs.
- (vi) Special procedure for control of issue, movement and repair of rotables (items which can be repaired and put back into service), which are quite costly, has been evolved. Floats of these items authorised for repair agencies and consumer units have been laid down to control holdings at various levels."
- (vii) An analysis is in progress to determine the fast moving items. Cards pertaining to such items would be marked with a distinctive colour mode and reviews of such cards would be done once a month or so, so that continuous replenishment action can be undertaken without waiting for the normal review cycle.
- (viii) Consumable stores called 'C' class stores cost very little as compared to rotables. Their periodicity of review has, therefore, been changed from 6 months to 1 year so that more attention can be focussed on review of rotables.
  - (ix) A Cell has been formed in Air Hqrs. for cataloguing all the equipment in use in IAF to provide standard catalogue of stores for reference purposes. Proper cataloguing will not only help in standardisation of various stores, it will also assist in easy indentification of items and in establishing common items and thus decreasing incorrect or duplicate holdings.
  - (x) A Committee has been formed within existing resources to compile a Manual of Provisioning, codifying provisioning intructions issued from time to time. With the completion of this Manual, there will be a systematic book covering various activities relating to provisioning.
  - (xi) It has been decided to adopt commercial practice, for provisioning purposes by No. 30 Equipment Depot, with suitable modification (in respect of Super Constellation Aircraft and
    - Wright Cyclone Engines. The detailed procedures to be adopted by No. 30 E.D. for this purpose are under active consideration. Based on the experience gained, the feasibility of

- constituting Local Provisioning Committees for other equipment Depots will be considered.
- (xii) The question of introducing mechanisation for speedy processing of inventory control data at Air Hqrs is also under consideration of Government."

"It is hoped that the steps taken/being taken in streamlining the provisioning procedure referred to in the preceding paragraph, will help in removing the present defects. However the actual advantages would be known only after a period of time when the same been given a fair trial."

1.15. In their further note dated the 14th December, 1968 furnished at the instance of the Committee, the Ministry of Defence have stated:

Preparing Standard Catalogue of Stores.

"A Cataloguing Cell was sanctioned on temporary basis in May 1966. The Cell started work in July 1968. During the first few months, the Cell studied the various system prevalent in the I.A.F. for identification of stores as well as the Federal Supply Classification System of USA and Defence Stores Classification System adopted by the Directorate of Standardisation, Ministry of Defence and evolved a uniform system of stores indentification and cataloguing to be adopted by IAF. A method of working was evolved; personnel were trained and certain problems that arose in the pattern of cataloguing were cleared.

Having prepared the ground, the compilation of catalogues for aircraft was taken up as per a set of priorities. To-date, cataloguing of Hunter MK 56, Mi-4 and S-22 (to the extent of provisioned items) has been completed. Work is in progress on T-77 (MIG), Krishak and HIT-16."

"Taking into consideration the number of aircraft in current use and the aircraft likely to phase out by 1970, the Cataloguing Cell will have to compile catalogues for over 20 different types of aircraft. In addition, equipment relating to Specialist Vehicles, S.Us., S.A.G.W. complexes will also have to be catalogued. The initial nucleus establishment, which had been in fact sanctioned for planning the system of cataloguing and evolving the method of work only, has been extended from time to time but this is inadequate to do justice to the mammoth task of cataloguing all Air Force Stores. Air Hqrs. case for increase of establishment of the Cell and setting it up on a permanent basis is under consideration."

#### Compiling the Provisional Manual

"Air Hqrs. constituted a Team of Officers comprising one Group Captain and two C.G.Os II from their existing resources, to compile a Manual of Provisional. The Team was formed in January, 1968. The draft I.A.P. 1541 Manual of Provisioning prepared by the Team is under scrutiny."

Finalising the Procedure to be followed by Equipment Depots for provisioning purpose

"It has been decided to adopt commercial practice, for provisioning purposes by No. 30 Equipment Depot, with suitable modification. The

detailed procedures to be adopted by No. 30 E.D. for this purpose has been finalised in June 1968. Under this procedure, requirements will be worked out by No. 30 E.D. and those relating to items costing more than Rs. 200 each will be subjected to scrutiny by the Local Provisioning Committee consisting of representatives of Air India Material Planing Division, the Officer Commanding No. 30 E.D. and a representative of Controller of Defence Accounts (Navy) at Bombay. Purchase Orders will be placed by No. 30 E.D. on India Supply Mission, Washington against the bulk allotment of free foreign exchange. It has, been decided that the feasibility of constituting similar Local Provisioning Committees at other Equipment Depots would be considered on the basis of the experience gained at No. 30 Equipment Depot.

Introduction of Mechanisation of Speedy Processing of Inventory Control Date in the Headquarters.

"A modest beginning in this regard has been made and Air Hqrs. have been permitted since early this year to use the Computer Centre at Ramakrishna Puram. The question of computerising the entire range of stores will require consideration."

1.16. The Committee note that, with a view to securing effective control over inventory holdings in the Air Force, Government have started the compilation of a standard catalogue of stores and a provisioning manual and have also made a beginning with modern data processing techniques. In respect of the work of compilation of the catalogue, the Committee observe that a cell, which was set up for this purpose in 1966, has till now completed cataloguing for only three types of aircraft against twenty for which the catalogue has to be prepared. As the works scheduled for completion by 1970, the Committee trust that steps will be taken to speed up the process of compilation. The Committee also hope that the coverage of the data processing system, now in the beginning stages, will be progressively extended. It is essential that a modern arm of the Defence Forces like the Air Force, the effective operation of which is conditioned by the efficient use of sophisticated items of equipment produced by a fast advancing technology, should be equipped with up-to-date techniques of stores control.

Fire-figting arrangements—Paragraphs 2.56. 2.57 (S. No. 14)

- 1.17. An aircraft costing Rs. 70 lakhs was destroyed by fire while on the ground in February, 1964. The Committee made the following observations in Paragraphs 2.56 and 2.57:
  - 2.56. "The Committee are distressed to note that an aircraft costing Rs. 70 lakhs was destroyed by fire. The Committee view with concern the fact that the personnel detailed for the maintenance and servicing of the aircraft were not sufficiently experienced and that this was one of the contributory cases of the fire. The Committee hope that, with the increase in the activities of the Air Force greater attention will be paid to recruiting, training and giving sufficient experience to the men before they are asked to handle independently such important and delicate jobs."
  - 2.57. "The Committee desire that fire fighting arrangements at the Air Fields should be improved by providing an adequate number

of crash fire tenders and by giving adequate training to the personnel handling the crash fire tenders,"

1.18. In their reply dated the 1st July, 1968, the Ministry of Desence stated:

"Training and necessary experience through continuation and onthe-job training are being provided to the airmen before they are made independently responsible for handling delicate and important jobs. Continuation training is provided through refresher and conversion courses and through mobile training flights which provide type training for different types of aircraft and equipment."

"The scale of crash tenders has already been revised. Adequate number of crash tenders have been established for all airfields. At present there is a shortage of only 5 crash tenders in the Service. Efforts are being made to procure the same as expeditiously as possible."

"As regards training of Crash Crews, refresher courses have already been strated for Crash Fire Fighter Crews. A course for Crash Fire Fighters at the Fire Research Development and Training Establishment is also due to commence from November, 1968. In addition, regular continuation training on Crash and Rescue Action, is being imparted to Crash Crews to keep them abreast with Crash Fire Fighting Techniques/Equipment. It is hoped that these courses will go a long way in improving the efficiency of Crash Fire Fighters."

- 1.19. The Committee had asked the Ministry to intimate wherther shortage of crash tenders at air fields still persisted. The information in this respect is still awaited, though it was called for on 24-10-1968.
- 1.20. The Committee had desired to know whether shortage of crash tenders at air-fields still persisted. They regret that the information has not still been furnished to them.
- 1.21. The Committee note that in order to improve the efficiency of crash fire fighters, the Air Headquarters have revised the scale for provision of crash tenders and intensified the training of crash crew. Air Headquarters should ensure that any shortages of crash tenders at Air-fields and other Air Force units are made good expeditiously and that crash tenders and crew are kept in good trim to meet any exigencies.

#### CHAPTER II

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

#### Recommendation

The Committee feel that Government should have issued these instructions about the disposal of existing stocks of rations which became surplus to requirements on a revision of the scales of rations in 1963 when radical changes were made in the ration scales so as to obviate loss to the State.

The Committee understand that the question of the delegation of powers to local Commanders for the issue of shortlife stocks of any item having a storage life of only 45 days or less in lieu of any other authorised item of ration in consultation with medical authorities is also under active consideration of Government. The Committee hope Government will take an early decision in the matter.

[S. No. 5 Appendix V, Paras 1.47 and 1.48 of 15th Report, 4th L.S.]

#### Action taken

As indicated in the note submitted to the Public Accounts Committee, which is quoted under Para 1.45 at page 15 of the 15th Report of the Committee, although orders revising the high altitude ration scales were issued by the Army Headquarters on the 21st August, 1963, there were made effective from 1st December, 1963 only, as, according to the calculations then made, the stocks of the items, which were deleted from the high altitude ration scales, already provisioned, were expected to be consumed by the 5th November, 1963, based on the strength of personnel expected to be deployed at high altitude. The stocks could, not, however, be consumed by the 30th November, 1963, as anticipated as deployment of personnel upto the expected level did not materalize. Therefore, due consideration was given to the consumption of stocks already provisioned while issuing orders regarding the revision of high altitude ration scales and surpluses arose only because the consumption was not according to the pattern envisaged at the time of issue of orders.

2. Orders have already been issued regarding delegation of powers to the OMG and GOC-in-Cs for the disposal of shortlife stocks of foodstuff by sale or auction or issue in lieu of other authorised items in consultation with Medical authorities. The action taken in this regard has been explained fully in the note submitted to the Public Accounts Committee with reference to S. No. 44 Appendix IX to the 71st Report (Third Lok Sabha) which was forwarded to the Lok Sabha Secretariat with this Ministry's Office Memorandum No. 11(2)/67/D(Budget), dated the 10th April. 1968.

#### Recommendation

The working of the Military Farms had been commented on by the Committee in their 17th, 40th and 48th Reports (Third Lok Sabha).

While the Committee are glad to note the improvement in the financial position of Military Dairy Farms in 1966-67 after the introduction of the new decentralised system, they feel that there is no room for complacency in view of the fact that the profits made earlier from 1961-62 to 1963-64 were followed by two years (1964-65 and 1965-66) of heavy losses. The Committee stress that the large land resources available with the Military Farms should be put to the best and most nemunerative uses in consultation with the Indian Council of Agricultural Research who have the requisite expertise not only in the field of foodgrains, horticulture and fodder grasses but also in animal husbandry. The Committee feel that the Ministry, in consultation with the Ministry of Food and Agriculture and State Governments, should examine the desirability of converting the Military Farms into extension farms of the Indian Council of Agricultural Research/Agricultural Universities to demonstrate to the neighbouring areas the advantages which flow from adoption of modern techniques of intensive cultivation with high yielding varieties, irrigation, fertilizers, insecticides and pesticides.

The Committee would like Government to keep a close watch on the production and price of milk in the Military Dairy Farms as compared with other leading Dairy Farms such as the Aarey Milk Colony and the Kaira District Cooperative Milk Producers Union. Similarly they would like Government to keep a close watch on issues on a concessional basis which are made to entitled personnel so as to ensure that losses on this account are kept within the intended margin. The Committee hope that every effort will be made by Government to ensure that Military Farms do not again incur losses.

IS. No. 7, Appendix V. Paras 1.89, 1.90 and 1.91 of 15th Report, 4th L.S.]

#### Action taken

The observation of the Committee mentioned in para 3 of the Recommendation have been noted for guidance and compliance. These are:—

- (a) that Government keep a close watch over the production cost of milk, and every effort to be made to ensure that Military Farms do not again incur losses.
- (b) that Government keep a close watch over the issues at concessional rate so that the losses on this account are kept within the intended margin.
- 2. In the above connection, it may be mentioned that against the audited profits of Rs. 66.38 lakhs during 1966-67, the estimated profits (unaudited) for 1967-68 are Rs. 77.35 lakhs. The cost of production of milk since 1966-67 has also been showing a healthy trend vis-a-vis the purchase price. Further, it will be noticed from the Appropriation Accounts of 1966-67 that the difference between the cost of production/purchase of milk and sale realisations from payment issues of milk has come down from Rs. 25.55 lakhs during 1965-66 to Rs. 1.77 lakhs during 1966-67 calculated in the same manner for both the years.

- 3. There are two other recommendations made by the Committee. These are:—
  - (a) that the land resources of Military Farms be put to the best and most remunerative uses in consultation with the Indian Council of Agricultural Research.
  - (b) that the Defence Ministry in consultation with the Ministry of Food and Agriculture and State Governments examine the desirability of converting the Military Farms into extension farms.
- 4. Regarding the recommendation at para 3(a) above, it is agreed that the land resources available with the Military Farms be put to the best use possible consistent with the objectives are to provide with which the Military Farms are run. The objectives are to provide a reliable and hygienic supply of dairy produce to the Defence Services and to provide fodder to the animals of the Army. It is accordingly agreed that the assistance of the Indian Council of Agricultural Research (and in fact to any other authority who can help) be taken by the Military Farms to achieve the best results possible. In the connection, it may be mentioned that the Director of Military Farms is a member of the Advisory Board of the Indian Council of Agricultural Research and is thus closely associated with the agricultural research developments, and utilises the association and knowledge for the steady improvements of Military Farms. Assistance is also taken from the Indian Council of Agricultural Research from time to time.
- 5. As regards the suggestion at para 3(b) above, the matter is under consideration and a further neply will be sent.

#### Further Information

Please furnish a note stating the final decision taken in converting the Military Farms into extension farms.

#### Reply

As recommended by the Public Accounts Committee, the desirability of converting Military Farms into extension farms of the Indian Council of Agricultural Research/Agricultural Universities has been examined in consultation with the Department of Agriculture and the ICAR. It has been decided to organise demonstration plots in suitable Military Farms where cultivation activities are carried on with a view to adopting improved methods of cultivation useful to the Military Farms. Such extension work will be undertaken with the help of research workers of ICAR/Agricultura! Universities/State Governments, who will be responsible for publicising the benefits derived therefrom among the neighbouring farmers. The experience gained by the Military Farms from these demonstration plots will also be utilized by them by extending the work to a larger area.

#### Recommendation

The Committee are not happy that the land for the subsidiary Ammunition Depot was requisitioned in 1963-64 long before the detailed blue print for the Depot had been finalised, with the result that the land remain-

ed unutilised for more than three years and entailed payment of rent at the rate of Rs. 1,32,234 per annum.

The Committee note that Army Headquarters have since issued on 9th August 1967, instructions for avoiding the recurrence of such cases due to uncoordinated planning in the requisition/acquisition of land. The Committee stress that Government should review the position about the utilisation of requisitioned/acquired land every year and amplify their instructions, as necessary, to ensure that productive land which is not really required within a reasonably short time for defence use is not unnecessarily acquired/requisitioned.

The Committee also reiterate the recommendations contained in para 3.21 of their 71st Report (Third Lok Sabha) regarding the proper planning, coordination and provision of external services, e.g., sewage, roads, electricity and water supply, so that the buildings on completion are brought into effective use without delay. The Committee regret that, due to the failure to provide external services in time, the quarters built for the staff remained unutilised for eight months. The Committee hope that the Army authorities will take suitable measures to implement the instructions issued in the letter of 9th Aug. 1967 for the planning and coordination of the building programme so that such instances do not recur.

[S. No. 8 Appendix V, Paras 1.02, 1.03 and 1.04 of 15th Report, 4th L.S.]

#### Action taken

There are two recommendations made by the Public Accounts Committee. These are as follows:—

- (a) Government should review the position about utilisation of requisitioned/acquired land every year and that steps should be taken to ensure that productive land which is not really required within a reasonably short time for Defence use is not unnecessarily requisitioned/acquired.
- (b) Suitable measures should be taken to implement the instructions contained in Army Headquarters letter No. 61279/ O3W(Policy) dated 9th August 1967 in the matter of planning and coordination of the building programme.
- 2. The recommendations of the Public Accounts Committee have been noted for guidance and will be acted upon. The instructions of 9th August, 1967 cover the second part of recommendation at (a) and the recommendation at (b). Where any cases of departure from these instructions come to notice, the same will be suitably dealt with and action taken where need be. So far as the first part of recommendation at (a) is concerned, instruction have already been issued vide Government letter No. 29(10)/66/D(Lands) dated the 20th March, 1967 providing for a periodic review at various levels of the properties lying vacant for prescribed period. This review will inter alia indicate how far the instructions of 9th August, 1967 are being implemented.
- 3. It will be seen from the instructions of 9th August 1967 that projects which involve the requisitioning of land are normally sanctioned in one phase which covers the initial cost of requisitioning, the rental compensation payable for the first year of requisitioning and the construction cost. There should thus ordinarily be no good ground for delay in the

utilisation of the requisitioned land for the intended purpose except for the period necessary to prepare the tender documents, finalise the contracts and commence the works.

4. Where, however, a project involves acquisition of land which is not in the Defence possession—and these cases will be principally those where land cannot be requisitioned under the RAIP ACT 1952—the orders provide that the approximate estimates should be prepared only when the land is actually made available or is irrevocably committed. The orders further provide that the sanction to the projects in such cases should be accorded in phases, and the final phase would come about only after the notification under Section 6 of the Land Acquisition Act, 1894 has issued. This procedure would prevent the wasteful effort in planning projects on land of which we may not be able to obtain possession. It is only when the objections to the proposed acquisition are decided by the Collector and Section 6 notification is issued that Government is assured that the acquisition proceedings will be progressed to the stage of acquisition and the award declared in due course. At the same time the sanction to the last phase of the project after the issue of Section 6 notification would ensure that the interval between the handing over of the possession of the land by the Collector and the commencement of the execution of work is reduced as far as possible. It will also be appreciated that a major project involves a period of about 4 months to 6 months in the preparation of approximate estimates while the engineer planning after the accord of Admin, approval in the case of a major project takes another 6 to 12 months. This is in addition to the time required by Government to sanction the project. Thus while every effort will be made to ensure that the taking over of the possession of land either by virtue of requisition or acquisition and the commencement of the work on the ground does not have a substanital time lag, it may not always be possible to synchronise the two. At the same every effort will be made to reduce the time lag between the two to the minimum practicable.

# COPY No. 29(10)/66/D(Lands). GOVERNMENT OF INDIA MINISTRY OF DEFENCE.

New Delhi, the 20th March, 1967.

To

The Chief of the Army Staff, The Chief of the Air Staff, The Chief of the Naval Staff,

SUBJECT:—Disposal of surplus acquired/requisitioned/hired properties.

Sir.

I am directed to say that cases have come to the notice of the Government where properties, mostly defence owned, are not utilised and on which infructuous chowkidari expenditure is incurred. The Public Accounts Committee has also brought several such cases to the notice of the Government.

- 2. The matter, has been carefully examined by Government and it has been felt that solution lies in two directions:—
  - (a) To locate the properties which are not utilised in fact, and to determine whether they should be retained for future requirements of the Defence Services or be disposed of;
  - (b) To ensure that properties declared surplus to Defence requirements are expeditiously disposed of.

As regards (a) above, it has been decided that the Army/Naval/Air Hqrs, will furnish quarterly statements showing lands/buildings and compact properties which have been lying continuously vacant for the last six months to their administrative sections. The list should indicate the date from which the property is lying vacant, whether it is defence owned, hired or requisitioned and whether any requirement is anticipated therefor.

It has further been decided that requisitioned or hired buildings/lands lying vacant for more than six months should be reviewed by Army/Naval/Air Hqrs, who should record reasons in writing why the property should not be released forthwith. Where a property lies vacant for more than one year every such case will come to Ministry of Defence to decide whether the same should be immediately released or continued under requisition/hire as the case may be.

In cases where a decision has been taken to dispose of the property, the same will be handed over immediately to the ML&C Service for taking disposal action.

3. As regards (b) above, it has been decided that ML&C Dte, will maintain a record of properties declared surplus to defence requirements and will furnish monthly report to the Ministry of Defence about the progress made in the disposal of such properties.

Sd./-..

Under Secretary to the Government of India.

# COPY No. 61279/QB(W)(Policy) ARMY HEADQUARTERS QUARTERMASTER GENERAL'S BRANCH

DHO P.O., New Delhi-11, dated 9th August, 1967.

To

Headquarters
Southern Command
Eastern Command
Western Command
Central Command

15 copies

SUBJECT:—Planning and coordination of building programme.

- 1. Instances have been brought to our notice of uncoordinated planning and execution of building projects. Some instances are as follows:—
  - (a) Constructions being sanctioned without ensuring availability of land in time for the projects.

- (b) Buildings being completed without external services and therefore remaining unutilised for a considerable period.
- (c) Changes in requirements being proposed after the project has been administratively approved.

The points requiring attention are given in the succeeding paragraphs.

#### Land

- (a) Normally approximate estimates for a project should be prepared only when land is actually made available or is irrecovably committed.
  - (b) Projects which entail acquisition of land should be sanctioned in phases. The first phase would include acquisition of land and site clearance. In such cases, a rough cost or an indication of cost, for the entire project would be submitted along with the approximate estimate for phase I. Approximate estimate for the remaining phase or phases would be initiated only after the notification under Section 6 of the Land Acquisition Act, 1894 has been issued and objections by land owners have been cleared. Projects involving requisitioning of land may however be sanctioned in one phase where the Collector has indicated that there is no objection to such requisitioning and that the land will be made available.

Sanction of a project and Co-ordination of various items of it

- 3. (a) For expeditious completion of a project, all the items involved *i.e.* various sub-items under external services must be sanctioned alongwith the main project, and no item in respect of external services should be made 'provisional' at the time of Administrative Approval. In case of large projects, Administrative Approval for services should be accorded as phase I of a project, as planning, contract action and execution of services takes considerable time. Contracts for various items of works should be so coordinated that the completion of water supply, sewerage and sewage disposal works, roads E/M services and furniture synchronize with the completion of the buildings.
  - (b) The time factor involved in the procurement of stores for external services needs to be fully considered and where necessary, action to procure stores and commence work on external services taken well in advance of the commencement of the building work.

#### Changes in requirements

- 4. Instructions have been issued from time to time that Users requirements will be definitely settled before initiating a project. However, subsequent changes are sometimes necessitated due to the following:—
  - (a) Revision of strengths, change in Government policy of location of units.
  - (b) Changes in requirements by the Users.

- 5. In case of (a) above the Engineers will, where feasible, take immediate action to restrict the scope of the project. If these changes necessitate provision of additional accommodation items prior sanction of the CFA will be sought.
- 6. No changes other than those given in para 6 above will be permitted in an approved project without the prior approval the CFA who sanctioned the project.

Sd/— Quartermaster General.

#### Recommendation

The Committee feel that the procedure laid down for operational works should be invoked by the Army Commanders only where it is imperative to undertake the speedy execution of work in the overall interest of military operations. Now that the Emergency has been lifted by Government, the Committee feel that the present is an opportune time to review the whole procedure for operational works in the light of the experience obtained and to omit from its scope long terms work which should more appropriately be carried out under the Normal Works Procedure.

The Committee would also like to stress that all the tangible assets which have been created out of the Rs. 22 crores expanded on Operational Works should be properly accounted for and maintained.

[S. No. 9 Appendix V, of 15th Report, 4th L.S.]

#### Action taken

The Operational Works Procedure has been reviewed in the light of the observations of the Public Accounts Committee and the objective which it is intended to serve. The viewpoint of the Services HQ is that the operational works procedure should not be so restricted as might so limit the powers of the local Commanders as to cause a setback to the operations at a critical moment. However taking into account all the aspects of the matter, it is proposed to make the following changes in the Operational Works Procedure:

- (i) In para 3, clause (b) thereof would read as follows: "Improvement of airfields, advance landing grounds, helipads, roads, bridges and ropeways."
- "Construction of advance landing grounds, helipads, roads (other than clause 9 and above), bridges, ropeways and operational and technical accommodation provided that the sanction is accorded by a Formation Commander not lower than a Div. Commander or equivalent in cases where the operational work in question is expected to last more than 3 years from the date of completion."
- 2. It would be seen from the above that it has been decided that the work of construction of airfields be removed from the scope of the Operational Works Procedure. In addition, it has been decided that sanction to specified works must be accorded by a Commander not lower than

- a Divisional Commander where the work is expected to last more than 3 years from the date of completion.
- 3. The question of the feasibility and desirability of introducing some greater financial and/or technical control in the matter of operational works expected to last for more than 3 years from the date of completion is however still under consideration. As soon as this question is finalised, the necessary consolidated orders would issue.
- 4. Regarding taking over/accounting of tangible assets, copies of the orders issued on 16th April, 1965 and 6th August, 1968 in the matter are enclosed.

#### Further Information

It has been stated that "the question of the feasibility and desirability of introducing some greater financial and/or technical control in the matter of operational works expected to last for more than three years from the date of completion is, however, still under consideration".

Please intimate the decision taken in the matter.

#### Action taken

The question has since been examined in consultation with the Ministry of Finance and it has been decided to amend the Operational Works Procedure by making the following additions in para 4 of the Procedure:—

- "(d) If a work is expected to last more than 3 years:—
  - (i) Prior Design approval (Technical scrutiny of the design and specification) will be accorded by the €E of the Corps. No. detailed costing need be carried out or indicated.
  - (ii) CE Corps concerned will roughly assess the cash expenditure to be incurred on stores, labour or other items of the work within a reasonable time of its sanction by the C.F.A., say 3 months, and intimate the same to the CDA concerned. The CDA will, thereafter, watch the expenditure and inform the CE Command as soon as the ceiling is exceeded. If, however at any stage during the execution of the work, the intimated rough assessment of cash expenditure is expected to be exceeded, the CE Corps will intimate the CDA of the revised ceiling giving reasons for the variation with a copy to the CE Command."

[M. of D. u.o. No. 8(II)/67, S.O.III/D(Works)—I), dated the 16th December, 1968.]

#### Recommendation

"The Committee regret to note that in this case there was incorrect assessment of requirements of aircrafts spares mainly due to the fact that (i) the life of type requirements were worked out on the basis of mean flying effort and not on the average of actual flying effort; (ii) repairable stocks were not taken into consideration. What is more distressing is the fact that, even when the discussion to phase out the aircraft first originated

in February/March, 1964, no indication was given by Air Headquarters to the Department of Defence Production of the possibility of a reduction in the requirements of these spares so that it could be kept in view when the Department of Defence Production entered into an agreement with foreign manufacturers in May, 1964. There was lack of coordination between Air Headquarters and the Department of Defence Production and this, the Committee feel, resulted in an avoidable expenditure of Rs. 1.52 lakhs.

The Committee find from the note furnished by the Ministry of Defence that a number of steps have now been taken to avoid over-provisioning of spares. They hope that the system of provisioning of spares in the Air Force will be kept under constant review and correctives applied, where necessary, so that cases of this type do not recur."

[S. No. 11, Appendix V, Para Nos. 2.144 and 2.15 of 15th Report, 4th L.S.]

#### Action taken

Observations of the P.A.C. have been noted. The system of provisioning of spares in the Air Force is constantly kept under review. As stated in the note of 16-12-67, internal correctives have been applied and the provisioning system has been streamlined, recently. It is hoped that with the steps already taken, cases of this nature may not recur.

[M. of D. u.o. No. F.4(1)/68/D(Air-I), dated 28th June, 1968.]

#### Recommendation

The Committee are pained to note that during the half year ending June, 1967 the number of accidents has increased along with the loss of human life and equipment. Every effort, the Committee feel, should be made to reduce the frequency of accidents. The Committee hope that, with the implementation of the recommendations made by the Indian Air Force Accidents Committee, it will be possible to reduce the number of accidents. The Committee also suggest that an analysis of the reasons for accidents in operational and non-operational flights should periodically be made with a view to taking timely corrective measures.

[S. No. 13, Appendix V of 15th Report, 4th L.S.]

#### Action taken

The recommendations made by the Air Force Aircraft Accidents Committee are always kept in view by the Air Force and every possible effort is made to reduce the number of accidents and keep them to the barest minimum.

Air HQ are undertaking a careful analysis of all Courts of Inquiry into the various accidents with a view to finding out any particular trend and the lessons emanating therefrom are utilised for the prevention of accidents.

Air HQ will also henceforth carry out an analysis of accidents in operational and non-operational flights and the trends observed will be studied and any corrective measures involved communicated to all Commands 'Stations for compliance and guidance.

[M. of D. u.o. No. F.2(20)/66 D(Air-II), dated 21-5-1968.]

#### Recommendation

The Committee are distressed to note that an aircraft costing Rs. 70 lakhs was destroyed by fire. The Committee view with concern the fact that the personnel detailed for the maintenance and servicing of the aircraft were not sufficiently experienced and that this was one of the contributory causes of the fire. The Committee hope that, with the increase in the activities of the Air Force greater attention will be paid to recruiting, training and giving sufficient experience to the men before they are asked to handle independently such important and delicate jobs.

The Committee desire that fire fighting arrangements at the Air Fields should be improved by providing an adequate number of crash fire tenders and by giving adequate training to the personnel handling the crash fire tenders.

IS. No. 14. Appendix V. Paras Nos. 2.56 and 2.57 of 15th Report 4th L.S.]

#### Action taken

Training and necessary experience through continuation and on-thejob training are being provided to the airmen before they are made independently responsible for handling delicate and important jobs. Continuation training is provided through refresher and conversion courses and through mobile training flights which provide type training for different types of aircraft and equipment.

- 2. The scale of crash tenders has already been revised. Adequate number of crash tenders have been established for all airfields. At present there is a shortage of only 5 crash tenders in the Service. Efforts are being made to procure the same as expeditiously as possible.
- 3. As regards training of Crash Crews, refresher courses have already been started for Crash Fire Fighter Crews. A course for Crash Fire Fighters at the Fire Research Development and Training Establishment is also due to commence from November, 1968. In addition, regular continuation training on Crash and Rescue Action is being imparted to Crash Crews to keep them abreast with Crash Fire Fighting Techniques/Equipment. It is hoped that these courses will go a long way in improving the efficiency of Crash Fire Fighters.

[M. of D. u.o. No. F. 4(3)/68/D(Air-I) dated 1st July, 1968.]

#### Recommendations

The Committee are distressed to note that due to defective storage conditions, two aero engines (value Rs. 2.19 lakhs) which were got overhauled at a cost of Rs. 0.62 lakhs got considerably damaged. It is strange that the cases containing the engines were opened in June 1963 i.e. 18th months after the receipt by the unit and 3 months after the expiry of the period for which they had been given storage treatment. The Committee feel that, if the officers concerned had been a little more vigilant, this loss could have been avoided.

The Committee note that instructions have now been issued that when, engines come in to Indian conditions, they should be inspected within six months' time. The Committee desire that, in addition to this, suitable in-

structions should be issued for proper storage under covered sheds of costly equipment like aero engines, so that they are not exposed to rain.

The Committee find that, in ten cases, Courts of Inquiry had to be reconstituted during the last three years and that in this case alone there were two Courts of Inquiry. The Committee feel that the system of constitution of Courts of Inquiry in Air Headquarters requires a little more attention. They agree with the Secretary, Ministry of Defence, that when a Court of Inquiry is constituted, the points of reference should be properly and adequately spelt out. Further the Courts of Inquiry should be constituted in time so that their findings serve a useful purpose. The Committee hope that suitable instructions will be issued by the Ministry of Defence in this regard.

[S. No. 16, Appendix V, Paras 2.85, 2.86 and 2.87 of 15th Report 4th L.S.]

#### Action taken

In this case, the Court of Inquiry did not hold anybody to blame. Air Headquarters, however, felt that disciplinary action should be taken against the S.N.C.O. Incharge Power Plant Bay. Accordingly, the person concerned has been duly warned.

- 2. Adequate instructions regarding storage already exist in I.A.P. 1502 (old number Air Publication 830, Volume II). However, Air Headquarters have issued additional instructions on 14th February 1967 to all Air Force formations to store uninstalled engines under covered accommodation to avoid recurrence of such cases (copy enclosed).
- 3. The procedure for holding Court of Inquiry has been reviewed and necessary instructions have been issued to all concerned, fixing the limits for finalisation of Courts of Inquiry, etc. Services Headquarters have also been directed to submit quarterly reports to Government for scrutiny with a view to ensuring that the faults pointed out by the P.A.C. do not recur. A copy of the instructions issued in this regard is enclosed.

From: Air Headquarters, R. K. Puram, New Delhi-22.

To: HQ Maintenance Command, IAF HQ Western Air Command, IAF HQ Eastern Air Command, IAF 55 A.S.P., A.F.

Date.—14th February, 1967

Ref.: -Air HQ/38134/3/TS9.

#### Preservation of ASH-82T and ASH-82V Engines received from USSR after Overhaul/Repair

Instances have occurred in the past where subject engines were found damaged when the cases containing these engines were opened before use. In order to detect any possible damage or deterioration to these engines at the first available opportunity the following procedure is to be adopted with immediate effect:—

(a) Immediately on receipt of the engine cases at 55 ASP, the top cover is to be removed and the engines inspected for damage in

transit Ensure that the cocooning is in-tact and the silica gel bags are not discoloured. If the cocooning is found damaged the engine should be allotted to operating unit at the first available opportunity. Discoloured silica gel bags are to be replaced with fresh ones. On completion of these checks the top cover should again be assembled on the packing case. Where damage is noticed, necessary D.R. should be raised as per existing instructions.

- (b) On receipt of an engine case at the operating unit/Wing, the checks enumerated in (as above should be repeated under the supervision of the CTO/Engineering Officer. Those engines on which the cocooning is found damaged are to be issued for installation first. In case the engine has sustained extensive damage, necessary D.R. is to be raised as per existing instructions, and repairs to the engines are to be carried out within the unit resources. If the damage to engines is beyond the scope of the unit, a technical report giving details of the damage should be submitted to this Headquarters.
- 2. You are requested to confirm receipt and issue suitable covering instructions to all units operating IL-14 aircraft and ML-4 Helicopters under your Command.

Sd/- AIR VICE MARSHAL
Air Officer i/c Maintenance

Copy to :—J.D.E.(C) for information.

From: Air HQrs., New Delhi.
To: As per distribution List 'A'

Date: 2nd May, 1968. Ref.: Air HQ/23381/PS.

#### Delay in the Institution of Courts of Inquiry

It has been observed by the Public Accounts Committee of the Lok Sabha that when a Court of Inquiry is constituted, the points of reference should be properly and adequately spelt out. Further the Courts of Inquiry should be constituted in time that their findings serve a useful purpose.

- 2. Delay in assembling and finalization of the proceedings of a court of Inquiry very often defeats the very purpose of holding it as with the lapse of time the evidence is either lost or is not readily forthcoming. In most cases it is difficult to obtain the evidence of persons who are posted/released/discharged or have left the unit for any other reasons. Every Commanding Officer is therefore to take particular care that a Court of Inquiry is assembled and finalized without loss of time after the matter has been brought to his notice.
- 3. In order that a Court of Inquiry, can properly inquire into any matter the Court is to be provided with suitable terms of reference pointing out in detail the exact aspects of the case on which findings and recommendations are required. The terms of reference should be specific and should cover all the aspects to be investigated.

4. You are requested to bring the instructions contained in this letter to the notice of the Formations/Units under your Command.

Sd/- Air Cdre.

Air Vice Marshal

Air Officer i/c Administration

## MINISTRY OF DEFENCE **D(Budget)**

SUBJECT: Constitution of Courts of Enquiry and submission of reports thereof.

While considering the Audit Report (Defence Services) 1967, the Public Accounts Committee criticised the delay in finalisation of losses, constitution of Courts of Enquiry for reporting on the losses and the incomplete investigations necessitating re-constitution of these Courts of Enquiry. While reviewing these aspects, Defence Secretary directed that quarterly reports should be obtained on the working of the Court of Enquiry and these reports reviewed by the Joint Secretary concerned to enquire that the above defects pointed out by the PAC did not arise.

- 2. On the Army side, instructions already exist (AO 181 64) for submission of preliminary reports and quarterly progress reports in respect of all losses due to theft, fraud or neglect which require regularisation at Government level. These reports are to be submitted to AHQ on the 15th of January, April, July and October respectively. Army HQrs., in turn, submit these to Government. These orders, however, do not lay down any procedure for financial losses not due to theft, fraud or neglect requiring Government sanction, nor is any form prescribed for the quarterly report.
- 3. In order to achieve uniformity in the three Services, the following instructions should be followed in future in furnishing and reviewing the reports on losses—
  - (i) If preliminary investigation in a case reveals that the loss, whether or not due to theft, fraud or neglect, would require the sanction of Government for regularisation, a report should be sent by the Local Command to the Branch or Head of Service concerned in the Service Headquarters. A copy of the report will also simultaneously be sent to the intermediary formation HO for progressing the case further.
  - (ii) In addition to the preliminary report referred to above, a quarterly progress report stating the current position of each case should be submitted by the local Commander to the Branch or Head of Service concerned at Service Headquarters to reach them by 15th January, April, July and October respectively with copies to intermediary formation HQ.
  - (iii) Preliminary investigation reports and quarterly progress reports referred to above, will be consolidated by the Branch/Service in the Service Headquarters and forward to the Administration

- Section of the Ministry concerned in the forms at Annexures I and II so as to reach the Ministry by the last day of January, April, July and October respectively.
- (iv) Instructions were issued in this Ministry u.o. No. 11(8)/66 D(Budget) dated 23-11-66 (copy enclosed) fixing certain time limits for the assembling of Courts of Enquiry and finalisation of their reports etc. It should, invariably, be ensured that these time limits are followed in all cases. All cases of losses which would otherwise be excluded from the quarterly reports mentioned above, being within the powers of lower authorities to write off, should, however, be included in these quarterly reports, if the total time taken for regularisation exceeds a total period of six months.
- (v) All reports received by the Administrative Sections of the Ministry should be put up to the Joint Secretary concerned who will scrutinise them with a view to ensuring that the faults pointed out by the PAC do not occur.
- 4. AG's Branch etc. are requested to issue suitable instructions to all concerned on the procedure outlined above with copies to D(Budget).

Sd/-Under Secretary

**Immediate** 

#### MINISTRY OF DEFENCE

#### D(Budget)

Subject: Public Accounts Committee—48th Report (3rd Lok Sabha)— Recommendation at Serial No. 8 of Appendix IX—Delay in regularisation of cases of losses.

The Public Accounts Committee in its recommendation quoted above have adversely commented on the delay in regularisation of cases of losses. While giving evidence before the Public Accounts Committee, on the delay in the finalisation of the cases of losses, the Defence Secretary promised to examine the matter in consultation with the Financial Adviser to see how finalisation of these cases could be expedited. The recommendation has accordingly been examined in consultation with Branches of Services Headquarters and the Ministry of Finance (Defence)/CGDA with a view to find out the reasons for delay in the finalisation of these cases. It is, however, noticed that adequate instructions on the subject already exist and if these are strictly complied with, the speedy disposal of cases of losses will be assured.

2. It is, however, observed that considerable delay takes place at various levels in processing the board of officers or Court of Inquiry proceedings. In this connection, Air Headquarters have already laid down a time schedule for regularisation of losses vide their letter No. HQ/32068/45/E.13, dated the 29th May 1963. In order to ensure that the cases of losses are regularised expeditiously, it has been decided that the following

drill may be followed by the Staff authorities for the finalisation of the Court of Enquiry:—

- (i) One week for Station HQ/Sub Area.
- (ii) 15 days at Area level.
- (iii) One month at Command level.
- 3. AG's Branch, Naval Headquarters, etc. are, therefore, requested to issue suitable instructions to all concerned in regard to the above procedure. A copy of the instructions, when issued, may be furnished to D (Budget).

Sd/-Under Secretary

GS Branch (SD-2)

AG's Branch (Coord & Budget) etc. etc.

ANNEXURE

Quarterly report of case of Financial losses not yet regularised

SI. No.	Ref. No.	Name of Unit		Amount of loss	of occur-	of assem- bling Court of	Date of report of the Court of Enquiry	sent Stage of the	at each
1	2	3	4	5	6	7	8	9	10

Part I-Cases requiring regularisation by Government. (Annexere I)

Part II—Case not requiring regularisation by Government but delayed by more than 6 months. (Annexure II)

#### MINISTRY OF DEFENCE

#### Recommendation

The Committee regret to note that, due to lack of co-ordination, a jig and drill boring machine costing Rs. 5.80 lakhs has not been put to use. The Committee feel that action for the provision of civil works (including air-conditioning) should have been taken immediately the order for the purchase of the machine was placed. The Committee hope that this lack of coordination regarding the undertaking of civil works and the acquisition of machinery will be investigated and suitable remedial measures will be taken.

(S. No. 17 of 15th Report 4th L.S.)

#### Action taken

Air HQrs, in September, 1967, instituted a Court of Inquiry to investigate the various lapses which resulted in the non-utilisation of the jig boring machine. The Court of Inquiry has since finalised its findings and as per the findings Gp, Capt. Ved Kumar who was the then Officer Commanding, No. 4 Base Repair Depot, Kanpur and Shri K. C. Sharma the L66LSS 68-3

foreman who was entrusted with the job of installing the machine, have been found to blame. As, however, these two persons have since retired, no action could be taken against them.

- 2, It is regretted that it has not yet been possible to instal the machine. It may be mentioned that while agreeing to make the final payment for the machine, Air HQrs had stipulated to the DGS&D that the firm who supplied the machine should make available the services of an engineer at the time of installation of the machine. Accordingly, two Czechoslovakian erection engineers belonging to the suppliers of the machine visited No. 4 BRD, Kanpur in June, 1968. They were of the view that the erection of the machine should be deferred till the middle of September, 1968, due to certain technical reasons. But due to the political trouble in that country in August, 1968, the arrival of the erection engineers got postponed. It is, however, now understood that the visit of two Czechoslovakian engineers is imminent. As soon as they arrive, it is expected that the machine would be installed and put to use.
- 3. In order to ensure that when a machine is purchased, all anciliary facilities required for proper functioning of the machine are provided as quickly as possible, suitable instructions have already been issued in this Ministry's memo No. F.14(21)64 D(Bud), dated the 14th July, 1965. Moreover, in order to watch instances of non-utilisation of machines, a six monthly report to be submitted by Air HQrs has also been prescribed according to which all equipment costing Rs. 50,000 and above and which remain unutilised for 8 months or more since the date of receipt are to be reported to the Ministry. Moreover, Air HQrs have also issued instructions to the Senior Maintenance Staff Officer Senior Technical Staff Officers at the various Commands to personally scrutinise the reasons for delay in commissioning utilisation of costly equipment procured and report the position to Air HQrs so that suitable action at Air HQrs could be taken.

[M. of D. u.o. No. 37(1)67 D(Air, IV), dated 17-12-1968.]

#### CHAPTER III

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

#### Recommendation

The Committee are not able to appreciate the delay of two years in constituting a Court of Inquiry to investigate this case. The Committee consider that it should be incumbent in such cases for the Court of Inquiry to pin-point the responsibility for the lapses so that necessary action, may be taken against all those found guilty of dereliction of duty.

(S. No. 3, Appendix V of 15th Report, 4th L.S.)

#### Action taken

The consignment in this case landed at Bombay Port on 30th April 1963. The packages were cleared by the Embarkation HQrs. (which is an Army Organisation) only on 11th September 1963 and despatched to the IAF consignee (No. 22 Equipment Depot, Bombay) on the 25th September 1963. During this period of over four months, the packages were lying in the open at the docks, exposed to the ravages of the weather. The regimental survey conducted on 19th September 1963 had shown that the three cases were soaked with rain water.

2. As regards the Committee's observations about the delay of 2 years which had occurred in constituting a Court of Inquiry to investigate this case, this aspect has again been gone into in considerable detail. It is seen from Air HQrs. letter of 23-6-1964 addressed to HQ Maintenance Command that there was some doubt about the receipt of 3 cases in the consignment. No. 22 ED had stated in their letter of 26-12-1963 to the HO Embarkation that only 2 cases had been received and asked about the whereabouts of the third one; Air HOrs, had, therefore, asked the Maintenance Command to clear this point. In the same letter, the Maintenance Command were also instructed to order a Court of Inquiry in respect of the damages/deficiencies noticed. Air HQrs, reminded HQ Maintenance Command about this matter on 30-7-1964, 11-12-1964 and 5-2-1965. Maintenance Command drew attention to the instructions of Army Headquarters, contained in their letter No. 49884/PC/Q Mov 52, dated 5/6th June 1958, for the regularisation of losses in respect of shortages damages Relevant extract from this letter is reproduced of imported stores. below:--

"The procedure to be followed at the consignee's end in respect of regularisation of losses due to deficiencies/damages of imported stores occurring during sea transit or while the stores are lying in the custody of port authorities has been under examination for sometime past. It has been decided that where such losses cannot be recovered either from the shipping agents or the port authorities, they will be treated as a loss of Public Money and written off accordingly by the consignee

concerned under Rule 76 FRI, Part I. No departmental Court of Inquiry in such cases will be necessary."

(Note:—All damaged/suspected to be damaged cases packages/ Crates etc. are invariably subjected to survey by a Survey Board duly represented by the Embarkation Commandant concerned, and the service representative, where available. The above type of losses/damages occur before taking delivery of stores by the Embarkation/staff. No responsibility can be attached to service personnel for such loss/ damage. Hence assembly of Court of Inquiry, to pin-point responsibility will not be necessary).

It will be seen from the above extract that it was specifically laid down that no departmental Inquiry will be necessary in such cases.

3. In the present case, since the loss had taken place before the consignment was delivered to the IAF unit by the Embarkation HOrs., Maintenance Command contended that the Court of Inquiry, if necessary, was to be held by the Army authorities rather than by the IAF side. It may be conceded that, strictly speaking a Court of Inquiry can appropriately be held by the IAF only in respect of losses which take place within their The lower authorities, on the Air Force Side were, therefore, repeatedly arguing with the Air HQrs, to waive the holding of a Court of Inquiry on the IAF side. Air HQrs. had stated that HQrs. Maintenance Command had for the last time represented on 13-7-1965 that of any Court of Inquiry was still considered essential, the same should be arranged on the side of the Embarkation HOrs., Bombay under orders HQrs, Air HQrs., however, did not accept this suggestion and finally the Maintenance Command ordered on 7th August 1965 for the holding of a Court of Inquiry by the OC 22ED AF Station Bombay. The Court of Inquiry was accordingly held on 6th September 1965. Air HQrs. are of the view and the Ministry of Defence agree with them that the delay aspect in this case did not call for investigation by the Air Force owing to the fact that the loss damages had occurred outside the Air Force jurisdiction and beyond the control of IAF. Even if Air HQrs, had written to Army HOrs, for the holding of a Court of Inquiry on their side, it would not have been held owing to their policy directive of 5/6th June 1958 referred to above.

Nevertheless, as already stated above a departmental inquiry was ordered in this case by the Air Force authorities.

4. As regards the other recommendations of the Committee that it should be incumbent in such cases for the Court of Inquiry to pin-point the responsibility for the lapses, so that necessary action may be taken on those found guilty of dereliction of duty, it may be mentioned that the Court of Inquiry in the present case has noted a number of lapses. For example, there was a delay of over 4 months in the clearance of the consignment by the Embarkation HQrs; that the consignment had deteriorated because it was kept in the open during the rainy season; that there was delay in bringing the items on charge, which in turn was due to the difficulty in identifying the items owing to the lack of packing account and invoices etc. The Court of Inquiry has, concluded, on the basis of the available evidence, that the loss involved had occurred even before the regimental survey, when the stores were in the custody of Bombay Port Trust and therefore it has blamed none of the individuals belonging to the

IAF. Incidentally, it may be pointed out that this is one of the cases which had occurred during the period after 1962, when the number of consignments handled by the Embarkation HQrs. has suddenly risen from about 2 lakhs to a peak figure of 15.24 lakhs in 1963. This had put the Embarkation HQrs. out of gear and to undergo limitation imposed on account of the tremendous influx of imports. All this had its impact on the physical clearance of stores by not only the Army and Air Force authorities but also by the Bombay Port Trust. This general aspect of the case has already been dealt with in the Ministry's note bearing u.o. No. 26(2)/68/D (Mov), dated 4-9-68 sent to Lok Sabha Sectt. in pursuance of the recommendation of the PAC contained in Sl. No. 1 and 2 of their 15th Report (4th Lok Sabha) in connection with audit para 15, of the audit report, Defence Services, 1967. It may also be stated that certain further instructions are being issued on the Army side to avoid recurrence of such delays at Embarkation HOrs.

## **CHAPTER IV**

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

#### Recommendation

The Committee feel that Government should have geared their machinery at the ports, particularly the Embarkation Headquarters, to cope with the expected increase in the imports of Defence equipment and machinery following the Chinese aggression in 1962. The Committee desire that the Ministry should now examine whether the Embarkation Commandant could not be delegated some more powers for deployment of additional staff upto a certain limit to meet with any sudden spurts in the number of packages received at the Port. The Committee also feel that it should have been possible for the Defence authorities, in consultation with the consignors and the Indian Missions abroad, to arrange matters so that all documents connected with imports were received without delay.

The Committee stress that there should be close co-ordination between the Embarkation Headquarters and the Port authorities in the matter of identification and delivery of Defence consignmens so as to obviate any delay.

The Committee also feel that adequate warehousing facilities should be made available at Bombay and other major Ports where the Defence consignments could be stored in a secure condition pending their clearance by the Embarkation Commandant in order to avoid delay in tracing them and to save them from damage by rain. The Committee would like the Ministry to examine this further in consultation with the Port Trust authorities.

The Committee suggest that Government should make a comprehensive review of the arrangements for the handling of Defence goods, particularly machinery and other sensitive equipment required for Ordnance factories and the Armed Forces so as to ensure their expeditious and safe delivery and the prevention of any damage through rain or mishandling.

The Committee also recommend that the Defence authorities should keep a close watch on the preferring of claims and their settlement so as to ensure that claims do not become time-barred and that they are settled expeditiously.

The Committee have already recommended in paras 1.15 and 1.16 that adequate shed facilities should be provided in Bombay Port and other major ports for ensuring the safe handling of machinery and other sensitive equipment imported for Ordnance Factories and Armed Forces and for their prompt onward despatch to the consignees. The Committee would like to know, in particular, the action taken to improve the handling and shed facilities for Defence consignments at Bombay Port.

[S. Nos. 1 & 2, Appendix V, Paras 1.13, 1.14, 1.15, 1.16, 1.17, 1.25 of 15th Report, 4th L.S.)

## Action taken

1. Consequent on the Chinese aggression in late 1962, there was a heavy influx of imported Defence stores from 1963 onwards. The augmentation of the staff and equipment position in Embarkation Headquarters, Bombay, did unfortunately take some time to be completed. The observations of the Committee that in an emergency of the type that occurred, the staff and equipment should be quickly matched with the expected workload have been noted for guidance. However, the staff position has now improved very considerably. As against 211 personnel authorised before the Chinese aggression, the present authorised strength of Embarkation Headquarters, Bombay, stands at 833 personnel. Additional equipment for handling stores has also been sanctioned and in addition, the Embarkation Headquarters have been authorised to hire special equipment as and when required. As mentioned earlier, the staff position at the Embarkation Headquarters, Bombay has been subject to constant review in the light of experiences gained in handling the heavy influx of stores consequent to the Chinese aggression. The powers of the Embarkation Headquarters were also reviewed from time to time and the Embarkation Commandant now possesses power to deploy the staff at his command as he considers necessary for efficient performance of his duties. In view of the fact that the present authorised strength of Embarkation Headquarters stands at 833 personnel and is considered to be adequate, no delegation of powers for employment of additional staff is considered necessary.

It is the responsibility of the Supply Missions abroad to make available all necessary shipping documents to Embarkation Headquarters well before the arrival of the vessel bringing the stores to which the documents relate, so that the Embarkation Headquarters are in a position to take prompt action for the clearance of the stores. Instances of late receipt of shipping documents have on various occasions in the past been brought to the notice of the Department of Supply (now under the Ministry of Works Housing and Supply) for the issue of necessary instructions to the Supply Missions abroad to ensure timely despatch of shipping documents. As a result, the situation has now improved considerably. Nevertheless, with a view to gain further improvement, the Department of Supply were approached again in December 1967 and they have once again taken up the question with the India Supply Mission, London.

2. The Committee's recommendation in regard to the necessity of close co-ordination between the Embarkation Headquarters and the port authorities in the matter of identification and delivery of Defence consignments has been noted for guidance. It may, however, be mentioned that Embarkation Headquarters do work in close co-ordination with the port authorities. The port authorities also extend cooperation in this regard to the Embarkation Headquarters and any unresolved matters are taken up at a higher level. In the light of experience gained in handling Defence consignments since 1962, a special mode of marking for easy identification of Defence stores was devised in 1965. All Defence stores are marked with a red rectangle on four sides with the letter 'D' painted in black inside the rectangle. This helps in identification of Defence consignments from amongst the commercial stores arriving at the port. Instructions have once again been issued to the Embarkation Headquarters in March 1968 (copy enclosed) pointing out the necessity of close coordination with the port

authorities. The Ministry of Transport and Shipping have also now been requested to ask the Port authorities to extend their fullest cooperation to the Embarkation Headquarters in the matter of identification and expeditious clearance of imported Defence stores vide M of D OM No. 26(2)/68/D(Mov), dated 13th August, 1968 (copy enclosed).

- 3. As regards warehousing facilities, efforts were made in the past for obtaining additional storage capacity for Defence consignments pending clearance at the Bombay Port. In 1965, the port authorities allotted an additional shed to the Embarkation Headquarters, Bombay by requisitioning the area occupied by a private firm and this has greatly relieved the pressure. As suggested by the Committee, Ministry of Transport have been requested in April 1968 to move the port authorities at Bombay, Calcutta and Madras to give overriding priority to Defence requests for additional storage sheds as and when requested for by the Embarkation Commandants stationed at those ports.
- 4. The following steps have been taken for the expeditious clearance of Defence stores and for avoiding damage through rain or mishandling:—
  - (a) Embarkation Headquarters have been instructed in April 1968 to take expeditious action for the safe clearance of Defence stores, particularly machinery and other sensitive and valuable equipment, in all cases where advance intimation with regard to the arrival of the stores is received by them either from the shippers abroad or from the Defence indentors in this country.
  - (b) Defence indentors have also been requested in April 1968 to give advance intimation about the arrival of all the important, valuable and fragile, sensitive stores, which require careful handling, direct to Embarkation Headquarters so that special attention may be paid by the latter in regard to handling and onward despatch of such stores.
  - (c) Details are also being collected of stores which generally require special handling at the port and in transit; and as soon as these details are available, a comprehensive list will be prepared and forwarded to Embarkation Headquarters for enforcing special handling arrangements whenever such stores are imported.
  - (d) For avoiding damage to stores by rain, the Defence indentors have been requested in April 1968 to ensure that a suitable clause is inserted in the indents to ensure proper packing with water-proof material of all imported Defence stores susceptible to damage by sea water/rain. It has also been already impressed upon Defence indentors that consignments of machinery and precision instruments likely to reach India during the monsoon season (June-September) should be diverted preferably to Madras/Kandla port with a view to reducing the risk due to corrosion etc.
  - (e) Posting of an officer holding appointment of Manager in the Directorate General of Ordnance Factories against one of the

appointments of Captains in Embarkation Headquarters, Bombay, has been sanctioned in December 1967, to facilitate the handling of Ordnance Factories stores. Naval and Air Force elements have also been included in the establishment of Embarkation Headquarters; and this has helped quick location and clearance of Naval and Air Force stores.

5. Subsequent to the consideration of the matter by the Public Accounts Committee in October, 1967 and as a continuing result of the steps taken to equip the Embarkation Headquarters with staff and equipment, the position regarding preference of claims in respect of shortlandings and damage to imported stores for the years 1962—65 has improved further, as will be clear from the following table which gives the position as on 12-2-1968:—

Year			Claims due	Claims settled	Claims pending	Claims not yet preferred
1962			 391	324	67(81) u	Nil (8)*
1963	 		1,066	847	204(313)	15(25)*
1964	 		 1,975	1,634	310(423) a	31(74)*
1965	 	-	1,497	1,295	202(246) a	Nil(2)*

Figures in brackets represent claims pending during October, 1967

Necessary instructions have also been issued to Embarkation Headquarters in January 1968 to ensure timely preference of claims for losses damages and for expeditious settlement of the claims preferred. The Defence indentors have at the same time been instructed to furnish whatever information and documents are called for by Embarkation Headquarters in this connection, on top priority basis. Also, as already indicated above steps have been taken to ensure timely despatch of shipping documents from abroad to the Embarkation Headquarters.

6. The various steps to improve handling of Defence consignments at Bombay Port have already been enumerated above. Similarly, the steps taken to ensure safe handling of machinery and other sensitive equipment imported for Ordnance Factories and Armed Forces and their prompt onward despatch to the consignees, as well as to obtain additional storage sheds for Defence consignments, have also been mentioned. However, in a large organisation handling complex work, difficulties and problems do arise from time to time, and these are overcome in the best manner possible. With the augmentation of the manpower in Embarkation Headquarters, Bombay, and various other measures taken, the situation has improved considerably and it is hoped that the type of delays commented upon by the Committee will become rare.

<sup>\*</sup>Ligures in brackets represent claims not preferred upto October, 1967.

# No. 26(2)/68/D(Mov),

# GOVERNMENT OF INDIA MINISTRY OF DEFENCE

New Delhi-11, the 13th August, 1968

#### OFFICE MEMORANDUM

SUBJECT: Clearance of Defence stores by Embarkation Headquarters from the custody of Port authorities—Coordination between Embarkation Headquarters and Port authorities—Recommendation of Public Accounts Committee.

The question of losses/damage sustained by imported Defence stores in the course of clearance at the Indian Ports, notably Bombay, was recently examined by the Public Accounts Committee. The Committee felt that the delay in the clearance of stores from Port custody was one of the main factors responsible for the losses/damage. The Committee, therefore, stressed the need for close coordination between the Embarkation Head-quarters and the Port authorities in the matter of identification and delivery of Defence consignments. The following is the relevant extract from the Fifteenth Report (Fourth Lok Sabha) of the Public Accounts Committee (1967-68) on the Appropriation Accounts (Defence Services) 1965-66 and Audit Report (Defence Services) 1967:—

- "1.14. The Committee stress that there should be close coordination between the Embarkation Headquarters and the Port authorities in the matter of identification and delivery of Defence consignments so as to obviate any delay".
- 2. In accordance with the wishes of Public Accounts Committee—the Embarkation Headquarters have been advised to maintain close coordination with the Port authorities in the matter of identification of Defence stores and their expeditious clearance from Port custody, so that losses damage due to delay in clearance are eliminated as far as possible. It is considered that the Port authorities should also be requested to extend their fullest coeperation to Embarkation Headquarters in the identification of Defence stores while in Port custody and to ensure that, with a view to expeditious delivery thereof to Embarkation Headquarters:—
  - (a) the Defence stores are properly tallied, giving full marks and number and the condition of the stores at the time of landing suitably remarked;
  - (b) as far as practicable all Defence stores landed from a particular ship are stacked at one place in the landing shed:
  - (c) Defence stores are carefully handled and kept under cover to avoid damage loss due to vagaries of weather;
  - (d) Defence stores are properly guarded to avoid pilferage while awaiting clearance; and
  - (e) in case of short landed packages, the short-landing certificate is issued promptly, say within 3 months of the arrival of the vessel.

3. The Ministry of Transport and Shipping are, therefore, requested kindly to approach the Port authorities at Bombay, Calcutta and Madras, more particularly those at Bombay, where the bulk of imported Defence stores are received, with a view to achieving close coordination with Embarkation Headquarters as desired by the Public Accounts Committee. A copy of the action taken may kindly be forwarded to this Ministry.

Sd/-

Deputy Secretary to the Government of India.

To

The Ministry of Transport & Shipping, (Transport Wing), Transport Bhavan, New Delhi.

Delhi Telephone: 34559 REGISTERED/BY ADS

No. A/15526/III/O Mov Shipping

# ARMY HEADOUARTERS

QUARTERMASTER GENERAL'S BRANCH

DHQ PO New Delhi-11, the 23rd March 1968

To

Embarkation Headquarters Post Box No. 331 Bombay-1 Embarkation Headquarters Fort William Calcutta-21 Embarkation Headquarters Fort St. George Madras-9

SUBJECT: Clearance of Defence stores by Embarkation Headquarters,

- 1. The question with regard to losses/damages occurring to imported Defence Stores at the Indian Ports was recently examined by the Public Accounts Committee. The Committee felt that the delay in the clearance of stores from the port custody is one of the main factors responsible for these losses 'damages.
- 2. As a remedial measure, please ensure that close co-ordination is maintained by your HQ with the port authorities in the matter of identification of Defence stores and their expeditious clearance from the port custody so that the losses/damages due to delayed clearance are eliminated.
  - 3. Please acknowledge.

Sd/Director of Movements

## Recommendations

The Committee are constrained to note that this is yet another case (see also para 2.14) where an incorrect assessment of the requirements of aircraft spares was made and this resulted in an avoidable expenditure of Rs. 1,00,000. If Air Headquarters had scrutinised the indent properly, this infructuous expenditure could have been avoided.

It is also disquieting to note that, even though the lapse which led to the over-provisioning was detected by Air Headquarters in September, 1964. a Court of Inquiry was ordered only in November 1966, after Audit had drawn the attention of Government to the matter. The Committee feel that the Court of Inquiry should have been set up immediately the lapse was detected.

As regards the general procedure of provisioning for spares for aircraft, the Committee are left with the impression that the procedure for the scrutiny of indents at Air Headquarters requires to be tightened. The Committee hope that the Ministry of Defence will take suitable measures to streamline the procedure prevalent in this respect at Air Headquarters.

The Committee also stress that, in the estimates of provisioning of sapres, due allowance should be given to the actual experience of operations in India as that would indicate the behaviour of the aircraft in Indian conditions and the necessity of replacement of different parts. The Committee hope that the Ministry of Defence would be able to evolve a system for the provisioning of spares which will be an adaptation of the commercial system taking into consideration the special requirements of the Air Force.

[S. No. 12, Appendix V, Paras 2.33, 2.34, 2.35 and 2.36 of 15th Report 4th L.S.]

# Action taken

First and Second Line spares required by the Operational Units are worked out at Air Headquarters by applying Forecast Factor duly approved by Government. As regards the spares required by repair agencies including Hindustan Aeronautics Limited *i.e.* Third and Fourth Line spares, the requirement is worked out by repair agencies on the basis of the overhaul task in hand and likely future arisings. The requirements are vetted by Air Hqrs. before obtaining Government approval and taking procurement action. To avoid errors in the transmission of the requirements of H.A.I. and Overhaul Spares Depots to the provisioning branches, instructions have been issued by Air HQrs, that these requirements must be reflected on a proper review sheet. It is expected that with the issue of these instructions, there will be no occasion for a lapse of this nature to recur.

- 2. Procedure for holding Courts of Inquiry has been reviewed and necessary instructions have been issued to all concerned fixing the time limits for assembling Courts of Inquiry and finalisation of their reports etc. Service Headquarters have also been directed to submit quarterly reports to Government for scrutiny with a view to ensuring that the faults pointed out by P.A.C. do not recur.
- 3. Provisioning Procedure in the Air Force is constantly under review. Internal correctives are applied as and when found necessary. Provisioning System has been reviewed recently and a reference to this has already

been made in our note to P.A.C. vide M of D u.o. No. F.4(1)/67/D (Air. I), dated 16-12-67. In addition to the information made available carlier, special mention may be made of the following:—

- (i) With the introduction from 1-2-67 of Forward Supply System at all units holding of spares in the flight lock-ups has been eliminated. Issues of stores are now made across the counter against actual requirements. On the basis of such issues, replenishment of stocks are obtained from the depots, which provides a true consumption data for provisioning. This system would ultimately help to relieve the user sections from carrying large inventories which in turn lead to a shorter inventory in the I.A.F.
- (ii) A system of checks and counter-checks at various levels has been introduced to ensure accuracy in provisioning. It has been decided to carry out a 100% checks of provisioning reviews at various stages before submitting the draft indents to Government for approval. Indents are required to be sponsored at specified levels depending on the cost.
- (iii) For better coordination, Equipment and Technical Staff have been made to sit next to each other to enable them to discuss various problems, thereby reducing the inter-sectional notings and movement of files. Similarly at policy level, a conjointed approach is ensured for all maintenance problems.
- (iv) Reduction in pipe-line and delays in provisioning has been effected by authorising despatch of repairable rotables to repair agencies by quicker means to reduce turn-round time and thereby reducing the need for fresh imports.
  Formation of Overhaul Spares Depots alongside the repair agencies will reduce the pipe-line between the Overhaul Spares Storage Unit and Repair Agencies in addition to reducing the time-lag between actual consumption and provisioning reviews.
- (v) High Value Control System with the aim of selective high-value management to control centrally, high value items for better supply capability as also to reduce expenditure wherever possible, has been introduced in the IAF. This system applies to high value items selected by Air HQrs. Issue of these items from Equipment Depots are subject to release by Air HQrs.
- (vi) Special procedure for control of issue, movement and repair of rotables (items which can be repaired and put back into service), which are quite costly, has been evolve. Floats of these items authorised repair agencies and consumer units have been laid down to control holding at various jevels.
- (vii) An analysis is in progress to determine the fast moving items. Cards pertaining to such items would be marked with a distinctive colour code and reviews of such cards would be done once a month or so, so that continuous replenishment action can be undertaken without waiting for the normal review cycle.
- (viii) Consumable stores called 'C' class stores cost very little as compared to rotables. Their periodicity of review has, therefore,

- been changed from 6 months to 1 year so that more attention can be focussed on review of rotables.
- (ix) A Cell has been formed in Air HQrs, for cataloguing all the equipment in use in IAF to provide standard catalogue of stores for reference purposes. Proper cataloguing will not only help in standardisation of various stores, it will also assist in easy identification of items and in establishing common items and thus decreasing incorrect or duplicate holdings.
- (x) A Committee has been formed within existing resources to compile a Manual of Provisioning, codifying provisioning instructions issued from time to time. With the completion of this Manual, there will be a systematic book covering various activities relating to provisioning.
- (xi) It has been decided to adopt commercial practice, for provisioning purposes by No. 30 Equipment Depot, with suitable modification (in respect of Super Constellation Aircraft and Wright Cyclone Engines). The detailed procedures to be adopted by No. 30 E.D. for this purpose are under active consideration. Based on the experience gained, the feasibility of constituting Local Provisioning Committees for other equipment Depots will be considered.
- (xii) The question of introducing mechanisation for speedy processing of inventory control data at Air HQrs, is also under consideration of Government.
- 4. It is hoped that the steps taken/being taken in streamlining the provisioning procedure referred to in the preceding paragraph, will help in removing the present defects. However, the actual advantages would be known only after a period of time when the same have been given in fair trial.

[M of D u.o. No. F.4(2)/68/D(Air. I), dated 21st June, 1968.]

#### Further Information

The progress made in:—

- (i) preparing standard catalogue of stores;
- (ii) compiling the provisioning manual;
- (iii) finalising the procedure to be followed by equipment depots for provisioning purpose;
- (iv) introduction of mechanisation for speedy processing of inventory control data in the Headquarters.

# Reply

Progress made in respect of the above items is indicated as under:—

I. Preparing Standard Catalogue of Stores.

A Cataloguing Cell was sanctioned on temporary basis in May 1966. The Cell started work in July 1966. During the first few months, the Cell studied by the various systems prevalent in the I.A.F. for identification of stores as well as the Federal Supply Classification System of USA and

Defence Stores Classification System adopted by the Directorate of Standardisation, Ministry of Defence and evolved a uniform system of stores identification and cataloguing to be adopted by I.A.F. A method of working was evolved; personnel were trained and certain problems that arose in the pattern of cataloguing were cleared.

Having prepared the ground, the compilation of catalogues for aircraft was taken up as per a set of priorities. To-date, cataloguing of Hunter MK 56, Mi-4 and S-22 (to the extent of provisioned items) has been completed. Work is in progress on T-77 (MiG), Krishak and HJT-16.

Taking into consideration the number of aircraft in current use and the aircraft likely to phase out by 1970, the Cataloguing Cell will have to compile catalogues for over 20 different types of aircraft. In addition, equipment relating to Specialist Vehicles, S.Us., S.A.G.W. complexes will also have to be catalogued. The initial nucleus establishment, which had been in fact sanctioned for planning the system of cataloguing and evolving the method of work only, has been extended from time to time but this is inadequate to do justice to the mammoth task of cataloguing all Air Force Stores. Air HQrs. case for increase of establishment of the Cell and setting it up on a permanent basis is under consideration.

# II. Compiling the Provisional Manual

Air Hqrs, constituted a Team of Officers comprising one Group Captain and two C.G.Os. II their existing resources, to compile a Manual of Provisioning. The Team was formed in January, 1968. The draft I.A.P. 1541 Manual of Provisioning prepared by the Team is under scrutiny.

# 111. Finalising the Procedure to be followed by Equipment Depots for provisioning purpose

It has been decided to adopt commercial practice, for provisioning purposes by No. 30 Equipment Depot, with suitable modification. The detailed procedures to be adopted by No. 30 E.D. for this purpose has been finalised in June 1968. Under this procedure, requirements will be worked out by No. 30 E.D. and those relating to items costing more than Rs. 200 each will be subjected to scrutiny by the Local Provisioning Committee consisting of representatives of Air India Material Planning Division, the Officer Commanding No. 30 E.D. and a representative of Controller of Defence Accounts (Navy) at Bombay. Purchase Orders will be placed by No. 30 E.D. on India Supply Mission, Washington against the bulk allotment of free foreign exchange. It has, been decided that the feasibility of constituting similar Local Provisioning Committees at other Equipment Depots would be considered on the basis of the experience gained at No. 30 Equipment Depot.

# IV. Introduction of Mechanisation of speedy processing of Inventory Control Data in the Head Quarters.

A modest beginning in this regard has been made and Air Hqrs. have been permitted since early this year to use the Computer Centre at Ramakrishna Puram. The question of computerising the entire range of stores will require consideration.

[F, 4(2)/68/D(Air, I)]

## CHAPTER V

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

#### Recommendation

The Committee are unhappy that, due to a serious omission in Government's orders of 15th September, 1962, troops at high altitude above 9,000 feet were issued extra rations in addition to peace scale rations from December, 1962 to July, 1963 while other troops in Sector 'T' stationed below an altitude of 9,000 feet were denied the benefit of field rations which were due to them. The Committee do not want to limit themselves purely to the question of the financial implications but feel that in such a vital matter affecting the morale of troops it is of the utmost importance that orders regarding the issue of rations are framed unambiguously and clearly and, that where a mistake creeps in, it is rectified with the utmost expedition. The Committee would like Government to review the position regarding the usual of extra rations to troops and Officers in Sector 'A' from September, 1962 to February, 1964 in the light of the spirit and intention of the relevant orders so as to obviate any unintended hardship.

(S. No. 4. Appendix V, Para 1.44 of 15th Report, 4th U.S.)

#### Action taken

The recommendation of the Public Accounts Committee regarding framing of orders relating to issue of rations clearly and in unambiguous terms and rectification of mistakes, if any, expeditiously has been noted for compliance.

- 2. As already explained in the note submitted to the Public Accounts Committee, which is quoted under Para 1.39 of the 15th Report of the Committee, the irregularity involved in the case of troops is the issue of high altitude rations to those located at 9.000 feet and above during the period from the 5th December, 1962 to 6th July, 1963. This was done due to a genuine misinterpretation of Government orders and since troops are entitled to free rations, whether they are stationed in peace areas or field areas, the only course open is to regularise the action of the local Army Commander. The extra expenditure involved is being assessed in consultation with the Defence Accounts authorities and when full details are received action will be taken to accord Government sanction.
  - 3. As regards field scale rations issued to Officers from the 5th December, 1962 to 31st January, 1964 the orders issued for the recovery of the cost thereof in instalments from the officers concerned, are being reviewed as recommended by the Public Accounts Committee and a decision is expected to be taken soon,

#### Recommendation

The Committee would like the comprehensive enquiry on air-dropping operations to be completed at an early date so that in the light of the findings Government may lay down suitable guidelines for acceptance/investi-

gation of losses and take other measures to reduce such losses to the minimum and to dispel all apprehensions about contrived losses or misappropriation of supplies.

(S. No. 6 Appendix V, 1.65 of 15th Report, 4th L.S.)

#### Action taken

A Committee for conducting a comprehensive enquiry into the question of air-dropping of supplies in isolated posts in Eastern and Western theatres has been set up on 23rd May 1968 under the Chairmanship of the Deputy Quartermaster General. The Committee has been asked to submit its report by 1st November, 1968. Further action will be considered on receipt of the recommendations of the Enquiry Committee and a further note will be submitted to P.A.C. in due course.

[F. No. A/9370/Q/ST6B]

### Recommendation

The Committee are unhappy to note that a helicopter engine costing Rs. 1.08 lakhs was rendered completely unserviceable due to improper storage. Even when the engine was given storage treatment effective up to January 1963, no action appears to have been taken till June 1964 to check its condition and the engine lay unused and unattended. The Committee feel that the unit in question should have made adequate arrangements for the proper custody of this engine when it was moving from one statical to another.

The Committee note that a fresh Court of Inquiry was ordered in this case by Air Headquarters in June 1967. The Committee have no doubt that, based on the findings of this Court of Inquiry, adequate action will be taken against the persons responsible for this loss. The Committee would like to be informed of the findings of the court of Inquiry and the action taken in this case.

"The Committee desire that the Ministry of Defence should issue suitable instructions, if none exist at present, that units while moving from one station to another should make adequate arrangements for the proper custody of the costly equipment lying with them so that cases of this type do not recur.

[S. No. 15, Appendix V, Paras 2.70, 2.71 and 2.72 of 15th Report, 4th L.S.]

#### Action taken

The engine was arroneously categorised as Category 'E' (Beyond economical repair) by the then Soviet Specialists attached to I.A.F. With the availability of trained I.A.F. personnel at No. 3 Base Repair Depot, the engine was dismantled to check the internal condition. During inspection, it was found that no substantial corrosion had set in. The engine has since been repaired and made serviceable. The present Soviet Specialists have cleared the engine for normal operations and the engine has been allotted to a Helicopter Unit for use.

2. The Court of Inquiry constituted for the purpose has not yet finalised its proceedings; necessary action taken against the person(s) concerned in terms of the findings of the Court of Inquiry, will be intimated to the Committee along with Findings of the Inquiry.

3. Necessary instructions (copy enclosed) have been issued by Air HQrs. to all the Units for proper custody and maintenance of 'reserve' engines when it is not possible to carry such equipment on move to a new station.

M. R. MASANI,

Chairman,

Public Accounts Committee.

New Delhi; March 11, 1969 Phalguna 20, 1890 (Saka).

APPENDIX
Summary of Main conclusions/Recommendations

Sr. No	Para No. of the Report	Ministry/Department concerned.	Recommendations		
1	2	3	4		
1	1.4	Min. of Defence	The Committee hope that reply to the outstanding recommendation and the final replies in respect of 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	1-11	Do.	The Committee regret that the requisite information has not been furnished by the Ministry of Defence. They would like Government to investigate whether, either as a result of delay in holding survey or in preferring claims, Government claims against shippers/suppliers were prejudiced. The Committee would also like Government, to evolve in the light of the findings adequate procedures to ensure timely preferring of claims.		
3	1-12	Do.	The Committee note that various measures have been taken by the Ministry of Defence to improve the handling of Defence consignments at Bombay Port and their prompt onward despatch to the consignees. These measures include increase in staff and equipment at the Embarkation Headquarters and additional warehousing facilities at the Port, and closer coordination between the Embarkation Commandant and indentors. The Committee hope that as a result of these measures delay in clearance of Defence stores and damage caused by exposure to whether and mishandling after landing will be avoided.		
4	1.16	Do.	The Committee note that, with a view to securing effective control over inventory holdings in the Air Force, Government have started the compilation of a standard catalogue of stores and a provisioning manual and have also made a beginning with modern data processing techniques. In		

3 _	1	ż	3
۲. م	AND THE RESIDENCE OF THE PROPERTY OF THE PROPE		
S/68			
-129			
30-2			
M 66 LSS/68125024-3-69 GIPF.			
IPF.	5	1.20	Min. of Defence
	б	1.21	Do.

respect of the work of compilation of the catalogue, the Committee observe that a cell, which was set up for this purpose in 1966, has till now completed cataloguing for only three types of aircraft against twenty for which the catalogue has to be prepared. As the work is scheduled for completion by 1970, the Committee trust that steps will be taken to speed up the process of compilation. The committee also hope that the coverage of the data processing system, now in the beginning stages, will be progressively extended. It is essential that a modern arm of the Defence Forces like the Air Force, The effective operation of which is conditioned by the efficient use of sophisticated items of equipment produced by a fast advancing technology, should be equipped with up-to-date techniques of stores control.

The Committee had desired to know whether shortage of crash tenders at air-fields still persisted. They regret that the information has not still been furnished to them.

The Committee note that in order to improve the efficiency of crash fire fighters, the Air Headquarters have revised the scale for provision of crash tenders and intensified the training of crash crew. Air Headquarters should ensure that any shortages of crash tenders at Air-fields and other Air Force units are made good expeditiously and that crash tenders and crew are kept in good trim to meet any exigencies.

SI. No.		Agency No.	Si. No.		Agency No.
	DELHI		33.	Oxford Book & Stationery Company, Scindia House,	68
24.	Jain Book Agency, Connaught Place, New Delhi.	11		Connaught Place, New Delhi-1.	
25.	Sat Narain & Sons, 3141, Mohd. Ali Bazar, Mori Gate, Delhi.	3	34.	People's Publishing House, Rani Jhansi Road, New Delhi.	76
26.	Atma Ram & Sons, Kashmere Gate, Delhi-6.	9	35.	The United Book Agency, 48, Amrit Kaur Market, Pahar Ganj, New Delbi.	88
27.	J. M. Jaina & Brothers, Mori Gate, Delhi.	11	36.	Hind Book House, 82, Janpath, New Delhi.	95
28.	The Central News Agency, 23/90, Connaught Place, New Delhi.	15	37.	Bookwell, 4, Sant Narankari Colony, Kingsway Camp, Delhi-9.	9
29.	The English Book Store, 7-L, Connaught Circus,	20		MANIPUR	
	New Delhi.		38.	Shri N. Chaoba Singh, News Agent, Ramlal Paul	7
30.	Lakshmi Book Store, 42, Municipal Market, Janpath,	23		High School Annexe, Imphal.	
	New Delhi.			AGENTS IN FOREIGN COUNTRIES	
31.	Bahree Brothers, 188 Laj- patrai Market, Delhi-6.	27	39.	The Secretary, Establish-	51
32.	Jayana Book Depot, Chap- parwala Kuan, Karol Bagh, New Delhi.			ment Department, The High Commission of India India House, Aldwych, LONDON, W.C.—2.	



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