

**OPERATION AND MAINTENANCE
OF AN AIRCRAFT FLEET IN THE
INDIAN AIR FORCE**

[Action Taken by the Government on the Observations/
Recommendations of the Committee contained in their Eighty-first
Report (14th Lok Sabha)]

MINISTRY OF DEFENCE

**PUBLIC ACCOUNTS
COMMITTEE
2011-2012**

FORTY-FOURTH REPORT

FIFTEENTH LOK SABHA



**LOK SABHA SECRETARIAT
NEW DELHI**

FORTY-FOURTH REPORT
PUBLIC ACCOUNTS COMMITTEE
(2011-12)

(FIFTEENTH LOK SABHA)

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MINISTRY OF DEFENCE



*Presented to Lok Sabha on 19 December, 2011
Laid in Rajya Sabha on 19 December, 2011*

LOK SABHA SECRETARIAT
NEW DELHI

December, 2011/Agrahayana, 1933 (Saka)

PAC No. 1952

Price: ₹ 75/-

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Published under Rule 382 of the Rules of Procedure and Conduct of Business in Lok Sabha (Fourteenth Edition) and Printed by the General Manager, Government of India Press, Minto Road, New Delhi-110 002.

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COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE
(2011-12)

Dr. Murli Manohar Joshi — *Chairman*

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3. Dr. Baliram
4. Shri Sandeep Dikshit
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22. Prof. Saif-ud-Din Soz

SECRETARIAT

- | | | |
|------------------------|---|-------------------------|
| 1. Shri Devender Singh | — | <i>Joint Secretary</i> |
| 2. Shri D.R. Mohanty | — | <i>Deputy Secretary</i> |

*Elected *w.e.f.* 29th August, 2011 *vide* the vacancy occurred *vice* Smt. Jayanti Natarajan appointed Minister *w.e.f.* 12th July, 2011.

INTRODUCTION

I, the Chairman, Public Accounts Committee (2011-12), having been authorised by the Committee, do present this Forty-fourth Report (Fifteenth Lok Sabha) on action taken by the Government on the Observations/Recommendations of the Committee contained in their Eighty-first Report (Fourteenth Lok Sabha) on “Operation and Maintenance of an Aircraft Fleet in the Indian Air Force” (Ministry of Defence).

2. The Eighty-first Report was presented to Lok Sabha/laid in Rajya Sabha on 18th February, 2009. Replies of the Government to the Observations/Recommendations contained in the Report were received on 19th October, 2010. The Public Accounts Committee considered and adopted this Report at their sitting held on 23rd September, 2011. Minutes of the sitting are given at Appendix-I.

3. For facility of reference and convenience, the Observations and Recommendations of the Committee have been printed in thick type in the body of the Report.

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

5. An analysis of the action taken by the Government on the Observations/Recommendations contained in the Eighty-first Report (Fourteenth Lok Sabha) is given at Appendix-II.

NEW DELHI;
15 November, 2011

24 Kartika, 1933 (Saka)

DR. MURLI MANOHAR JOSHI
Chairman,
Public Accounts Committee.

CHAPTER I

REPORT

This Report of the Committee deals with the action taken by the Government on the Observations/Recommendations of the Public Accounts Committee contained in their Eighty-first Report (14th Lok Sabha) on "Operation and Maintenance of an Aircraft Fleet in the Indian Air Force" based on Chapter I of the Report of C&AG of India for the year ended 31 March, 2006 (No. 5 of 2007), Union Government (Defence Services— Air Force and Navy) Performance Audit.

2. The Eighty-first Report (14th Lok Sabha) was presented to Lok Sabha/laid in Rajya Sabha on 18th February, 2009. It contained 14 Observations/Recommendations. Action Taken Notes on all the Observations/Recommendations have been received from the Ministry of Defence and are categorized as follows:—

- (i) Observations/Recommendations which have been accepted by Government:

Sl. Nos. 1-3, 6, 9-13 & 14
(Para Nos. 131-133, 136, 139-143 & 144)

Total: 10
Chapter-II

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

Sl. No. 4
(Para No. 134)

Total: 1
Chapter-III

- (iii) Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration:

Sl. Nos. 5, 7 & 8
(Para Nos. 135, 137 & 138)

Total: 3
Chapter-IV

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

-Nil-

Total: Nil
Chapter-V

3. The examination of the subject by the Committee had revealed certain serious shortcomings like technical and maintenance problems affecting the serviceability of the Aircraft 'A' fleet; use of the Aircraft for routine and miscellaneous tasks at the expense of the primary task; modification of the Aircraft without the approval of the Government; shortfalls in Paratrooping courses and flying tasks; deficient procurement procedure and inadequate monitoring system. The Committee had accordingly given their Observations/Recommendations in the Eighty-first Report.

4. The Action Taken Notes furnished by the Ministry of Defence to each of the Observations/Recommendations of the Committee contained in their Eighty-first Report have been reproduced in the relevant Chapters of this Report. The Committee will now deal with the action taken by the Government on some of their Observations/Recommendations which either need reiteration or merit comments.

A. SHORTFALL IN THE ACHIEVEMENT OF FLYING TASK

Recommendation (Sl. No. 5, Para No. 135)

5. In their Eighty-first Report, the Committee had observed that the Air HQ had categorized the flying tasks into three types *viz.*, Routine Transport Role (RTR), Air Maintenance and Training. Air Maintenance Task had covered the designated primary role of the Aircraft *i.e.*, troops and cargo carried and paratrooping training. The Committee were constrained to observe that the Aircraft were used for routine and miscellaneous tasks by diverting them from their primary role of Air Maintenance and training. Out of the total 114513 flying hours utilized, only 33 per cent was used for fulfilling the primary role whereas the balance 67 per cent was spent for routine task and miscellaneous duties. The Committee further found that the flying tasks fixed by the Air HQ or for each unit was far below the tasks fixed by the Government. Even then, there was shortfall of 43 per cent in achieving Air maintenance task and 58 per cent in training with reference to the reduced targets fixed by the Air HQ. Not convinced with the reasons advanced by the Ministry, the Committee had recommended that there was an urgent need for a comprehensive review of the utilization of the Aircraft and the allocation of the flying tasks with a view to enhancing their capacity utilization and ensuring optimal achievement of the primary role.

6. The Ministry in their Action Note have stated as under:—

- (i) 'A' Fleet aircraft is a versatile platform capable of performing various roles. IAF utilises this aircraft in different roles depending upon area of deployment. Air maintenance or Transport Support Role (TSR) is a task which is specifically carried out in support of Army and civil agencies requiring to be maintained by air to places not connected by road transport means due to terrain, weather or geography. Similarly, training of aircrew is required at all stages to maintain continuity and proficiency. Thus training is integral to any aircraft fleet type and cannot be considered as primary role.

- (ii) IAF utilises aircraft 'A' in different roles depending upon area of deployment. These are appended below:—

Areas	Primary Task	Secondary Tasks
Chandigarh	TSR (Transport Support Role) (air maintenance)	RTR (Route Transport Role) and all other task as defined above.
Jorhat	TSR (air maintenance)	RTR and all other task as defined above.
Agra	Para Bombing RTR	Para Training and all other task as defined above.
Sulur	RTR (courier flts to A & NC)	RTR and all other task as defined above.
Yelahanka	Ab-initio training	RTR and all other task as defined above.

- (iii) There are additional tasks that do not fall in any of the above category. These tasks are equally essential for maintaining operational readiness of squadrons. Since this encompasses multifarious tasks, these are clubbed as miscellaneous tasks in flying returns. A few examples of such tasks are:—
- (a) Airframe & Engine Air check (empty aircraft only due flight safety reasons).
 - (b) General Handling for specific system check (empty aircraft only).
 - (c) Positioning flights (empty aircraft only)/airlift for paramilitary forces/ other emergency tasks etc.
 - (d) Flood Relief, earthquake relief (positioning and return is empty).
 - (e) Ferry in/out to repair/overhaul agency (empty aircraft only).
 - (f) Radar calibration (empty aircraft only).
 - (g) Categorization test sorties for aircrew (empty aircraft only).
 - (h) Para Training (aircraft is empty after para drop).
 - (i) Airborne exercises (aircraft is empty after para drop).
 - (j) Operational role familiarization and training (empty aircraft only).
 - (k) Trials of new equipment.
 - (l) Weather reconnaissance sorties.
- (iv) Thus, it maybe noted that 'air maintenance' does not correspond to primary role but is one of the many roles assigned to the aircraft. Continuation training in all units is being done as On the Job Training (OJT) *i.e.* while carrying out RTR or TSR to the best possible extent. This results in optimum utilisation of ac (aircraft) as training is not carried out in separate sorties resulting in saving to the exchequer.
- (v) The above brings out that the primary role/task is not the same for the entire 'A' fleet aircraft but depends on the role assigned on the area of operation.

Therefore, the contention that the aircraft were diverted from primary role of air maintenance and training are not correct since the aircraft were actually utilised for primary roles, a term that encompasses multifarious tasks (some of which are listed above). Incidentally, the GoI on a yearly basis does air maintenance tasking for the IAF; thus, loads lifted towards air maintenance are as per GoI authorizations.

- (vi) A well planned procedure to reviews the utilization of IAF assets already exists. All transport aircraft operations are reviewed yearly at Air HQ level. Rate of Effort of all aircraft is reviewed, which is finally approved by the Government. This approved RoE (Rate of Effort) for all the transport aircraft ranges from 30-35 hrs. per month. Therefore, the task of aircraft 'A' was reviewed at 360 hrs. per Sqn. The allotment of task to the Sqns. is a result of meticulous and systematic planning.
- (vii) The actual task achieved by a unit is monitored on a monthly basis at Command HQs. It is further reviewed at Air HQs. on a quarterly basis. Corrective action on the basis of these reviews are thereafter taken to bring the utilization of aircraft as close to the flying task fixed by the GoI (Government of India) as is possible in the given circumstances. This is done taking into account the local conditions and roles of individual flying units.
- (viii) All the IAF assets are meant for use in war. However, these assets are utilised in the peace time roles based on the roles allotted to the units. The Government of India allocation of 66 hrs. per aircraft per month takes into account, peace time roles, any emergent requirement that may arise for which flying effort is required and of course, war time requirements. Therefore, hours are always kept in reserve for hostilities, natural calamities and unforeseen eventualities when they may be required at short notice. Notwithstanding the above, the utilisation and Rate of Effort (RoE) is examined and fixed on a yearly basis at Air HQ to try and maintain the peace time allocation of hours for each fleet in the IAF inventory as close to the actual flying effort as possible. Therefore, it is reiterated that yearly review of utilisation of aircraft flying task in peacetime is methodically calculated based on previous year utilisation and projected requirements for the next year.
- (ix) Ministry of Defence has also issued instructions to IAF *vide* their letter No. PC2(11)/2007/US(RP)/D(Air. IV) dated 23.6.2010 (copy enclosed) to ensure that IAF aircraft are used for their primary role and any diversion for other tasks roles, should only be with the approval of appropriate authority."

7. The Committee are not satisfied with the reply of the Ministry. Their contention that 'Air Maintenance' does not correspond to the primary role but is one of the many roles assigned to the Aircraft, is self-contradictory in view of their own submission that Transport Support Role (Air Maintenance) comes under the primary task category. Similarly, although the Ministry have admitted that training of aircrew which is required at all stages to maintain continuity and proficiency is integral to any aircraft fleet type, yet they have paradoxically claimed that such training cannot be considered as a primary role. The Ministry need to reconcile these self-contradictory statements.

8. The Committee acknowledge that the multifarious/miscellaneous task like flood and earthquake relief, para training and airborne exercises are equally essential for maintaining operational readiness of squadrons. But, abysmally low utilization of the Aircraft in fulfilling the designated primary role is not acceptable. The Committee find that though all the IAF assets are meant for use in war, these assets are used in peace time based on the roles allotted to the different units. Towards the achievement of this dual role, the Air HQ annually examines and fixes the utilization and Rate of Effort (RoE) of the Aircraft with a view to trying and maintaining the peace time allocation of hours for each fleet in the IAF inventory as close to the actual flying effort as possible. The Committee are of the considered view that utilization of the aircraft flying task both for use in war and peace time should be in perfect synchronization so that there is optimum utilization of the flying hours as fixed. In this context, the Committee desire that the Ministry of Defence should intensify their monitoring mechanism to ensure that IAF aircraft are used for their primary role and any diversion for other task roles should be with the approval of the competent authority, in accordance with the instructions issued by the Ministry on 23rd June, 2010.

B. SHORTFALL IN THE ACHIEVEMENT OF PARATROOPING TRAINING

Recommendation (Sl. No. 6, Para No. 136)

9. The Committee in their earlier Report had observed that even though the primary task of the Para Trooping School (PTS) was training, 53 per cent of flying tasks were allotted for Routine Transport Role (RTR) whereas the allocation for para trooping was only 18 per cent and even this low allocation for para trooping training was utilized only to the extent of 51-67 per cent. The Committee had also observed that except for basic para trooping course, there was shortfall with respect to annual targets in each year for all other flight "A" courses. Moreover, the PTS did not conduct Medical Para Course Basic (PCB) and refresher courses and aircrew para ground training courses. In the case of Flight 'B' courses, for which six Aircraft were earmarked, the Committee had observed that none of the envisaged courses was conducted for which the facilities and aircraft earmarked for Flight "B" courses had remained totally unutilized. Commenting that the IAF had to toil hard to equip and fine tune the training programme to avoid any further loss of human lives, the Committee had recommended that proactive steps should be taken in this regard.

10. In their Action Taken Notes, the Ministry have stated as under:—

- “(i) In 1984, 'A' fleet aircraft were first inducted in Para Training School (PTS) at Agra. Para trooping, courses and training are undertaken on regular basis. Indian Army provides the bulk of trainees for basic and refresher para courses. These form part of joint planning (Ex Yojana) conducted each year covering the entire gamut of joint service training. The task is mutually agreed upon at Service HQs. The output target for basic courses of 1250 has been exceeded in each year whereas there has been marginal shortfall in refresher courses from target output of 11,700 jumps. This is mainly because para jumps are also conducted by aircraft of other units during *in-situ* para training/military exercise in Western, Eastern or Southern sectors. This fulfils the shortfall in

refresher training of para troopers and provides them with realistic training. Task allotted to PTS in these planned exercises has been adequately met for basic & refresher para course. However, there is a shortfall in combat free fall task because of non-availability of combat free fall equipment with the Army. Because of same reason the refresher course was reduced from four to two jumps, in turn reducing the total task. Deployment of Army in field areas also contribute to the under subscription of troops for the refresher courses.

- (ii) IAF is in the process of upgrading infrastructure and equipment at PTS. A case for installation of free fall simulator (Vertical Wind Tunnel) is under progress, which will greatly enhance the quality of ground training. Army has placed the order for combat free fall system and equipment for which trials have already been conducted. This will increase the number of combat free fall courses resulting in increase in training task."

11. The Committee note that the output target for basic Para Trooping Courses of 1250 has been exceeded in each year whereas there has been shortfall in refresher courses from the target output of 11700 jumps because of non-availability of combat free fall equipment for which the refresher courses has been reduced from four to two jumps, in turn reducing the total task. In order to overcome the problem, the Army has reportedly placed orders for the combat free fall system for which trials have already been conducted. The Committee further note that the IAF is in the process of upgrading infrastructure and equipment at the Para Trooping School (PTS) and installation of free fall simulator (Vertical Wind Tunnel) is under progress which will greatly enhance the quality of ground training. The Committee feel that these are steps in right direction and should be pursued earnestly for effective achievement of the objectives of the Para Trooping basic and refresher courses. The Ministry, on their part, should ensure that procedural rigmarole do not impede or delay procurement of equipment and upgradation of infrastructure by the Army/Air Force in time to meet the targeted requirements of the Para Training Course besides improving their quality to a greater extent.

C. MODIFICATION OF AIRCRAFT WITHOUT THE APPROVAL OF THE GOVERNMENT

Recommendation (Sl. No. 7, Para No. 137)

12. In their Eighty-first Report, the Committee had observed that inspite of the non-approval of the Government in 1995, the air HQ had modified six Aircraft 'A' during 2001-03 for the use of VIPs and Other Entitled Personnels (OEPs). Prior to that, two Aircraft had also been modified between 1992 and 1999 for similar purposes. In spite of having a specialized Communications Squadron consisting of two Boeings, four executive Jets, seven Avro and six Helicopters for the use by VIPs/OEPs, the IAF had continued modifying Aircraft 'A' and altered their role. Opining that diversion of such large number of Aircraft (20 per cent of the total serviceable Aircraft with IAF) for VIP use showed an unexpected indifference to its primary role and expressing their serious concern over the trend, the Committee had recommended that the IAF should desist any move for the diversion of Aircraft 'A' from operational squadron for the use of VIPs/OEPs and take earnest steps to utilize the Aircraft only for the purpose for which they had been procured.

13. The Ministry in their Action Taken Note have stated as under:—

- (i) Army is deployed in fwd areas, high altitude mountainous terrain and jungles of North East where very short landing strips are available; aircraft 'A' is the only operationally suitable aircraft to operate from such Advanced Landing Grounds and high altitude areas like Leh and Thoise which are the mounting bases for our soldiers deployed in Op. (Operation) Meghdoot in the Siachen Glacier. Morale is a crucial factor when it comes to winning wars and is given due importance. Military Commanders and Cabinet Ministers like RM (Raksha Mantri), RRM (Raksha Rajya Mantri), have visited troops to review military preparedness, keep the morale of the Services high and maintain esprit-de-corps. The VIP aircrafts were de-modified w.e.f. 04 April, 2007 and no aircraft was further modified for VIP use as a replacement. These flights were also utilized in training and consolidation towards syllabus training and in achieving higher qualification, which otherwise would have entailed flying dedicated training sorties. Sorties to high altitude airfields were used for aircrew flight clearances, besides training. Hence, the flying undertaken cannot be construed as wasteful expenditure.
- (ii) The VIP modification of AC was a temporary roll in/roll out modification. The modification was removed and fitted on requirement basis, for example, servicing or overhauls. The modified aircraft were also utilized for civilian, central and State dignitaries.
- (iii) The Military Commanders are authorized to travel in aircraft for their flying practice, inspection tours within their Commands/Groups and Staff visits to Air HQ or other Commands/Group HQ. They are authorised to travel, as per para 3-4 of Air Force Instruction (AFI) 09 of 83 as already covered in Part I para 61 of eighty first PAC Report. All the temporary modified aircraft have been demodified to freighter role, Details of number of flights/sorties are appended below:—

Year	Number of Hrs.	Reason
1999	87.15	RM (Raksha Mantri) CAS (Chief of Air Staff) CNS (Chief of Naval Staff) CoAC (Chief of Army Staff) VCAS (Vice Chief of Air Staff) AOC-IN-C (Air Officer Commanding in Chief) GOC-IN-C (General Officer Commanding in Chief) FOC-IN-C (Flag Officer Commanding in Chief)

Year	Number of Hrs.	Reasons
2000	252.30	RM CAS CNS COAS VCAS AOC-IN-C GOC-IN-C FOC-IN-C
2001	98:45	RM CAS CNS COAS VCAS AOC-IN-C GOC-IN-C FOC-IN-C
2002	205:30	RM CAS CNS COAS VCAS AOC-IN-C GOC-IN-C FOC-IN-C
2003	448:00	CINCAN (Commander in Chief Andaman and Nicobar) RM CAS CNS COAS VCAS AOC-IN-C GOC-IN-C FOC-IN-C CINCAN
2004	487:20	RM CAS CNS COAS VCAS AOC-IN-C GOC-IN-C FOC-IN-C CINCAN

Year	Number of Hrs.	Reasons
2005	372:00	RM CAS CNS COAS VCAS AOC-IN-C GOC-IN-C FOC-IN-C CINCAN
2006	321:15	RM CAS CNS COAS VCAS AOC-IN-C GOC-IN-C FOC-IN-C CINCAN

14. The Committee are perturbed to note that from 1999 to 2006, Aircraft 'A' after modification, was used for more than, 2,270 hours, corresponding to more than three months in terms of hours, for the purpose of visit by VIPs like the Raksha Mantri and the three Service Chiefs besides other entitled officers. The modified Aircraft were also utilized for civilian, Central and State dignitaries. The Ministry's contention that the VIP modification of the aircraft was a temporary role in/roll out modification is untenable. The issue that concerns the Committee is the number of hours that was considered for ferrying the VIPs in the modified Aircraft, irrespective of the nature of the modification *viz.*, permanent or temporary. The Committee acknowledge that morale is a crucial factor and it is essential for the Raksha Mantri and the Military Commanders to review the military preparedness, keep the morale of the services high and maintain the *esprit-de-corps*. But there must be some rationality in modifying the Aircraft 'A' to accommodate the VIPs for their visits ostensibly to boost the morale of the services so that impression is not given that the modification of the Aircraft is irregular and unjustified, more so when it was done despite the non-approval of the Government and IAF did not have adequate number of serviceable Aircraft 'A'. The Committee are given to understand that w.e.f. 4th April, 2007, the VIP aircraft were demodified and no aircraft was further modified for VIP use. The Committee impress upon the Ministry that such measures should be adhered to unabated so that the assigned flying tasks are adequately met and the primary role for which the Aircraft was procured is noticeably accomplished. Needless to say, any deviation in this regard, without valid justification and prior Government approval must be viewed seriously and corrective/preventive action taken accordingly.

D. MISUSE OF MODIFIED AIRCRAFT BY OTHER ENTITLED PERSONS (OEPs)**Recommendation (Sl. No. 8, Para No. 138)**

15. In their Carlier Report, the Committee had observed that the modified Aircraft were not used by any of the three entitled VIPs *viz.*, the President, the Prime Minister and the Defence Minister but they were predominantly utilized by Other Entitled Persons (OEPs) such as the senior officers of the Services, AFWA/AWWA Presidents and their accompanying staff. The Committee had also observed that even though AFWA/AWWA Presidents are not covered under the category of OEPs, they were included in this particular category. Expressing concern over gross under-utilisation of the modified Aircraft in terms capacity of carrying of persons and payload, the Committee had recommended that the Ministry should examine the feasibility of formulating detailed guidelines specifying the rank of the officers who shall be eligible for travelling in the Aircraft and the purpose for which the travel was undertaken with a view to prevent misuse of the Aircraft. The Committee had also desired to be apprised of the amount spent on carrying the non-entitled passengers by Aircraft 'A' during the last 10 years.

16. The Ministry in their Action Taken Note have stated as under:—

- “(i) The military man by nature does not complain despite severe constraints. There are family problems due to prolonged separation, shortage of housing, marital discords and long working hours, which need to be addressed through close interaction amongst families. While the Local Presidents of the Wives Welfare Organisations (wives of Commanding Officers) attend to the routine problems and counsel the wives of service personnel, the wives of Service Chiefs also visit Stations and interact with ladies to get a first hand account and feel of the environment in a Station. The visits of wives of Service Chiefs provide them an opportunity to appreciate and find remedial measures to tide over problems faced by the families. These are important activities to keep the morale of the services high and maintain *esprit-de-corps*. Morale is a crucial factor when it comes to winning wars and is given due importance. Also, visits by Presidents AFWWA and AWWA help them gauge whether the true objective of these welfare organizations are being met in the best possible manner.
- (ii) The above rationale and reasoning has been recognized and accepted by the Government of India for many decades and is manifest in Ministry of Finance (Def) UO No. 84/S/Bud/AF of 1983 Case No. 7(13)/80/1707/D (Air II) (copy annexed), *vide* which the wives of the Service Chiefs and AOC-in-C/GOC-in-C are permitted to travel with their spouses in connection with visits to their Welfare Organizations of which they are Presidents.
- (iii) No special aircraft has ever been provided to the wives of the Service Chiefs or AOC-in-C/GOC-in-C; they only accompanied their spouses when they (the Service Chiefs) travelled on their tour of duty. This is authorized by Government of India.
- (iv) The detailed guidelines on transport operation already exist and are given in Indian Air Force Publication (IAP) - 3314, Manual of Air Transportation which

lays down do's and don'ts (as also entitlements) regarding utilisation of all transportation assets of Indian Air Force.”

17. The Committee are aware that the military man undergoes severe constraints like family problems due to prolonged separation, shortage of housing and long working hours in hostile conditions which certainly need to be addressed through close interaction amongst families of the Services. What the Committee tried to emphasize in their earlier Report was that the Ministry should thoroughly look into the reported misuse of the modified Aircraft by the non-entitled persons and gross under-utilization of the Aircraft in terms of carried persons and payload. Surprisingly, the Ministry in their Action Taken Notes have conspicuously remained silent over the under-utilization aspect, though they have explained in great detail the recognition and authorization by the Government for use of the Aircraft by the Other Entitled Persons (OEPs) for the purpose mentioned above. The moot point is to monitor the appropriate utilization of the Aircraft both in terms of the purpose and carrying capacity of persons and payload so as to ensure that there is neither mis-utilization nor under-utilization of the Aircraft. The Committee, therefore, once again exhort the Ministry to ensure that the modified Aircraft is utilized prudently and strictly in accordance with the prescribed norms and as close to the carrying capacity so that the burden on the exchequer in case of capacity under-utilization is avoided to the maximum while providing the much needed succor to the hard pressed military men.

E. POOR PROCUREMENT MANAGEMENT AND INADEQUATE MONITORING SYSTEM

Recommendation (Sl.No. 14, Para No. 144)

18. The Committee, in their Eighty-first Report, had observed that based on a "most critical maintenance/production hold up" requirement projected by BRD-'Y' for the year 2001-02, the Air HQ concluded a contract for supply of spares with a foreign firm in January 2002 at a cost of US \$368049. Pursuant to the receipt of these items in two lots in August and November, 2002, payment was released to the supplier. In August, 2003, after one year of the receipt of these items, the Air HQ detected that eight after cases containing five lines of critical components valued at US \$329343 (Rs. 1.61 cr) were actually not received, but payment had been released to the supplier. When the Air HQ took up the matter with the firm, it accepted the discrepancy and dispatched the balance spares in January, 2004. Expressing serious displeasure over the deficient follow-up procurement process of critical spares and inadequate contract management, the Committee had recommended that besides recovering the interest from the foreign firm on the amount paid due to non-supply of the contracted items, the Ministry of Defence/Air HQ should also streamline and simplify the procurement procedure to ensure timely receipt of critical spares.

19. The Ministry in their Action Taken Note have stated as under:—

"1. *Contract Management.*

The post contract management has shown improvement, with the inclusion of PBG (Performance Bank Guarantee), supplier to be OEM or must produce OEM support certification, LD (Liquidated Damage) deduction, stringent warranty/

delivery period/arbitration transshipment clause etc. covered in DPM 2006. It all has ensured that 90% supplies are coming timely and quantitatively/qualitatively correct.

The incident of quantitative discrepancy in the consignment referred in the Para 144 pertains to contract number 1323/658-E-02-004-In-356 dated 24 Jan. 02. The chronological sequence of occurrences is given below:—

- (a) Contract No. 1323/658-E-02-004-IN-356 dt. 24 Jan. 02 was finalized for 25 items.
- (b) Air HQ/(VB) *vide* letter No. Air HQ/82280/36/PC-390/Eng D3 (Q) dt. 30 Sept. 02 intimated that out of 25 lines, the firm has supplied 19 lines.
- (c) 3BRD *vide* letter No. 3 BRD/LSW/5085/2/C/VI/Lgs dt. 05 Oct. 02 confirmed to Air HQ (*VB) about the receipt of 14 items in one case.
- (d) Non-receipt of 08 cases containing five items was intimated to Air HQ(VB) [DD Eng D3 (Q)] *vide* 3 BRD/QDH/1167 dt. 29 Oct. 02.
- (e) Air HQ (VB) *vide* letter No. Air HQ/82280/36/PC - 390/Eng D3 (Q) dt. 03 Jan. 03 advised 31 MCU to confirm onward dispatch details of remaining 08 cases supplied by the firm.
- (f) 3 BRD again intimated non-receipt of 08 cases to Air HQ (VB) [DD Eng D3 (Q)], 31 MCU and HQ MC *vide* 3 BRD/QDH/1180 dt. 01 Aug. 03.
- (g) 31 MCU *vide* their letter No. 31 MCU/919/Lgs (Gen) dt. 23 Aug. 03 intimated Air HQ (VB) about inability to link the consignment with the Air Way Bill.
- (h) Air HQ (VB) *vide* letter No. Air HQ/82280/36/PC 390/Eng D3 (Q) dt. 14 Nov. 03 intimated that all 08 cases were pending with the supplier M/s. Motor Sich, Ukraine and likely to be dispatched on 19 Nov. 03.
- (i) Eight cases containing remaining spares were received on 24 Dec. 03 and confirmation was intimated to Air HQ *vide* 3 BRD/QDH/1170 dt. 05 Jan. 04.

2. It may be seen that all the contracted items have been received and already utilized for the engine overhaul. The firm has pleaded ignorance of the real situation *i.e.* short supply and has regretted.

3. Since the firm is the OEM and a long time supplier to IAF, this may be viewed as a one time lapse. Such incidents have not recurred and to avoid any recurrence, the major consignments are now directly flown from OEM(M/s MSE) to 3 BRD.”

20. The Committee note with serious concern the deficient Defence Procurement Procedure and grossly inadequate oversight mechanism. It is hard to believe that the missing critical components were detected by the Air HQ after almost one year of the receipt of the item. Worse, payment for all the items had already been released to the supplier though eight cases of critical components were short supplied. That the firm pleaded ignorance of the short supply, regretted the mistake and finally supplied the missing consignment is no reason to condone the lapse. Similarly, the Ministry's submission that since the firm is the Original Equipment Manufacturer (OEM) and

a long time supplier to IAF, it may be viewed as a one time lapse, is not tenable in view of the carelessness displayed by the firm in such a vital matter of defence procurement. The Committee, therefore, recommend that the firm must be warned for the serious lapse on their part and charged penal interest for the period it received and held the amount without supplying the components so as to deter recurrence of such serious lapses. The IAF, on its part, should strengthen its vigil to ensure that all the components are received as per the orders placed and contract executed so that deficiencies in the receipt of full consignment are timely detected and the requisite remedial action promptly taken. Further, it need be ensured invariably that at the time of delivery, all consignments are physically verified and well before the release of payment. The Committee also recommend that responsibility be fixed for release of payment without proper physical verification of the consignments delivered.

CHAPTER II

OBSERVATIONS/RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY GOVERNMENT

Observation/Recommendation No. 1

131. The Aircraft 'A' was procured by the Indian Air Force (IAF) through a contract with the erstwhile Soviet Union at an aggregated cost of Rs. 495 crore between 1981 and 1987. During this period the IAF procured 118 ac and 64 spare engines of the ac. The procurement of this ac was primarily for its Medium Tactical Transport Aircraft (METAC) role which focus on transport of troops and cargo, para trooping, supply, dropping and casualty evacuation. These aircraft were inducted into squadron service between 1984 and 1991 to replace the ageing Dakota, Caribu and Packet ac. Since then, these aircraft have been the workhouse of the IAF's transport fleet and performing varied roles and operating in all terrain conditions. They have also been extensively employed to provide timely response both for military and civil requirements. Over the years the IAF have, so far lost 13 ac in flying accidents and as of date IAF are holding 105 ac 'A' aircraft in their inventory. Notwithstanding their valuable contribution to the operational requirement of IAF, the Committee's examination of the subject has revealed that several technical and maintenance problems have affected the performance of the aircraft, which have drastically limited the serviceability of the fleet.

[Sl. No. 1, Para 131 of the Eighty First Report of the Public Accounts Committee
(14th Lok Sabha)]

Action Taken by the Government

1. The Committee has observed that several technical and maintenance problems have affected the performance of the ac which have drastically limited the serviceability of the fleet. IAF has initiated measures to overcome some of the bottlenecks which affected the fleet. The bottlenecks experienced were primarily because of scarce availability of spares, inadequate support from OEM and poor response from Indian industries towards indigenization. With concerned efforts, the IAF was successful in overcoming these issues. Various measures initiated include:—

- (a) ROH contracts for seven aggregates with OEM.
- (b) Setting up of overhaul facility for TG-16M Turbo Generators at HAL (Kpt).
- (c) Proactive measures to improve participation from Indian Industries towards indigenization of spares.
- (d) Improved inventory management using IMMOLS.

2. These efforts have yielded positive results and the IAF maintained average serviceability of aircraft 'A' above 70% during 2008 and 2009. It may be appreciated that the fleet serviceability, which ranged between 47 to 51% during the period 2002-2005, had improved significantly from 2008 onwards and was consistently maintained around 70%.

"This action taken note has been vetted by the Office of PDA (AF&N) *vide* their letter U.O.No.81/PA-2/PDA/AFN/06-07 dated 30-6-2010 and approved by Defence Secretary."

[Ministry/Department of Defence O.M. No. 2(11)/2007/US(RP)/D (Air.IV),
dated 30th June, 2010]

Observation/Recommendation No. 2

132. Audit conducted a performance review of the operation and maintenance of aircraft fleet in Indian Air Force between June and October, 2006 covering the period 2001-02 to 2005-06. The review was focussed on the aspects of operation and utilization of aircraft such as flying tasks, assigned role, serviceability and Aircraft on Ground (AOG) as well as adequacy of facilities for repair and maintenance and their use. Audit examination *inter-alia* revealed that the serviceability levels achieved by the aircraft fleet were low and the percentage of Aircraft on Ground (AOG) was high indicating low efficiency of operation of the fleet. It was also highlighted that the aircraft were predominantly used for routine and miscellaneous tasks at the expense of primary air maintenance and training tasks. Eight aircraft were modified for "VIP Role" without approval of Government thereby diverting them from their primary and operational tasks. Moreover, the modification lacked justification as a separate specialized communication squadron with adequate aircraft for use by VIPs already existed. Analysis of the performance of the Paratrooping School and a training center set up to impart training revealed that most of the courses showed shortfall in achievement of targeted output. There were delays in conducting overhauls and repair both by the engine and airframe overhaul facilities. The Base Repair Depot at Chandigarh failed to complete a large number of allotted repair and overhaul tasks due to shortage of spares, on account of delayed and inadequate provisioning. Although indigenisation of mandatory and non-complex spares at BRDs had made significant progress. However, commercial exploitations was still found to be wanting. Actual utilization both in terms of flying hours and payload carried were much lower than that was fixed by the Government. There were also deviations from the basic Medium Tactical Transport Aircraft (METAC) role of the aircraft and the predominant use of the aircraft for routine transport assignments and other tasks at the expense of air maintenance role. These alongwith other issues arising out of the Committee's examination of the subject have been discussed at length in the succeeding paragraphs.

[Sl. No. 2, Para 132 of the Eighty First Report of the Public Accounts Committee
(14th Lok Sabha)]

Action Taken by the Government

1. The committee has observed poor supply ratio for AE spares required for BRD. The IMMOLS on-line PR sheets are generated well in time, but the contracts could not be concluded due to sharp rise in the prices at the OEM's end. The under-mentioned were main contributory factor as projected by OEM. The OEM is based in Ukraine.

- (a) Rise in raw material, which is sourced, from "Russia".
- (b) Price hike in gas/energy sources.
- (c) Inflation in the Seller's country.
- (d) Unstable RBL and diminishing value of USD.

2. After a series of price negotiation meeting, with MoD/IAF and of OEM the gap in the offer and indented price could not be bridged. This has resulted in an inordinate delay. Still all out effort are made by MoD to conclude the contracts at the earliest. Following measures have been taken to streamline the system:

- (a) A critical spares requirement for 61 lines was initiated (prior to commencement of production year) in IMMOLS by 3 BRD to overcome the lapses of production and further to streamline the system.
- (b) The critical spares requirement list (61 lines) submitted by 3 BRD. AF prior to commence of production year. Out of 61 lines, 04 lines are supplied, 33 lines are contracted, 19 lines are under contractual action. Remaining 05 lines are under process.
- (c) During the year 2009, 11 import proposal (42 lines) for spares of AI-20D aero engine against 3 BRD requirement, was forwarded to Air Attache. Out of which 29 lines are contracted, 04 lines have been deleted and remaining 09 lines are pending as no quote received/high price variation.

3. To overcome production constraint, 3 BRD had prepared a list of 61 spares critically required by them towards achievement of their planned production target.

4. The case pertaining to An-32 fleet has been re-examined and action taken there of is one re-iterated and reply on recommendation of the Public Accounts Committee is re-submitted along with specific contract wise details. The details on number of contracts concluded in year 2006 with contract No. and date, probable date of completion of supply were asked against recommendation No. 143. The complete list of contracts concluded during the year 2006 is annexed as Annexure 'A':

"This action taken note has been vetted by the Office of PDA(AF & N) *vide* their letter U.O. No. 81/PA-2/PDA/AFN/0607 dated 30-6-2010 and approved by Defence Secretary."

[Ministry/Department of Defence O.M. No. 2(11)/2007/US(RP)/D (Air.IV),
dated 30th June, 2010]

Observation/Recommendation No. 3

133. The Committee are concerned to note that as against the serviceability level of 75 per cent assumed by the Ministry at the time of procurement, actual serviceability rates of Aircraft 'A' ranged between 47 and 51 per cent during the period 2002-05. The number of Aircraft on Ground (AOG) was also high and increased from 23.94 per cent in 2002 to 33.29 per cent in 2005 and as a result the actual flying tasks performed by using Aircraft 'A', fell significantly short of the flying task norm of 66.66 hours per month per aircraft as prescribed by the Government, which ranged between 49.21 to 54.94 per cent during the period 2003-05. In a note furnished to the Committee, the Ministry contended that there has been a decline in AOG as it reduced to 10 aircraft in 2008 from 14 in 2007 and from 24 during the Audit period, the percentage of serviceability and AOG state of Aircraft 'A' during the year 2006 stood at 63.87 per cent and 18.49 per cent respectively and for the year 2007 it was 66.26 per cent and 15.55 per cent respectively. The Committee were assured that with the commissioning of Integrated Material Management On-Line System (IMMOLS) the administering lead time will drastically reduce and ultimately it would result in reducing the number of AOG. Further, a long term contract of 5 years for Repair and Overhauling (ROH) abroad for the seven critical aggregates have been initiated and is under finalization and in respect of six aggregates contracts have already been concluded. The Ministry have claimed that these steps have improved the serviceability of Aircraft and in reduction of AOG. However, the Ministry have pointed out that AIRCRAFT 'A' is ageing and is nearing its end of 25 years of Total Technical Life (TTL) and to sustain 100 per cent serviceability on such an old platform is practically not feasible. The Committee are not convinced with the reply of the Ministry as the efforts made by them are far from satisfactory and had only led to marginal increase in the percentage of serviceability from a range of 47 and 51 per cent stipulated at the time of procurement. Further, the reduction in AOG to 15.55 per cent in 2007 was also not very significant. The Committee, therefore, urge upon the Ministry to take corrective steps so as to increase the serviceability of aircraft and minimize AOG. The Committee also stress the need for close interaction and coordination between top functionaries of HAL and IAF in resolving differences on the technical matters if any, with a view to improving the serviceability of aircraft and in reducing AOG by ensuring timely repair and maintenance service combined with availability of essential spares. The Committee would like to be apprised of the progress made in the functioning of Integrated Material management On-Line System and also the progress made in finalizing the contract for seven critical aggregates and their impact in enhancing the serviceability of the aircraft and reduction of Aircraft on Ground.

[Sl. No. 3, Para 133 of the Eighty First Report of the Public Accounts Committee
(14th Lok Sabha)]

Action Taken by the Government

1. The Committee has observed reduction in number of ac on AOG from 24 in the audit period (2002-05) to 10 in 2008 and corresponding increase in the serviceability from 44% in 2005 to 66.26% in 2008. But has pointed out that assumed serviceability to be 75% as per initial ac induction plat (of 1984).

2. **Current Status:** The serviceability for 08-09 (upto Feb. 09) has gone upto 70.5% and the number of aircraft on AOG is reduced to 09 ac. All going as planned the serviceability figure will reach 75% in due course. Given the status of response of Russian companies overall product support etc. maximum possible serviceability is being maintained.

3. Efficacy of IMMOLS

- (a) **Current Status:** The IMMOLS has become operational and the e-data management has given much needed advantage. The entire assets of IAF visible and diversion are made to liquidate AOG, from the global stocks.
- (b) Predicting the future requirement was always a problem. Currently, the provisioning review and the net requirements based as a mathematical module (as cleared by MOD) and are accurate. For the Hi-value items, the requirements are (rotables) culled out from census based reviews, which factored Yield of repair, Sqn deficiency, auth floats etc. Earlier it took months to coin the requirement, which now with operationalisation of IMMOLS is available on real time basis.
- (c) All this has constituted towards the improvement of general health of fleets, resulting in increased serviceability.
- (d) **Liquidation of Urgent Requirement:** For AN-32 fleet import are regularly coming through over last two calendar year *i.e.* Jan. 07 to Dec. 08, a total of 115 import shipments has been On-Line System and also the progress made in finalizing the contract for seven critical aggregates and their impact in enhancing the serviceability of the aircraft and reduction of Aircraft on Ground.
- (e) **ROH Contract:** Two separate contracts for overhaul of seven critical aggregates over a period of five years (2007-11) were concluded. The details are as follows:
 - (i) Contract for six critical aggregates was concluded with M/s. STE, Ukraine *vide* contract No. STE-01-54-K/KE-07 dated 18 May 2007. Aggregates planned for overhaul during year 2007 have been completed and received back. This has reduced considerable number of AOG of these aggregates. Second batch of aggregates are under overhaul with the vendor and are expected by Aug. 09.
 - (ii) A long term contract for the seventh aggregate *i.e.* R-68 DSK RPM Governor was concluded for Qty-05 over a period of five years (2007-2011) with M/s. Aviazapchast, Russia *vide* contract No. 356/07571160/77003 dated 14 Dec. 2007. Overhaul of the first lot of Qty-20 aggregates has been completed and received back.
 - (iii) A long term contract for ROH of AI-20D series 5 aero-engine was concluded with M/s. MSE Ukraine *vide* contract No. 1323/658-EO6-158-IN356 dated 16 Oct. 06. Qty-57 aero-engines have already been overhauled and Qty-06 aero-engines are expected after overhaul by Apr. 09.

4. It is herfore submitted that the implementation of IMMOLS, conclusion of contract for critical aggregates and indigenisation efforts had a telling effect on the air-worthiness of the fleet in recent past. As on date the serviceability maintained is above 70% and number of AOG ac is below 10%:

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[Ministry/Department of Defence O.M. No. 2(11)/ 2007/US(RP)/D (Air. IV),
dated 30th June, 2010]

Observation/Recommendation No. 6

136. The Committee are concerned to note that even though the primary task of the Para Trooping School (PTS) was training, 53 per cent of flying tasks were allotted for Routine Transport Role (RTR) whereas the allocation for para trooping was only 18 per cent. Even this low allocation for para trooping training was utilised only to the extent of 51-67 per cent. It was further revealed that except for basic para trooping course, there was shortfall with respect to annual targets in each year for all other Flight "A" courses. The Committee also note that though PTS was required to conduct Medical Para Course Basic (MPCB) and refresher courses and aircrew para ground training courses on "as required" basis, however, no such courses were conducted. In the case of Flight "B" courses, for which six aircraft were earmarked, it has been observed that none of the envisaged courses *i.e.* FA Controller Courses, Air Crew Para Trooping Courses and Air Crew Conversion Courses was conducted. The facilities and aircraft earmarked for Flight "B" courses had, therefore, remained totally unutilized. The Ministry informed the Committee that Aircraft 'A' are capable for performing many operational roles and para trooping is one of the many roles assigned to the aircraft and all the requirements of the user agencies for para trooping have always been met. As regards, allocation of 53 per cent of flying tasks for RTR, the Ministry informed the Committee that the plan for indigenization of all the parachutes was taken up in the eighties and the Ordinance Parachute Factory (OPF) was tasked to produce these parachutes by using reverse engineering. However, there were initial teething problems and hence they had to be sent back for modification to the manufacturer. As the shortfall of parachutes could not be met by the indigenous support, this led to a decision to reduce the jumps of Refresher Course from 04 descents to 02 descents. Therefore, the flying task had to be automatically reduced and the aircraft house were put to use for other miscellaneous task without hampering the para commitment role. The Ministry, however, claimed that there has been no delay in the completion of the courses except during inclement weather. The Ministry has further informed the Committee that in order to enhance training imparted at Para Trooping School recently, a Para Training simulator has been installed to train para troopers, aircraft in-flight drills. Further, the statement of cases has been forwarded for the modernization of apparatus/infrastructure at Ground Training Faculty (GTF), Para Trooping School (PTS). The Committee regret to point out that if the increasing trend of human error accidents in recent years is any indication, the remedial steps taken so far in this regard appears to be inadequate. The lacunae in the training infrastructure and equipment

further substantiate that IAF really has to toil hard to equip and fine tune the training programme to avoid any further loss of human lives due to inadequacy in training. The Committee recommend that proactive steps should be taken to improve utilisation of the capabilities of Para Trooping Schools in consultation with user agencies.

[Sl. No. 6, Para 136 of the Eighty First Report of the Public Accounts Committee
(14th Lok Sabha)]

Action Taken by the Government

1. In 1984, 'A' fleet aircraft were first inducted in Para Training School (PTS) at Agra. Para trooping, courses and training are undertaken on regular basis. Indian Army provides the bulk of trainees for basic and refresher para courses. These form part of joint planning (Ex Yojana) conducted each year covering the entire gamut of joint service training. The task is mutually agreed upon at Service HQs. The output target for basic courses of 1250 has been exceeded in each year whereas there has been marginal shortfall in refresher courses from target output of 11,700 jumps. This is mainly because para jumps are also conducted by aircraft of other units during the *in-situ* para training/military exercise in Western, Eastern or Southern sectors. This fulfills the shortfall in refresher training of para troopers and provides them with realistic training. Task allotted to PTS in these planned exercises has been adequately met for basic and refresher para course. However, there is a shortfall in combat free fall task because of non availability of combat free fall equipment with the Army. Because of same reason the refresher course was reduced from four to two jumps, in turn reducing the total task. Deployment of Army in field areas also contribute to the under subscription of troops for the refresher courses.

2. IAF is in the process of upgrading infrastructure and equipment at PTS. A case for installation of free fall simulator (Vertical Wind Tunnel) is under progress, which will greatly enhance the quality of ground training. Army has placed the order for combat free fall system and equipment for which trials have already been conducted. This will increase the number of combat free fall courses resulting in increase in training task:

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[Ministry/Department of Defence O.M. No. 2(11)/2007/US (RP)/D (Air. IV),
dated 30th June, 2010]

Comments of the Committee

Please *see* Paragraph No. 11 of Chapter I

Observation/Recommendation No. 9

139. The Committee are concerned to find that the Aircraft 'A' squadrons/units had serious shortages of pilots but surplus of flight navigators and flight engineers.

The deficiency in the number of pilots, however, declined from 22 per cent in 2001-02 to 13 per cent in 2005-06. In the case of flight engineers, the surplus manpower increased substantially from 10 per cent in 2001-02 to 34 per cent in 2005-06. The Committee feel that deficiencies in pilot strength along with surplus in the strength of navigators and engineers indicated imbalance in deployment of operational manpower in these squadrons/units. What is most surprising is the fact that Air HQ had justified excess manning in the two units on account of increase in task. However, Audit scrutiny disclosed that the tasks achieved in these two units, have not shown any significant variation. No explanation has been provided by Air HQ for holding surplus navigators and flight engineers in most of the units especially in view of significant shortages of pilots in some of the units. Regarding shortfall of pilots in the IAF, the Ministry informed the Committee that a large number of new Aircraft/Equipment were inducted into the IAF and many existing systems were upgraded, however, manpower for these new systems was not sanctioned due to the ban imposed by the Ministry of Finance in 1984 on creation of new posts. Thus all new inductions had to be manned by pulling out manpower from the existing units, which led to undermining of a large number of units in order to serve the overall operational requirement of the IAF, which also resulted in pilot shortfalls the Aircraft 'A' fleet. Presently, efforts are on to enhance induction of pilots so as to fill up the recently sanctioned posts over 5-7 years period and the manning status of pilots in Aircraft 'A' fleet has shown a significant improvement in the last two years. While taking note of the initiatives of the Ministry to overcome the shortfall of pilots in IAF, the Committee would like to be apprised of the effectiveness of these steps on the operational requirement/deployment of pilots in various squadrons/units. They also desire to know whether the recently sanctioned posts have actually been filled up and whether or not this has led to achievement of the stipulated target of the flying task set by the Government. The Committee also recommend that in future the Air HQ/IAF should formulate a recruitment plan for filling up key posts well in advance so that there is no shortfall of pilots/engineers in any of the squadrons/units should be reviewed so that they are in consonance with the task allocated to units. The Committee would like to be apprised of the progress made on this count.

[Sl. No. 9, Para 139 of the Eighty First Report of the Public Accounts Committee
(14th Lok Sabha)]

Action Taken by the Government

1. The following initiatives have been taken by Air HQ towards enhancing the induction of pilots into the IAF:—

- (a) **Enhancing Number of Flying Instructors:** The course strength for the Qualified Flying Instructors Course has been enhanced from 45 to 55 per course. This results in production of an additional 15-20 flying instructors per years. This increase helps absorb the training requirement that results due to enhanced trainee induction.
- (b) **Enhanced Intake:** For the next five years, the IAF would target induction of 260 F(P) trainees per annum. This is towards an anticipated graduation

figure of around 210 pilots per year. This enhanced induction would result in higher number of entrees to the fighter, transport and helicopter streams.

- (c) **Short Service Commission (Male):** To facilitate higher induction in the SSC cadre, IAF has re-introduced Short Service Commission entree for male candidates in the Flying Branch. The first such batch was inducted for Pre Flying Training Course in January, 2008. This batch is presently undergoing State II flying training and would be commissioned in June, 2009. In addition, measures to make SSC cadre more attractive have been proposed to the MoD.
- (d) **Publicity Campaign:** IAF has embarked on an aggressive publicity campaign to attract young aspirants to join the service. These include using of print and electronic media, direct contact with aspirants and targeting of low response regions.
- (e) **Pay and Emoluments:** The Sixth Central Pay Commission has enhanced the pay and allowances of service personnel. This would serve as a tool to attract young aspirants to become pilots in the IAF.
- (f) **Implementation of AVSC Phase II:** Recommendations of AVSC Phase II have been implemented in the IAF after the approval of the Central Government. This would eventually result in reduction in age profiles in select ranks and also improve the promotional avenues for service officers. This would serve as a motivational tool to prompt young aspirants to seek a career as a pilot in the IAF.

2. The measures taken by IAF are showing positive results. The intake of the flying branch trainees is steadily growing. The same is appended below for reference:—

Year	No. of Trainee (Flying)
2004	191
2005	191
2006	193
2007	203
2008	255

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[Ministry/Department of Defence O.M. No. 2(11)/2007/US(RP)/D(Air.IV) ,
dated 30th June, 2010]

Observation/Recommendation No. 10

140. Another area of concern relating to operation of Aircraft 'A' is the inadequacies in the flight records held by two squadrons in respect to six different months of during the period 2004-06. The Committee note that manifests of Aircraft 'A' did not carry any serial or control number to ensure their proper identification and accounting and these were also not entered in any control register by squadrons/unit providing airlift. It was also found that the entries in the passenger manifests were altered without authorization by the competent authorities. Further, operational requirement for airlifts and movement of cargo is often brought out in the manifests and unauthorized cargo such as personal belongings and other non-operational stores have been included in the manifests. The Ministry have informed the Committee that manifests are issued by various user agencies based on/near these airfields with their own control numbers. The Flight Engineers on reaching back to their parent bases, documents these manifests a unit level serial number and the units maintain and record the flights as stipulated by IAF publication IAP-3314. The inspection teams of commands, Air HQs and the Aircrew Examination Board scrutinize these documents in their periodic visits to the operating units. The Committee are not satisfied with the Ministry's reply as it is conspicuously silent with regard to the inadequacies in the maintenance of the manifests as pointed out by Audit. The Committee are of the view that the inadequacies that were noticed disclose the dilution of internal controls and consequent increase in the risk of unauthorized use of aircraft. While underscoring the urgency for removal of inadequacies in maintenance of flight records, the Committee recommend that all out efforts be made to bring improvement in maintaining flight details and in recording and control of flight manifests so as to ensure that no unauthorized passenger/cargo are carried in the service aircraft. The Committee also recommends that in future suitable deterrent action should be taken against the entire official who carries unauthorized cargo such as personal belonging and other non-operational stores.

[Sl.No. 10, Para 140 of the Eighty-First Report of the Public Accounts Committee
(14th Lok Sabha)]

Action Taken by the Government

1. The Procedure for manifesting is divided in two categories passengers and cargo. The passenger manifest is prepared by the Base Operations Officer and countersigned by the Chief Operations Officer. Thereafter, the main copy is handed over to the pilot and another is filed in the Base Ops. All bases are instructed about following:—

- (a) To generate the passengers manifest with serial no. and name of the base.
- (b) Soft copy of the manifest to be preserved at both places (Transit and Operating bases). Soft copy of the manifest is to be sent to operating unit of aircraft.
- (c) One hard copy is to be handed over to pilot; another is to be preserved with the Base Ops of the transit base.

2. The cargo which is carried in aircraft is always properly accounted and is accompanied with manual vouchers. The manifest is a transit slip which is exchanged parallelly by post between the consignee and consigner to physically account for No. of packages in external condition for linking. The cargo manifest No. is always accounted as dispatch details on actual vouchers. This is only required in case of any future shortfalls. As regards flight authority, it is undertaken within the authorised flying hours at the discretion of Air HQ/Command as per IAP 1501 Chapter 41, para 27. Now, this aspect has been included in the IMMOLS e-data environment for better linking purpose in future.

3. The manifest serial number were earlier generated by individual Air Bases; this aspect in future will get nullified as the manifest will be created and numbered by IMMOLS.

4. The manifest are generally prepared prior to arrival of the ac but in reality at times, the cargo and passengers have to be left behind due to operational reasons of say aircraft performance or weather conditions. In that case the manifests are amended on the tarmac itself prior to T/O. For example, if there are twenty passengers manifested and only 10 can be carried due to operational constraints it will require an on the spot amendment by the manifesting agency.

5. At times this ac is utilized as a link courier to the Assam courier and transports personnel to areas in far flung Eastern and Northern sectors, not easily accessible by road. The boarding and de-boarding of all service ac is supervised by the Air Force Police. The security is ensured with X-ray machines and visual checks are carried out before boarding; strict checking ensures that no unauthorised cargo is carried.

"This action taken note has been vetted by the Office of PDA(AF&N) *vide* their letter U.O. No. 81/PA-2/PDA/AFN/06-07 dated 30-6-2010 and approved by Defence Secretary."

Sd/-

[Ministry/Department of Defence of O.M. No. 2(11)/2007/US(RP)/D(Air.IV),
dated 30th June, 2010]

Observation/Recommendation No. 11

141. For enabling proper operation and maintenance of Aircraft, setting up adequate overhaul facility is of vital importance. However, the Committee were dismayed to note that the overhaul facility which was scheduled to be setup by July, 2003 was yet to be established as of August, 2006 despite alternative repair facilities not available in the country. Further, only Rs. 2.42 crore out of the Rs. 10.42 crore sanctioned had been spent by HAL upto December, 2005 indicating only 25 per cent progress of work in setting up the repair and overhaul facilities. Further, Air HQ failed to monitor the creation of facilities and called for reasons for delay from HAL only in August, 2006. As a result of this IAF got 57 TG-16M generators overhauled abroad at a total cost of

USD 1862190 (*i.e.* Rs. 8.38 crore) under two contracts signed in September, 2004 and November, 2005. Besides, a contract for overhaul of 62 numbers of GS-24A generators (an aggregate of TG-16M generator) was signed in July, 2004 at a total cost of USD 188145 (*i.e.* Rs. 0.85 crore). Audit were of the view that had the indigenous overhaul facility been set up in time *i.e.* July, 2003, the generators alongwith their aggregates could have been overhauled at a cost of Rs. 11.25 lakh (after considering escalation over cost estimated in 1999) per generator. The additional cost due to offloading of overhaul task worked out to be Rs. 4.82 lakh per generator, which resulted in avoidable extra expenditure of Rs. 2.75 crore on overhaul of 57 numbers of TG-16M generator. The Ministry have informed the Committee that a long term contract was signed for overhaul abroad of Turbo Generators due to more arisings and availability of Cat 'D', as production of HAL had not stabilized and it was expected that it will take another 2 to 3 years. It was only with the consent of HAL (KPT) that Air HQ had gone for a long term contract. Air HQ is continuously monitoring the progress of setting up of facilities at HAL (KPT) and a meeting was held with HAL representatives at Air HQ on 19 July, 2006 to review the setting up of facilities of TG-16M Turbo Generator at HAL (KPT). HAL had since completed the setting up of facilities needed for overhaul of TG-16M unit and as of 31 March, 2007 HAL (KPT) has completed repair and overhaul of Qty. 15 Turbo Generators. Fixed prices quotes of Rs. 29.62 lakh for overhaul of TG-16M Turbo Generator has been received from HAL (KPT) and is under consideration. The Committee are not satisfied with the reply of the Ministry as apparently no concerted efforts have been made by Air HQ to ascertain the capacity constraints and other technological problems of HAL well in advance, so that early corrective measures could have been taken for completion of the stabilization of overhaul facilities. At HAL, well in time. Obviously, there was lack of planning and monitoring on the part of Air HQ to anticipate the overhaul needs of its aircraft and synchronise the same with that of setting up of the corresponding facilities at HAL. The Committee recommend that Air HQ should impress upon HAL to further upgrade their overhaul facilities by inducting State of Air Technology so that the Turbo Generators and other critical parts are overhauled well in time. The Committee would like to be apprised of the steps contemplated by Air HQ to overcome the capacity constraints and other operational limitations of HAL to make overhaul facilities fully functional.

[Sl. No. 11, Para 141 of the Eighty-First Report of the Public Accounts Committee
(14th Lok Sabha)]

Action Taken by the Government

1. IAF has impressed upon HAL (KPT) to set up complete facilities to overhaul TG-16M APU of An-32 ac. The action plan and the constraint and operational limitations to make overhaul facilities at HAL (KPT) fully functional is furnished hereunder:

- (a) The creation of facilities has been fully established for overhaul of TG-16M APU of An-32 ac.

- (b) Division is ready to accept the firm task for overhaul of TG-16M. In production year 2008-09 against the task of 10 APUs, 07 have been produced. The next five years task for APU overhaul has already been accepted by HAL (KPT). The details of task are appended below:

Type Of Task	Firm Task 2009-10	Forecast Task			
		2010-11	2011-12	2012-13	2013-14
ROH	15	20	20	25	25

The only constraint is that the mandatory and non-mandatory spares are being procured from Russia to meet overhaul requirement. However, efforts are being made to indigenise both mandatory and non-mandatory spares to overcome the difficulties of getting spares from Russia. The status of indigenisation effort is furnished below:

- (i) All mandatory spares have been indigenised (Qty.-191 types).
- (ii) The total non-mandatory spares requirement is 387 numbers. The plan of indigenisation of 387 numbers is as follows:

Sl. No.	Year	No of items
1.	2008-09	50
2.	2009-10	150
3.	2010-11	187

2. Since these are all critical and non-mandatory items, type certification procedures *i.e.* development of drawings by reverse engineering, Design of manufacturing process and complete the manufacturing as per the drawing, finalizing the test schedule in accordance with RCMA (Engines) and DGAQA, proving and type certification are involved which takes time to get the certification from CEMILAC.

3. As indicated above, the division will be self sufficient in manufacturing of all the spares indigenous from 2010-11 onwards and till the time overhauling of TG-16 can be taken up by purchasing spares from OEM.

"This action taken note has been vetted by the Office of PDA (AF&N) *vide* their letter U.O. No. 81/PA-2/PDA/AFN/06-07 dated 30-6-2010 and approved by Defence Secretary."

[Ministry/Department of Defence O.M.No. 2(11)/2007/US(RP)/D(Air.IV),
dated 30th June, 2010]

Observation/Recommendation No. 12

142. Indigenisation of production of spares is critical to reducing reliance on foreign suppliers for spares and this assumes importance in the context of Aircraft 'A' where problems were being faced in sourcing spares from the Original Equipment Manufacture/foreign suppliers. Audit examination revealed that in BRD-X till

March 2006, 3202 mandatory and Automatic Replenishment System (ARS) items of non-complex design had been indigenised for which supply orders valued at Rs. 11 crore for 335 lines of spares were placed on various private firms. The committee note that as of June, 2006, out of the orders placed, 197 lines of spares valued at Rs. 3.62 crore ordered during 2003-06 were yet to be received. Further, the task allotment for indigenisation of spares had progressively decreased, because initially only items of non-complex designs were undertaken and thus these progressed on a fast track. During later years, as the remaining items were complex in nature, indigenisation exercises were need based. The Ministry have informed the Committee that with respect to BRD-X the tasks allotment for indigenisation of spares progressively decreased because items indigenised initially were of simpler technology low cost and high volume (mandatory and ARS items). About 98 per cent items have already been indigenised and in respect of remaining 2 per cent which are of high technology, high value and low quantity items, the response from vendors was poor. This was due to complex spares which require research and development work and the hindrance in indigenisation of such high value items is non-availability of raw material and particular technology. Explaining the steps that have been taken to improve the commercialization and production of indigenous items the Ministry informed that with respect to BRD-X from out of high valued electrical items, a total of 22 lines and from ground equipments a total of 6 lines have been indigenised. In addition about 52 lines have been indigenised for Aircraft 'A' fleet. Earnest steps have been taken to attract wider vendor base by conducting display during Aero India shows, Exhibitions and Seminars and also through in-house training programme conducted for improving knowledge on indigenisation process, materials and engineering aspects. While underscoring the urgency to complete the indigenisation of all spares including those which are complex nature by all BRDs within a timebound period, the Committee recommend that all out efforts be made in this direction by Air HQ so that all BRDs enter into an effective production phase. At the same time IAF should also ensure to facilitate the fulfillment of base requirements so as to check further outflow of precious foreign exchange.

[Sl. No. 12, Para 142 of the Eighty-First Report of the Public Accounts Committee
(14th Lok Sabha)]

Action Taken by the Government

1. Indigenisation has been of the Key Result Areas (KRAs) of IAF. For the purpose of indigenisation airborne components can be categorized as standard and non-standard parts. The standard components are those which are produced in accordance to a specific national or international standard. The standard specifies authentic information on material, process, dimensions and qualification requirement. Hence, development of standard components goes well as per defined criteria. High percentage of indigenisation of ARS and mandatory spares in the early years had been possible since these spares are generally standard components. Relatively, the progress has been slow in development of non-standard and complex items (about 2%). The indigenous design and development of such spares has posed greater challenges due to non-availability of engineering know-how in the absence of transfer of technology

from OEM. Other impediments towards development of complex (non-standard) parts include:—

- (a) Indigenisation of complex parts requires huge investment for setting up of R&D infrastructure. For low MOQ items this kind of investment is not economically viable. Therefore, participation from Indian industry towards development of complex items is far from desired.
- (b) Identification of material composition of the part under development compounded by scarce availability of certain metal alloys normally used in aviation industry like titanium, magnesium alloys, etc.

2. Notwithstanding the above two high value items of complex design, namely Solid State Cockpit Voice Recorder (SSCVR) and Solid State Flight Data Recorder (SSFDR) have been indigenised. The OEM components of these systems had a very low MTBF whilst the indigenised equipment are improved design and technology.

3. Since the audit period, the concerned BRD has indigenised additional 443 items consisting mandatory spares, ARS items and high value items (Non-ARS/GE). The total cost of high value items indigenised are Rs. 32,43,414.

4. Joint indigenisation meeting at HAL (ND), RCMA (N) was held towards roadmap for indigenisation of NINF mandatory items. Eight items have been identified and the joint indigenisation team has agreed to form a core team to study and technically evaluate the NINF items like bearing and evaluate the bearings available in the market for study of equivalence.

5. IAF has been taking earnest steps to attract wider vendor base by conducting display during Aero India shows, Exhibitions and Seminars and also through in-house training programmed conducted for improving knowledge on indigenisation process, materials and engineering aspects. IAF shall continue to vigorously pursue its indigenisation efforts so as to save outflow of precious foreign exchange.

"This action taken note has been vetted by the Office of PDA (AF&N) *vide* their letter U.O. No. 81/PA-2/PDA/AFN/06-07 dated 30-6-2010 and approved by Defence Secretary."

[Ministry/Department of Defence O.M. No. 2(11)/2007/US(RP)/D(Air.IV),
dated 30th June, 2010]

Observation/Recommendation No. 13

143. The committee further note that though the BRD-Y had a capacity to undertake 30 overhauls each year, yet it failed to achieve annual targets both for overhaul and repair tasks fixed during the period 1999-2005. However, in 2005-06, targets fixed were achieved largely due to the drastic reduction in the target for the tasks itself. Besides, there was failure to achieve tasks on account of non-availability of spares due to incorrect assessment of requirement and delay in procurement. Audit examination revealed that Air HQ issued the forecast task for repair/overhaul of aero-engines of Aircraft 'A' for the production years 1999-2003 and 2000-2004 in August, 1997 and in August, 1998 respectively. However, BRD Y finalized the requirement of spares for

undertaking servicing and repairing of engines during 1999-2004 after a delay of more than two years *i.e.* between May and September 2000, and as a result there was delay in initiating procurement action for required spares. Air HQ. concluded contracts for procurement of 157 lines of spares in January 2002 of which 121 spares were received only in April/June 2003. The delay in supply of 115 lines of spares was due to inordinate delay in opening LOC and in deciding on the question of waiver of LD. Thus, spares required for the production period 1999-2004 were received 49 to 51 months after the start of task of production period 1999-2004. Further, due to the combined allotment of tasks upto 1999-2000 without fixing tasks separately for repairs and overhauls, the BRD undertook a disproportionately large number of repairs and few overhauls. As such estimates of requirement of spares for overhaul were understated and led to supplies that proved to be inadequate when tasks were separately fixed for overhauls and repairs which further compounded the problem of shortage of spares. The Committee are further constrained to note that there was an accumulation of large number of Cat 'D' engines at BRD for repair and overhaul due to non-availability of spares. As a consequence of the failure of the BRD to meet overhaul targets as also to fully utilise available capacities, 120 engines has to be sent abroad between 2000 and 2002 for overhaul at an aggregate cost of US \$ 14,160,000 (Rs. 64.12 crore). The Committee's examination revealed that had timely action been taken to procure the required spares, 120 aero engines sent abroad could have been overhauled in India at a total cost of Rs. 27 crore (cost computed based on average overhaul cost of Rs. 22.36 lakh per aero-engine at BRD Chandigarh during 2000-01 to 2002-03) with a possible saving of Rs. 37 crore. Further, indigenous production and maintenance facilities also remained underutilized during the period.

What perturbs the Committee most is the fact that the shortfalls in achievement of overhaul tasks owing to non-supply of spares by the Original Equipment Manufacturer and consequent off-loading of overhauls tasks to the OEM was highlighted by Audit way back in paragraph 3 of Audit Report 8 of 1998. In spite of this, even after a lapse of seven years such shortfalls in execution of overhaul tasks still continue to persist which is regrettable. The Ministry have informed the Committee that the main reason for the Depot not meeting its task of production is due to non-availability of critical spares from OEM and supply of spares even against concluded contracts had been poor. Probable dates of supply of most of the spares had expired leading to non-availability of spares and hold up of production. This has led to dispatch of engines for overhaul at OEM plant to clear backlog of engines awaiting overhaul. The Committee are perturbed to note that there have been inordinate delays in execution of overhaul tasks of aero engines due to non-availability of critical spares from OEM. The Committee recommend that the matter regarding non-availability and non-supply of critical spares should be taken up with OEM at the highest level, and if necessary in the interest of country's Air Surveillance and Air Maintenance needs, appropriate clause for imposition of penalty should be incorporated in the contract with OEM, so that in future such delays in supply of critical spares do not recur. The Committee further recommend that effective steps to overcome the problems associated with the overhaul facilities be taken in a time bound manner so as to achieve the annual target of the overhaul and repair task and enhance operational efficiency of aircraft fleet. They also recommend

that the bottlenecks in respect of utilizing the capacity of repair and maintenance facilities arising out of shortage of spares should be suitably addressed through careful and prompt provisioning and procurement.

[Sl. No. 13, Para 143 of the Eighty-First Report of the Public Accounts Committee
(14th Lok Sabha)]

Action Taken by the Government

1. The committee has observed poor supply ratio for AE spares required for BRD. The IMMOLS on-line PR sheets are generated well in time, but the contracts could not be concluded due to sharp rise in the prices at the OEM's end. The under-mentioned were main contributory factor as projected by OEM. The OEM is based in Ukraine.

- (a) Rise in raw material, which is sourced, from "Russia".
- (b) Price hike in gas/energy sources.
- (c) Inflation in the Seller's country.
- (d) Unstable RBL and diminishing value of USD.

2. After a series of price negotiation meeting, with MoD/IAF and the OEM the gap in the offer and indented price could not be bridged. This has resulted in an inordinate delay. Still all out effort are made by MoD to conclude the contracts at the earliest.

3. The provisioning process of IAF based on MPE period of 57 months for imported range of spares built a stockage objective of 21 months. The breakdown average 36 months (57-21) is as follows:—

(a) Review lead time	03 months
(b) Admin lead time	06 months
(c) Supply lead time	24 months
(d) Transportation lead time	03 months
Total	
	36 months

4. The delay in procurement of spares was not due to opening of LC, waiver of LD brought out in the report, but it was inherent in the process itself.

5. Notwithstanding, the following actions have been taken to further streamline the system:—

- (a) Greater emphasis has since been instituted on assessment and submission of critical spares requirements prior to commencement of production year.
- (b) The critical spare requirement lists are frozen prior to commencement of production year and line-wise spares availability is being monitored.
- (c) Fast tract import proposals are being forwarded to AA. Ensure time availability of spares for the production task.

6. The committee has observed accumulation of Cat 'D' AI-20 aero engines. This is to submit that actually 120 aero engines, which were Cat 'D' was in any case had to be sent abroad as the technology for Total Technical Life (TTL) extension from 4000 hrs. to 6000 hrs., was only available with OEM.

"This action taken note has been vetted by the Office of PDA (AF&N) *vide* their letter U.O. No. 81/PA-2/PDA/AFN/06-07 dated 30.6.2010 and approved by Defence Secretary."

[Ministry/Department of Defence O.M. No. 2(11)/2007/US(RP)/D(Air.IV),
dated 30th June, 2010]

Observation/Recommendation No. 14

144. The committee note that Air HQ. concluded a contract for supply of spares with a foreign firm in January 2002 at a cost of USD 368049. This was based on a "most critical maintenance/production hold up" requirement projected by BRD 'Y' for the year 2001-02. These items were supplied in two lots in August 2002 and November 2002. Payment was released to the supplier against shipping and other documents in terms of the contract. Though documents showed that the first lot of spares consisting of 19 lines contained in nine cases, only one case consisting of 14 lines was received and the remaining eight cases containing five lines valued at USD 329343 (Rs. 1.61 crore) were not received. Non-receipt of these items, however, came to the notice of Air HQ only in August 2003 i.e. after one year. Air HQ took up the matter with the firm, which accepted the discrepancy and dispatched the balance spares in January 2004. Out of the five lines not supplied, two lines were required for replacement of blades in 10 aircrafts kept dismantled at BRD since 2001-02. As such, spares due for supply to the BRD in April 2001, were received only in December 2003 thereby delaying critical overhaul tasks, reflecting poor management of procurement and inadequate monitoring of purchases by Air Force authorities and Ministry of Defence even in cases of spares identified as "most critical" by user units. The Committee cannot but conclude that the long period of one year taken to detect short supply is a clear indication of failure of internal controls and holds considerable risk of fraud and misappropriation of Government money. The Ministry have informed the Committee that in the instant case, the AWB/customs documents etc. pertained to shipment of complete consignment. However, only partial consignment was shipped and after protected correspondence, the balance items were traced and re-shipped after reprocessing customs documents/ AWB etc. The firm expressed its ignorance of the real situation regarding short supply and regretted the error. To avoid recurrence of similar nature all the major consignments are now directly flown from OEM (M/s MSE) to 3 BRD. Regarding inadequate monitoring of purchases even in cases of spares identified as 'most critical' by user units, the Ministry informed the Committee that the response from the vendors was not very prompt and there were not many suppliers available. The introduction of stringent regulations like PBG/LD clause etc. has improved the response to a great extent and in the last 2 years supply percentage against concluded contract is fairly encouraging. The Committee are not convinced by the reasons adduced

by the IAF/Ministry given the fact that it was mandatory on the part of IAF to follow-up procurement process of spares with utmost care. This shows that there was slackness and ineptitude on the part of the Air HQ in the contract management and procurement of critical spares. While expressing concern over the inordinate delay in supply of critical spares by the foreign firm due to their negligence, the Committee recommends that Air HQ should recover the interest from the foreign firm on the amount paid. Considering the huge volumes of items of defence that were to be procured, the Committee recommend that the Ministry of Defence should streamline and simplify the procedures for procurement of critical spares so that they are purchased/supplied without any delay. They would also like to be apprised of the responsibility fixed against the concerned officials for the poor contract management in procurement of spares from the various vendors.

[Sl. No. 14, Para 144 of the Eighty-First Report of the Public Accounts Committee
(14th Lok Sabha)]

Action Taken by the Government

1. **Contract Management:**—The post contract management has shown improvement, with the inclusion of PBG, supplier to be OEM or must produce OEM support certification, LD deduction, stringent warranty/delivery period/arbitration transshipment clause etc. covered in DPM 2006. It all has ensured that 90% supplies are coming timely and quantitatively/qualitatively correct.

The incident of quantitative discrepancy in the consignment referred in the Para 144 pertains to contract number 1323/658-E-02-004-IN-356 dated 24 January 2002. The chronological sequence of occurrences is given below:—

- (a) Contract No. 1323/658-E-02-004-IN-356 dt. 24 Jan. 02 finalized for 25 items.
- (b) Air HQ (VB) *vide* letter No. Air HQ/82280/36/PC-390/Eng D3 (Q) dt. 30 Sep. 02 intimated that out of 25 lines, the firm has supplied 19 lines.
- (c) 3 BRD *vide* letter No. 3 BRD/LSW/5085/2/C/VILgs dt. 05 Oct. 02 confirmed to Air HQ (*VB) above the receipt of 14 items in one case.
- (d) Non-receipt of 08 cases containing five items was intimated to Air HQ (VB) [DD Eng D3 (Q)] *vide* 3BRD/QDH/1167 dt. 29 Oct. 02.
- (e) Air HQ (VB) *vide* letter No. Air HQ/82280/36/PC-390/Eng D3(Q) dt. 03 Jan. advised 31 MCU to confirm; onward dispatch details of remaining 08 cases supplied by the firm.
- (f) 3 BRD again intimated non-receipt of 08 cases to Air HQ (VB) [DD Eng D3 (Q)], 31 MCU and HQ MC *vide* 3 BRD/QDH/1180 dt. 01 Aug. 03.
- (g) 31 MCU *vide* their letter No. 31 MCU/919/Lgs (Gen) dt. 23 Aug. 03 intimated Air HQ (VB) about inability to link the consignment with the Air Way Bill.

- (h) Air HQ (VB) *vide* letter No. Air HQ/82280/36/PC -390/Eng D3(Q) dt. 14 Nov. 03, intimated that all 08 cases were pending with the supplier M/s. Motor Sich, Ukraine and likely to be dispatched on 19 Nov. 03.
- (i) Eight cases containing remaining spares were received on 24 Dec. 03 and confirmation was intimated to Air HQ *vide* 3 BRD/QDH/1170 dt.05 Jan. 04.

2. It may be seen that all the contracted items have been received and already utilized for the engine overhaul. The firm has pleaded ignorance of the real situation i.e. short supply and has regretted.

3. Since the firm is the OEM and a long time supplier to IAF, this may be viewed as a one time lapse. Such incidents have not reoccurred and to avoid any reoccurrence, the major consignments are now directed flown from OEM(M/s. MSE) to 3 BRD.

"This action taken note has been vetted by the Office of PDA (AF&N) *vide* their letter U.O. No. 81/PA-2/PDA/AFN/06-07 dated 30.6.2010 and approved by Defence Secretary."

[Ministry/Department of Defence O.M. No. 2(11)/2007/US(RP)/D(Air.IV),
dated 30th June, 2010]

Comments of the Committee

Please *see* paragraph No. 20 of Chapter I

Air Force Instructions No. 9/83

New Delhi, Monday, August 1, 1983/Sravana 10, 1905 (Saka)

9/83 Regulations Governing Flights and Airlifts in IAF Aircraft
Within Indian Territory

1. The Chief of the Air Staff shall control and utilise all aircraft of the Indian Air Force, both front-line and reserve, for the training, operations and functioning of the Armed Forces. This is to be done within the Annual flying hours authorised by the Govt. for each type of aircraft but the CAS may reallocate the surplus flying effort of one type of aircraft to another type, if necessary, within four months of the end of the financial year. He may also delegate to the AOC-in-C Commands/Groups the power to control and utilise for authorised purposes the flying effort of units under their respective Commands/Groups.

The term 'aircraft' wherever appearing in this AF should be deemed to include 'helicopters' and 'gliders' of the IAF.

2. Aircraft may be provided to non-IAF agencies only when they can be released without prejudice to Air Force requirements.

3. The Chief of the Air Staff can travel on duty anywhere in India in an Air Force aircraft. He is also authorised to nominate one aircraft as his personal aircraft and use his personal flag thereon.

4. The AOs-C-in-C Commands/Groups are authorised to use the aircraft under their control for:—

- (a) Their flying practice, inspection tours within their Commands/Groups and staff visits to Air Headquarters or other Commands/Group Headquarters (Positioning flights for these purposes are also permitted).
- (b) The movement of GOs C-in-C Army Commands, FOs C-in-C Naval Commands/Areas, GOC Corps/Divisions, Chief of Staff of Army Command and Corps, Brigade Commanders for bonafide official duties in the area of their jurisdiction, subject to the availability of flying effort for this purpose. Airlift in IAF routine flights, if available, may be provided to the Divisional/Area Commanders of Punjab-Haryana Area, UP Area and 101 Communication Zone Area within their jurisdiction as well as visit their respective Commands/Corps/Divisional HQ, subject to prior concurrence by GOC-in-C/Army Commander. Use of IAF aircraft is authorised for the move of any Army Officer only in inaccessible areas such as Ladakh, Sikkim and North-Eastern Sector for operational reconnaissance or for moves necessary because of operational reasons or for moves required in connection with natural calamities provided such demands have prior approval of the GOC-in-C/Army Commanders.
- (c) Flying practice by IAF aircrew in aircraft which they are competent to fly.
- (d) The movement of Service personnel (Army, Navy, Air Force) on urgent temporary duty when it is essential in the interest of Defence Services in routine/training sorties. The flying of Defence personnel in IAF aircraft on permanent posting is not permitted except to and from inaccessible areas such as Ladakh, Sikkim and North-Eastern Sector in routine/training sorties.
- (e) Evacuation of seriously sick/injured Armed Forces personnel from the forward post where no medical facility is available to the nearest hospital for urgent medical treatment as a life saving measure if considered necessary by the unit/Regiment medical officer, but such cases should be reported to the Command Headquarters in due course.
- (f) Evacuation of seriously sick/injured Armed Forces personnel from one hospital to another and airlift of medical staff in connection with the same for urgent medical treatment is also permitted subject to the provisions contained in Section 109 of the Defence Services Travel Regulations, 1976.
- (g) The AOs-C-in-C may delegate to Station Commanders of and above the rank of Wing Commander the power to utilise the aircraft placed under their control for the purposes stated in sub-paras 4(c), (d), (e) & (f).

5. Carriage of Armed Forces personnel, equipment and stores in IAF aircraft in connection with the training, operations, trials and functioning of the Armed Forces is permitted. Carriage of guides/informers/interpreters during operations or in an emergency is also authorised.

6. The Chief of the Air Staff may authorise the following officers to travel in IAF aircraft on duty anywhere in India, subject to availability of aircraft:—

- (a) Vice Chief of the Army Staff and P.S.Os. of Army HQs.
- (b) Vice Chief of the Naval Staff and P.S.Os. of Naval HQs.
- (c) Officers of Air HQs and Units directly controlled by it as well as representatives of foreign firms attached to Air HQ when essential in the interest of the IAF.

7. The Carriage of ladies and children is forbidden in IAF aircraft except that:—

- (a) The Chief of Army, Naval and Air Staff may be accompanied by their wives when they are travelling on duty in IAF aircraft. Wives of the Vice Chiefs of the Army, Naval and Air Staff, AOs C-in-C, GOs C-in-C Army Commands, FOs C-in-C Naval Commands and the DCAS may also be permitted, by the competent authority relevant to their husbands, to travel with their husbands, when they are travelling on duty provided these ladies hold office in service welfare organisations and they have welfare duties to perform.
- (b) Lady member of the Armed Forces may travel on authorised temporary duty as and when the aircraft are available.
- (c) This restriction will not be applicable to Chartered Flights on payment.

8. (a) On authorisation from Defence Secretary or Joint Secretary (Air) Ministry of Defence, Air Headquarters will provide airlift in available IAF aircraft to civilian officials of the Ministry of Defence and the Ministry of Finance (Defence), where such journeys are considered necessary on account of urgency of public work.

- (b) The Chief of the Air Staff may authorise, subject to availability of aircraft, civilian officials of the Armed Forces Headquarters, and personal staff of AOs C-in-C to travel on duty in available IAF aircraft where such journeys are considered necessary on account of urgency of public work. The AOs C-in-C may also authorise their personal staff and civilian officials serving in units of IAF under their Command to perform journeys on temporary duty in IAF aircraft when it is necessary in the interest of operations.

- (c) The AOs C-in-C may authorise representatives of foreign firms, foreign Governments and M/s. HAL who are working with the Air Force to travel in routine IAF Flights within their jurisdiction when this is considered necessary in the direct interests of the Air Force. The carriage of HAL personnel who are not attached to IAF Units but are required to travel in connection with the maintenance modification or accident investigation is also permitted.

9. (a) The use of IAF aircraft for civil agencies may be **authorised by the Chief of the Air Staff** on payment at rates which will be fixed by the Ministry of Finance (Defence). Such flights may be provided on written demand for work like aerial photography, survey and other purposes, survey of air routes, carriage of mail, drop of supplies, carriage of urgently required stores, leaflet droppings, relief and reconnaissance flights, carriages of paramilitary police forces etc. The Ministry of Defence may sanction, on payment, urgent movement of civilian Govt. Servants and stores and equipment in IAF aircraft for various Ministries of the Central Govt and for the State Govt provided aircraft are available without prejudice to service requirements.
- (b) Special flights on payment as "errands of mercy" or as life saving measures in cases of serious illness, serious injuries or natural calamities, may be **authorised by the CAS** in the cases of the families of Armed Forces Personnel as well as the civilian personnel of Defence Services and their families.
- (c) **Free airlifts can be authorised only with the prior concurrence of Ministry of Finance (Defence).**
- (d) Station Commanders of and above the rank of Wing Commander may authorise special flights of aircraft under their control to meet written request from State Govts/Administration of Union Territories for assistance in any grave emergency or natural catastrophe. They will immediately advise concerned Command Headquarters. Such flights are to be regularised under the authority of the AOs C-in-C Command/Group in due course.
10. (a) Travel in IAF aircraft by non-official civilian personnel will be at their own risk and they are required to sign Indemnity Bonds as shown in Appendix 'A'.
- (b) Civilian officials who are permitted to travel in IAF aircraft should hold Duty Flight Certificate (as per specimen at Appendix 'B') signed by an officer not below the rank of Deputy Secretary or Director.
- (c) All civilian officials travelling in IAF aircraft will be required to sign a Form of Undertaking as shown in Appendix 'C'. This will be regulated by the provisions of Government of India, Ministry of Defence letter No. F. 20 (13)/63/D(Air-II) dated 7th October, 1965, reproduced as Appendix 'D'.

Note : The requirement of signing Indemnity Bonds/Forms of Undertaking in the case of civilians may be waived in exception cases where it is certified by a Medical Officer that the person concerned is imbalanced or is unable to write due to some injury, mental state or any other infirmity.

11. The Chief of the Air Staff may delegate to the Vice Chief of the Air Staff any of the powers under this AFI to the extent considered necessary by him . The AOs C-in-C may delegate their powers to SASOs to the extent considered necessary.

12. These instructions do not apply to the use of IAF aircraft and helicopters in connection with the conveyance of VIPs which is governed by Ministry of Defence OM No. 7(6)/80D(Air-II) dated 6th January 1981 as ammended from time to time.

13. AFI 49/71 as amended from time to time is hereby superseded.

Case No. 7(13)/80/1707/D(Air -II) Min. of Fin (Def)
U.O . No. 84/S/Bud/AF of 1983.

List of Contract Concluded during year 2006

Sl. No.	Contract No.	Date	Status
1.	356/07571160/36320	15/02/06	Supplied
2.	70-05/35603-13	15/02/06	Supplied
3.	084/673/06-356	24/02/06	Supplied
4.	AHQ/AOG/NMO/AN32/92310/9167/200526512/FPW/PUR	17/02/06	Supplied
5.	AHQ/AOG/NMO/AN32/92310/9170/200526505/FPW/PUT	17/02/06	Supplied
6.	AHQ/AOG/NMO/AN32/92310/9168/200425580/FPW/PUR	17/02/06	Supplied
7.	AHQ/AOG/NMO/AN32/92310/9169/200425586/FPW/PUR	17/02/06	Supplied
8.	AHQ/AOG/NMO/AN32/92310/9172/200525541/FPW/PUR	17/02/06	Supplied
9.	084/660/05-356	06/03/06	Supplied
10.	084/659/05-356	10/03/06	Supplied
11.	356/07571160/36322	24/03/06	Supplied
12.	76-0605/3562204	24/03/06	Supplied
13.	AHQ/AOG/AN32/92310/9181/200526503 & 507 FPW/PUR	21/03/06	Supplied
14.	AHQ/NMO/AN32/92310/9186/200525615/FPW/PUR	27/03/06	Supplied
15.	356/07571160/36324 AHQ/AOG/NMO/AN32/92310/9196/200526512/FPW/PUR	26/04/06	Supplied
16.	AHQ/AOG/NMO/AN32/92310/9198/200526503/FPW/PUR	01/05/06	Supplied
17.	70-06/35602-22/AHQ/AOG/NMO/AN32/92310/9197/200526503/FPW/PUR	01/05/06	Supplied
18.	70-05/35603-15	26/05/06	Supplied
19.	084/681/06-356	26/05/06	Supplied
20.	70-05/35603-16	09/06/06	Supplied
21.	356/07571160/36326	27/06/06	Supplied
22.	AHQ/AN32/92310/200225608/FPW/PUR	26/06/06	Supplied
23.	AHQ/NMO/AN32/92310/9202/200525541/FPW/PUR	07/06/06	Supplied
24.	AHQ/AOG/NMO/AN32/92310/9205/200526505/FPW/PUR	12/06/06	Supplied
25.	AHQ/NMO/AN32/92310/9203/200525598/FPW/PUR	07/06/06	Supplied
26.	AHQ/NMO/AN32/92310/9242/200525573/FPW/PUR (70-06/35602-30)	22/08/06	Supplied
27.	AHQ/NMO/AN32/92310/9240/200525558/FPW/PUR (70-06/35602-34)	22/08/06	Supplied
28.	356/07571160/36328/AHQ/NMO/AN32/92310/9234/200525582/FPW/PUR	11/08/06	Supplied
29.	AHQ/AOG/NMO/AN32/92310/9254/200526504/FPW/PUR	30/08/06	Supplied
30.	AHQ/NMO/AN32/92310/9253/200525582/FPW/PUR	30/07/06	Supplied
31.	70-06/35602-31/AHQ/NMO/AN32/92310/9241/200525553/FPW/PUR	22/08/06	Supplied
32.	AHQ/NMO/AN32/92310/9255/200525573/FPW/PUR	30/08/06	Supplied
33.	AHQ/NMO/AN32/92310/9257/200525553/FPW/PUR	31/08/06	Supplied

Sl. No.	Contract No.	Date	Status
34.	356/07571160/36327/AHQ/NMO/AN32/92310/9246/200525593/FPW/PUR	22/08/06	Supplied
35.	084/701/06-356	19/09/06	Supplied
36.	70-06/35602-43/AHQ/NMO/AN32/92310/9270/200525602/FPW/PUR	03/10/06	Supplied
37.	AHQ/NMO/AN32/92310/9273/200525538/FPW/PUR	03/10/06	Supplied
38.	70-06/35602-42/AHQ/NMO/AN32/92310/9271/200525615/FPW/PUR	03/10/06	Supplied
39.	AHQ/NMO/AN32/92310/9272/200525557/FPW/PUR	03/10/06	Supplied
40.	70-06/35602-39/AHQ/AOG./MO/AN32/92310/9276/200626505/FPW/PUR	18/10/06	Supplied
41.	70-06/35602-24/AHQ/AOG/NMO/AN32/92310/9292/200526512/FPW/PUR	27/10/06	Supplied
42.	70-06/35602-37/AHQ/NMO/AN32/92310/9277/200525538/FPW/PUR	18/10/06	Supplied
43.	76-0606/3562118/AHQ/NMO/AN32/92310/9297/200525602/FPW/PUR	31/10/06	Supplied
44.	AHQ/NMO/AOG/NMO/AN32/92310/92310/200626504/FPW/PUR/STE-1-89-K/KE-06	26/10/06	Supplied
45.	AHQ/NMO/NMO/AN32/92310/9299/200625535/FPW/PUR/STE-1-211-K/KE-06	06/11/06	Supplied
46.	356/07571160/07324/AHQ/AN32/9358/200625569/FPW/PUR	24/11/06	Supplied
47.	76-0606/3562115/AHQ/AN32/9349/200525615/FPW/PUR	24/11/06	Supplied
48.	76-0606/3562116/AHQ/AN32/9351/200625531/FPW/PUR	24/11/06	Supplied
49.	70-06/35602-79/AHQ/NMO/AN32/9372/200625552/FPW/PUR	24/11/06	Supplied
50.	356/07571160/07323/AHQ/AN32/9359/200625552/FPW/PUR	24/11/06	Supplied
51.	AHQ/AOG/NMO/AN32/92310/9386/200525615/FPW/PUR	13/12/06	Supplied
52.	70-06/35602-46/AHQ/NMO/AN32/92310/9385/200525598/FPW/PUR	30/11/06	Supplied
53.	356/07571160/37320/AHQ/NMO/AN32/92310/9387/200625535/FPW/PUR	13/12/06	Supplied
54.	70-06/35602-49/AHQ/NMO/AN32/NMO/AN32/92310/9388/200525602/FPW/PUR	13/12/06	Supplied
55.	76-0605/3562127/AHQ/NMO/AN32/92310/9307/200525538/FPW/PUR	28/11/06	Supplied
56.	AHQ/NMO/AN32/92310/9389/200525557/FPW/PUR	13/12/06	Supplied
57.	AHQ/NMO/AN32/92310/9391/200625589/FPW/PUR/STE-1-235-K/KE-06	14/12/06	Supplied
58.	356/07571160/26320	22/12/06	Supplied
59.	70-06/35602-81/AHQ/NMO/AN32/92310/9392/200525553/FPW/PUR	20/12/06	Supplied
60.	AHQ/NMO/AN32/92310/200625512/FPW/PUR/1323/658-E06-257-IN356(FTD)	22/12/06	Supplied
61.	AHQ/NMO/AN32/92310/9399/200525553/FPW/PUR	20/12/06	Supplied
62.	356/07571160/07322/AHQ/NMO/AN32/92310/9356/200625531/FPW/PUR	24/11/06	Supplied

Most Immediate

Ministry of Defence

D (Air. IV)

Subject: Action Taken on the recommendations contained in the Eighty-first Report of the Public Accounts Committee (14th Lok Sabha) on Operation and Maintenance of an aircraft Fleet in Indian Air Force (Chapter-I of C&AG Report No. 5/2007).

As you are aware, the above subject issue had been examined by the Public Accounts Committee (PAC). While looking into subject issue, the Committee observed that both GoI as well as Air HQ had fixed the flying task for each existing squadron/unit and also prescribed the flying hours for each role assigned to the aircraft. Audit has however revealed that there had been overall shortfall in achievement of flying task fixed by GoI and Air HQs. Apart from, the Committee also observed that the aircraft had been used for routine and miscellaneous task by diverting the aircraft from their primary roles of air maintenance and training. The Committee has treated such practice as the root cause for overall shortfall in achieving the targets. The Committee has therefore recommended for comprehensive review of utilization of aircraft as well as flying task.

2. In view of the above, it is requested that Air HQ may ensure that IAF aircraft are used for their primary role and any diversion for other task roles may be undertaken only with the approval of appropriate Authority. Further, the flying task target as fixed by Government and Air HQ may be rationalized. **A line of action may also be intimated to this Ministry.**

(Anjali Singh)

Deputy Secretary D (Air. IV)

DG (Ops.)

M of D.I.D. No. 2(11)/2007/US(RP)/D(Air. IV), dated 23-06-2010

CHAPTER III

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

Observation/Recommendation No. 4

134. The Committee note that as against the maximum payload prescribed capacity of 6770 kgs, the percentage of sorties in which payloads carried by Aircraft 'A' during the period 2001-2006, were less than 3000 kgs (less than 50 percent of the maximum capacity) and ranged between 61.83 percent and 65.64 percent. The high capacity aircraft were used for carrying low loads although smaller aircrafts and other modes of transport were available at lower cost. This shows that these aircraft were not utilized in a cost effective manner. The Ministry informed the Committee that the payload capacity of this type of aircraft is 9000 kg. The aircraft payload capacity depends upon combination of Weight, Altitude and Temperature (WAT) limitations and the tasking is done by Air HQ/Commands to ensure optimal loading of aircraft. However, on certain special missions like carriage of sensitive cargo of various defence/research agencies, etc., and missions on aid to civil power involving airlift of specialist teams, equipment, casualty evacuation, etc., this is not feasible. The option of using smaller aircraft has always been considered but at times due to the limitation in performance, speed and cruise altitudes, they are not operationally feasible. The Ministry also informed that to carry maximum payload say 6700 kgs, the aircraft would carry a minimum fuel of 2300 kgs and this would entail a maximum flying duration of 30 minutes only. Such a mission with maximum load but minimum fuel would entail numerous landings/refueling halts leading to sheer wastage of flying hours and aircraft landing, apart from additional wear and tear. The Ministry contended that it would not be in order to have a comparison of payload lifted to the maximum certified payload on all missions. The Committee are not convinced with the explanation given by the Ministry as they are of the view that the limitations pointed out should have been considered/studied by the concerned authorities well in advance before signing the contract with the foreign firm. The Committee recommend that necessary steps should be taken at the earliest for suitably upgrading the avionics equipment on the aircraft so that the underutilization in terms of payloads carried are minimal. The Committee also recommend that IAF should review the use of high capacity aircraft for carrying low loads especially keeping in view their high operating cost and availability of other smaller transport aircraft and other mode of aircraft.

[Sl. No. 4, Para 134 of the Eighty First Report of the Public Accounts Committee
(14th Lok Sabha)]

Action taken by the Government

1. Upgradation of ac Avionics and payload capacity will start from mid-2009. It will enhance the aircraft operational capabilities only.

2. The airlift of Cargo and Payload cannot be measured as a direct multiplication of carrying capacity given by the manufactures in the ac manuals. It is depended on many factors such as volume of cargo, aircraft performance and WAT limitations (Weight, Altitude and Temperature). There are occasions when aviation cargo is voluminous but weighs less comparatively. A few examples below will amplify this:—

- (a) Only one 'X' Type of missile, though weighing only 1100 Kgs, can be carried due to its large size.
- (b) Similarly five rotor blades of large Russian heptr weigh only 700 kgs but only one set can be carried at a time.
- (c) Canopy case of fighter aircraft weighs 250 kgs only but occupies one third of ac 'A'.
- (d) Aero engine of various heptr weigh appx 400-600 kgs but due to volume only two of these engines can be carried.
- (e) The courier flights to Andaman and Nicobar Islands are undertaken by 'A' fleet ac. As the flights are over vast stretches of ocean maximum fuel is carried thus reducing payloads to mere 3100 kgs (since in emergency condition ac would have to reach back to mainland).

3. The use of smaller ac and other mode of transport is a part of planning during tasking of commitments at Air HQ. Command HQ does the tasking for its own command commitments. The load is prioritized by the CLMOs (Command Logistics and Maintenance Officers) following which the tasking is done after checking the genuineness of the requirements. If feasible, the load is routed by road to save exchequer. All options are considered during planning and tasking the commitments to ensure optimal loading of aircraft; however, on certain occasions as listed below, this is operationally *not* feasible:—

- (a) Positioning flights for couriers (when the aircraft goes empty), air maintenance (where the return load may not be available).
- (b) Ferry flights to and from overhaul agencies where no payload carriage is permitted due flight safety considerations.
- (c) Special missions like carriage of sensitive cargo of various defence/research agencies etc.
- (d) Missions on aid to civil power involving airlift of specialist teams, equipment, casualty evacuation etc. During these missions carriage of payload is only outbound unless there are personnel to be rescued from effected areas.
- (e) Air Tests, calibration sorties, aircrew test flights, system check sorties and rectification flights launched to retrieve unserviceable ac at outstation, where-in outsized load like ladders (which are very light)) are carried.

4. Due to the reasons mentioned above the aircraft can not always carry load to its full capacity.

"This action taken note has been vetted by the Office of PDA(AF&N) *vide* their letter U.O. No. 81/PA-2/PDA/AFN/06-07 dated 30-6-2010 and approved by Defence Secretary."

[Ministry/Department of Defence O.M.No. 2(11)/2007/US(RP)/
D(Air.IV), dated 30th June, 2010]

CHAPTER IV

OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEES AND WHICH REQUIRE REITERATION

Observation/Recommendation No. 5

135. The Committee note that in 1995, Air HQs. had fixed the flying tasks for each existing squadron/unit and had also prescribed the flying hours for each role assigned to the aircraft. However, Audit examination revealed that the flying tasks fixed by the Air HQs. for each unit was far below the task fixed by the Government. Apart from this Air HQs. had categorized the flying tasks in to three categories *i.e.* Routine Transport Role (RTR), Air Maintenance and Training. Air Maintenance task cover the designated primary role of the aircraft *viz.*, troops and cargo carried and also includes para trooping training. While there was an overall shortfall of 55 per cent in achievement of flying task, against the targets fixed by the Government, the shortfall against targets fixed by Air HQs. was only 4 per cent. The Committee are concerned to note that the aircraft were used for routine and miscellaneous tasks by diverting them from their primary roles of air maintenance and training. Out of the total 114513 flying hours utilized, only 33 per cent were used for primary role of air maintenance and training, and the balance 67 per cent were spent for routine tasks and miscellaneous duties. As a result of this there was serious shortfall of 43 per cent in achieving air maintenance task and 58 per cent in training with reference to the reduced targets fixed by Air HQs. The Committee are dismayed to find that 25 per cent of the total flying hours utilized were spent on miscellaneous duties though no task for such duties were allocated either by the Ministry or by the Air HQs. In this regard, the Ministry has informed the Committee that the maximum authorised flying hours as stipulated by the Government of India is 66 hours, per aircraft, per month, which corresponds to 792 hours per month for squadron strength of 12 aircraft. However, this is the maximum permissible authorization and has been visualized to be utilised only during emergent situations and during peace time operations the utilization rate may be limited due to emphasis on utilisation alternate/cheaper means of transportation (other than air) for routine missions, periodic servicing and maintenance inspections etc. Besides, there are certain other constraints imposed on flying due to weather airspace closures and certain operational and administrative imperatives. Considering these factors and based on actual flying done by the units over the years during peace time, the task was revised to a 360 hours, per aircraft, per year *i.e.* 30 hours/aircraft/month. This rate of effort is also revised every year in order to forecast requirement of rotables and spares for the aircraft to ensure that the flying task is always maintained within the Government authorization without any extra cost to the exchequer with optimum utilisation under emergencies like war etc. The Ministry stated that miscellaneous tasks are fully authorized tasks which are essential for maintaining operational readiness of the squadron. Since they encompass

multifarious tasks, they are marked as "miscellaneous tasks". The Ministry further stated that the routine flying task comprises majority of transport aircraft operations under common terminology called Routine Transport Role (TSR) is another task which is specifically carried out in support of Army and other agencies requiring to be maintained by air to places not connected by road transport. Similarly, training of aircrew is required at all stages to maintain continuity and proficiency, and is, therefore integral part to any aircraft fleet type and cannot be considered as primary role. Thus according to the Ministry, air maintenance does not correspond to primary role but is one of the many roles assigned to the aircraft. The Committee are of the view that though the bench mark set up by the Government with regard to flying tasks is maximum permissible limit and which is not possible to achieve in the peace time operations, nevertheless, the fact remains that the flying tasks fixed by the Air HQs. should not be very low so that it may lead to gross under-utilisation of the Aircraft capacities and scaling down of the flying tasks assigned for the primary role *viz.* Air Maintenance and Training. The Committee recommend that there is an urgent need for comprehensive review of the utilization of aircraft with a view to enhance their capacity utilization and as far as possible brings it closer to the flying tasks fixed by the Government. Further the allocation of the flying task hours for each role needs to be reviewed so as to ensure that the flying tasks invariably correspond closely to the primary role of the aircraft especially in respect of air maintenance and training role of the Unit. The Committee may be furnished about the monitoring aspects of this task and the achievements thereof.

[Sl.No. 5, Para 135 of the Eighty First Report of the Public Accounts Committee
(14th Lok Sabha)]

Action Taken by the Government

1. 'A' Fleet aircraft a versatile platform capable of performing various roles. IAF utilises this aircraft in different roles depending upon area of deployment. Air maintenance or Transport Support Role (TSR) is a task which is specifically carried out in support of Army and Civil agencies requiring to be maintained by air to places not connected by road transport means due to terrain, weather or geography. Similarly, training of aircrew is required at all stages to maintain continuity and proficiency. Thus training is integral to any aircraft fleet type and cannot be considered as primary role.

2. IAF utilises ac 'A' in different roles depending upon area of deployment. These are appended below:—

Areas	Primary Task	Secondary Tasks
Chandigarh	TSR (air maint.)	RTR and all other task as defined above.
Jorhat	TSR (air maint.)	RTR and all other task as defined above.
Agra	Para Bombing RTR	Para Trg. and all other task as defined above.
Sulur	RTR (courier flights to A & NC)	RTR and all other task as defined above.
Yelahanka	<i>Ab-initio</i> training	RTR and all other task as defined above.

3. There are additional tasks that do not fall in any of the above category. These tasks are equally essential for maintaining operational readiness of squadrons. Since this encompasses multifarious tasks, these are clubbed as miscellaneous tasks in flying returns. A few examples of such tasks are:—

- (a) Airframe & Engine Air check (empty ac only due flight safety reasons).
- (b) General Handling for specific system check (empty ac only).
- (c) Positioning flights (empty ac only)/airlift for paramilitary forces/other emergency tasks etc.
- (d) Flood Relief, earthquake relief (positioning and return is empty).
- (e) Ferry in/out to repair/overhaul (empty ac only).
- (f) Radar calibration (empty ac only).
- (g) Categorization test sorties for aircrew (empty ac only).
- (h) Para Training (ac is empty after para drop).
- (i) Airborne exercises (ac is empty after para drop).
- (j) Operational role familiarization and training (empty ac only).
- (k) Trials of new equipment.
- (l) Weather reconnaissance sorties.

4. Thus, it may be noted that 'air maintenance' does not correspond to primary role but is one of the many roles assigned to the aircraft. Continuation training in all units is being done as On the Job Training (OJT) i.e. while carrying out RTR or TSR to the best possible extent. This results in optimum utilisation of ac as training is not carried out in separate sorties resulting in saving to the exchequer.

5. The above brings out that the primary role/task is not the same for the entire 'A' fleet aircraft but depends on the role assigned on the **area of operation**. Therefore, the contention that the ac were diverted from primary role of air maintenance and training are not correct since the ac were actually utilised for primary roles, a term that encompasses multifarious tasks (some of which are listed above). Incidentally, the GoI on a yearly basis does air maintenance tasking for the IAF; thus, loads lifted towards air maintenance are as per GoI authorizations.

6. A well planned procedure to review the utilization of IAF assets already exists. All transport ac operations are reviewed yearly at Air HQs. level. Rate of Effort of all ac is reviewed, which is finally approved by the Government. This approved ROE for all the transport ac ranges from 30-35 hrs per month. Therefore, the task of ac 'A' was reviewed at 360 hrs per Sqn. The allotment of task to the Sqns. is a result of meticulous and systematic planning.

7. The accrual task achieved by a unit is monitored on a monthly basis at Command HQs. It is further reviewed at Air HQs on a quarterly basis. Corrective action on the basis of these reviews are thereafter taken to bring the utilization of ac as close to the flying task fixed by the GoI as is possible in the given circumstances. This is done taking into account the local conditions and roles of individual flying units.

8. All the IAF assets are meant for **use in war**. However, these assets are utilised in the peace time roles based on the roles allotted to the units. The **Government of India** allocation of 66 hrs per aircraft per month takes into account, peace time roles, any emergent requirement that may arise for which flying effort is required and of course, war time requirements. Therefore hours are always kept in reserve for hostilities, natural calamities and unforeseen eventualities when they may be required at short notice. Notwithstanding the above, the utilisation and Rate of Effort (ROE) is examined and fixed on a yearly basis at Air HQs. to try and maintain the peace time allocation of hours for each fleet in the IAF inventory as close to the actual flying effort as possible. Therefore **it is reiterated that yearly review of utilisation** of aircraft flying task in peacetime is methodically calculated based on previous year utilisation and projected requirements for the next year.

9. Ministry of Defence has also issued instructions to IAF *vide* their letter No. PC2(11)/2007/US(RP)/D(Air.IV) dated 23-6-2010 (copy enclosed) to ensure that IAF aircraft are used for their primary role and any diversion for other tasks roles, should only be with the approval of appropriate authority.

"This action taken note has been vetted by the Office of PDA(AF&N) *vide* their letter U.O. No. 81/PA-2/PDA/AFN/06-07 dated 30-6-2010 and approved by Defence Secretary".

[Ministry/Department of Defence O.M.No.2(11)/2007/US(RP)/
D(Air.IV), dated 30th June, 2010]

Comments of the Committee

Please *see* Paragraph Nos. 7&8 of Chapter I

Observation/Recommendation No. 7

137. The Committee is concerned to note that inspite of the non approval of the Government in 1995, Air HQs. had modified six Aircraft 'A' during 2001-03 for VIP use and prior to this, they had also modified two of the aircraft between 1992-99 for the same purpose. What has surprised the Committee is the revelation that not only the modification and utilization of eight aircraft was irregular but also lacked justification owing to the fact that IAF did not have adequate number of serviceable Aircraft 'A' due to which their assigned flying tasks had to be reduced considerably. The Committee are of the opinion that diversion of such large number of aircraft (20 per cent of the total serviceable aircraft with IAF) for VIP use showed an unexpected indifference to its primary role. What was more disturbing to the Committee was the fact that despite the disapproval of modification of aircraft by Government in 1995, the IAF had continued modifying aircraft and altered their role irregularly inspite of having a specialized Communications Squadron consisting of two Boeings, four executive jets, seven Avros and six helicopters for the use by VIPs. Further as per the Government orders in 1981,

these aircraft can be used by VIPs *i.e.* the President and the Prime Minister. Besides, the Other Entitled Personages (OEP) including senior service officers can also use this aircraft if it is essential to do so and if aircraft are available. However, the Committee's examination revealed that during 1999-2004, the Avro fleet Communications Squadron was used only to the extent of 33.9 per cent by the three entitled personages and 46.9 per cent by OEPs. It was thus evident that existing aircraft in the specialized Communications Squadron were underutilized which further diluted the justification for modifying Aircraft 'A' for VIP/OEP use. The Committee strongly feel that if there was unfulfilled demand for aircraft for VIP/OEP use, increase in the holding of the existing Communications Squadron should have been considered instead of designating 'A' for this purpose. Earmarking of aircraft for VIP role outside the Communications Squadron also led to dilution of control on use of service aircraft by VIPs and OEPs. The Ministry have informed the Committee that the modification of the aircraft for VIP role is temporary and it does not change the role of the aircraft for which it has been fixed. It also does not impact the functioning of the IAF as military commanders and senior officers undertake inspection tours necessary for upkeep of operational readiness and morale of the troops. The Ministry also stated that this is the only aircraft capable of operating out of Advanced landing Ground and high altitude airfields and have been employed on communication duties for the entitled military commanders to such areas. The Committee are not satisfied with the reasons given by the Ministry regarding the modification of the aircraft especially in view of overall shortfall in achievement of the flying task fixed by the Government with respect to Aircraft 'A'. Therefore, the Committee would like to know about the circumstances that have compelled the modification of Aircraft inspite of the Government refusal for the same way back in 1995. They would also like the Ministry to furnish the details of the number of flights/sorties undertaken by these modified Aircraft for use by OEPs along with the purpose during 1999-2004. While expressing their serious concern over the unjustified modification of the Aircraft which had led to reduction in the assigned flying task, the Committee expect that the IAF would now wake up to their responsibility and take earnest steps to utilize the aircraft only for the purpose for which they have been procured. They also recommend that in future IAF should desist any move for the diversion of Aircraft 'A' from operational squadron for the use of VIP/OEPs.

[Sl.No. 7, Para 137 of the Eighty First Report of the Public Accounts Committee
(14th Lok Sabha)]

Action Taken by the Government

Army is deployed in forward areas, high altitude mountainous terrain and jungles of North East where very short landing strips are available; ac 'A' is the **only operationally suitable aircraft** to operate from such Advanced Landing Grounds and high altitude areas like Leh and Thoise which are the mounting bases for our soldiers deployed in Op. Meghdoot in the Siachen Glacier. **Morale is a crucial factor when it comes to winning wars and is given due importance.** Military Commanders and Cabinet Ministers

like RM, RRM, have visited troops to review military preparedness, keep the morale of the Services high and maintain *esprit-de-corps*. The VIP aircrafts were de-modified w.e.f. 04 Apr 07 and no ac was further modified for VIP use as a replacement. These flights were also utilized in training and consolidation towards syllabus training and in achieving higher qualification, which otherwise would have entailed flying dedicated training sorties. Sorties to high altitude airfields were used for aircrew flight clearances, besides training. Hence, the flying undertaken cannot be construed as wasteful expenditure.

2. The VIP modification of AC was a temporary roll in/roll out modification. The modification was removed and fitted on requirement basis, for example, servicing or overhauls. The modified aircraft were also utilized for civilian, central and state dignitaries.

3. The Military Commanders are authorized to travel in aircraft for their flying practice, inspection tours within their Commands/Groups and Staff visits to Air HQs. or other Commands/Group HQs. They are authorised to travel, as per para 3-4 of AFI 09 of 83 as already covered in Part I para 61 of eighty first PAC report. All the temporary modified aircraft have been demodified to freighter role. Details of number of flights/ sorties are appended below:—

Year	Number of Hrs.	Reason
1999	87:15	RM
		CAS
		CNS
		COAS
		VCAS
		AOC-IN-C
		GOC-IN-C
		FOC-IN-C
2000	252:30	RM
		CAS
		CNS
		COAS
		VCAS
		AOC-IN-C
		GOC-IN-C
		FOC-IN-C
2001	98:45	RM
		CAS
		CNS
		COAS
		VCAS
		AOC-IN-C
		GOC-IN-C
		FOC-IN-C

Year	Number of Hrs.	Reason
2002	205:30	RM CAS CNS COAS VCAS AOC-IN-C GOC-IN-C FOC-IN-C CINCAN
2003	448:00	RM CAS CNS COAS VCAS AOC-IN-C GOC-IN-C FOC-IN-C CINCAN
2004	487:20	RM CAS CNS COAS VCAS AOC-IN-C GOC-IN-C FOC-IN-C CINCAN
2005	372:00	RM CAS CNS COAS VCAS AOC-IN-C GOC-IN-C FOC-IN-C CINCAN
2006	321:15	RM CAS CNS COAS VCAS

Year	Number of Hrs.	Reason
		AOC-IN-C GOC-IN-C FOC-IN-C CINCAN

"This action taken note has been vetted by the Office of PDA (AF&N) *vide* their letter U.O. No. 81/PA-2/PDA/AFN/06-07 dated 30.6.2010 and approved by Defence Secretary."

[Ministry/Department of Defence O.M. No. 2(11)/2007/US(RP)/
D(Air.IV), dated 30th June, 2010]

Comments of the Committee

Please *see* Paragraph No. 14 of Chapter I

Observation/Recommendation No. 8

138. The Committee are amazed to note that the modified aircraft were not used by any of the three entitled VIPs but they were predominantly utilized by Other Entitled Persons (OEPs) such as senior officers of the Services, AFWA/AWWA Presidents and their accompanying staff. What is surprising to the Committee is the fact that even though AFWA/AWWA Presidents are not covered under the category of OEPs, they were included in this particular category. Expenditure on use of these aircraft by OEPs amounted to Rs. 75 crore since their modification. Further, after modification, the payload and the passenger carrying capacity of the modified aircraft was significantly reduced to 1800 kgs. and 19 persons respectively. The Audit review revealed that the use of a modified aircraft during one year showed that it carried an average of three passengers and 2 kgs. payload per sortie as against the passenger carrying capacity of 40-50 persons and load carrying capacity of 6700 kgs. of the aircraft. The Ministry have informed the Committee that no unauthorized personnel have been allowed to use these aircraft. Commanders and senior officers undertake tours and inspections necessary for upkeep of operational readiness and morale of the troops. Military commanders along with their spouse are authorised to travel in service aircraft on inspection tours to areas under their jurisdictions as per provisions of Para 3 to 7 of AFI 9/83 which is duly approved by Ministry of Defence. However, the reply of the Ministry is conspicuously silent with regard to travel of AFWA/AWWA Presidents who are not entitled to travel by the modified Aircraft. While expressing their apprehension over the reported misuse of modified Aircraft by the non-entitled personnel such as AFWA/AWWA President, the Committee recommend that the Ministry should thoroughly investigate into the matter including gross under-utilization of the aircraft in terms of persons carried and payload and submit a report to them specifying the steps taken to prevent such misuse in future within 3 months from the presentation of the Report to the Parliament. The Committee would like to be informed about the amount spent on carrying the non-entitled passengers by Aircraft 'A' during

the last 10 years. The Committee further recommend that Ministry should examine the feasibility of formulating detailed guidelines specifying the rank of the officers who shall be eligible for travelling in the Aircraft and the purpose for which the travel is undertaken with a view to prevent misuse of the Aircraft.

[Sl. No. 8, Para 138 of the Eighty First Report of the Public Accounts Committee
(14th Lok Sabha)]

Action taken by the Government

1. The military man by nature does not complain despite severe constraints. There are family problems due to prolonged separation, shortage of housing, marital discords and long working hours, which need to be addressed through close interaction amongst families. While the Local Presidents of the Wives Welfare Organisations (wives of Commanding Officers) attend to the routine problems and counsel the wives of service personnel, the wives of Service Chiefs also visit Stations and interact with ladies to get a first hand account and feel of the environment in a Station. The visits of wives of Service Chiefs provide them an opportunity to appreciate and find remedial measures to tide over problems faced by the families. These are important activities to keep the morale of the Services high and maintain esprit-de-corps. Morale is a crucial factor when it comes to winning wars and is given due importance. Also, visits by President AFWA and AWWA help them gauge whether the true objectives of these welfare organizations are being met in the best possible manner.

2. The above rationale and reasoning has been recognized and accepted by the Govt. of India for many decades and is manifest in Min. of Finance (Def.) UO No. 84/S/ Bud./AF of 1983 Case No. 7(13)/80/1707/D(Air II) (copy annexed), *vide* which the wives of Service Chiefs and AOC-in-C/GOC-in-C are permitted to travel with their spouses in connection with visits to their Welfare Organizations of which they are Presidents.

3. No special aircraft has ever been provided to the wives of Service Chiefs or AOC-in-C/GOC-in-C; they only accompanied their spouses when they (the Service Chiefs) travelled on their tour of duty. This is authorized by Government of India.

4. The detailed guidelines on transport operation already exist and are given in IAP-3314, Manual of Air Transportation which lays down do's and don'ts (as also entitlements) regarding utilisation of all transportation assets of Indian Air Force.

"The action taken note has been vetted by the Office of PDA(AF&N) *vide* their letter U.O. No. 81/PA-2/PDA/AFN/06-07 dated 30.06.2010 and approved by Defence Secretary."

[Ministry/Department of Defence O.M. No. 2(11)/2007/US(RP)/
D(Air.IV), dated 30th June, 2010]

Comments of the Committee

Please *see* Paragraph No. 17 of Chapter I

CHAPTER V

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

-NIL-

NEW DELHI;
15 November, 2011
24 Kartika, 1933 (Saka)

DR. MURLI MANOHAR JOSHI
Chairman,
Public Accounts Committee.

APPENDIX I

MINUTES OF THE SIXTH SITTING OF THE PUBLIC ACCOUNTS COMMITTEE (2011-12) HELD ON 23RD SEPTEMBER, 2011

The Public Accounts Committee sat on Friday, the 23rd September, 2011 from 1130 hrs. to 1330 hrs. in Room No. '53', Parliament House, New Delhi.

PRESIDENT

Dr. Murli Manohar Joshi — *Chairman*

MEMBERS

Lok Sabha

2. Shri Anandrao Vithoba Adsul
3. Shri Anant Kumar Hegde
4. Shri Bhartruhari Mahtab
5. Shri Shripad Yesso Naik
6. Shri Sanjay Nirupam
7. Shri Jagdambika Pal
8. Shri Adhi Sankar
9. Kunwar Rewati Raman Singh
10. Shri K. Sudhakaran
11. Dr. Girija Vyas

Rajya Sabha

12. Shri Tariq Anwar
13. Shri Prasanta Chatterjee
14. Shri Naresh Gujral
15. Shri Prakash Javadekar
16. Prof. Saif-ud-Din Soz

SECRETARIAT

- | | | |
|--------------------------|---|----------------------------|
| 1. Shri Devender Singh | — | <i>Joint Secretary</i> |
| 2. Shri Abhijit Kumar | — | <i>Director</i> |
| 3. Shri M.K. Madhusudhan | — | <i>Additional Director</i> |
| 4. Shri Sanjeev Sharma | — | <i>Deputy Secretary</i> |
| 5. Shri D.R. Mohanty | — | <i>Deputy Secretary</i> |
| 6. Smt. A. Jyothirmayi | — | <i>Deputy Secretary</i> |

Representatives of the office of the Comptroller and Auditor General of India

1. Shri K.P. Sasidharan — *Director General (AB)*
2. Ms. Subha Kumar — *Director General (Report Central)*
3. Shri A.M. Bajaj — *Principal Director (ESM)*
4. Shri C.M. Sane — *Principal Director (AFN)*
5. Ms. Divya Malhotra — *Principal Director (Railway Audit Board)*

2. ****
3. ****

4. The Committee, thereafter, took up the following Draft Reports, one by one, for consideration and adoption:

- (i) ****
- (ii) ****
- (iii) ****
- (iv) Draft Report on Action Taken by the Government on the Observations/ Recommendations of the Committee contained in their Eighty-first Report (Fourteenth Lok Sabha) on '**Operation and Maintenance of an Aircraft Fleet in the Indian Air Force**'.
- (v) ****
- (vi) ****
- (vii) ****
- (viii) ****

5. After some discussion, the Committee adopted all but one Draft Report mentioned at Sl. No. (vii) above, with some modification/suggestions.

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6. ****

7. The Committee authorized the Chairman to finalise the adopted Draft Reports in light of the factual verifications, if any, made by the Audit and present them to the House on a date convenient to him.

The Committee then, adjourned.

APPENDIX II

(Vide para 5 of Introduction)

ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE OBSERVATIONS/RECOMMENDATIONS OF THE PUBLIC ACCOUNTS COMMITTEE CONTAINED IN THEIR EIGHTY-FIRST REPORT (FOURTEENTH LOK SABHA)

- (i) Total No. of Observations/Recommendations — 14
- (ii) Observations/Recommendations of the
Committee which have been accepted by the
Government: — *Total: 14*
Percentage-71.4
- Para Nos. 131-133, 136, 139-143
and 144*
- (iii) Observations/Recommendations which the
Committee do not desire to pursue in view of
the replies received from the Government: — *Total: 1*
Percentage-7.14
- Para No. 134*
- (iv) Observations/Recommendations in respect of
which replies of Government have not been
accepted by the Committee and which require
reiteration: — *Total: 3*
Percentage-21.42
- Para Nos. 135, 137 and 138*
- (v) Observations/Recommendations in respect of
which Government have furnished interim
replies: — *Total: Nil*
Percentage-0

-Nil-